

2025  
5/20



Investor Conference





# Disclaimer

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The information in this presentation is not for investment advices.



# Presentation Outline

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**General Information of USI  
Business Review and Outlook**

02

**Financial Information**

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**Q & A**

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Q & A

**USI**

**Reported By: Mark Wu**

**(Vice President of Sales & Marketing Dept.)**



## **General Information of USI**

**Established Date**

May 26, 1965

**Capital**

NT\$ 11.9 Billions

**No. of Employees**

425 (2025.5.12)

**Revenue**

**Consolidated** 2024 Q1 12.024 Billions 2025 Q1 12.147 Billions

# High Pressure LDPE/EVA Plant

## Production Facility

- 4 sets of High-Pressure Autoclave Production Lines

## Annual Capacity

- LDPE/EVA Total at 150KMT

## Production

2024 Q1  
28,209MT

2025 Q1  
31,919MT

# Low Pressure HDPE/LLDPE Plant

## Production Facility

- 1 set of Gas Phase Production Line

## Annual Capacity

- HDPE/LLDPE Total at 130KMT

## Production

2024 Q1  
11,454 MT

2025 Q1  
22,637 MT

**USI**

**Reported By: Mark Wu**

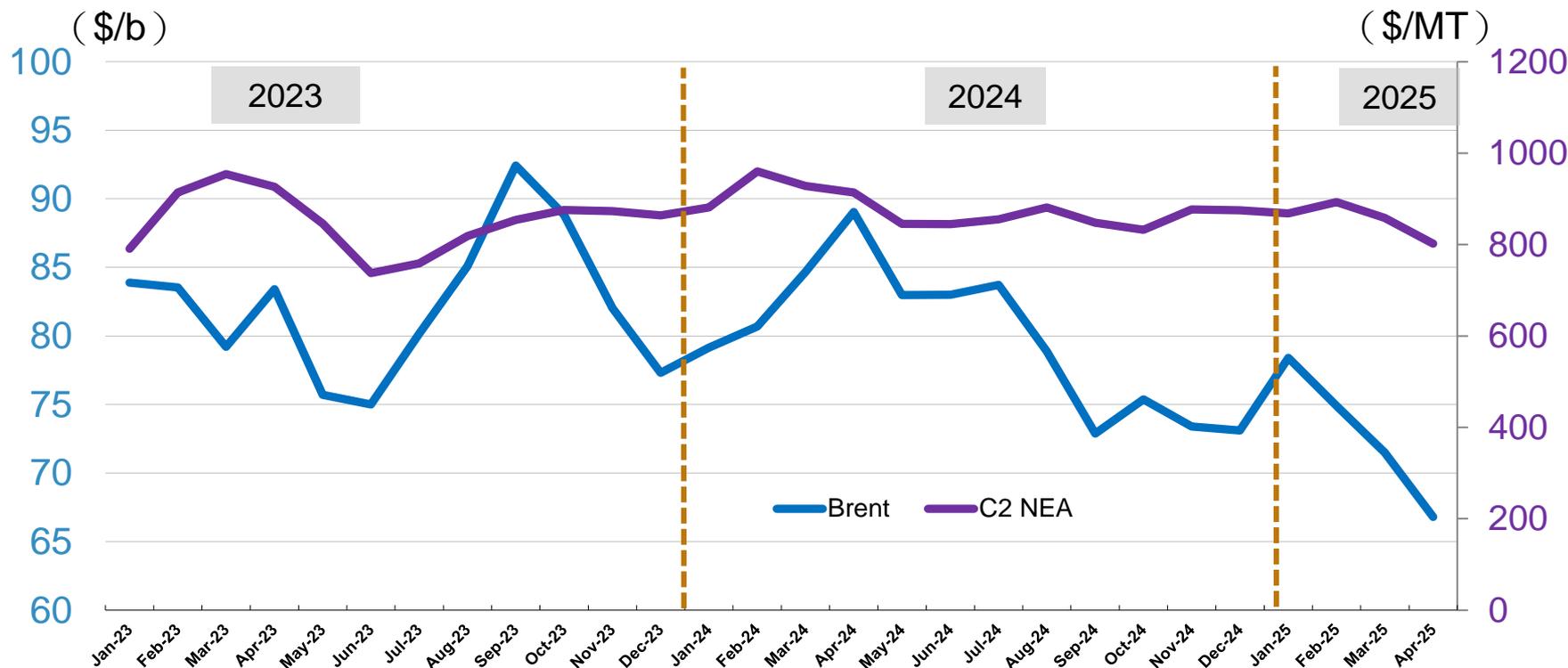
**(Vice President of Sales & Marketing Dept.)**



