# GRAND PACIFIC PETROCHEMICAL CORPORATION

## Investor Conference

114.06.24

# Agenda

| | | |
|---|---|---|
| 1 | Company Profile | Director Hsiu(tsan Lo |
| 2 | Industry Overview and Prospect | Director Hsiu(tsan Lo |
| 3 | Financial Reports | Director Mei(yiu Shen |
| 4 | Q&A | Management Team |

# Disclaimer

The forward(looking statements contained in this presentation are subject to risks and uncertainties and actual results may differ materially from those expressed or implied in these forward(looking statements.

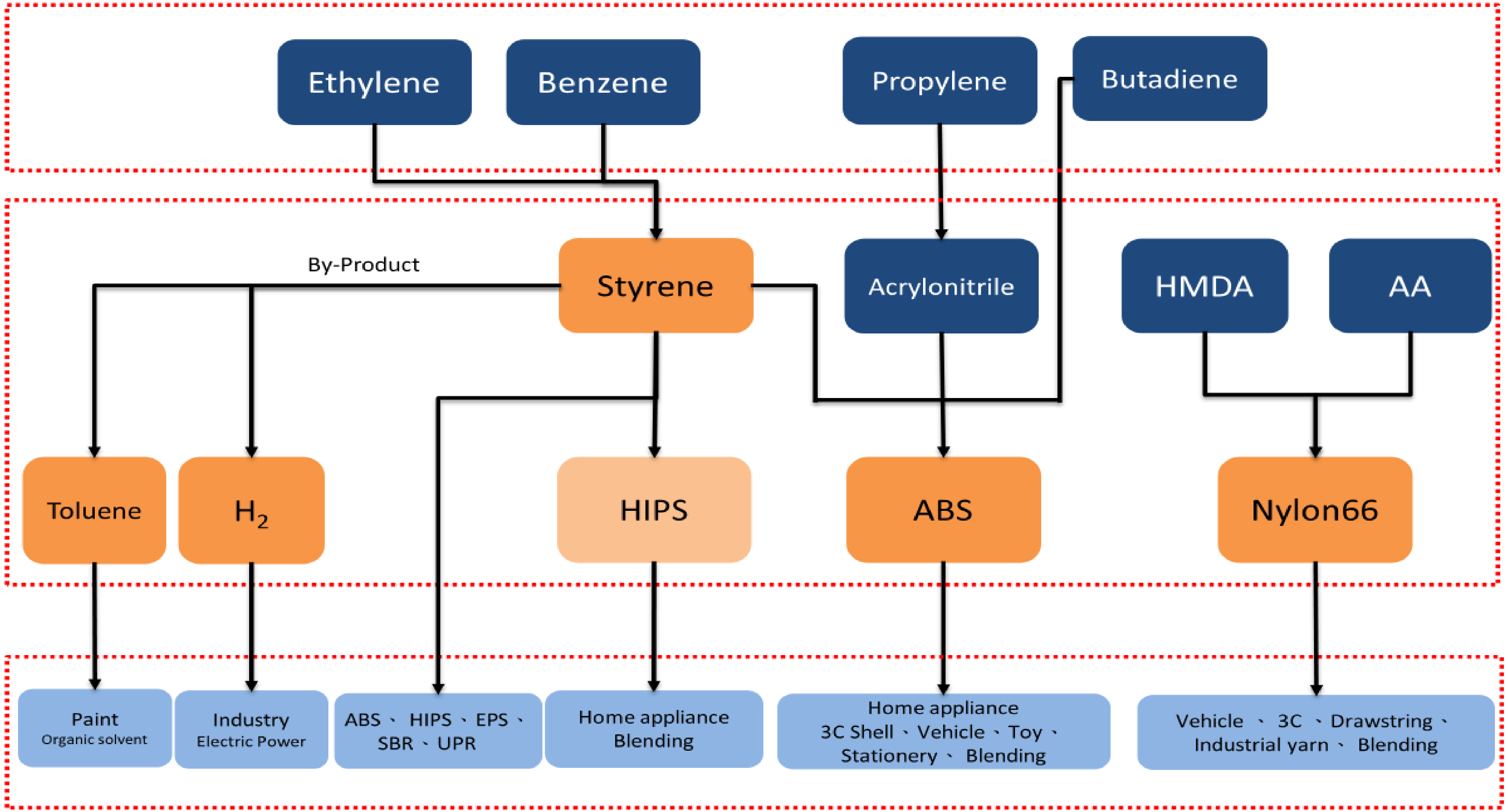
Grand Pacific Petrochemical Corporation makes no representation or warranty as to the accuracy or completeness of these forward(looking statements and nor does Grand Pacific Petrochemical Corporation undertake any obligation to update any forward(looking statements, whether as a result of new information or future events.

# 1. Company Profile

| | |
|---|---|
| Established | 1973 |
| Capital | NT 11.27 billion |
| Employee of GPPC | 361 (2025Q1) |

# 2. Industry Overview and Prospect

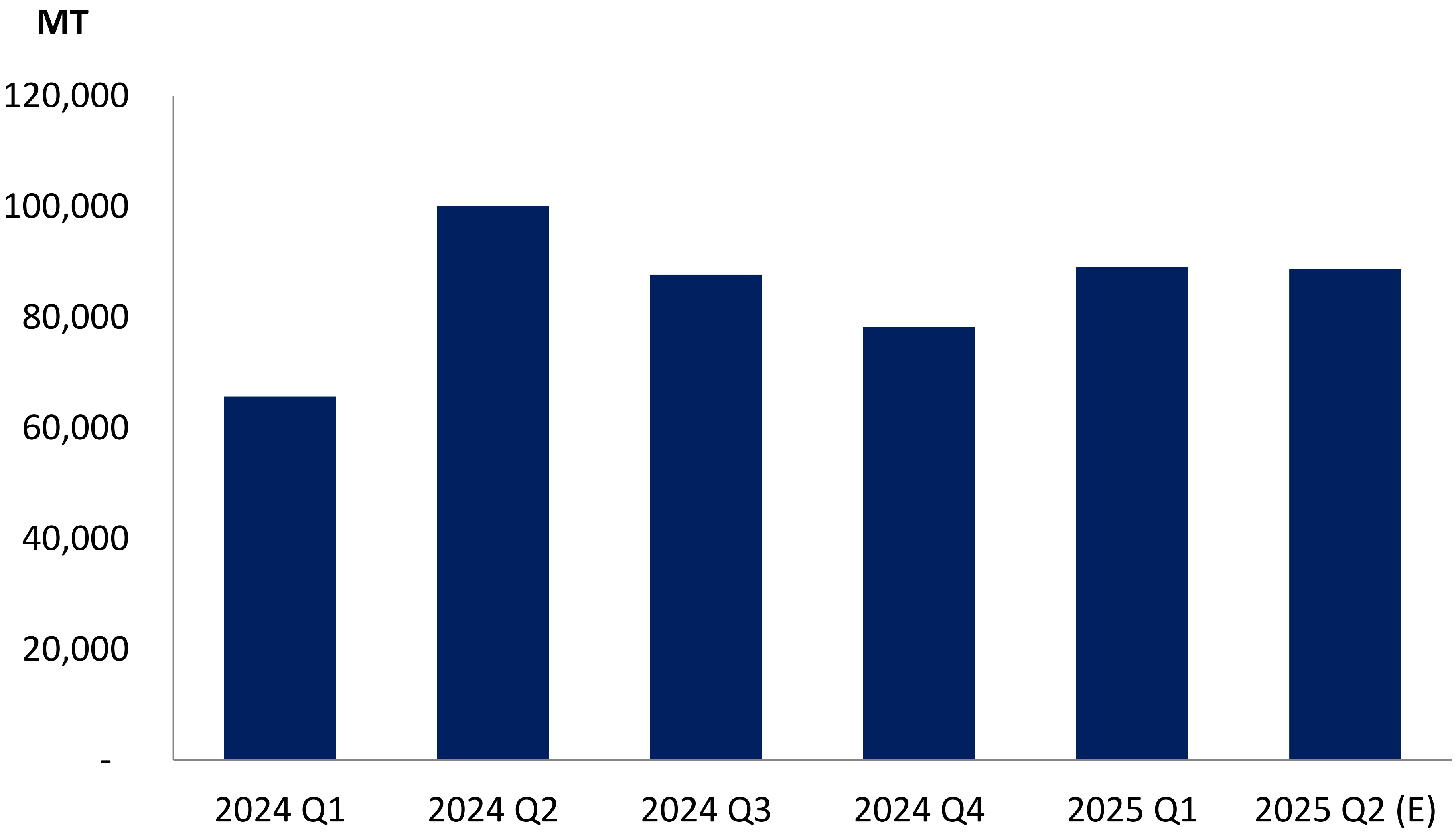
## Upstream feedstocks and downstream applications



