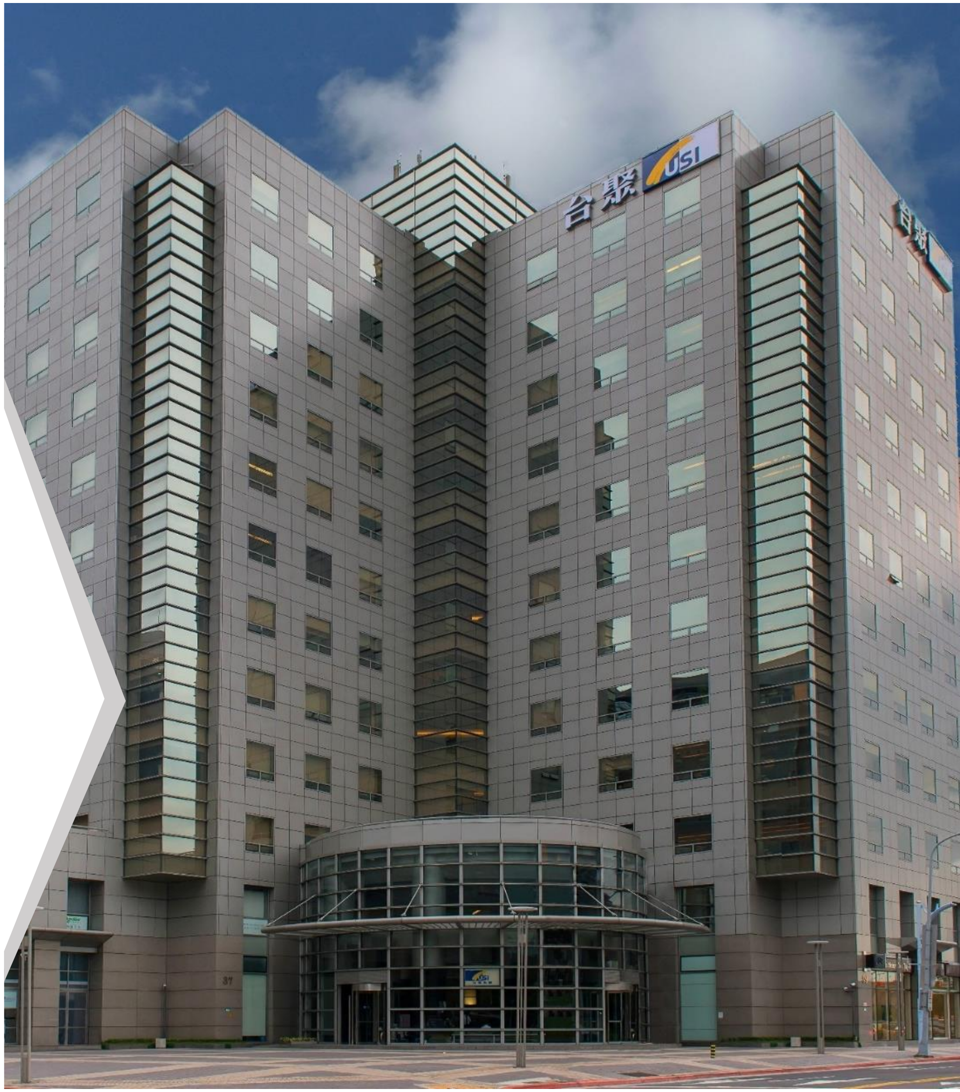
2025

11/25

USIG

Investor Conference



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The information in this presentation is not for investment advices.

Presentation Outline

01 General Information of USI
Business Review and Outlook

02 Financial Information

03 Q & A

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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	411 (2025.11.17)	

Revenue	2025 Q1~Q3	2025 Q3
Consolidated	34.2 Billions	10.5 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~Q3: 84,834 MT 2025 Q1~Q3: 90,081 MT

Low Pressure HDPE/LLDPE Plant

Production Facility	• 1 set of Gas Phase Production Line
Annual Capacity	• HDPE/LLDPE Total at 130KMT
Production	2024 Q1~Q3 61,848 MT 2025 Q1~Q3 62,919 MT

