

2026
0515



Investor Conference





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**General Information of USI
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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

408 (2026.5.5)

Revenue

Consolidated 10.747 Billions 12.147 Billions

2026 Q1

2025 Q1

High Pressure LDPE/EVA Plant

Production Facility

- 4 sets of High-Pressure Autoclave Production Lines

Annual Capacity

- LDPE/EVA Total at 150KMT

Production

2026 Q1
30,859 MT

2025 Q1
31,919 MT

Low Pressure HDPE/LLDPE Plant

Production Facility

- 1 set of Gas Phase Production Line

Annual Capacity

- HDPE/LLDPE Total at 130KMT

Production

2025 Q1
22,637 MT

2026 Q1
17,358 MT

USI

Reported By: Mark Wu

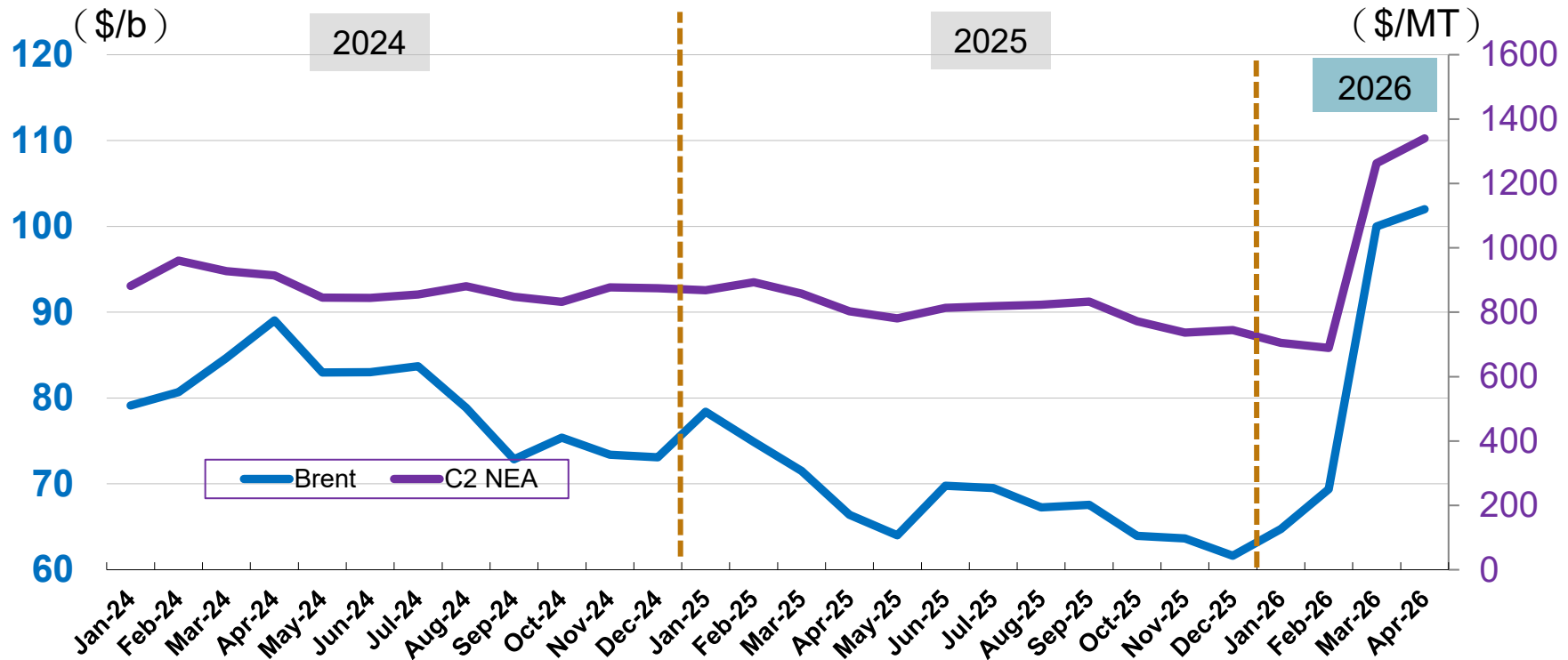
(Vice President of Sales & Marketing Dept.)