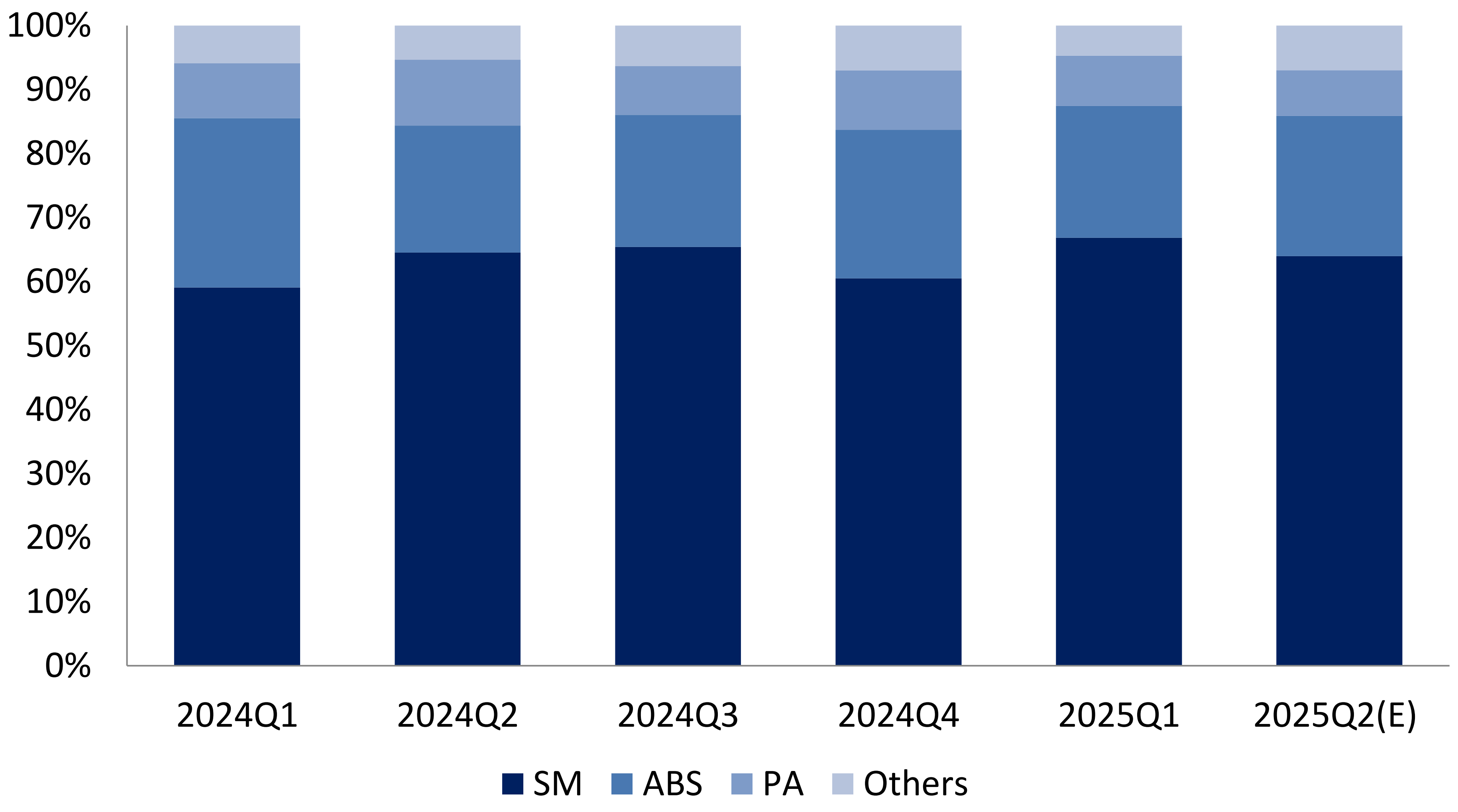
# Most frequently mentioned impacts on industries

- President Trump's imposition of reciprocal tariffs on various countries has deepened concerns about an economic recession; Uncertainty, will be the biggest risk to the global economy.
- China(US trade war has escalated, geopolitical conflicts have continued, and global supply chains and trade flows have been forced to reorganize and change.
- The high US Treasury bond yields and concerns about economic downturn have weakened the US dollar; The rapid appreciation of the Taiwan dollar will be a big challenge to Taiwan's export(oriented industries.
- China’s continued expansion of production capacity has led to an imbalance in market supply and demand and declining in capacity utilization, prompting the reorganization and active transformation of the industry.
- The trend of net zero carbon emissions under the circular economy, Taiwan's carbon taxing policy starting next year will greatly increase industrial costs.
- How to introduce AI into your own production and sales plans and cost control in industrial upgrading will be a major focus of future.

