

GRAND PACIFIC PETROCHEMICAL CORPORATION



Investor Conference



112.12.05

Disclaimer

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Agenda

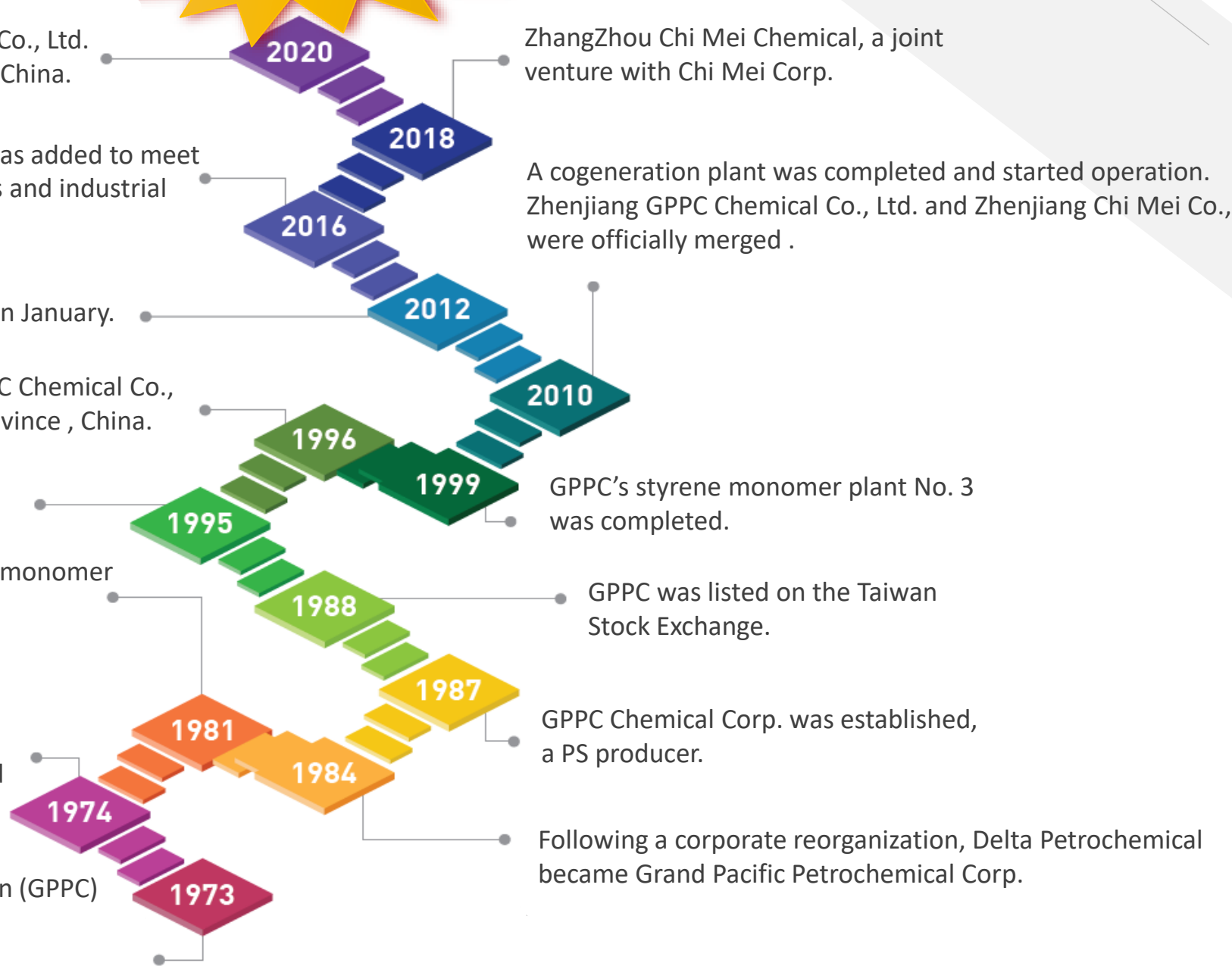
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Director Mei-yiu Shen
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President Chia-hsiung Tseng
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Chairman Teh-hsin Chiu

1. Company Profile

Established	1973
Capital	NT 9.27 billion
Revenue	NT 12.0 billion (2023Q1-Q3)
Employee	1200 (2022Q3)



◆ Historical Events 2023 50th Anniversary



2020
Quan Zhou Grand Pacific Chemical Co., Ltd. was established in Fujian Province, China.

2018
ZhangZhou Chi Mei Chemical, a joint venture with Chi Mei Corp.

2016
The 2nd Nylon 66 production line was added to meet the demand for engineering plastics and industrial filament application.

2012
A cogeneration plant was completed and started operation. Zhenjiang GPPC Chemical Co., Ltd. and Zhenjiang Chi Mei Co., were officially merged .