# **Business Review and Outlook**

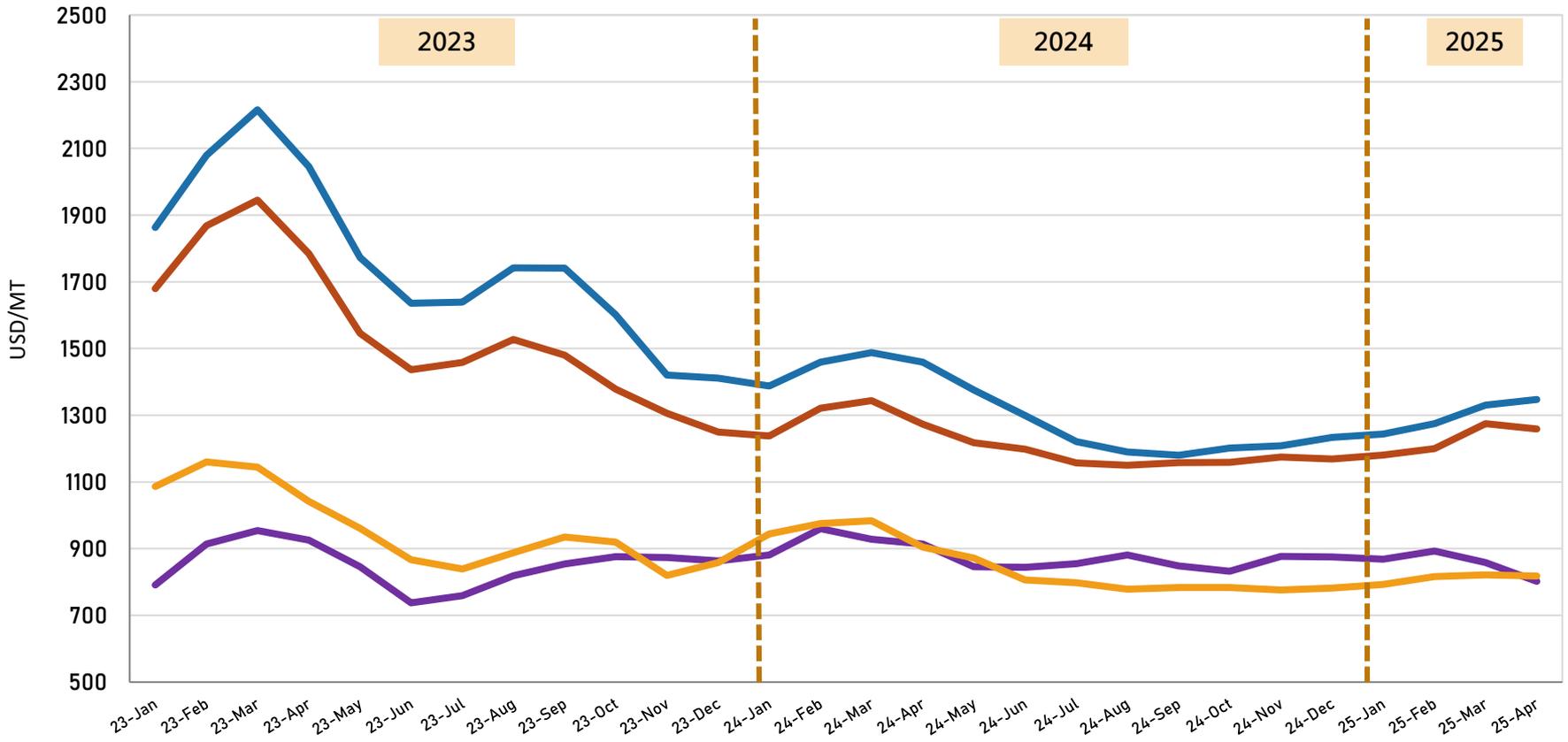
# Crude Oil / Ethylene Monomer Review

- **Crude oil:** Trade tensions continued to escalate, raising concerns about global economic growth. OPEC+ expected to increase production in April and May. After reaching a peak in mid-January, crude oil prices gradually declined.
- **Ethylene:** Spot prices were strong in January and February. Prices fell in early March as oil prices fell and South Korean plants resumed operations.