# GPPC sales volume(SM+ABS+PA66 )



# Product revenue share



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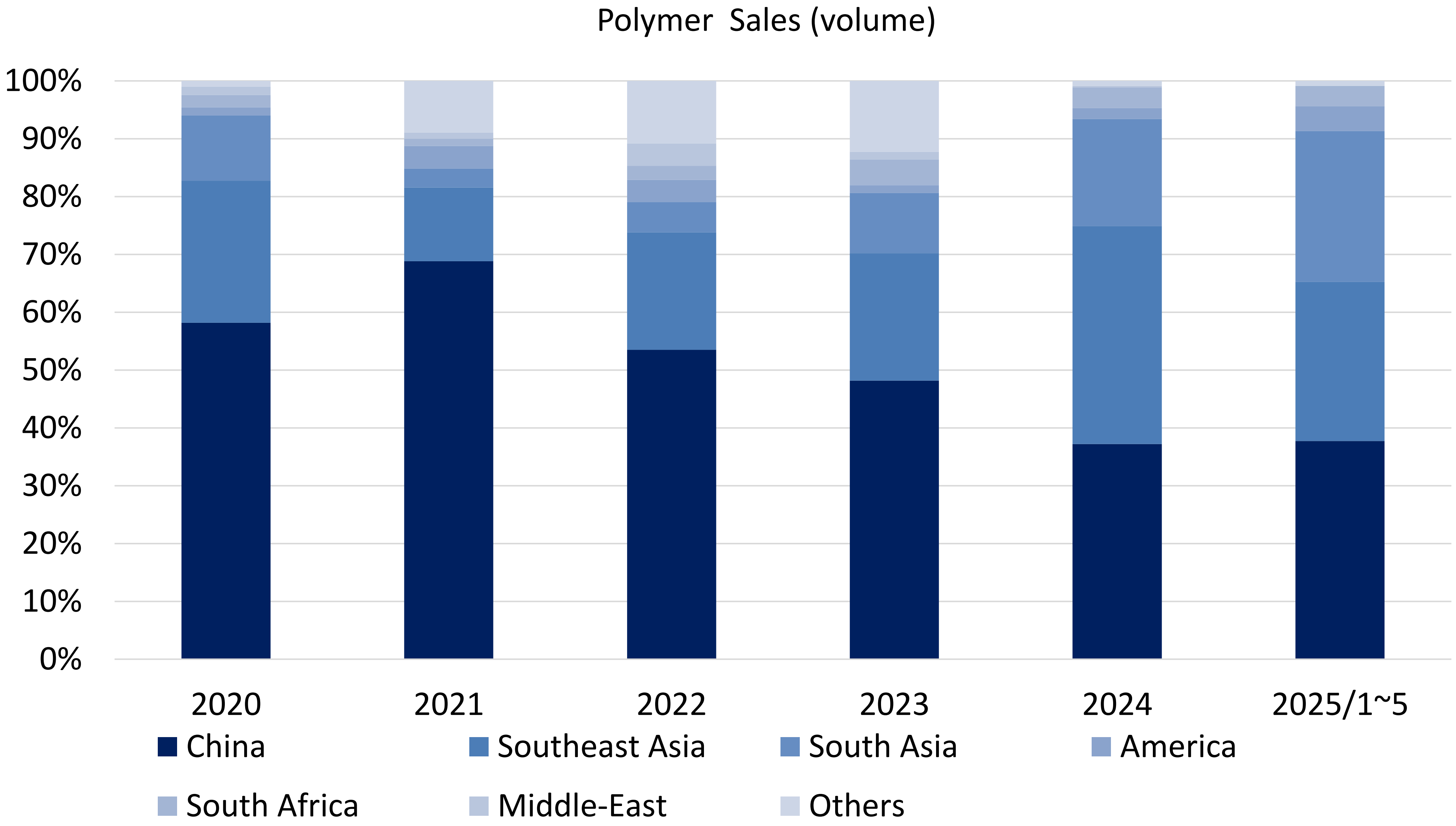
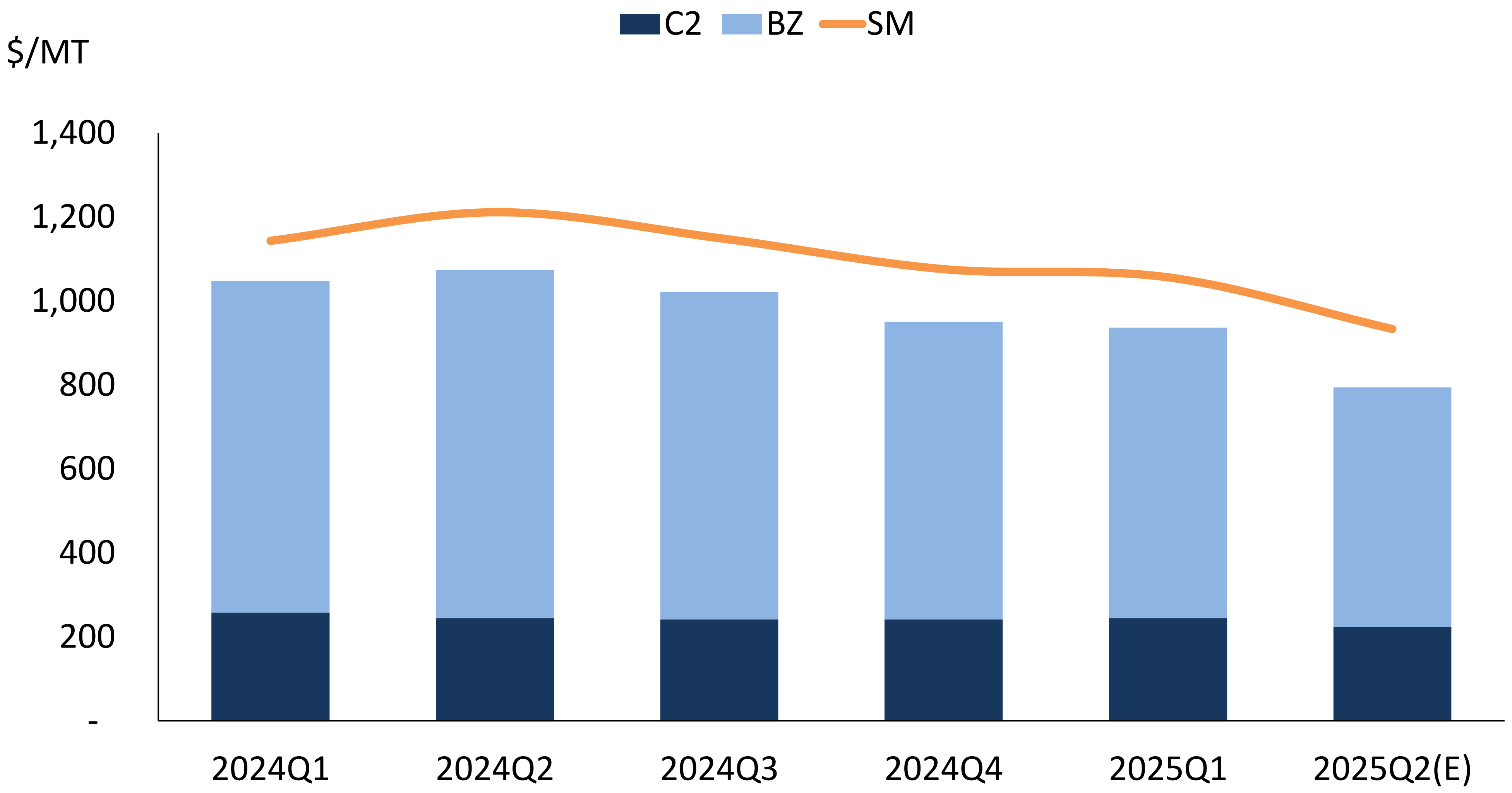
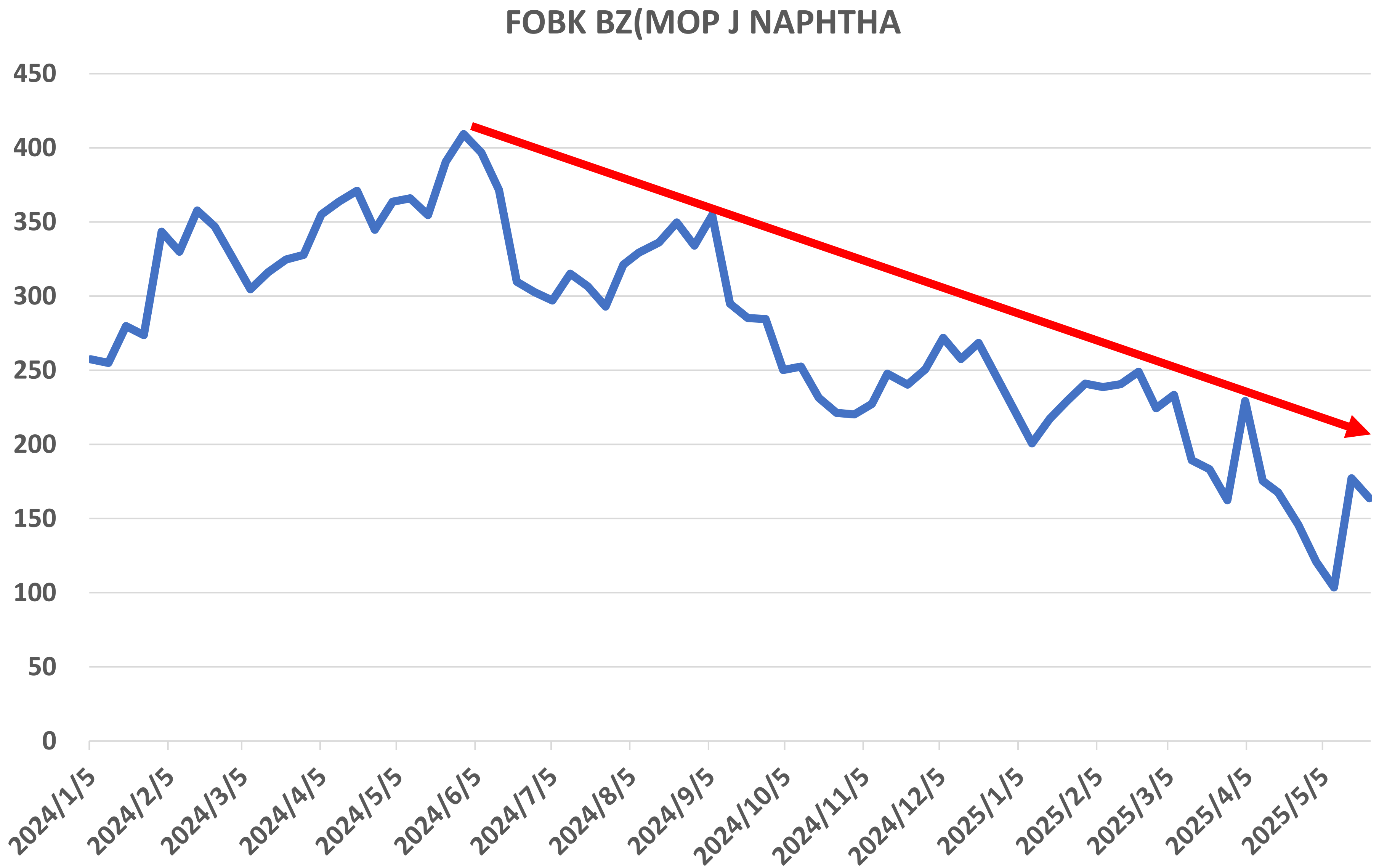
# Market diversify & developing