Business Review and Outlook

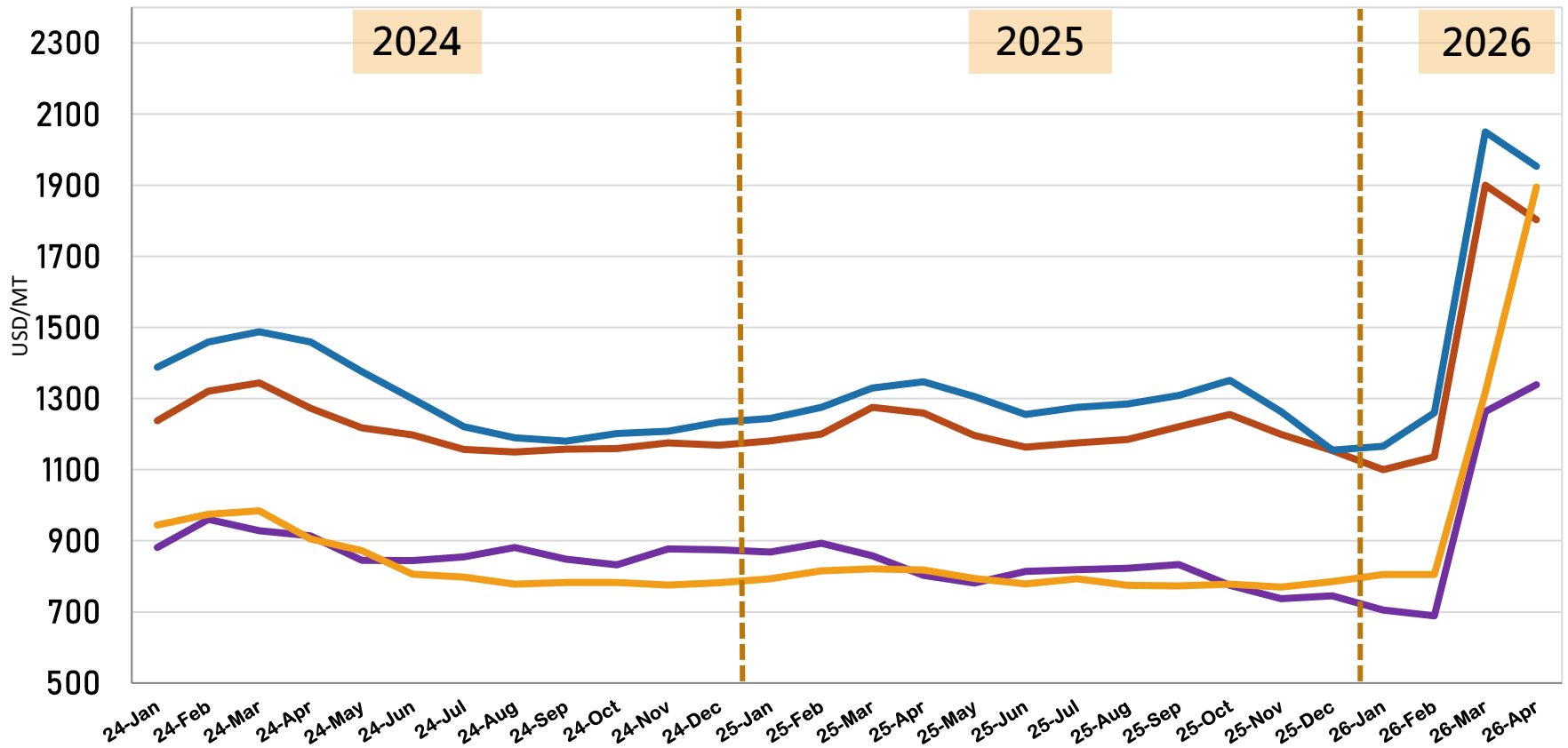
Crude Oil / Ethylene Monomer Review

- **Crude Oil** : Geopolitical tensions escalated, driving crude oil prices to rebound from early-2026 lows. Following the outbreak of the U.S.-Iran war in late February, oil prices surged and once reached US\$118/bbl by the end of March.
- **Ethylene**: Ethylene remained weak before late February. The spread between ethylene and naphtha was compressed to very low level. After the U.S.-Iran war broke out, ethylene prices surged. Many petrochemical plants in Northeast Asia, Southeast Asia, and the Middle East declared force majeure, while Chinese producers were relatively less affected.