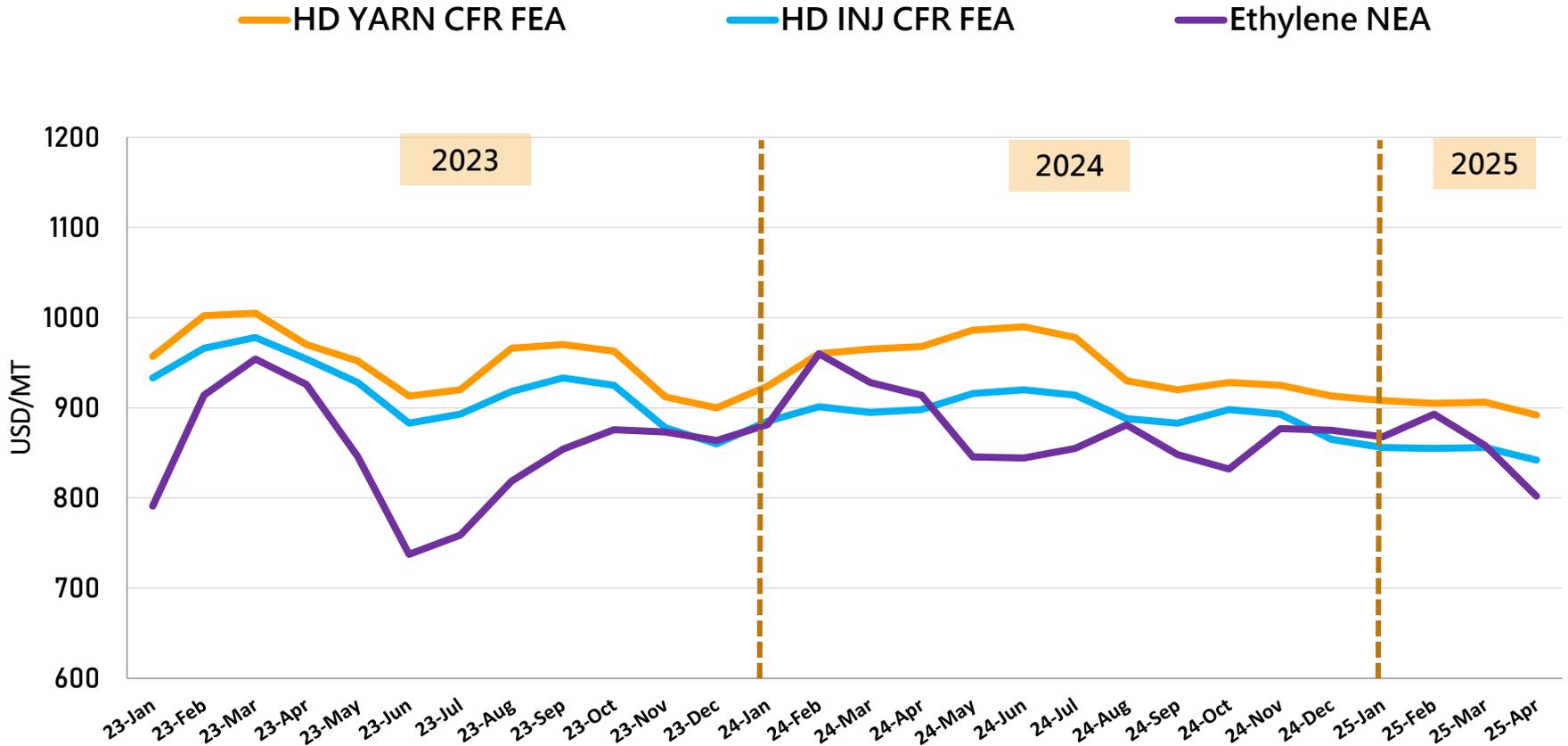


# PE Market Review

- EVA 14%~20% CFR CMP
- EVA 22%~30% CFR NEA
- Ethylene CFR NEA
- VAM

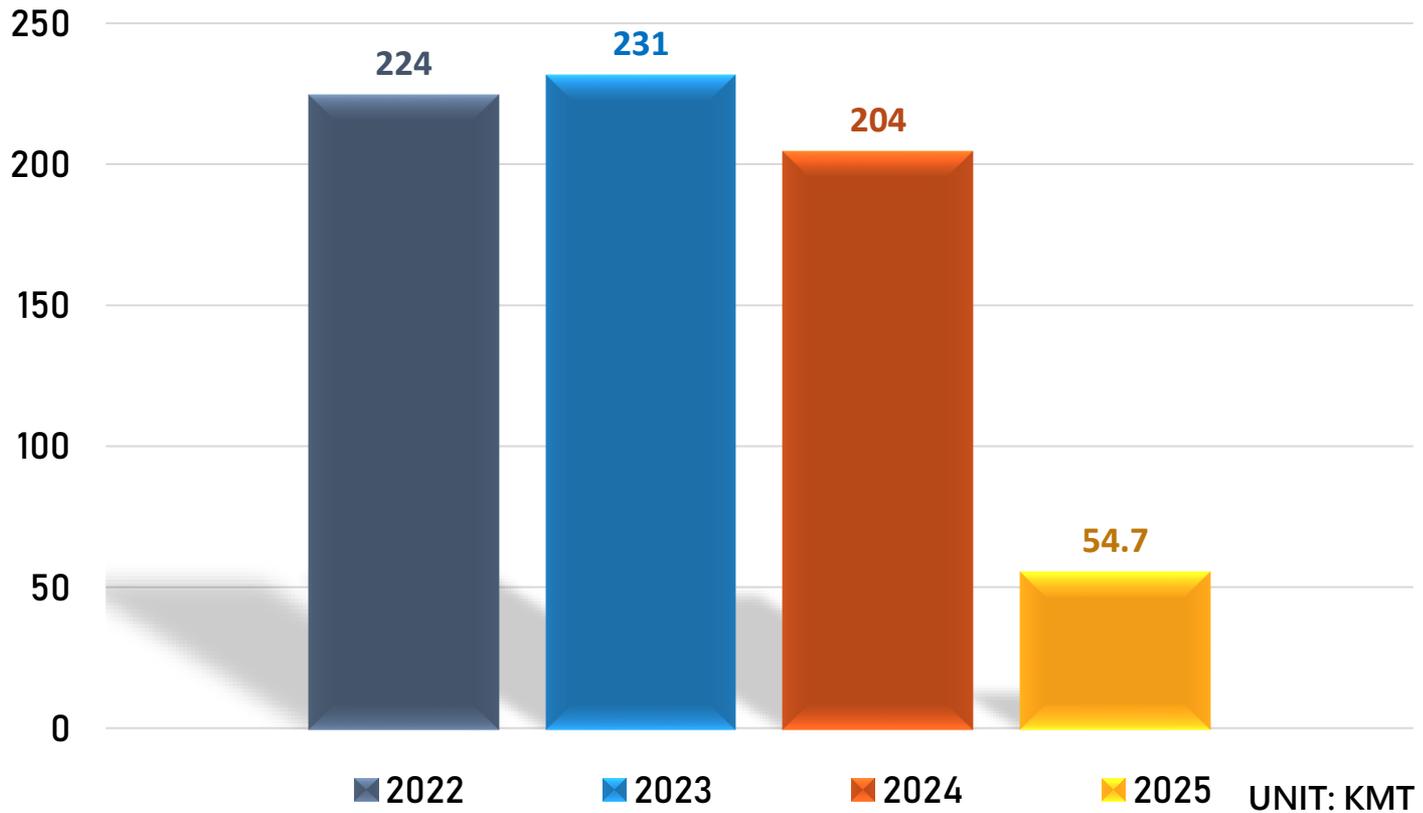


# PE Market Review



Source from: ICIS

# Business Review of 2022 to 2025



# Sales Comparison Q1 2024 and 2025

	Q1 2024	Q1 2025	Difference
Total Quantity	52.5	54.7	+2.2

UNIT: KMT

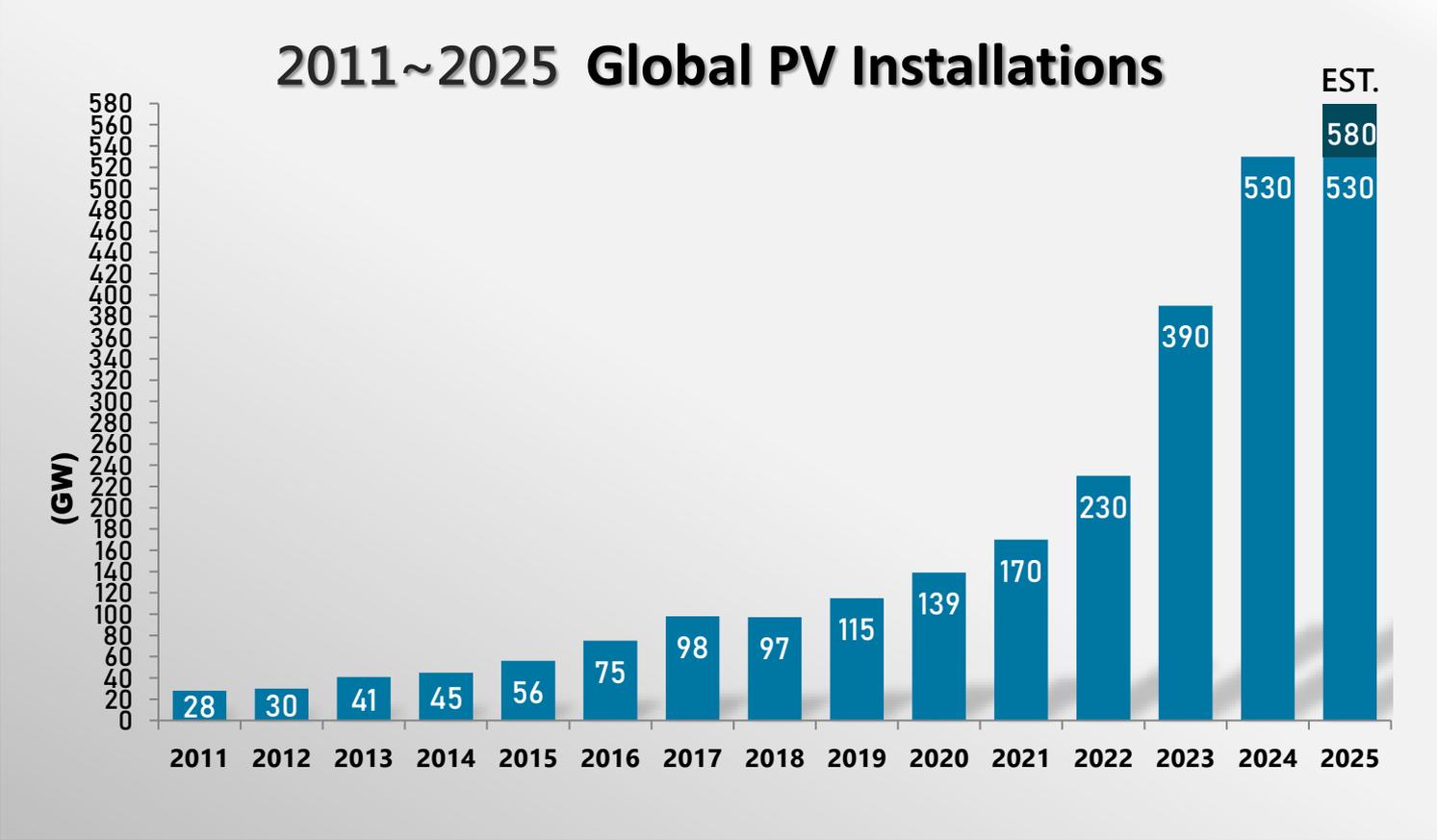
# EVA Operation Review: Q1 2025

- In Q1 2025, the EVA market basically continued the rebound trend from the end of last year. Gross profit margin improved significantly compared to Q4 of the previous year. Except for necessary maintenance, production lines operated at full capacity, and sales were smooth.
- The US and India imposed anti-dumping measures on photovoltaic panel modules from China. In response, Chinese EVA film manufacturers have accelerated their overseas expansion, while Indian PV companies have risen rapidly. Sales volume of PV grade EVA saw a significant rebound in Q1.
- Due to the impact of reciprocal tariffs imposed by the US, demand from high-end footwear brands and specialty cable manufacturers had been hit, with customer demand dropping sharply starting in late March.
- Sales distribution: Foam grades accounted for **25.7%**, HMA grades accounted for **25.2%**, and PV grade accounted for **49.1%**.

# LDPE/HDPE/LLDPE Operation Review: Q1 2025

- The domestic sales market was the main focus, with the Mainland accounting for a small proportion of the export market and being less affected by the US reciprocal tariffs.
- HDPE/LLDPE: The decline in ethylene was greater than which in PE. The gross profit margin in Q1 was better than that in Q4 last year. Major export customers had turned back to purchasing materials from the Company due to the trade conflict between China and the US.
- The domestic market demand shrank slightly, and we actively strived for export orders. The sales volume in Q1 increased by 10.1% compared with the same period last year.
- LDPE: Maintaining sales to existing regular customers with small sales volume, by providing APC' s OEM products.