# Asian price trend ( styrene



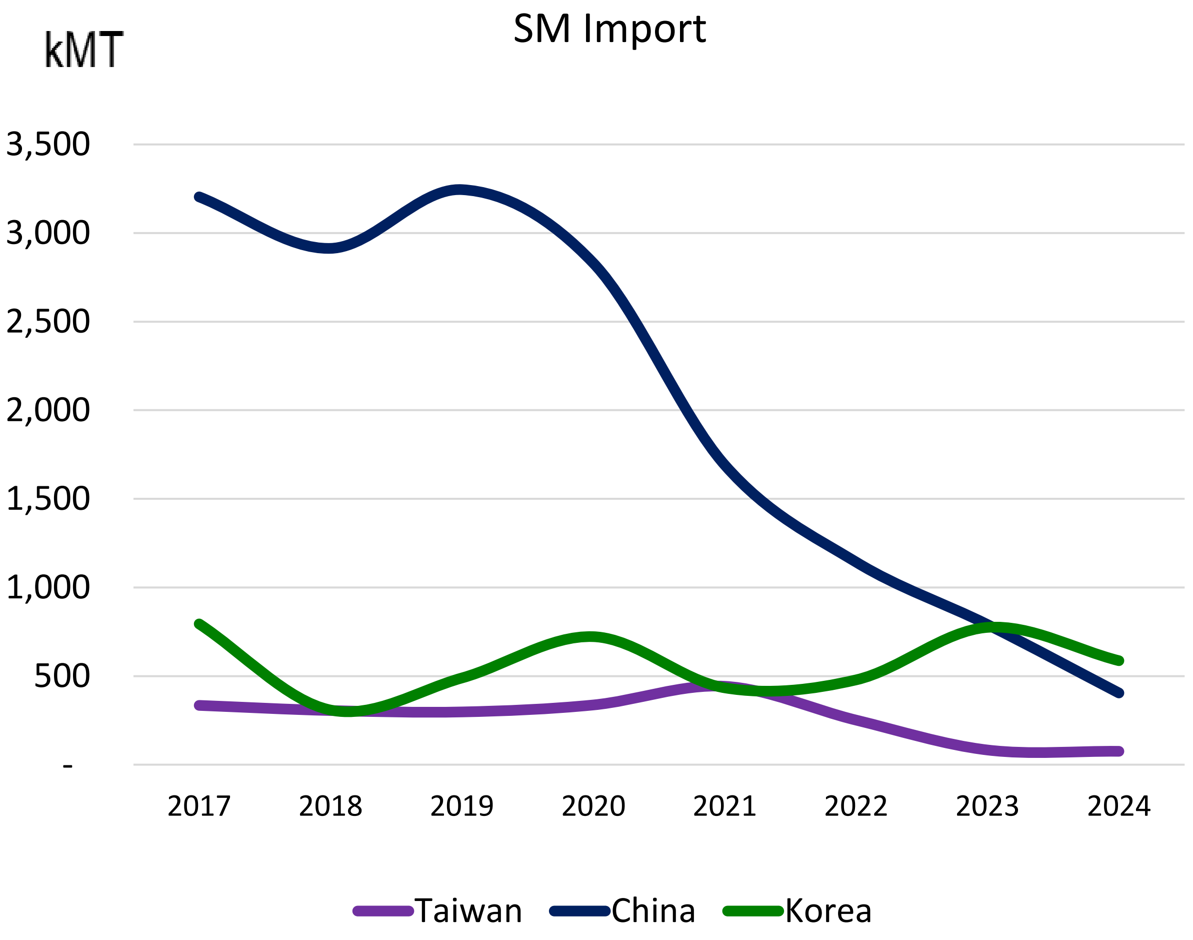
# Asian BZ Turning Weak?

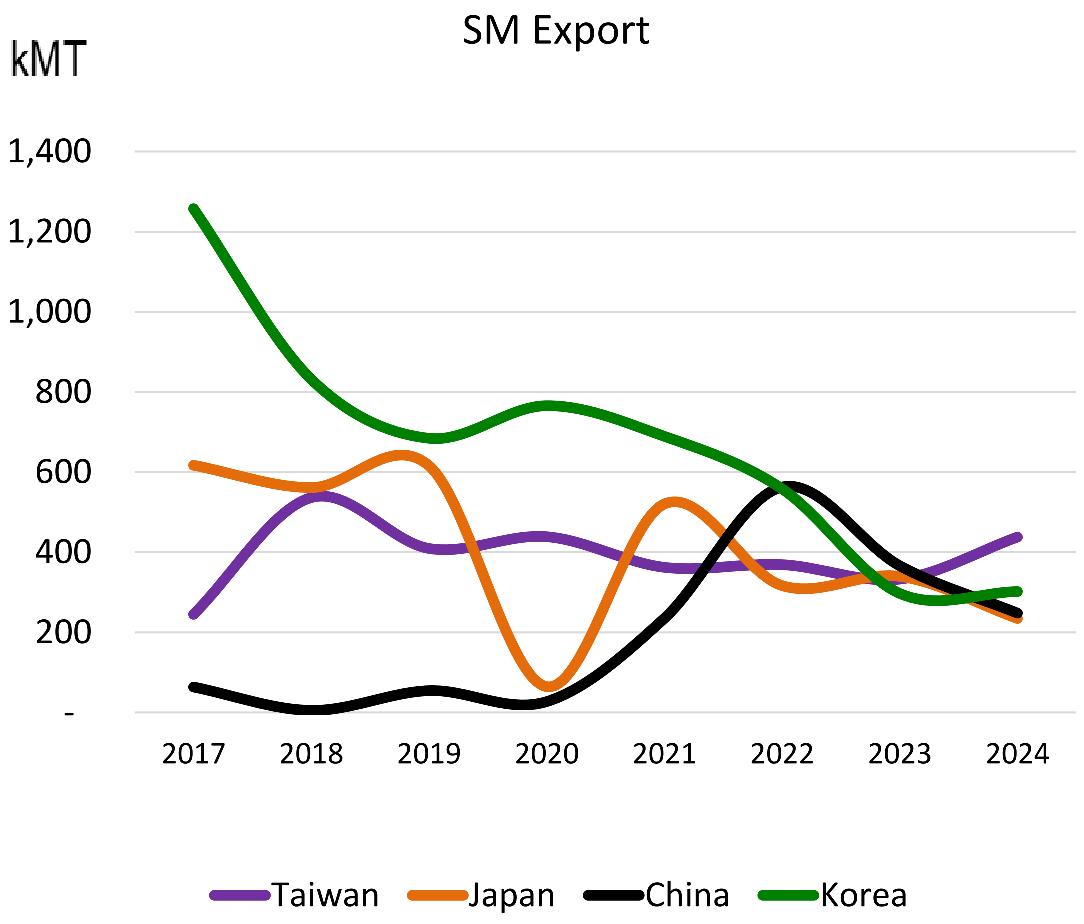


# China’s SM expansion

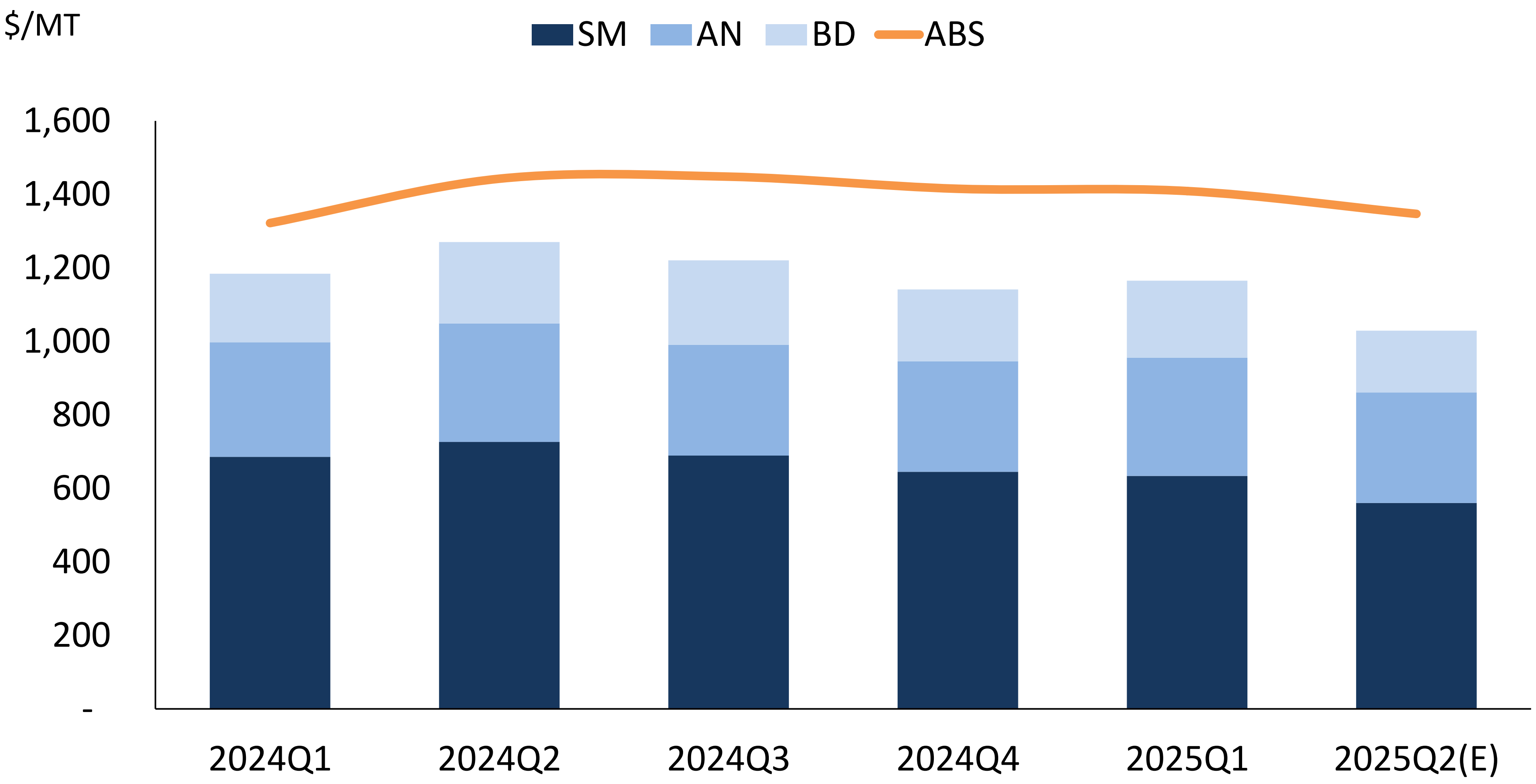
| Producer | Location | Capacity | Start(up time | | Process |
|---|---|---|---|---|---|
| Shenghong Group(盛虹) | Lianyungang, Jiangsu | 450 | Oct | 2024 | POSM |
| Shandong Yulong(山東裕龍石化) | Yantai, Shandong | 500 | Dec | 2024 | |
| | 小計 | 950 | | | |
| Shandong Jingbo 京博石化(中泰化學) | Binzhou, Shandong | 600 | H1 | 2025 | |
| Fujian Haiquan(福建海泉) | Zhangzhou, Fujian | 450 | H2 | 2025 | POSM |
| Petrochina Guangxi (中石油廣西石化) | Qinzhou, Guangxi | 600 | H2 | 2025 | POSM |
| Jilin Petroleum Co; (吉林石化) | Jilin City, Jilin | 600 | | 2025/2026 | |
| CITC Guoan(中信國安) | Domin, Shandong | 200 | | 2019 Finished | POSM |
| Sinopec Luoyang Company(中化洛陽) | Luoyang, Henan | 120 | | 2021 Finished | |
| | 小計 | 2,570 | | | |