2010
Nylon Division was established in January.

1999
GPPC subsidiary, Zhenjiang GPPC Chemical Co., Ltd., was founded in Jiangsu Province , China.

1995
GPPC acquired Delta Gas Products, a high purity hydrogen producer.

1996
GPPC's styrene monomer plant No. 3 was completed.

1988
Delta Petrochemical's styrene monomer plant No. 2 was completed.

1987
GPPC was listed on the Taiwan Stock Exchange.

1984
Delta Petrochemical's styrene monomer plant No. 1, being the first in Taiwan, was completed and started production.

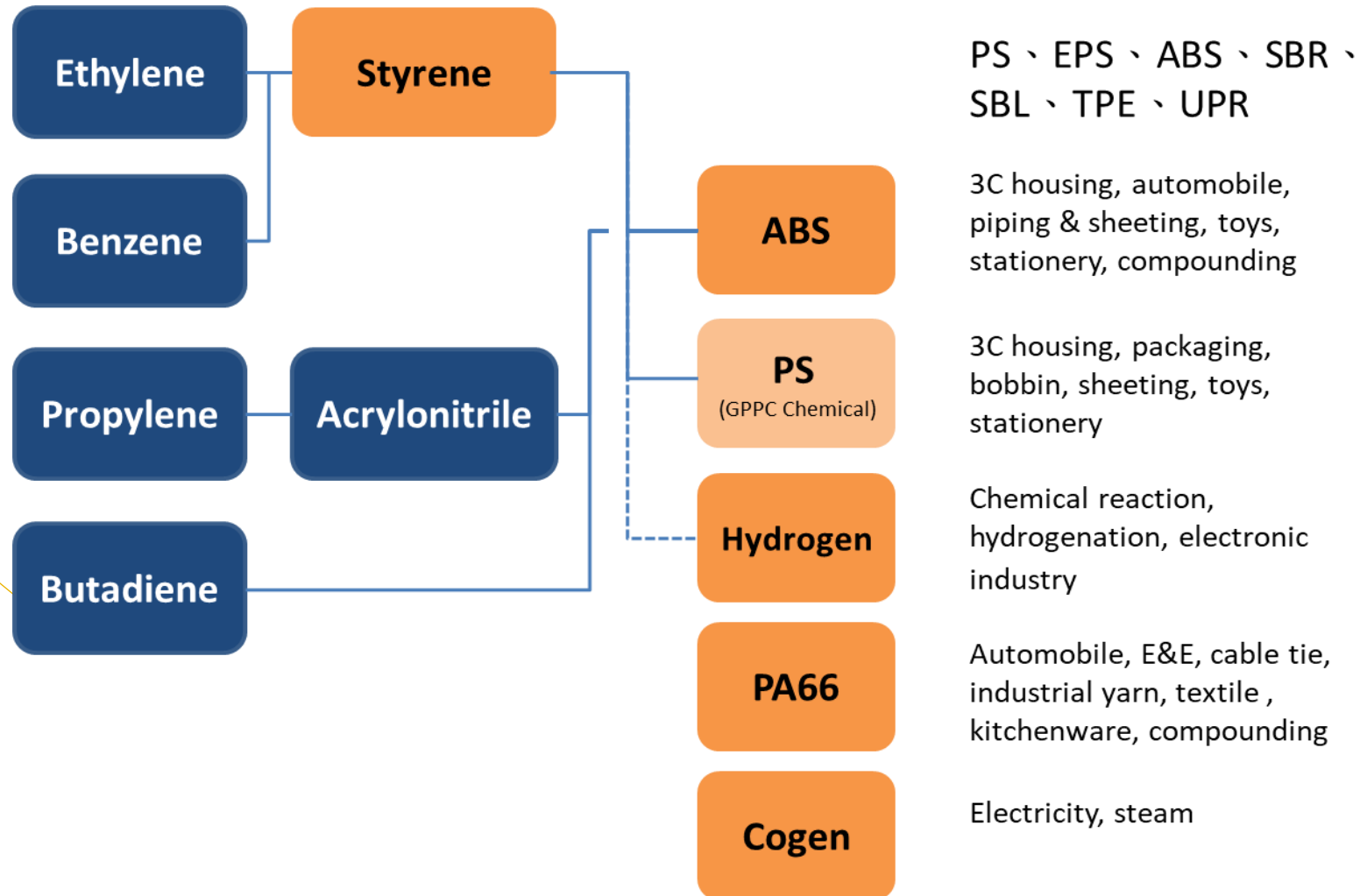
1981
GPPC Chemical Corp. was established, a PS producer.

1974
Grand Pacific Petrochemical Corporation (GPPC) was founded under the name of Delta Petrochemical Corporation.

1973
Following a corporate reorganization, Delta Petrochemical became Grand Pacific Petrochemical Corp.

2. Industry Overview and Prospect

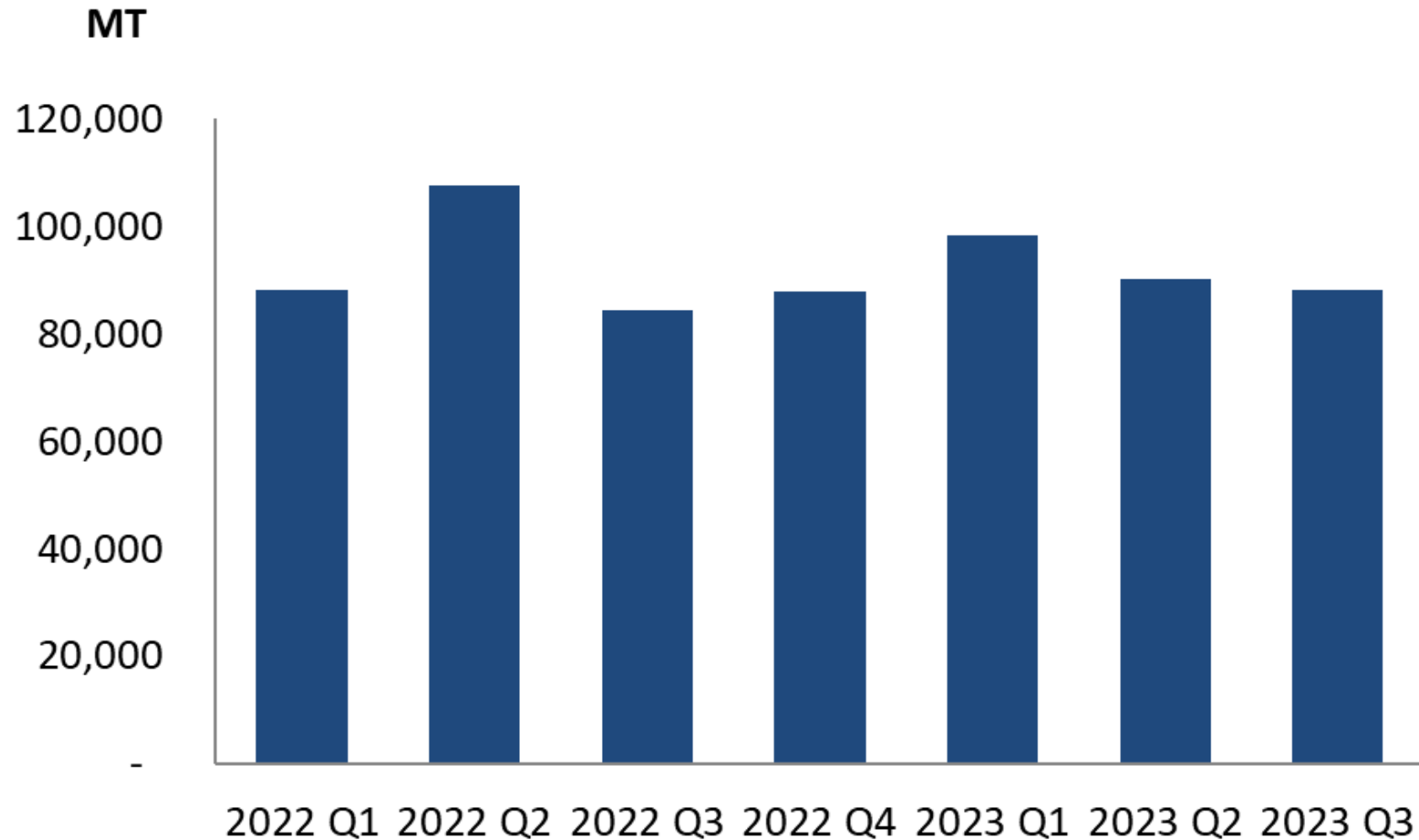
◆ Upstream feedstocks and downstream applications