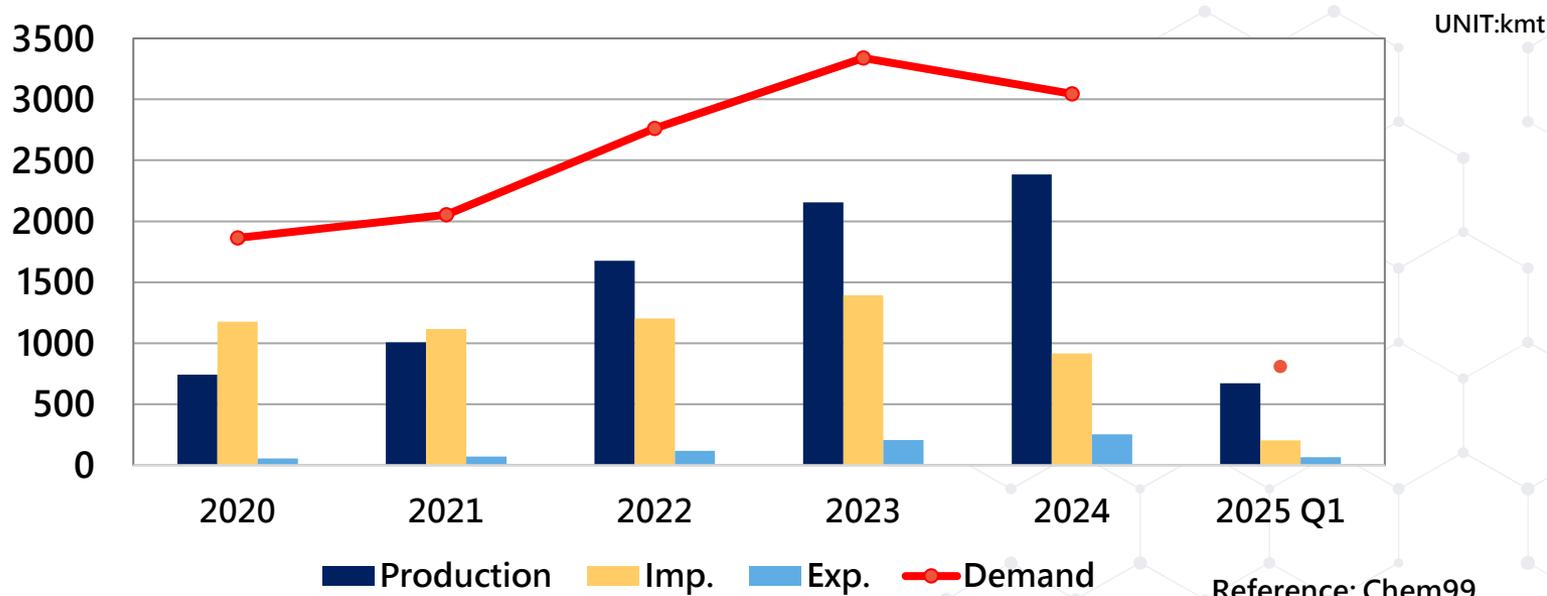
# Global PV Demand



Source from :  
IHS 、Trend Force 、CPIA 、  
BNEF 、Wood Mackenzie

# China EVA Demand

Year	Production	Imp.	Exp.	Demand	Self-sufficiency Rate (%)
2020	741	1,177	54	1,864	40%
2021	1,007	1,117	71	2,053	49%
2022	1,676	1,202	117	2,761	61%
2023	2,154	1,391	206	3,339	65%
2024	2,384	916	253	3,046	78%
2025 Q1	671	203	66	809	83%
(2024 Q1)	632	295	55	872	72%



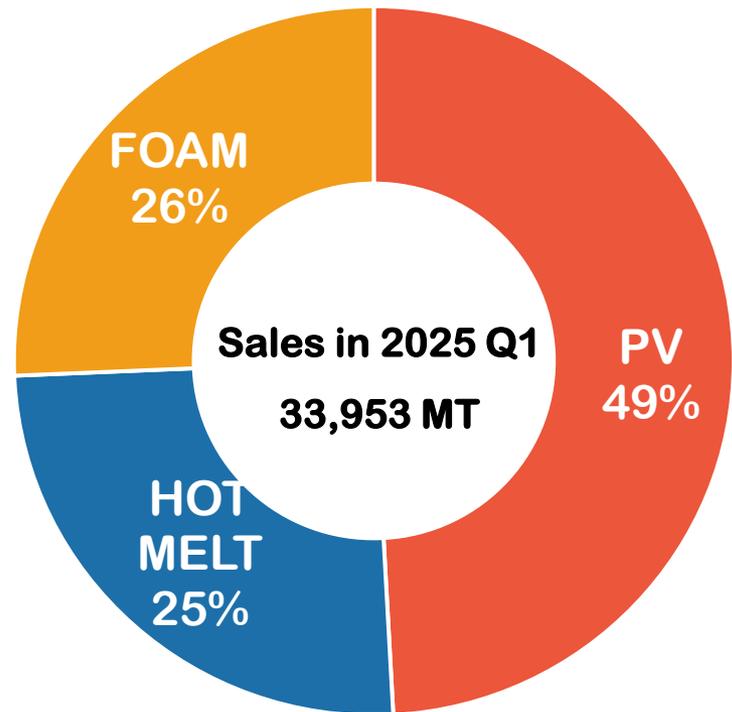
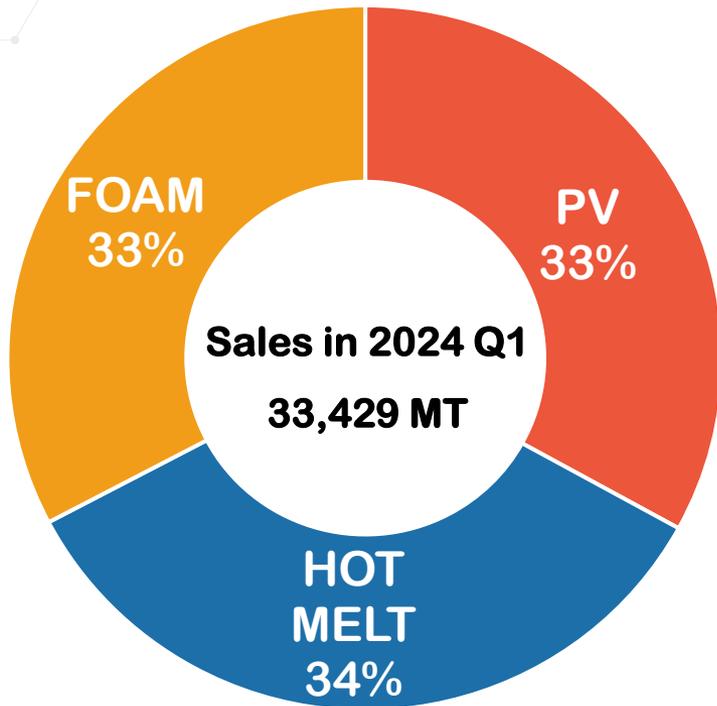
Reference: Chem99,  
China Customs Data