# NEA SM import/export

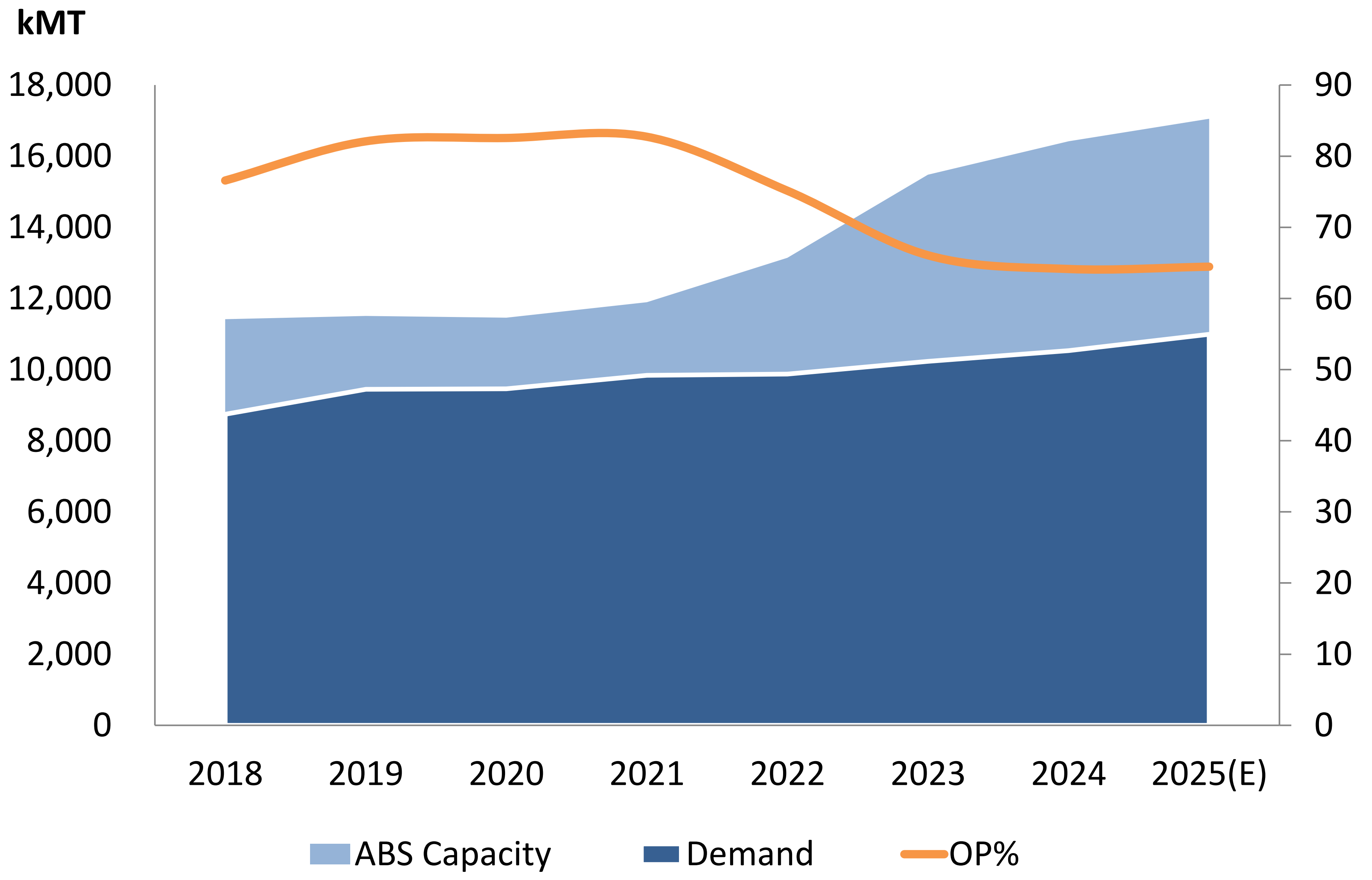


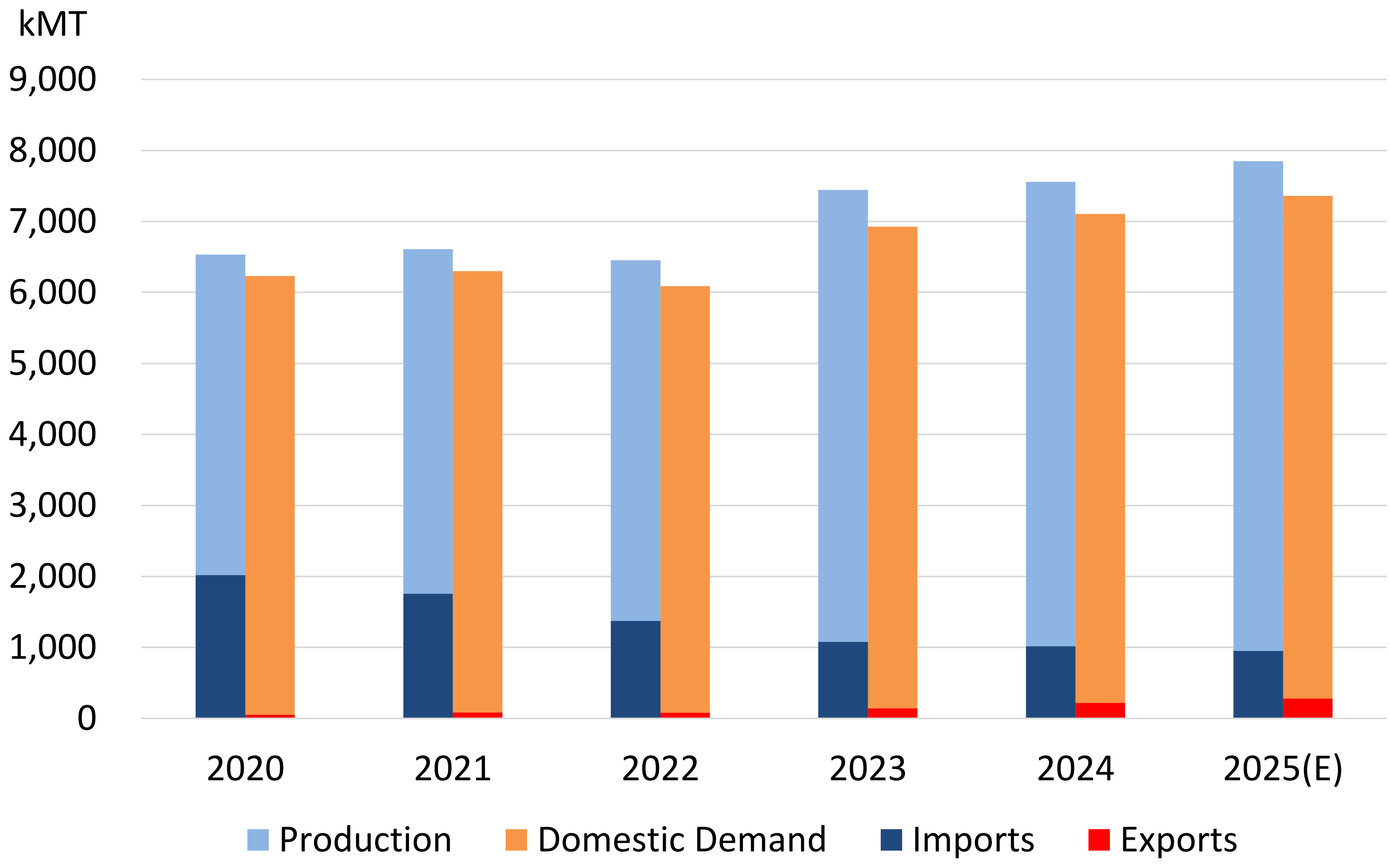
# Asian price trend ( ABS



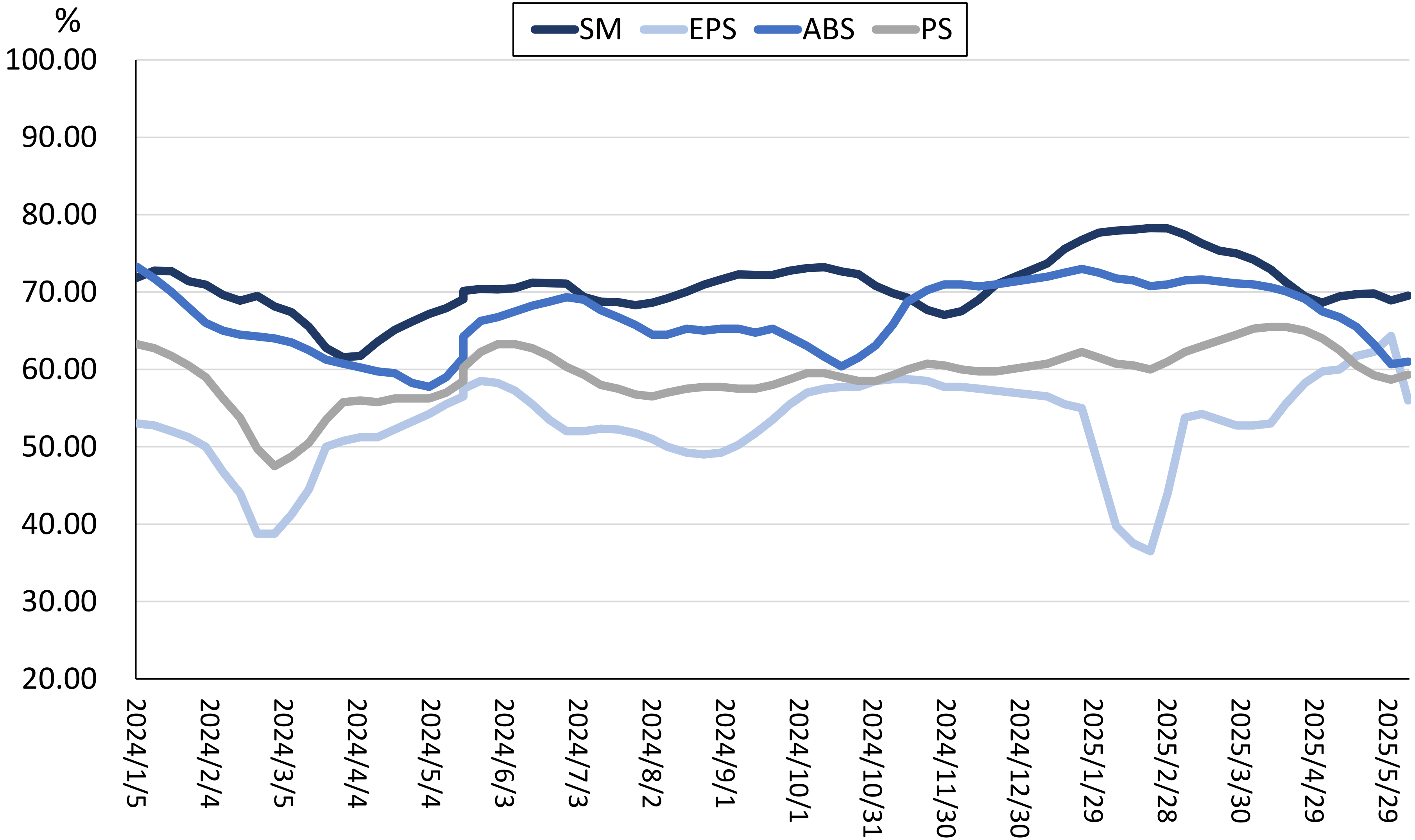
# Global ABS supply & demand



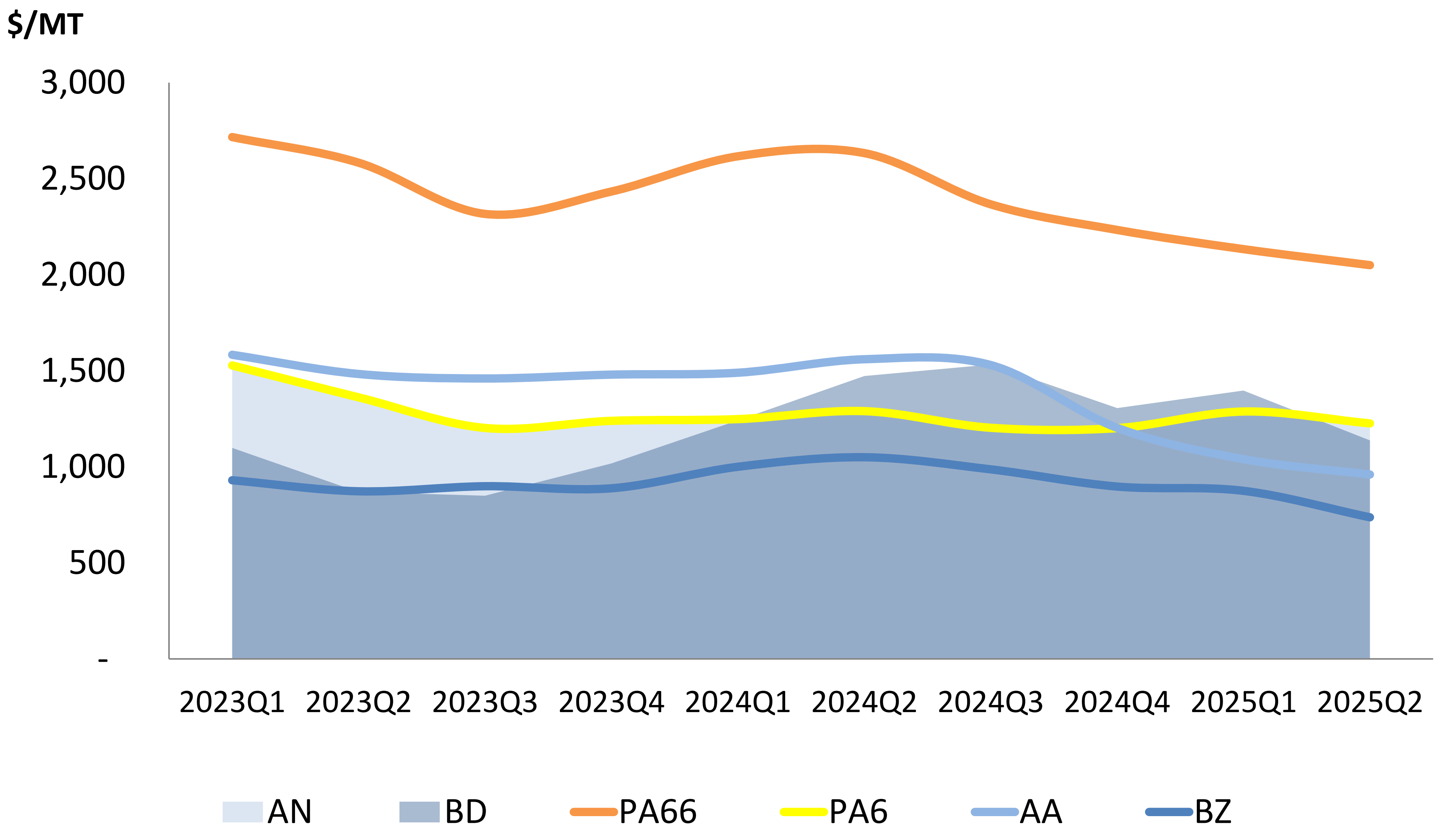
# China ABS balance



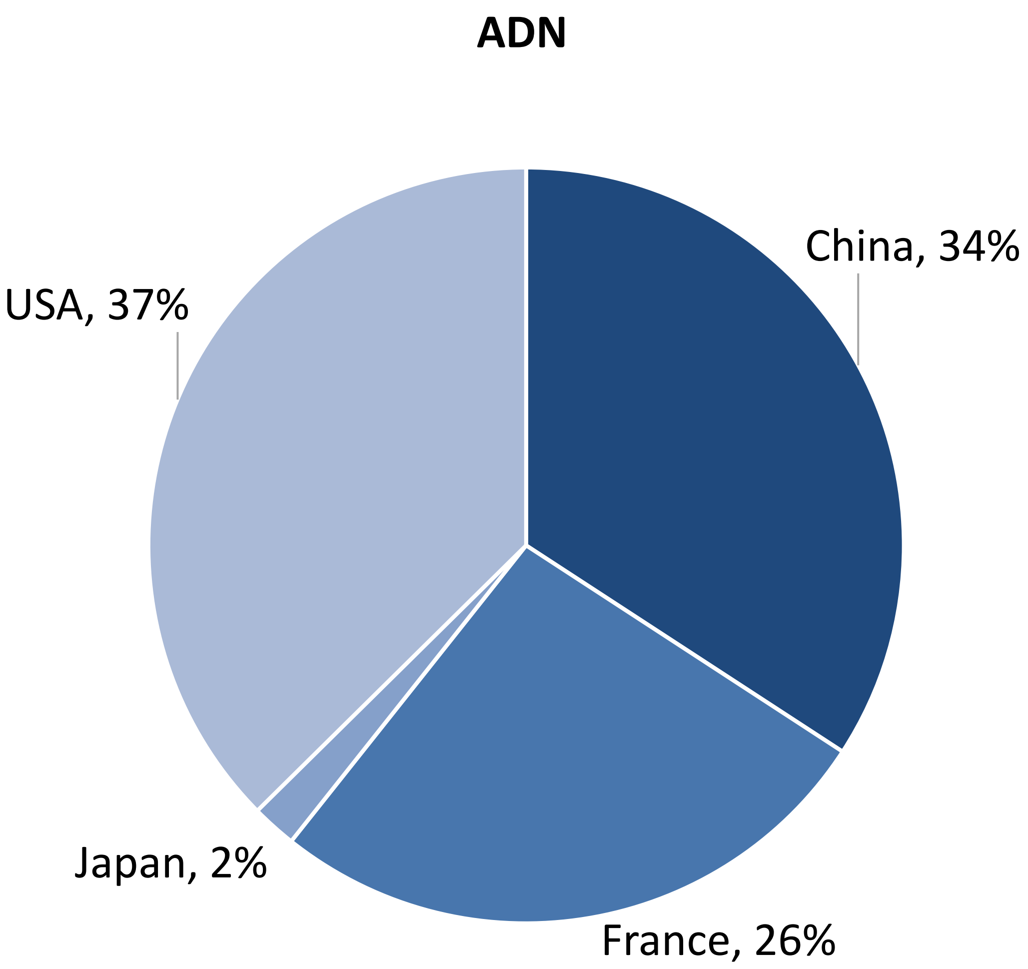
# Operation rates of Styrenics in China

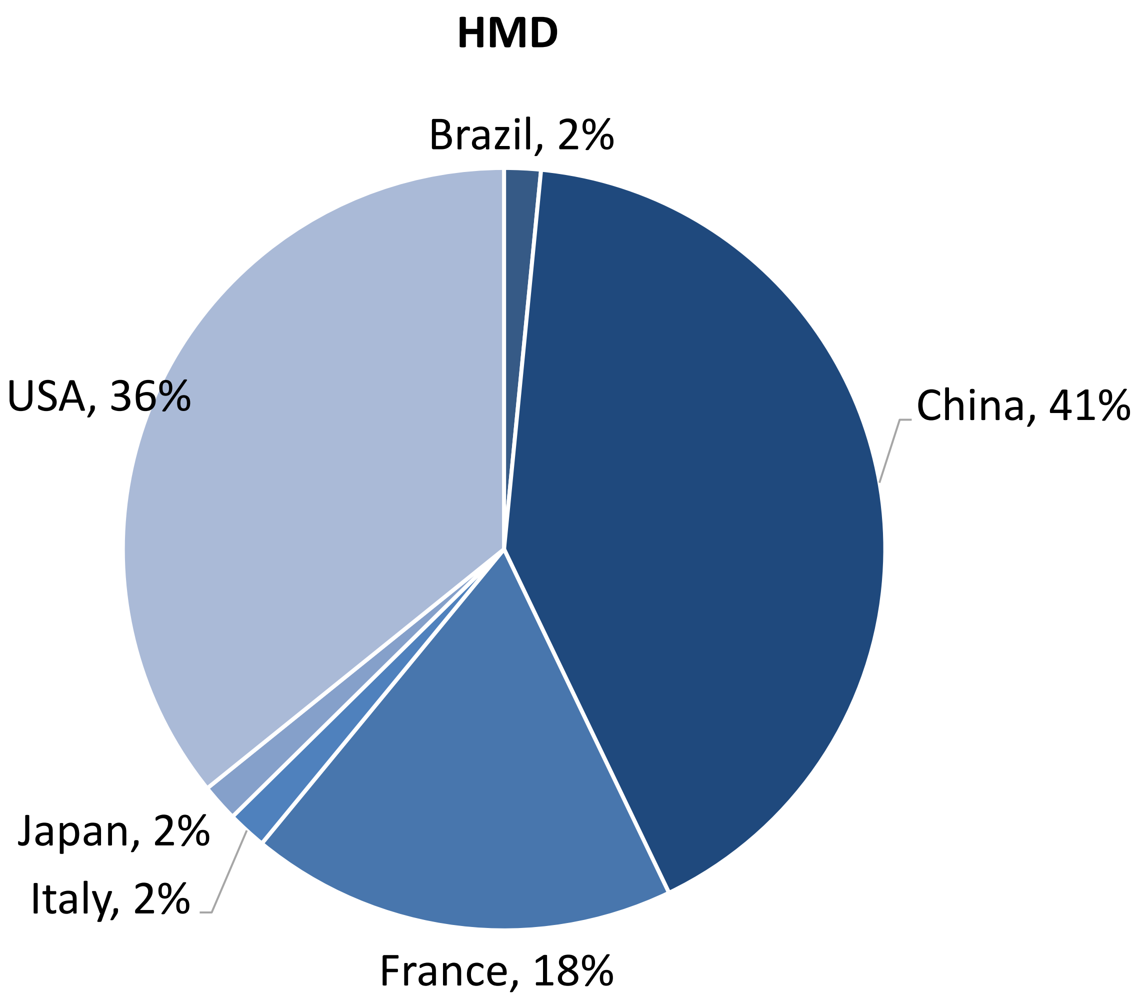


# Asian PA66 VS different raw material

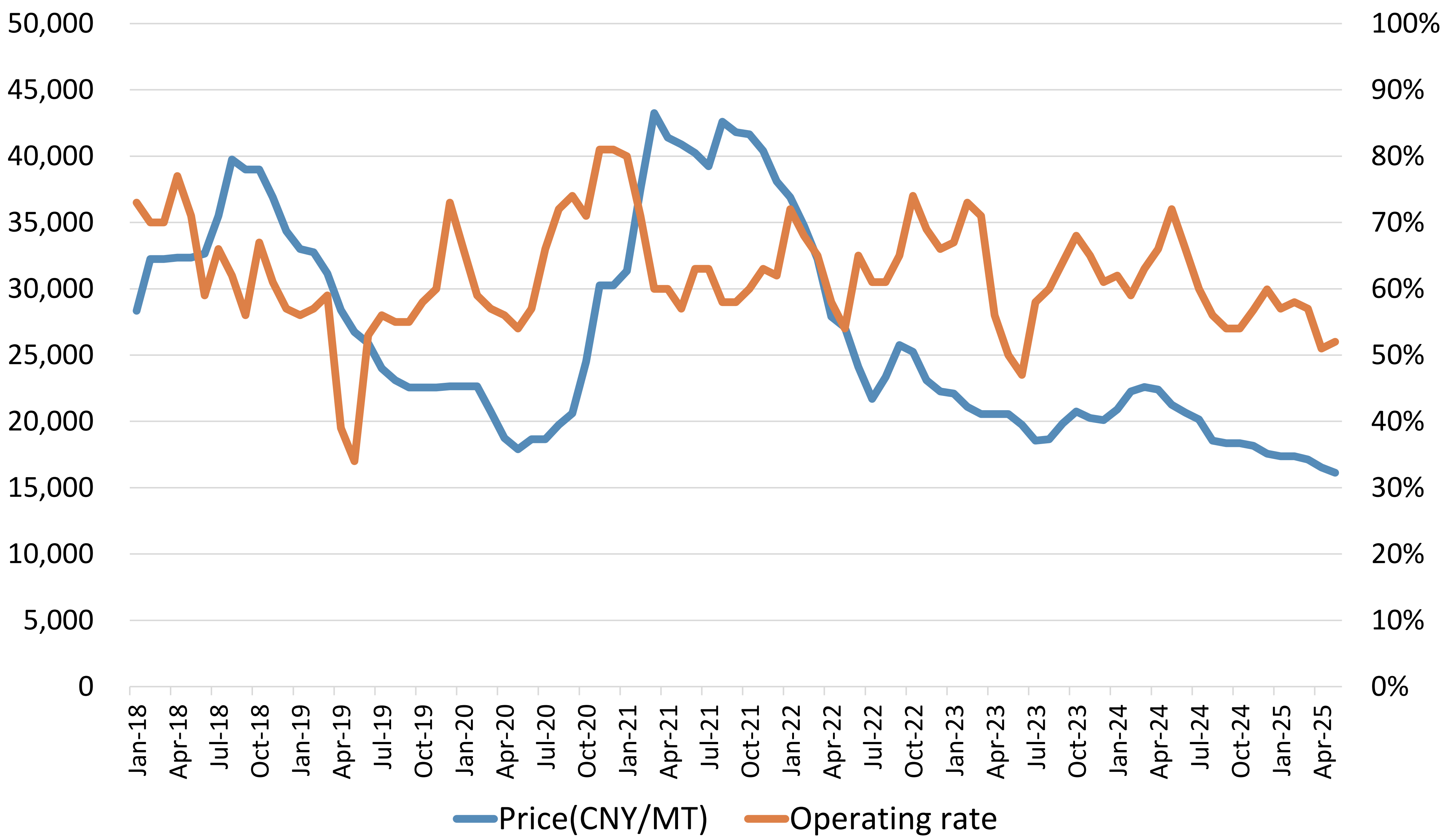


# Global ADN/HMD capacity share



# China PA66 price & operation rate



# 3. Financial results

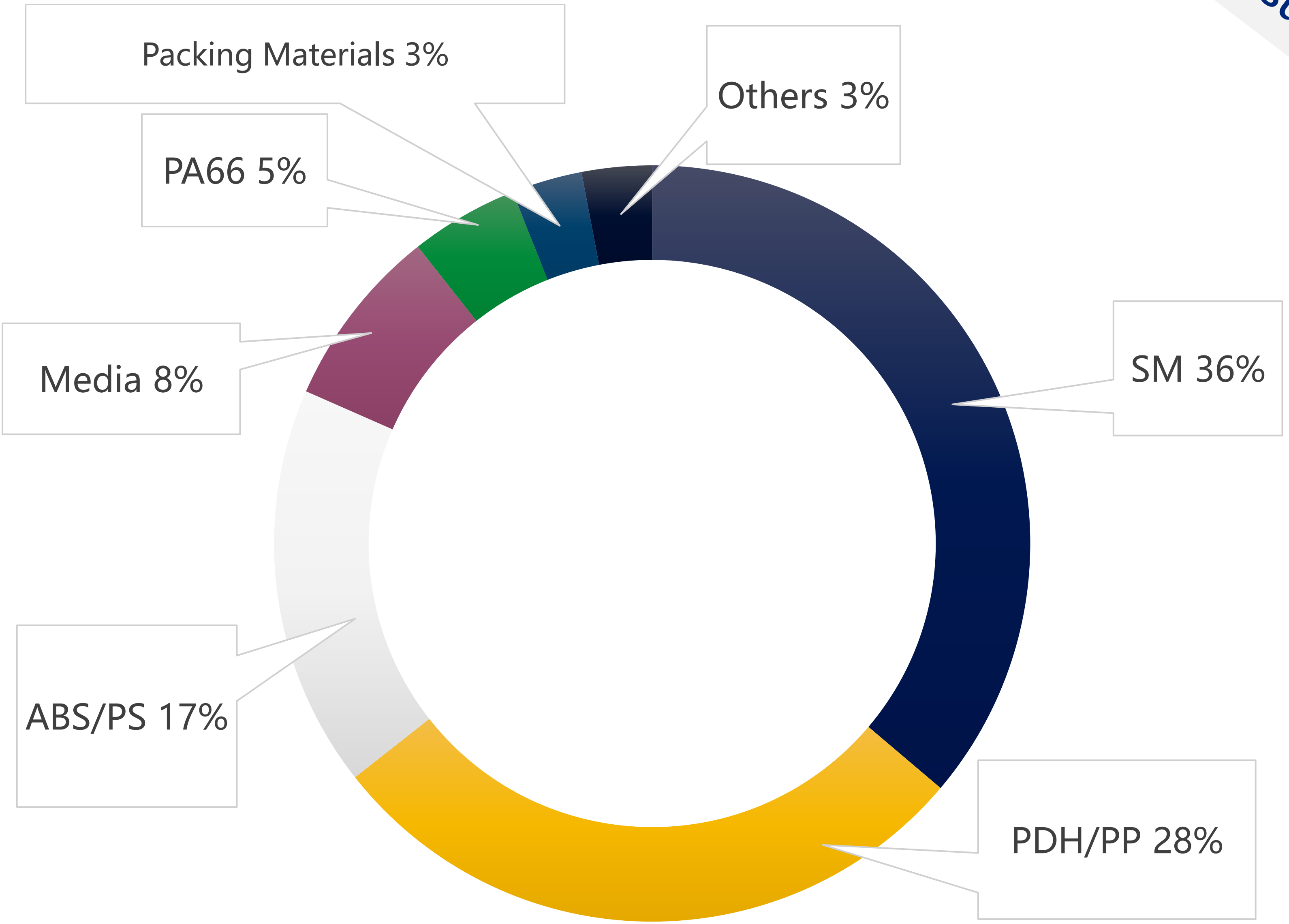