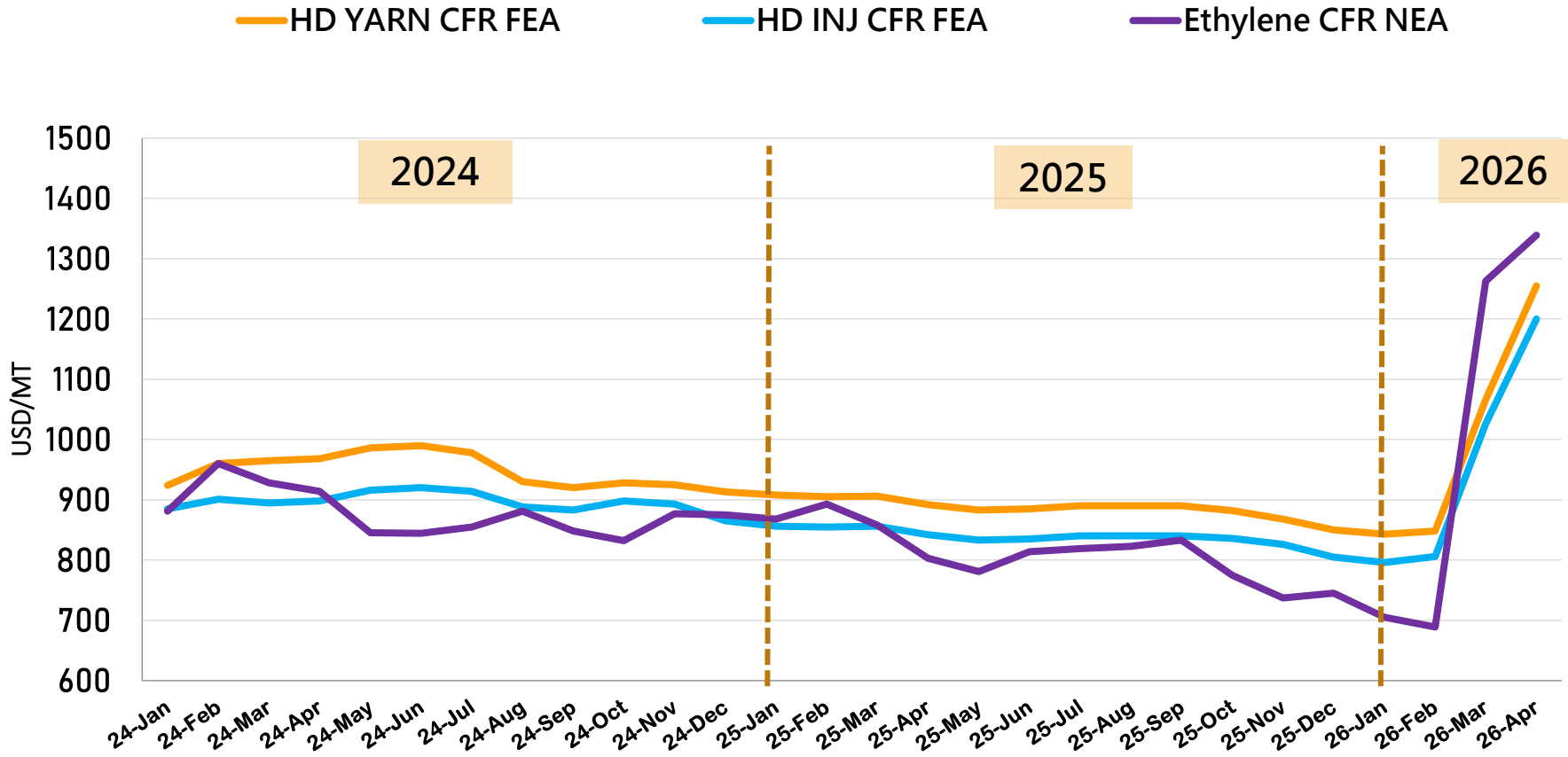


EVA Market Review

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

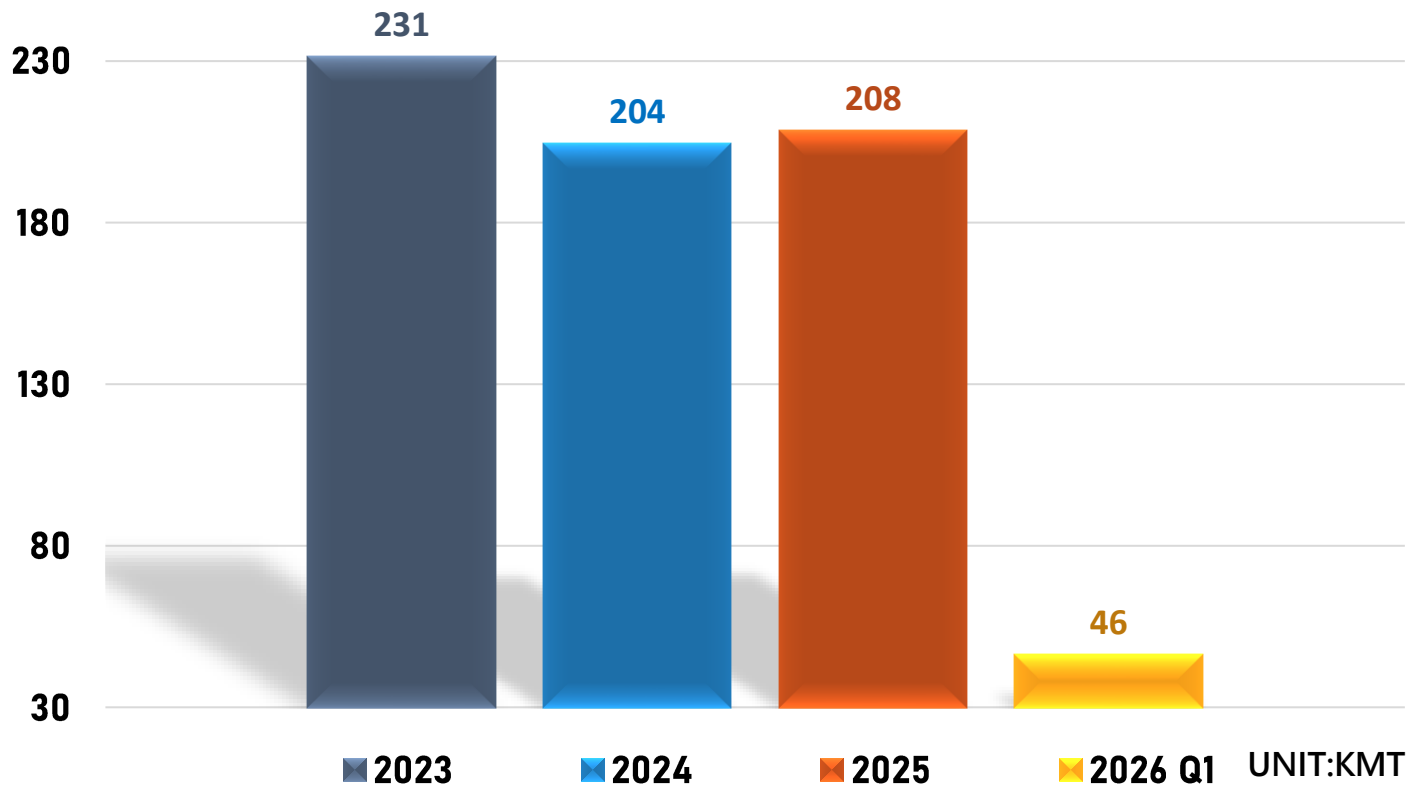


PE Market Review



Source from: Platts