# The Proportion of EVA Applications in China

Year	PV Film	Foam	W&C	HMA	Coating	Agric- ultural	Other	Apparent Demand
2017	27	35	16.5	7.5	8	2	4	1,526
2018	30.5	34	17	7	8	1	2.5	1,561
2019	32	32	17	7	7	2	3	1,771
2020	34	30	17	8	7	1	4	1,864
2021	37	28	17	7	7	1	3	2,053
2022	47	22	15	6	6	1	3	2,761
2023	55	19	13	5	5	1	3	3,339
2024	53	19	13	5	5	1	4	3,046

Source from: Chem99  
 Unit of applications ratio: %  
 Unit of apparent demand: KMT

# USI's EVA Application Proportion



# EVA Capacity in China

UNIT: KMT

Company	Annual Capacity	Start Year	Product Applications
BEIJING DONGFANG PC	40	1995	Film/packaging
BASF-YPC COMPANY LIMITED	200	2005	Film/foam(containing high VA)/W&C
BEIJING HUA MEI POLYMER COMPANY LIMITED	60	2010	HMA
SINOPEC YANSHAN COMPANY	200	2011	Film/foam/lamination
LEVIMA ADVANCED MATERIALS TECHNOLOGY	100	2015	Foam(containing high VA)/W&C/PV
FORMOSA PLASTICS CORP.NINGBO	72	2016	Foam(containing high VA)/W&C/PV
JIANGSU SAILBOAT PETROCHEMICAL	300	2017	Foam(containing high VA)/W&C/HMA/PV
SHAANXI YANCHANG COAL YULIN EN. AND CH.	300	2021	Film/foam/W&C/PV
SINOPEC YANGZI PC	100	2021	Foam(containing high VA)/HMA/PV
SINOCHM QUANZHOU PETROCHEMICAL	100	2021	Foam/W&C/PV
ZHEJIANG PETROLEUM & CHEMICAL CO., LTD.	300	2021	PV
SINOPEC ZHONGKE (GUANGDONG) REF.& CH.	100	2022	Foam/W&C/PV
LEVIMA ADVANCED MATERIALS TECHNOLOGY (Debottleneck)	50	2022	Foam(containing high VA)/W&C/PV
XINJIANG DUSHANZI TIANLI HIGH&NEW TECH	200	2022	Foam/PV
FORMOSA PLASTICS CORP.NINGBO (Debottleneck)	28	2022	Foam(containing high VA)/W&C/PV
FUJIAN GULEI PETROCHEMICAL	300	2023	Foam(containing high VA)/W&C/PV
NINGXIA BAOFENG ENERGY	250	2024Q1	Foam(containing high VA)/W&C/PV
JIANGSU SAILBOAT PETROCHEMICAL (Phase I)	200	2024Q4	Foam(containing high VA)/W&C/PV
JIANGSU SAILBOAT PETROCHEMICAL (Phase II)	200	2025Q1	
<b>Total (In production)</b>	<b>3100</b>		
JIANGSU SAILBOAT PETROCHEMICAL (Phase III)	200	2025Q2	
ZHEJIANG PETROLEUM & CHEMICAL CO., LTD. (Phase II)	200	2025Q4	
SINOCHM QUANZHOU PETROCHEMICAL (Debottleneck)	40	2025	
LEVIMA GREEN(SHANDONG) NEW MATERIALS CO., LTD (Phase II)	400	2026H1	
Guangxi Huayi New Materials Co., Ltd.	400	2026	
Shandong Yulong Petrochemical Co., Ltd.	200	2026	
JIANGSU FENGHAI HIGH TECH MATERIALS CO., LTD	200	2026	
<b>Total (New capacity)</b>	<b>1640</b>		

# Business Outlook for Q2 2025

## ◆ Crude oil :

Reciprocal tariffs have been suspended for 90 days, and the situation of the China-US trade conflict seems to have improved. The recent decline in crude oil prices has slowed down. Yet OPEC+ will accelerate the pace of production increases in May and June, and crude oil is still under oversupply pressure. In addition, the global economic situation is still changing rapidly, and the summer demand peak season is approaching, so there are many variables in the future of crude oil.