USI
Reported By: Mark Wu
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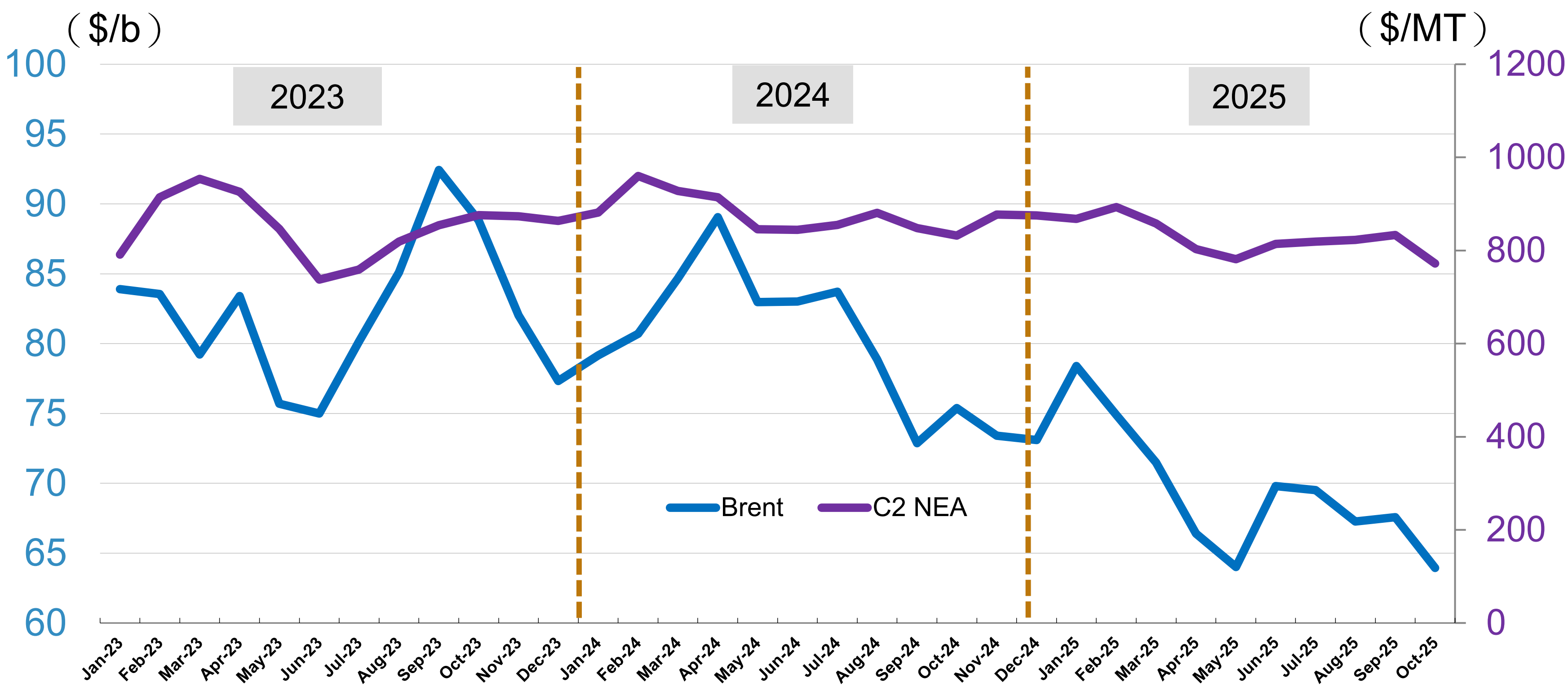
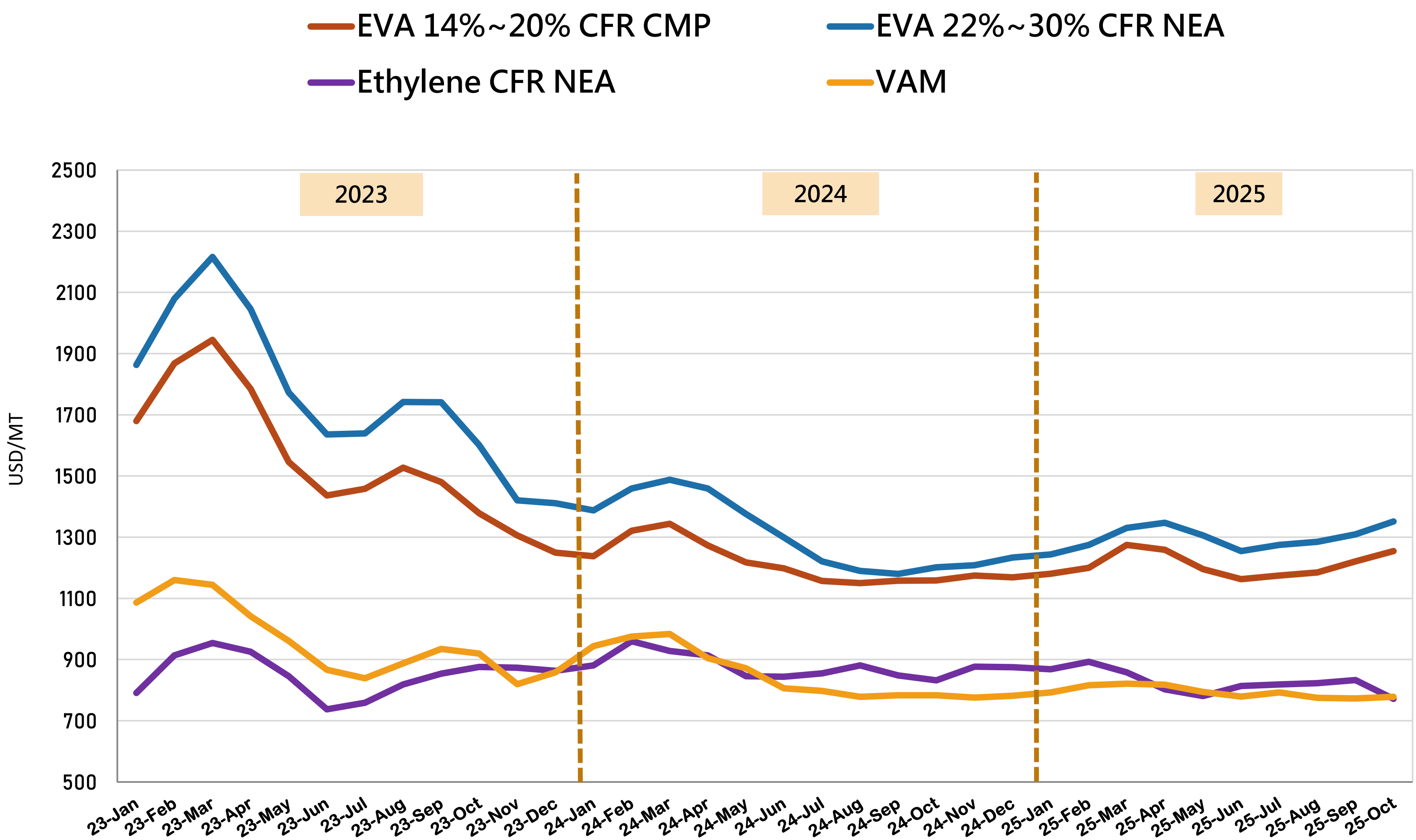
Business Review and Outlook