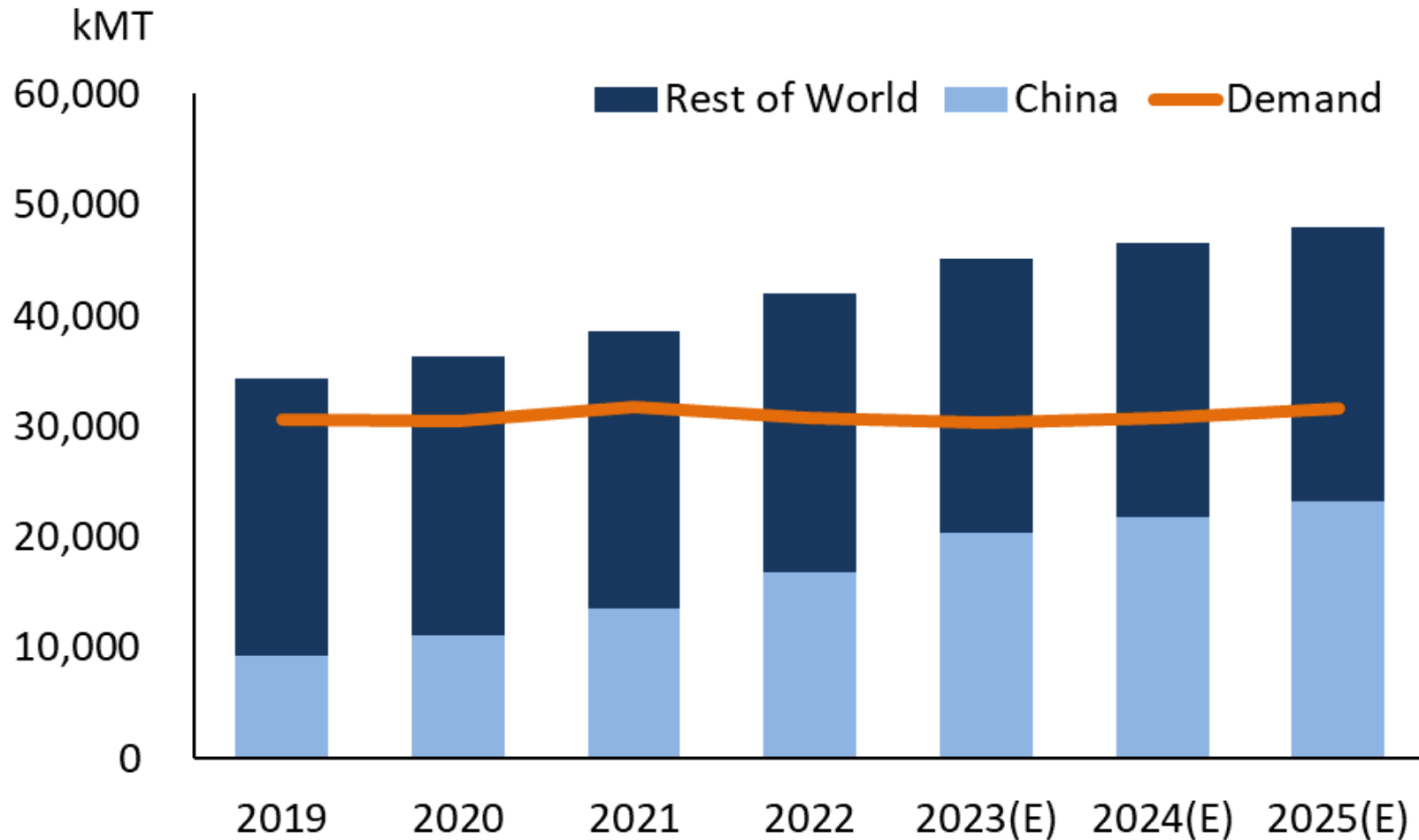
◆ Most frequently mentioned impacts on industries

- Global supply chain has recovered unevenly after the COVID-19 epidemic, manufacturing and service industries are severely divided.
- Geopolitical tensions continue, cooperation turns to confrontation, and globalization faces disintegration.
- The trade war between China and the United States no signs of easing, preventing global economy from developing in a positive cycle.
- The high inflation and high interest rate causes recession and contraction; sluggish consumer confidence cannot stimulate economic growth.
- Rapid expansion of China's production capacity has aggravated oversupply, China's economy has no longer achieved the high growth rate as the past.