## ◆ Ethylene :

In early April, ethylene prices fell along with oil prices. Recently, oil prices have stopped falling, which has provided support for ethylene prices. However, demand for downstream derivatives is sluggish, and it is expected that Asian ethylene prices will still be difficult to break away from the trend of maintaining a low spread with naphtha.

## ◆ VAM :

New production capacity in mainland China is put into operation, the annual maintenance season is over, and it is expected that the supply will become loose in Q2.

# Business Outlook for Q2 2025

## ◆ PE & EVA :

1. The photovoltaic installation rush is coming to an end. In China, Shenghong Petrochemical is expected to bring one new production line online in both Q1 and Q2. The oversupply pressure of EVA in China continues to rise.  
→ To strive for orders from Southeast Asia and India.
2. The China-US trade conflict has cooled down, but the inventory of high-value EVA products still needs time to be digested.
3. Some of the special grades of EVA in China still rely on imports from the US. Due to concerns about tariff conflicts, customers may turn to purchase from the Company to reduce risks.
4. At present, the spread between ethylene and HD/LLD is still higher than the start-up cost. We will actively strive for orders and increase the operating rate.

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**USI**  
**Reported By: Amy Kuo**  
**(Accounting Manager)**



**Financial Information**  
For the Three Months Ended March 31, 2025

**USI Corporation**  
**Consolidated Statements of Income**

(In millions of NTD, except per share data)

	2025 1/1~3/31 (Consolidated)	2024 1/1~3/31 (Consolidated)	YoY%	2024 FY (Consolidated)	2023 FY (Consolidated)	2022 FY (Consolidated)	2021 FY (Consolidated)	2020 FY (Consolidated)
<b>Sales</b>	12,147	12,024	1.0%	51,008	52,265	66,437	71,756	50,201
<b>Cost of goods sold</b>	11,712	11,502	1.8%	48,711	46,658	55,497	54,002	39,721
<b>Gross profit</b>	436	522	-16.6%	2,297	5,606	10,940	17,754	10,480
<b>gross profit ratio</b>	4%	5%		4%	12%	17%	25%	21%
<b>Selling and administrative expenses</b>	911	848	7.4%	3,788	3,519	4,767	4,441	3,221
<b>R&amp;D expenses</b>	128	112	14.0%	518	468	437	430	363
<b>Operating income(loss)</b>	(603)	(438)	37.7%	(2,009)	1,619	5,736	12,883	6,896
<b>operating income ratio</b>	-5%	-3%		-4%	3%	9%	18%	14%
<b>Non-operating income(loss)</b>	(1,004)	(702)		(3,509)	(3,556)	(5,039)	(130)	227
<b>Income(Loss) before income taxes</b>	(1,607)	(1,140)	41.0%	(5,518)	(1,937)	697	12,752	7,123
<b>Income tax expense (benefit)</b>	(101)	(163)		(608)	(30)	758	2,673	1,440
<b>Net (Loss)Income</b>	(1,506)	(977)	54.2%	(4,910)	(1,907)	(61)	10,079	5,683
<b>net (loss)/income ratio</b>	-12%	-8%		-10%	-4%	0%	14%	11%
<b>Net Loss(Income) attributable to</b>								
<b>- USI Corporation</b>	(633)	(394)	60.8%	(2,147)	(207)	1,555	5,191	2,410
<b>- non-controlling interests</b>	(873)	(583)	49.8%	(2,763)	(1,700)	(1,616)	4,888	3,273
<b>Basic Earnings Per Share</b>	(0.59)	(0.37)		(2.00)	(0.19)	1.45	4.84	2.25

## USI Corporation Financial Ratio Analysis-Consolidated

	2025 1/1~3/31	2024 FY	2023 FY	2022 FY	2021 FY	2020 FY
Operating income margin(%)	(5)	(4)	3	9	18	14
Net income margin(%)	(13)	(10)	(4)	(0)	14	11
Debt ratio(%)	41	40	36	34	34	37
Current ratio(%)	190	196	249	293	227	225
Quick ratio(%)	136	143	184	215	172	185
Accounts receivable turnover days	45	41	47	48	43	54
Inventory turnover days	54	52	55	49	40	42

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**Thanks for attending and kind support**

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**Company Website : <https://www.usife.com.tw>**