Crude Oil / Ethylene Monomer Review

- **Crude Oil: OPEC+ production increases offset geopolitical instability, resulting in a slight downward trend in crude oil prices in Q3.**
- **Ethylene: With fewer deep-sea cargos, South Korean petrochemical plants reducing production, and new PVC capacity coming online in Mainland China, spot prices rose against the trend.**

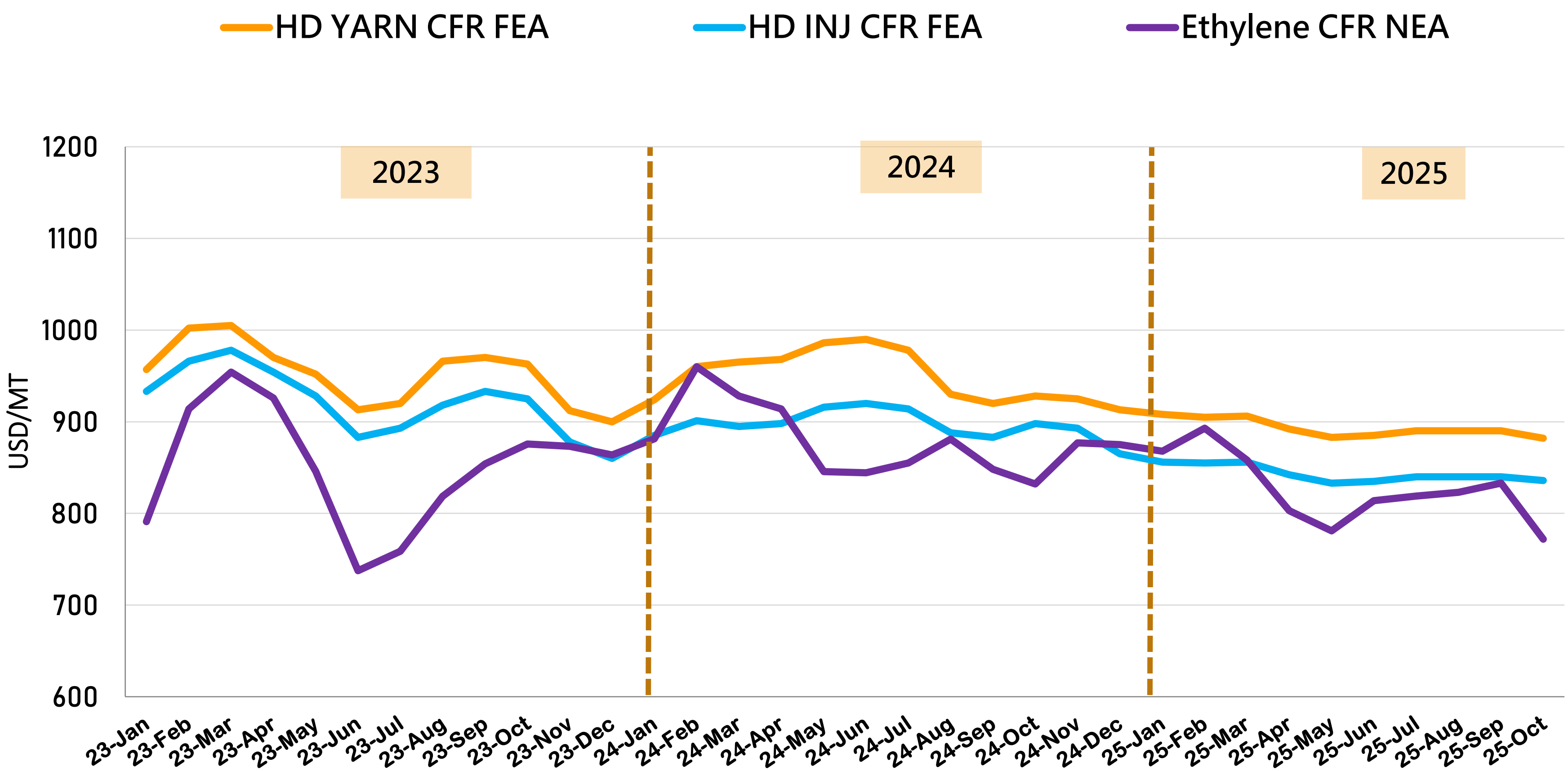


EVA Market Review



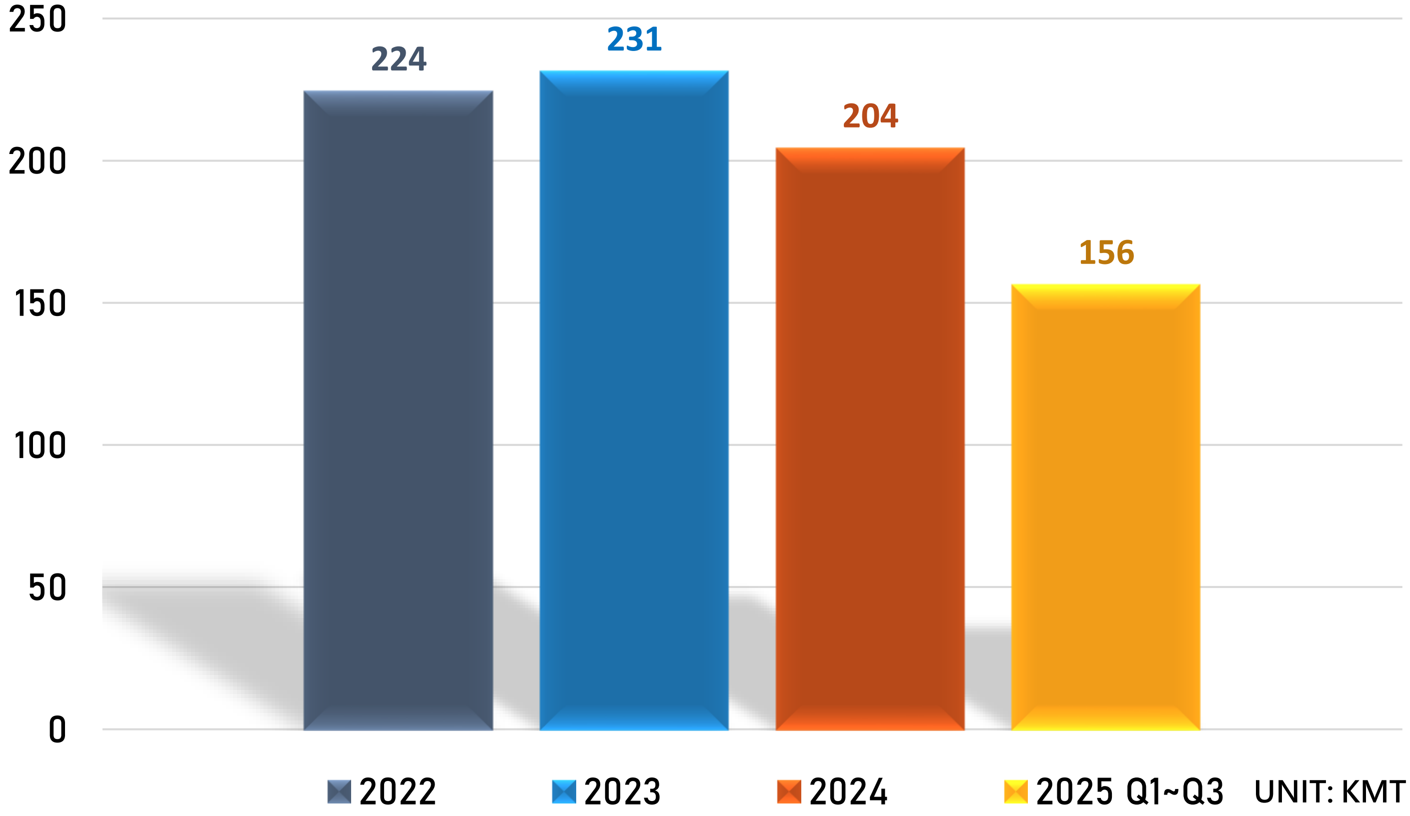
Source from: ICIS

PE Market Review



Source from: Platts

Business Review of 2022 to 2025



Sales Comparison Q1~Q3 2024 and 2025

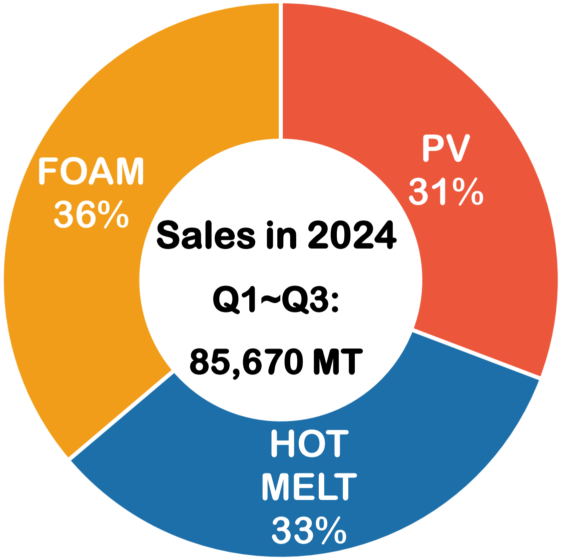
	Q1~Q3 2024	Q1~Q3 2025	Difference
Total Quantity	150.9	155.9	+5