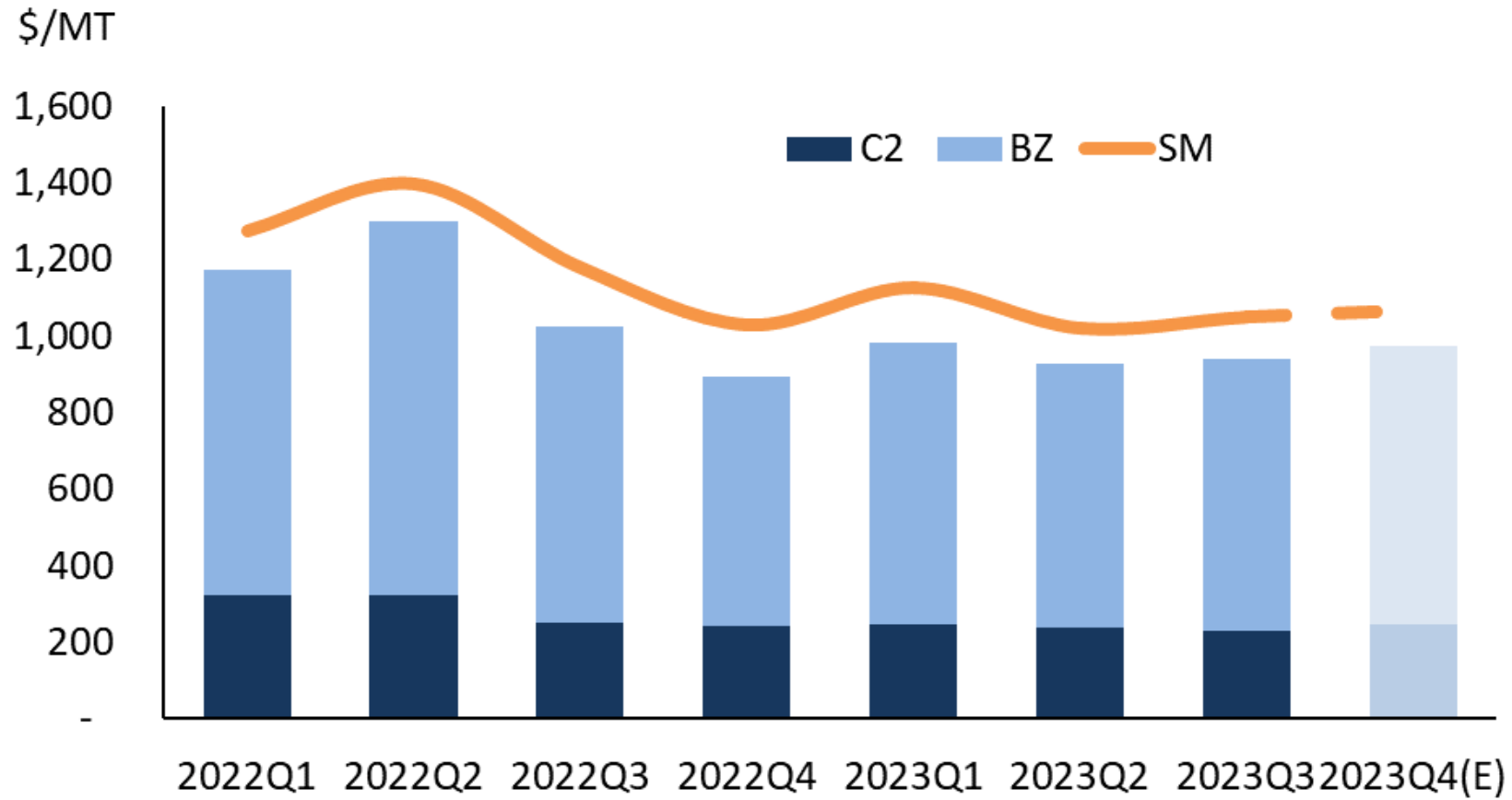
◆ GPPC sales volume(MT)



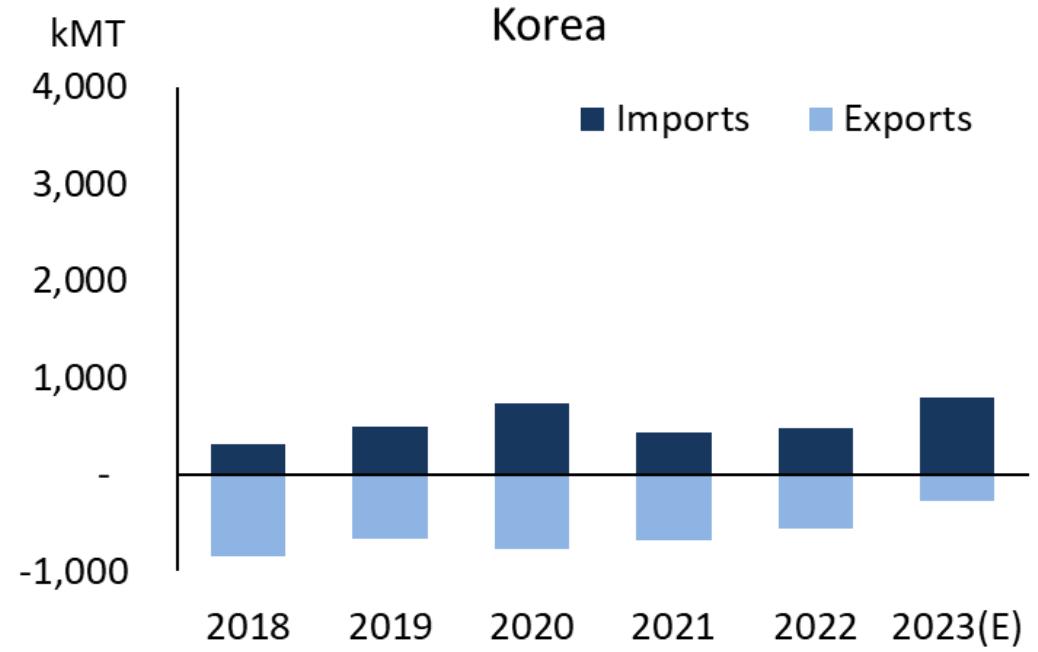
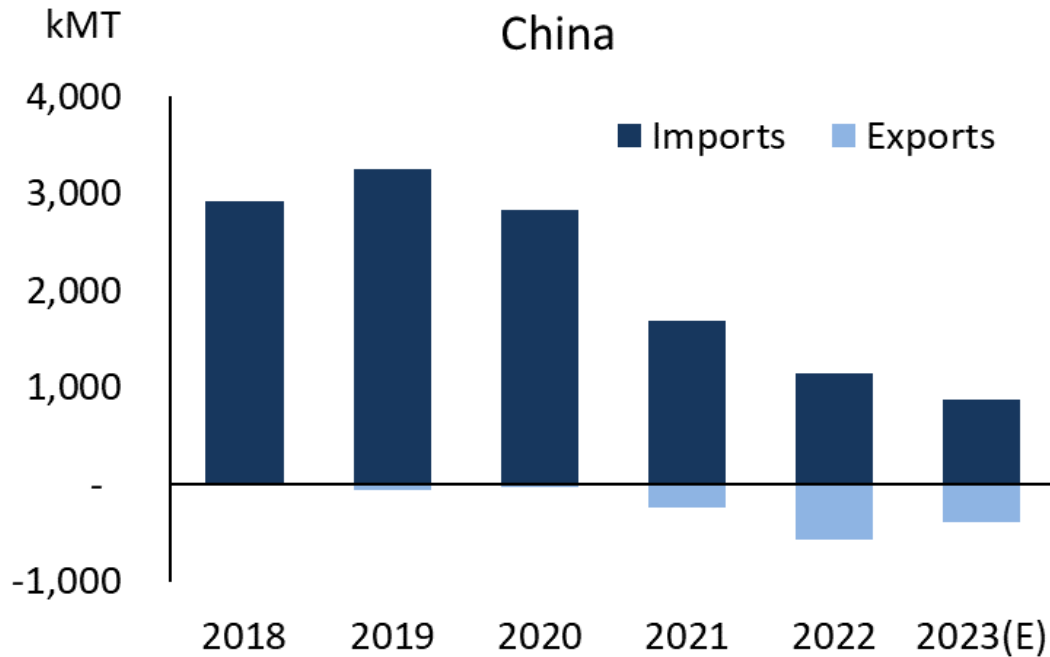
◆ Global styrene capacity and demand