Business Review of 2023 to 2026



Sales Comparison Q1 2025 and 2026

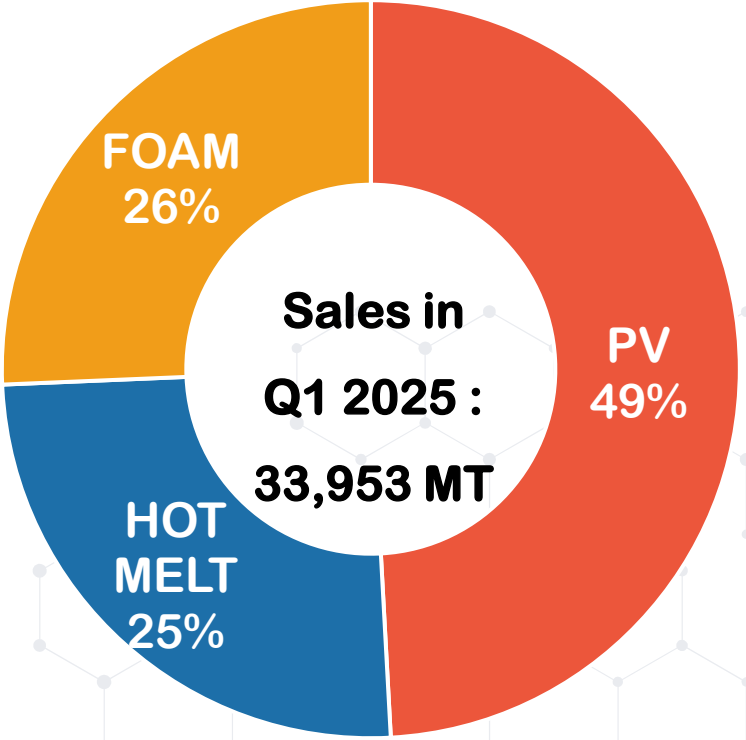
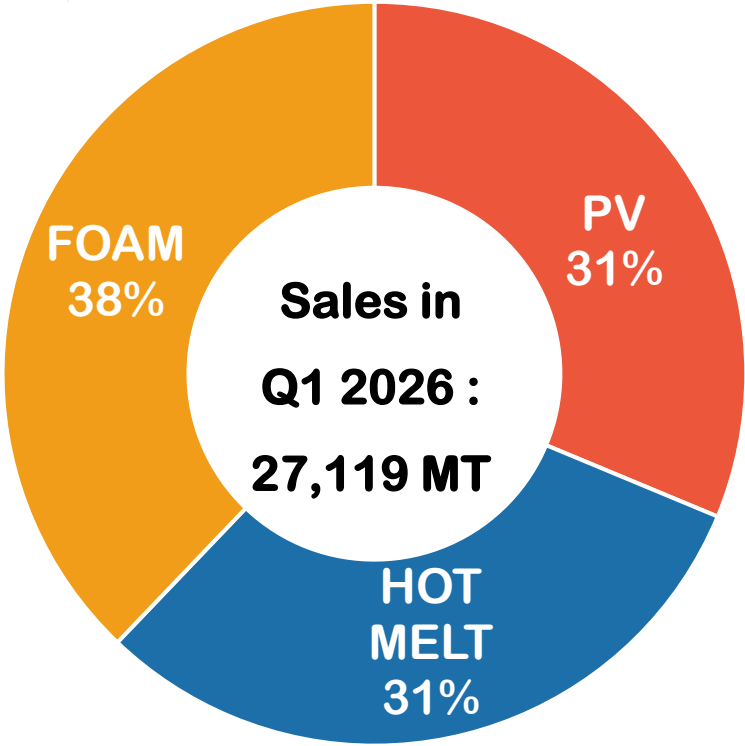
	Q1 2025	Q1 2026	Difference
Total Quantity	54.7	45.6	-9.1