# Consolidated Statements of Income



(NT$ M)

| Item | 2021 | 2022 | 2023 | 2024 | 2024Q1 | 2025Q1 |
|---|---|---|---|---|---|---|
| Net Revenue | 22,547 | 18,176 | 15,719 | 16,418 | 3,255 | 5,699 |
| Cost of Revenue | 17,904 | 17,305 | 15,271 | 15,908 | 3,076 | 5,830 |
| Gross Profit | 4,643 | 871 | 448 | 510 | 179 | (131) |
| gross profit ratio | 21% | 5% | 3% | 3% | 5% | (2%) |
| Operating Expenses | 1,730 | 1,658 | 1,540 | 2,183 | 404 | 592 |
| Income from Operations | 2,913 | (787) | (1,092) | (1,673) | (225) | (723) |
| operating income ratio | 13% | (4%) | (7%) | (10%) | (7%) | (13%) |
| Non-operating Income and Expenses | 4,444 | 771 | (663) | (387) | (348) | (34) |
| Income Before Income Tax | 7,357 | (16) | (1,755) | (2,060) | (573) | (757) |
| Income Tax Expenses(Revenue) | 1,281 | 438 | (298) | (355) | (94) | (41) |
| Net Income | 6,076 | (454) | (1,457) | (1,705) | (479) | (716) |
| net income ratio | 27% | (2%) | (9%) | (10%) | (15%) | (13%) |
| Net Income Attributable to : | | | | | | |
| **-Shareholders of the Parent** | 5,881 | (494) | (1,438) | (1,560) | (484) | (678) |
| -Noncontrolling Interests | 195 | 40 | (19) | (145) | 5 | (38) |
| Earnings per Share (NT$) | 6.47 | (0.56) | (1.59) | (1.42) | (0.44) | (0.61) |

# ◆Revenue structure(2025Q1)



# Financial Analysis

| | 2021 | 2022 | 2023 | 2024 | 2025Q1 |
|---|---|---|---|---|---|
| Debt ratio (%) | 19.80 | 40.19 | 41.07 | 42.62 | 45.73 |
| Current ratio (%) | 342.53 | 367.65 | 187.03 | 174.97 | 160.25 |
| Quick ratio (%) | 283.31 | 289.17 | 133.22 | 100.28 | 98.69 |
| A/R turnover (times) | 8.98 | 8.39 | 8.85 | 9.34 | 11.90 |
| A /R turnover (days) | 40 | 43 | 41 | 39 | 30 |
| Inventory turnover (times) | 10.22 | 8.84 | 8.28 | 6.62 | 8.53 |
| Days sales outstanding | 35 | 41 | 44 | 55 | 42 |
| Return on equity (%) | 17.28 | -1.21 | -4.01 | -4.66 | -1.95 |

# THANK YOU

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# 4.Q&A