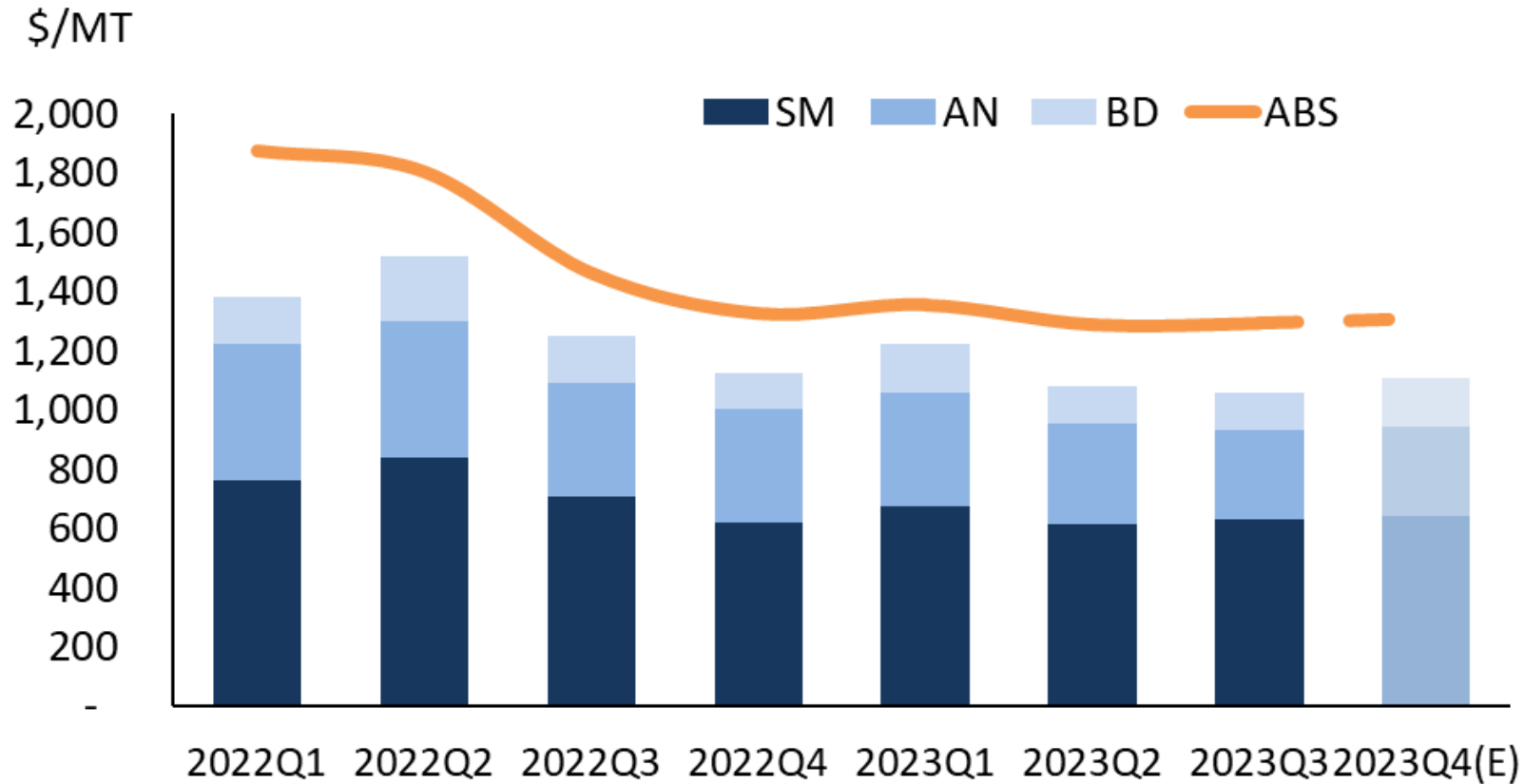
◆ Asian price trend - styrene



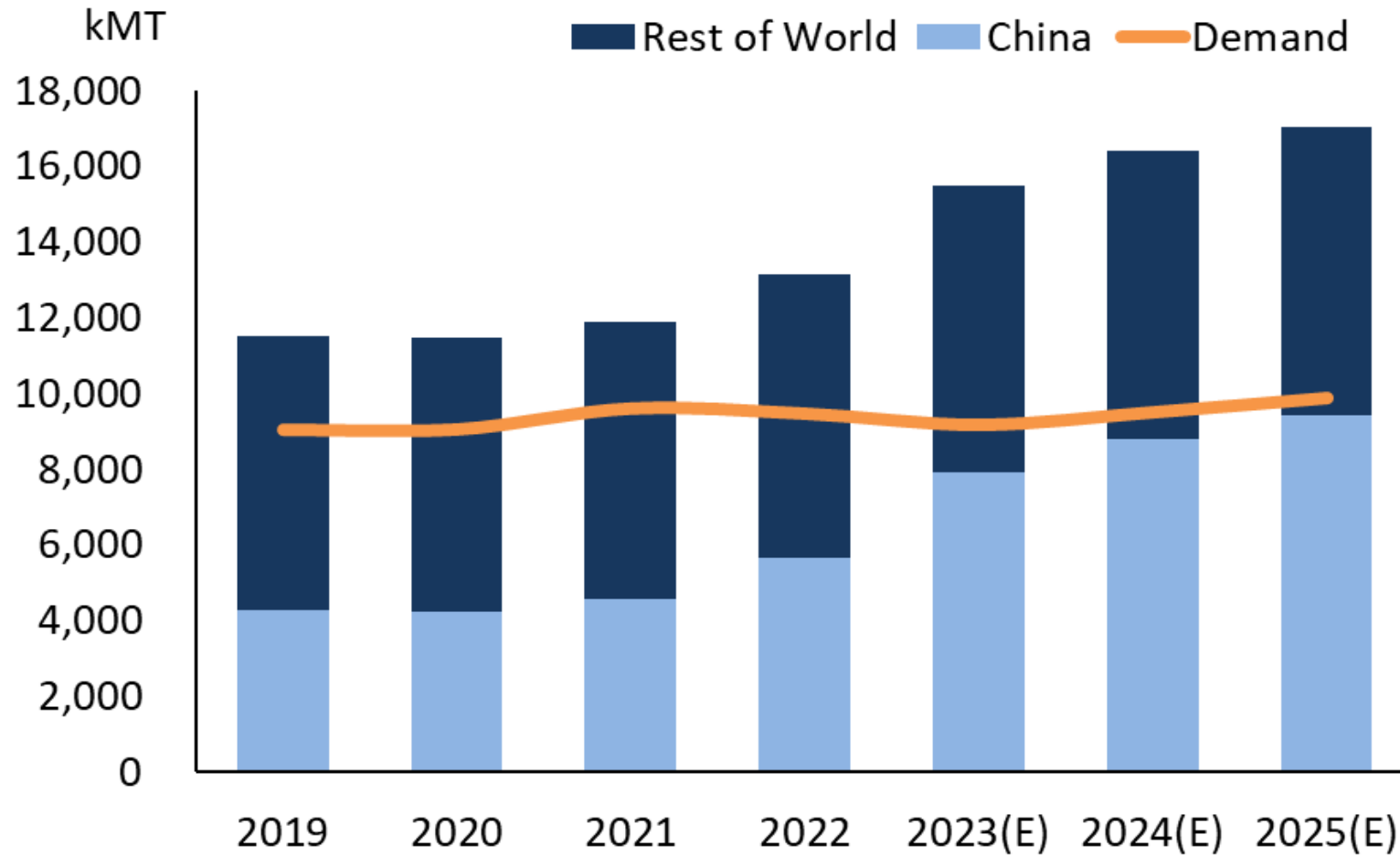
◆ China & Korea SM import/export



◆ Asian price trend - ABS

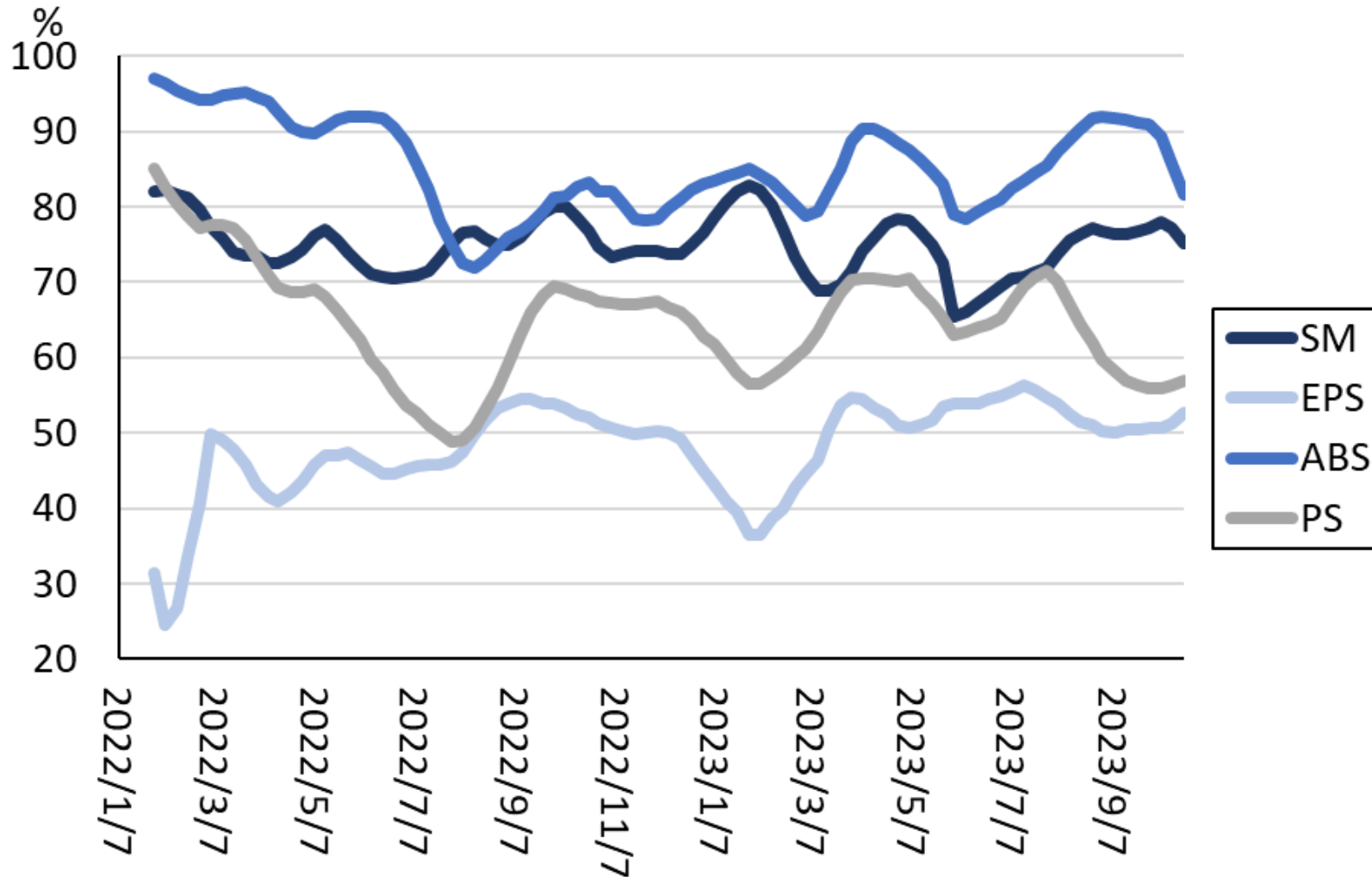


◆ Global Supply/Demand of ABS

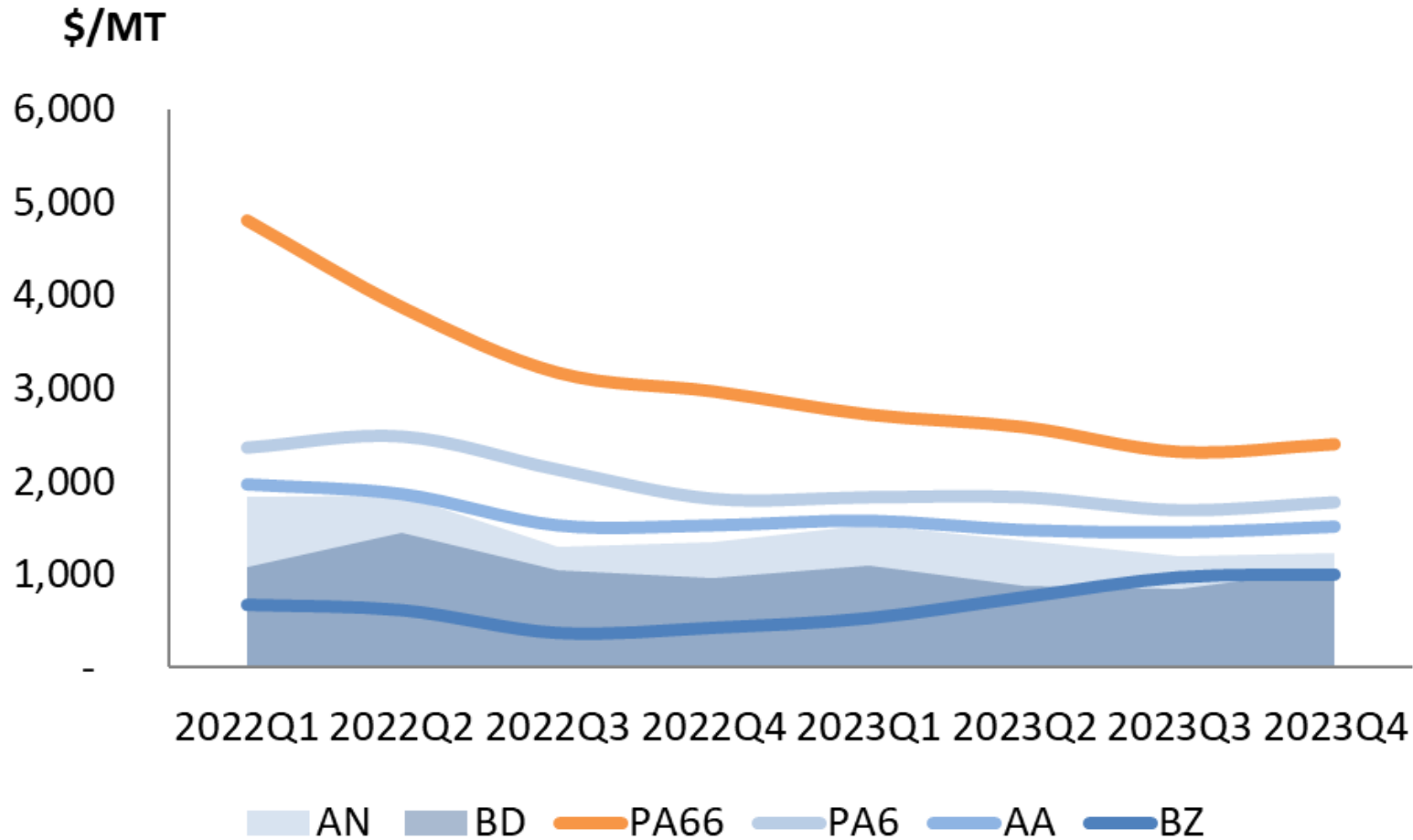


◆ Operation rates of SM and major derivatives in China

ROLLING 4 WEEKS AVG



◆ Asian price trend – PA66





3. Financial results

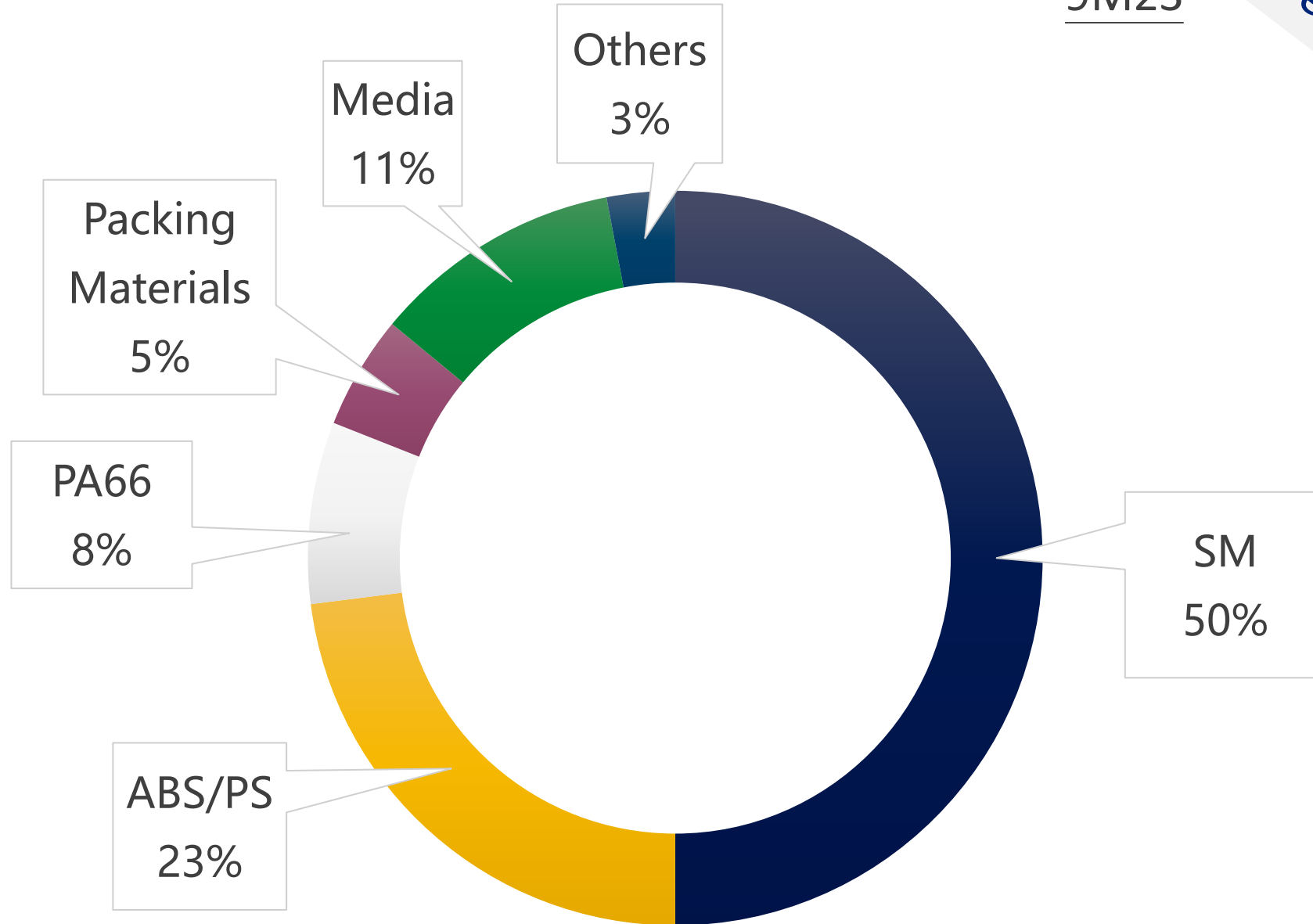
◆ Consolidated Statements of Income

(NT\$ BN)

Item	FY20	FY21	FY22	9M22	9M23
Net Revenue	16,576	22,547	18,176	14,236	11,983