UNIT: KMT

EVA Operation Review: Q1 2026

- New capacities from Zhejiang Petrochemical and Levima started up at the end of last year, further intensifying oversupply pressure. On the demand side, China's announcement to cancel PV export tax rebates effective Apr. 1, 2026 prompted film producers to moderately replenish inventories, supporting a rebound in EVA prices. However, buying interest weakened significantly after price increases, and market momentum stalled after the Lunar New Year holiday.
- Following the outbreak of the U.S.-Iran war in late February, EVA prices surged along with oil prices. To prevent downstream customers from stockpiling and reflect rising feedstock costs. We adopted a staged pricing approach and accepted orders accordingly. Priority was given to long-term customers to ensure stable supply.
- China's EVA oversupply has gradually impacted other Asian markets, especially solar-grade EVA. Due to price competition, Q1 solar-grade EVA sales decreased by 8,211 tons YoY.
- Sales Mix: •Foaming: 38% •Hot-melt adhesive: 31% •Solar-grade: 31%

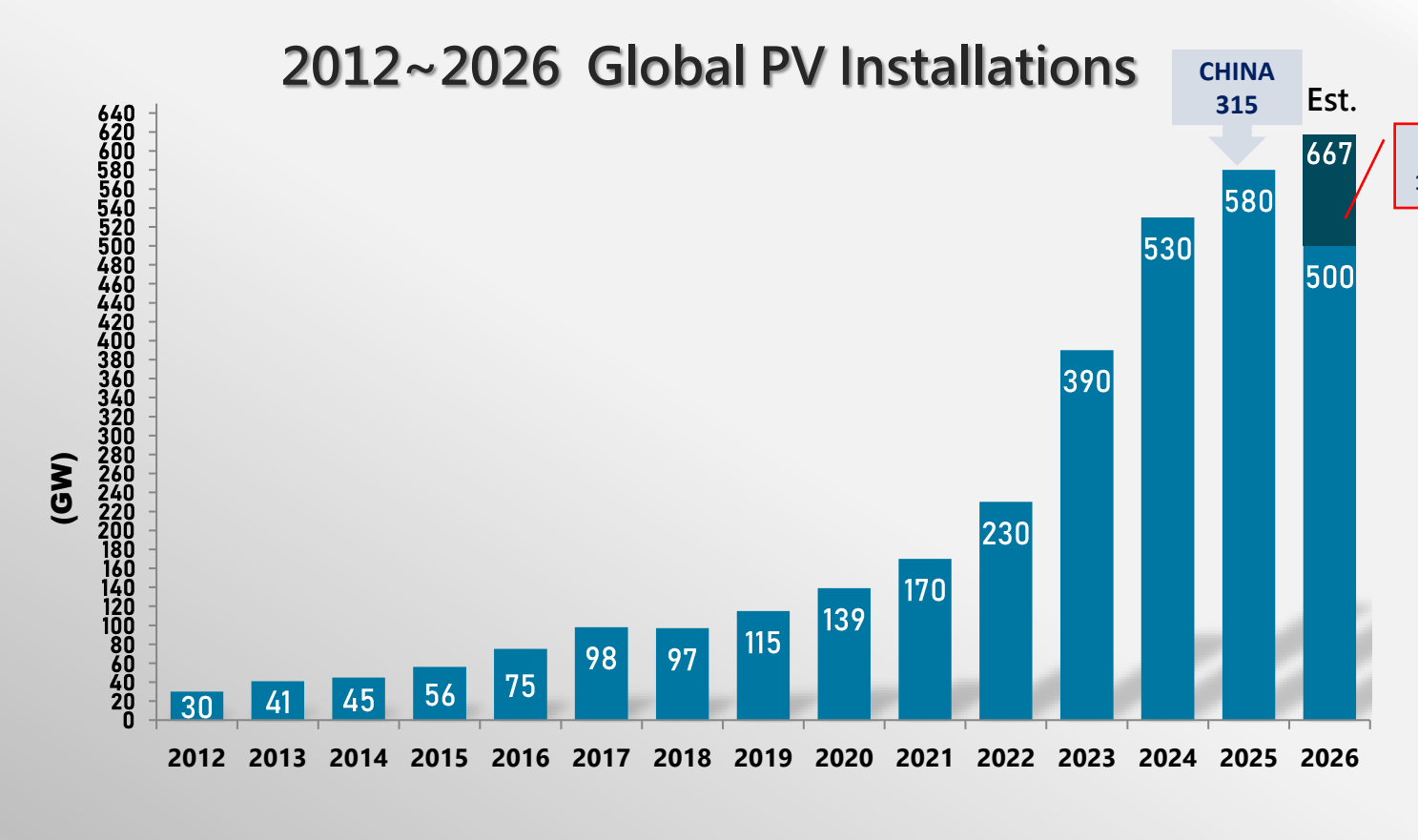