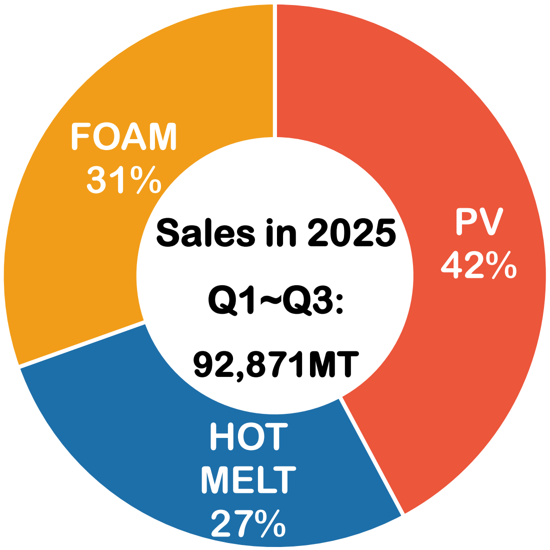
UNIT: KMT

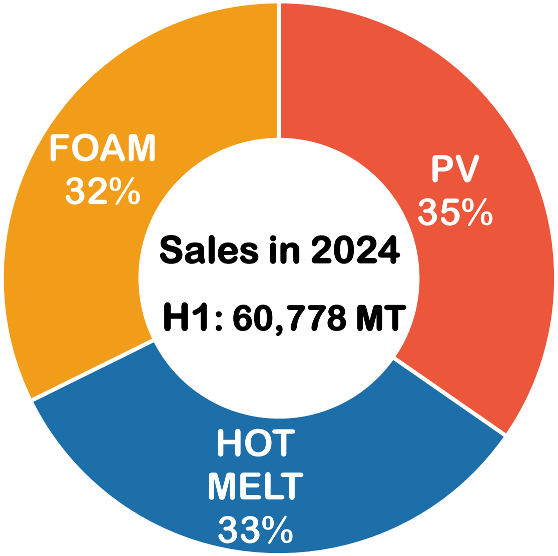
EVA Operation Review: Q1~Q3 2025

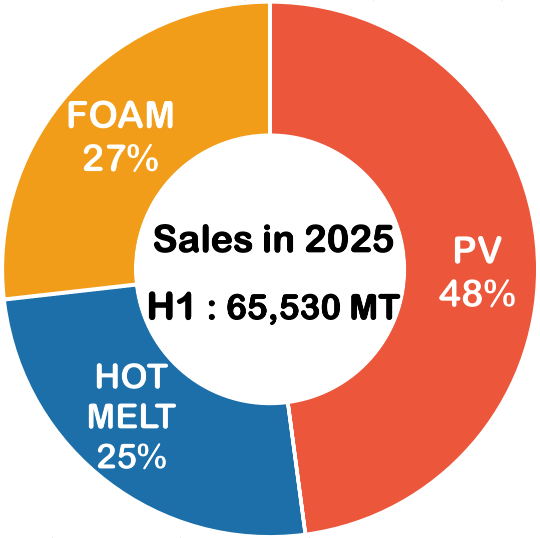
- In mid-June, the Israel-Iran War broke out, causing oil prices to rise. Downstream customers replenished their EVA inventory, and the price stopped dropping. Due to US tariffs, some shoes OEM customers suspended procurement in Q2, and finally resumed purchasing after the end of June.
- In early August, there was rumors that export tax rebates for PV products in China would be cancelled. Module manufacturers planned to push exports before the cancellation, while encapsulant film manufacturers rushed to supply materials, which fueled a rebound in EVA prices that continued until the end of September.
- Demand for hot melt adhesives remained stable, with sales in Q3 increasing by 7.7% compared to Q2.
- Sales Distribution was as follow: foam grades accounted for **31%**, HMA grades accounted for **27%**, and PV grade accounted for **42%**.