Cost of Revenue	13,469	17,904	17,305	13,437	11,511
Gross Profit	3,107	4,643	871	799	472
gross profit ratio	19%	21%	5%	5%	4%
Operating Expenses	1,350	1,730	1,658	1,188	1,113
Income from Operations	1,757	2,913	-787	-389	-641
operating income ratio	11%	13%	-4%	-3%	-5%
Non-operating Income and Expenses	3,352	4,444	771	708	-557
Income Before Income Tax	5,109	7,357	-16	319	-1,199
Income Tax Expenses(Revenue)	789	1,281	438	436	-180
Net Income	4,320	6,076	-454	-117	-1,019
net income ratio	26%	27%	-2%	-1%	-9%
Net Income Attributable to :					
-Shareholders of the Parent	4,109	5,881	-494	-207	-1,028
-Noncontrolling Interests	211	195	40	90	9
Earnings per Share (NT\$)	4.52	6.47	-0.56	-0.24	-1.14

9M23

◆ Revenue structure



◆ Financial Analysis

	2020	2021	2022	9M23
Debt ratio (%)	14.32	19.80	40.19	43.53
Current ratio (%)	448.12	342.53	367.65	179.58
Quick ratio (%)	405.22	283.31	289.17	131.35
A/R turnover (times)	6.63	8.98	8.39	8.61
A /R turnover (days)	55	41	44	42
Inventory turnover (times)	9.36	10.22	8.84	9.30
Days sales outstanding	38	36	41	39
Return on equity (%)	14.81	17.28	-1.21	-2.87

4. Conclusion

- ◆ In 2023, due to the increased production capacity of SM and ABS in China, the War in Ukraine, U.S.-China trade war and Greenflation, the market experienced a contraction in demand and a decrease in revenue.
- ◆ 2024 is marked by uncertainty, but there is an expectation of economic recovery, indicating a gradual stabilization of the market. Efforts will be intensified to expand into the Southeast Asian and Indian markets.
- ◆ GPPC plans to implement ESG , continue striving for net-zero carbon emissions, focus on sustainable development, and engage in business diversification.





5.Q&A

THANK YOU



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