USI's EVA Application Proportion



LDPE/HDPE/LLDPE Operation Review: Q1 2026

- ◆ Before late February, ethylene prices declined while HDPE/LLDPE prices remained stable, with margins slightly improving from year-end levels.
- ◆ After the U.S.-Iran war broke out, PE prices surged along with ethylene and crude oil. Imported supply tightened, especially for general film grades, led to finishing products prices hiked and shortage, once triggering a "plastic bag chaos."
- ◆ In early March, we maintained 100% supply to domestic customers based on their average 2025 purchase volumes. Export quotations were suspended except for long-term customers, with inventory reserved for loyal customers.
- ◆ Q1 2026 HDPE/LLDPE sales totaled 17,277 tons, down approximately 12% YoY.

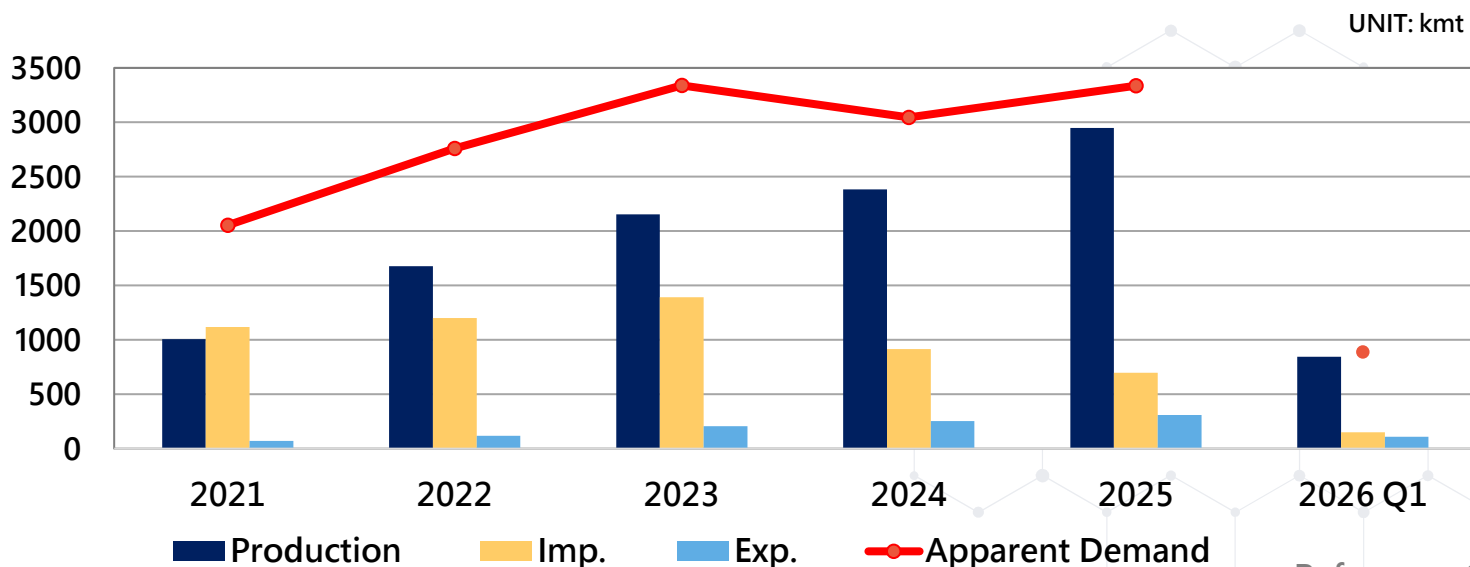
Global PV Demand



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

China EVA Demand

Year	Production	Imp.	Exp.	Apparent Demand	Self-sufficiency Rate (%)
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	194	79	26	247	79%
2025	2,949	697	310	3,336	88%
2026 Q1	846	150	109	887	95%
(2025 Q1)	671	203	66	809	83%