USI’s EVA Application Proportion





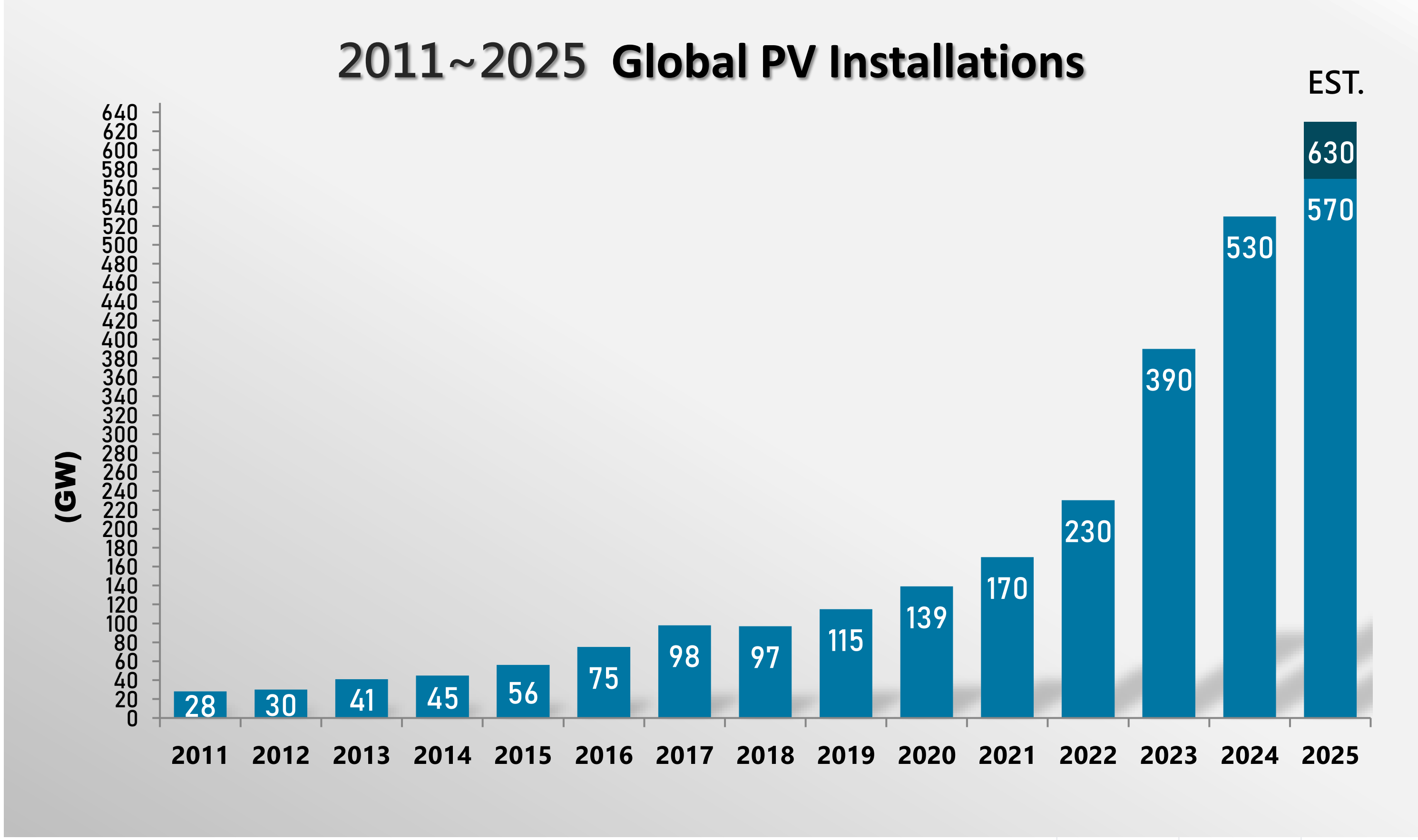




LDPE/HDPE/LLDPE
Operation Review: Q1~Q3 2025

- 2025 Q3：C2 saw a slight increase, while HD/LLD prices remained largely flat from July to September. The average selling price was still slightly lower than in Q2.
- Due to US tariffs, orders from some domestic customers shrank.
- Total sales volume of HD/LLD during Q1-Q3 2025 was 59,397 MT, a decrease of approximately 3% compared to the same period last year.
- LDPE：Sales to existing regular customers were maintained with small sales volume, by providing APC OEM products.