Reference: Chem99,
China Customs Data

The Proportion of EVA Applications in China

Year	PV Film	Foam	W&C	HMA	Coating	Agri-cultural	Other	Demand
2022	47	22	15	6	6	1	3	2,645
2023	55	19	13	5	5	1	3	3,181
2024	53	19	13	5	5	1	4	3,227
2025	50	20	15	5	5	1	5	3,273

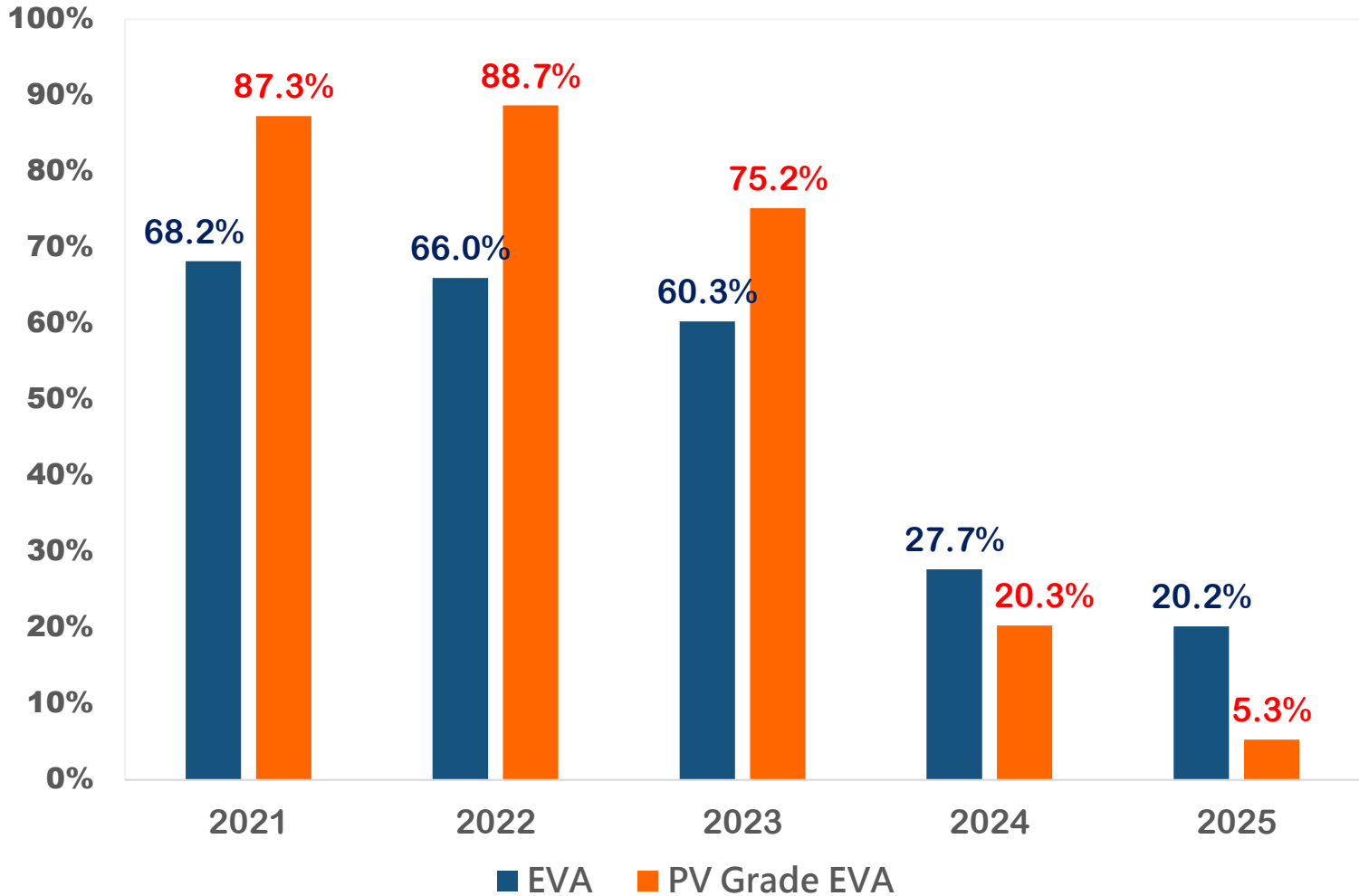
Source from: Chem99
Unit of applications ratio: %
Unit of apparent demand: KMT