Global PV Demand

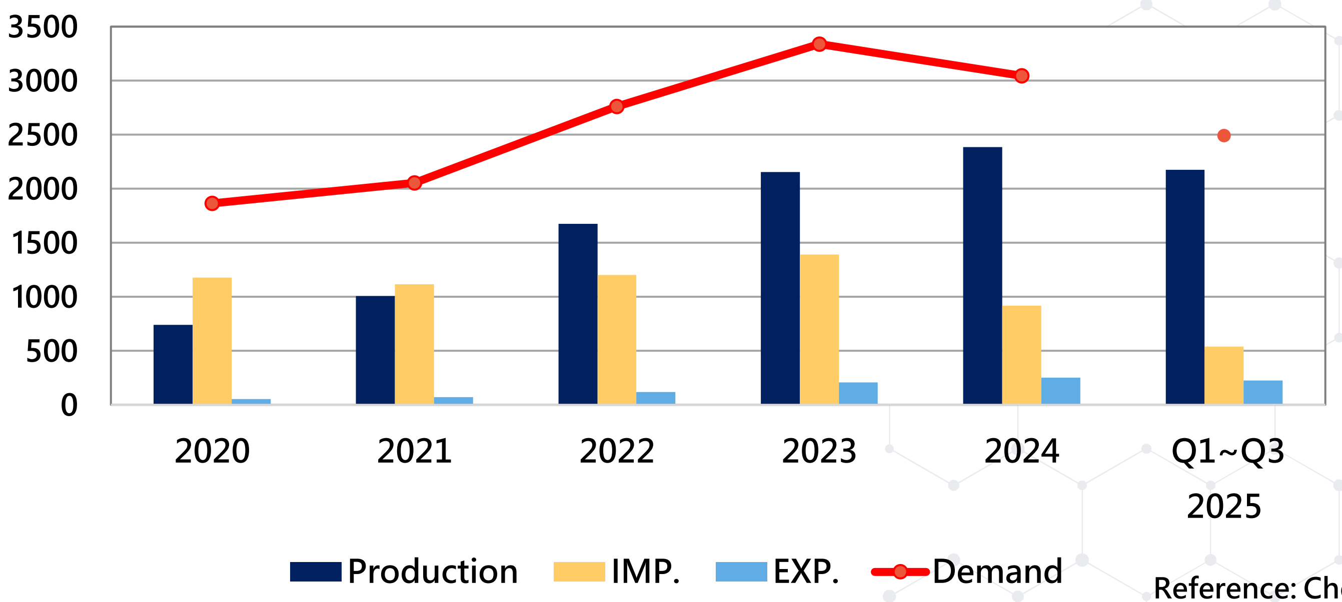


Source from :
IHS、Trend Force、CPIA、
BNEF、Wood Mackenzie

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%
Q1~Q3 2025	2,175	538	224	2,489	87%
(Q1~Q3 2024)	1,787	725	182	2,330	77%

UNIT:kmt



Reference: Chem99, China Customs Data

The Proportion of EVA Applications in China

Year	PV Film	Foam	W&C	HMA	Coating	Agri-cultural	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

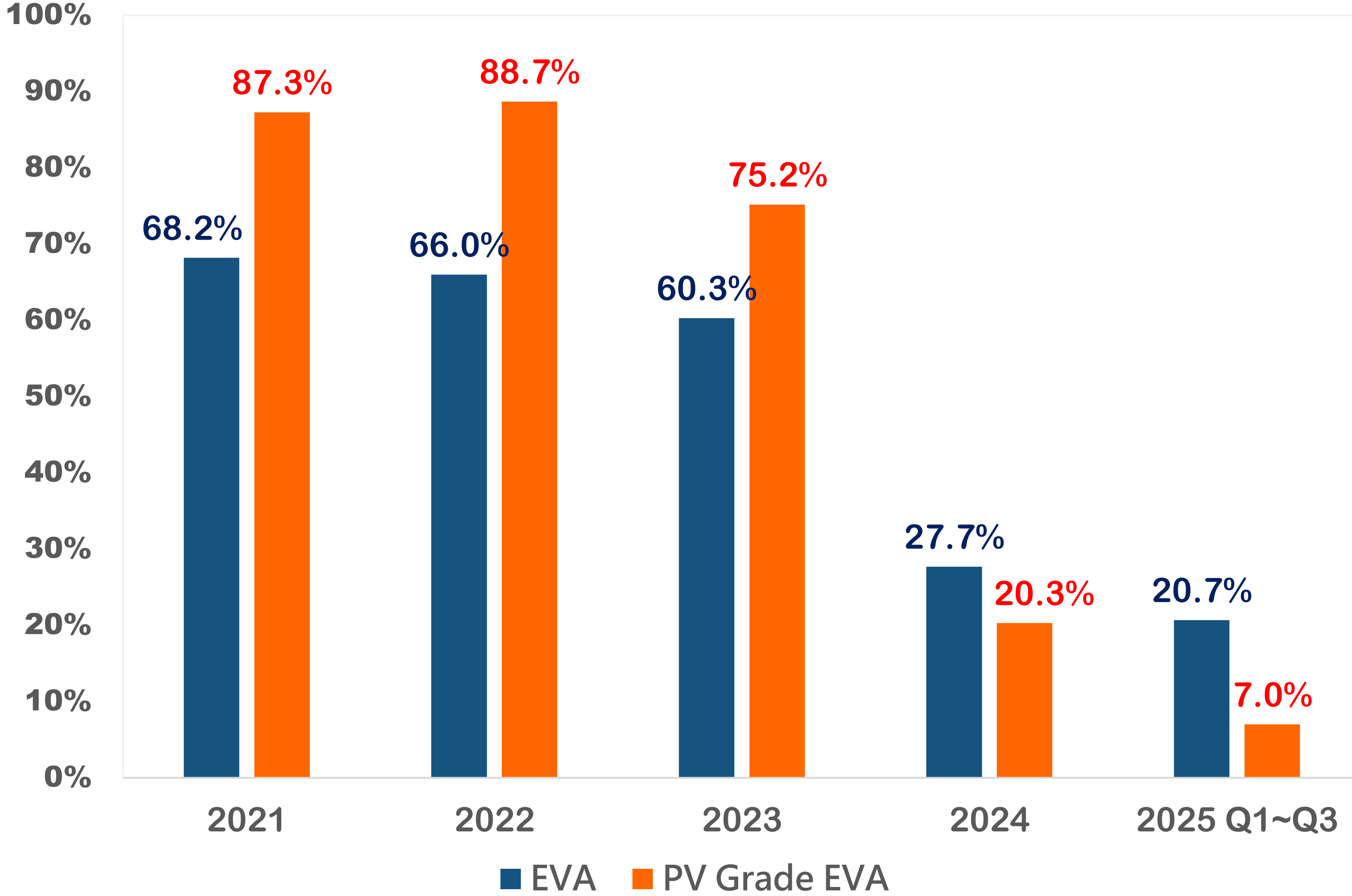
Source from: Chem99
Unit of applications ratio: %
Unit of apparent demand: KMT