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
SINOPEC YANSHAN COMPANY	260	2011	Film/foam/lamination/HMA
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
SINOCEM 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
LEVIMA ADVANCED MATERIALS CORPORATION	200	2025Q4	
ZHEJIANG PETROLEUM & CHEMICAL CO., LTD.	300	2025Q4	
Total (In production)	3,800		
SHANDONG YULONG PETROCHEMICAL CO., LTD.	300	2026 Q1	Producing LDPE since January
JIANGSU SAILBOAT PETROCHEMICAL	100	2026 Q1	EBA/EVA capable
JIANGSU SAILBOAT PETROCHEMICAL	50	2026 Q2	EBA/EVA capable
ZHEJIANG PETROLEUM & CHEMICAL CO., LTD.	700	Late 2026~ early 2027	
GUANGXI HUAYI NEW MATERIALS CO., LTD.	400	2026 Q3/Q4	
SINOCEM QUANZHOU PETROCHEMICAL (Debottleneck)	40	2026 June	
Total (New capacity)	1,590		

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



Business Outlook for Q2 2026

◆ Crude Oil& Ethylene(C2) :

Oil prices fluctuated sharply with war developments. Market focus remains on when the Strait of Hormuz can fully resume normal navigation.

◆ Ethylene :

Due to petrochemical plants resuming operations, and mainland China petrochemical producers considering that selling monomers offered better margins. Ethylene prices declined gradually after mid-April.

◆ VAM :

During Mar–Apr, war-related logistics disruptions, force majeure declarations, and plant shutdowns led to extremely tight supply. VAM spot prices surged from US\$1,200/MT to US\$1,900/MT. However, high prices severely squeezed downstream margins and weakened demand. With VAM plants gradually resuming operations, the market price is expected to correct significantly downward.

Business Outlook for Q2 2026

◆ EVA/PE :

- Although the war has not fully ended, downstream customers remain cautious due to concerns over potential price declines. Since mid-April, the China market has turned increasingly conservative, while buying interest in Southeast Asia and India also weakened in early May.
- PE and EVA prices surged in March, though most shipments were deferred to April, resulting in wider margins in April. While PE and EVA prices dropping slightly in May, the margins remained acceptable. However, export demand has weakened.
- Weak demand persisted in solar and foaming markets. However, tight supply from Korean producers boosted demand for hot-melt adhesive EVA, supporting strong sales.
- Imported supply for the domestic market remained tight. Domestic HDPE/LLDPE demand was strong in April and remained relatively stable in May.

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USI
Reported By: Amy Kuo
(Accounting Manager)



Financial Information
For the Three Months Ended March 31, 2026)

USI Corporation Consolidated Statements of Income

(In millions of NTD, except per share data)

	2026 1/1~3/31 (Consolidated)	2025 1/1~3/31 (Consolidated)	YoY	2025 FY (Consolidated)	2024 FY (Consolidated)	2023 FY (Consolidated)	2022 FY (Consolidated)
Sales	10,747	12,147	(1,401)	44,168	51,008	52,265	66,437
Cost of goods sold	10,439	11,712	(1,272)	42,820	48,711	46,658	55,497
Gross profit	307	436	(129)	1,348	2,297	5,606	10,940
gross profit ratio	3%	4%	-1%	3%	4%	12%	17%
Selling and administrative expenses	821	911	(90)	3,444	3,788	3,519	4,767
R&D expenses	115	128	(13)	555	518	468	437
Operating income(loss)	(629)	(603)	(25)	(2,652)	(2,009)	1,619	5,736
operating income ratio	-6%	-5%	-1%	-6%	-4%	3%	9%
Non-operating income(loss)	(459)	(1,004)	544	(4,371)	(3,509)	(3,556)	(5,039)
Income(Loss) before income taxes	(1,088)	(1,607)	519	(7,023)	(5,518)	(1,937)	697
Income tax expense (benefit)	(117)	(101)	(16)	(617)	(608)	(30)	758
Net (Loss)Income	(971)	(1,506)	535	(6,405)	(4,910)	(1,907)	(61)
net (loss)/income ratio	-9%	-12%	4%	-15%	-10%	-4%	0%
Net Loss(Income) attributable to			0.0%				
- USI Corporation	(440)	(633)	194	(2,791)	(2,147)	(207)	1,555
- non-controlling interests	(532)	(873)	341	(3,614)	(2,763)	(1,700)	(1,616)
Basic Earnings Per Share	(0.41)	(0.59)	0.18	(2.60)	(2.00)	(0.19)	1.45

USI Corporation Financial Ratio Analysis-Consolidated

	2026 1/1~3/31	2025 FY	2024 FY	2023 FY	2022 FY
Operating income margin(%)	(6)	(6)	(4)	3	9
Net income margin(%)	(9)	(15)	(10)	(4)	(0)
Debt ratio(%)	46	44	40	36	34
Current ratio(%)	179	189	196	249	293
Quick ratio(%)	128	132	143	184	215
Accounts receivable turnover days	44	43	41	47	48
Inventory turnover days	53	56	52	55	49

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Thanks for attending and kind support

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