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
SINOCHEM 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	Foam(containing high VA)/W&C/PV
JIANGSU SAILBOAT PETROCHEMICAL (Phase III)	200	2025Q2	Foam(containing high VA)/W&C/PV/lamination
Total (In production)	3,300		
LEVIMA ADVANCED MATERIALS CORPORATION	200	2025Q4	
SINOCHEM QUANZHOU PETROCHEMICAL (Debottleneck)	40	2025	
ZHEJIANG PETROLEUM & CHEMICAL CO., LTD.	300	2025Q4	
ZHEJIANG PETROLEUM & CHEMICAL CO., LTD.	700	2026	
GUANGXI HUAYI NEW MATERIALS CO., LTD.	400	2026	
SHANDONG YULONG PETROCHEMICAL CO., LTD.	200	2026	
Total (New capacity)	1,840		

USI's EVA and PV Grade EVA Sales Proportion in China



Business Outlook for Q4

- **Crude Oil**：

  With no signs of OPEC+ production cuts and international economic conditions suppressing oil demand, crude oil prices may pull back in Q4.

- **Ethylene (C2)**：

  With new capacity continuing to come online, C2 downstream margins remaining weak and demand staying low, and increased US cargo supply, C2 prices fell in October and November, compressing cracker margins.

- **VAM**：

  Mainland China manufacturers completed maintenance in November, and two new EVA plants are expected to start operation by the end of the year, which will maintain the overall oversupply situation. Prices are expected to fall first and then rise in Q4, maintaining a narrow range of fluctuation.

Business Outlook for Q4

1. Mainland China maintains its export tax rebate policy for PV products. The excess inventory of modules produced between August and September needs time to absorb. PV demand in Q4 may be soft.
2. South Korea's new 300 KMT EVA production line began trial operation at the end of September, and another 540 KMT of new EVA capacity in Mainland China is expected to join the market in November and December. This could put further pressure on EVA prices.
3. Orders for soft, high-elasticity footwear materials are trending upwards in winter, which can slightly offset some sales pressure from PV orders.
4. Some Mainland China footwear and PV orders have shifted overseas, and the Company continues to expand into markets beyond Mainland China.
5. Crude oil and ethylene prices fell, while domestic PE prices remained stable in October and November, resulting in a slight improvement in PE profit margins.

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USI
Reported By: Amy Kuo
(Accounting Manager)

Financial Information

For the Nine Months Ended Sep 30, 2025)

USI Corporation
Consolidated Statements of Income

(In millions of NTD, except per share data)

	2025 1/1~9/30 (Consolidated)	2024 1/1~9/30 (Consolidated)	YoY	2024 FY (Consolidated)	2023 FY (Consolidated)	2022 FY (Consolidated)	2021 FY (Consolidated)
Sales	34,227	38,388	(4,160)	51,008	52,265	66,437	71,756
Cost of goods sold	33,410	36,449	(3,039)	48,711	46,658	55,497	54,002
Gross profit	817	1,939	(1,121)	2,297	5,606	10,940	17,754
gross profit ratio	2%	5%	-3%	4%	12%	17%	25%
Selling and administrative expenses	2,626	2,857	(231)	3,788	3,519	4,767	4,441
R&D expenses	415	340	75	518	468	437	430
Operating income(loss)	(2,224)	(1,258)	(965)	(2,009)	1,619	5,736	12,883
operating income ratio	-7%	-3%	-4%	-4%	3%	9%	18%
Non-operating income(loss)	(2,792)	(2,311)	(482)	(3,509)	(3,556)	(5,039)	(130)
Income(Loss) before income taxes	(5,016)	(3,569)	(1,447)	(5,518)	(1,937)	697	12,752
Income tax expense (benefit)	(528)	(430)	(98)	(608)	(30)	758	2,673
Net (Loss)Income	(4,488)	(3,139)	(1,349)	(4,910)	(1,907)	(61)	10,079
net (loss)/income ratio	-12%	-8%	-5%	-10%	-4%	0%	14%
Net Loss(Income) attributable to							
- USI Corporation	(1,982)	(1,304)	(678)	(2,147)	(207)	1,555	5,191
- non-controlling interests	(2,506)	(1,835)	(671)	(2,763)	(1,700)	(1,616)	4,888
Basic Earnings Per Share	(1.85)	(1.22)	(0.63)	(2.00)	(0.19)	1.45	4.84

USI Corporation
Financial Ratio Analysis-Consolidated

	2025 1/1~9/30	2024 FY	2023 FY	2022 FY	2021 FY
Operating income margin(%)	(7)	(4)	3	9	18
Net income margin(%)	(13)	(10)	(4)	(0)	14
Debt ratio(%)	43	40	36	34	34
Current ratio(%)	169	196	249	293	227
Quick ratio(%)	119	143	184	215	172
Accounts receivable turnover days	44	41	47	48	43
Inventory turnover days	53	52	55	49	40

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Thanks for attending and kind support

Company Website：https://www.usife.com.tw