

2025



Investor Conference

2025/11/21





China General Plastics Corp.

Investor Conference

2025/11/21

Time	Itinerary	Reporter
14:00~14:30	VIP Registration	
14:30~15:00	Review for Q3 & Outlook for Q4	J H Wu, Director
	Finance Information for Q1~Q3	C F Li, Manager
15:00~15:30	Q&A	Otto Hu, President

2025 Q3 Review & Q4 Outlook

Nov 21, 2025

Reporter : J.H. Wu, Director

2025 Q3 Review : PVC feedstocks

- ◆ **Ethylene** : OPEC+ lifted their production cut agreement, leading production increase from August to October. Easing tensions in the Middle East caused crude oil/light crude oil prices to fluctuate downwards. Reciprocal tariffs brought uncertainty in the global manufacturing sector. Maintenance or commercial consideration at Japanese and S Korean cracking plants reduced supply. However, new PVC capacity coming online in China supported Chinese ethylene supply. Insufficient profit margins on US far-ocean cargos keep Asian ethylene prices being stable.
- ◆ **EDC** : High operating rate at alkali plants but weak demand for chlorinated derivatives adding unexpected shutdowns at some VCM plants led EDC plants to reduce production and tighten supply to mitigate losses. However, the improvement in downstream PVC/VCM demand was limited, dragging down EDC prices by a gradual decline (\$210~\$190).
- ◆ **VCM** : Due to maintenance and poor profits, Asian VCM plants reduced operating rates, resulting in a tight overall supply. However, weak downstream PVC demand and cautious purchasing led to downward trend in VCM prices (\$525~\$515).

2025 Q3 Review : PVC(I)

- ◆ In Q3, maintenance shutdowns at Chinese plants were gradually completed while new capacity came online, leading the operating rate increased (76.5% → 80%). Output in Q1-Q3 grew by 4.1% year-on-year. High US tariffs, continued sluggish domestic real estate investment, downstream operations slowing down before the Golden Week holidays, coupled with the lack of significant development of anti-involution issues, dragged down demand in the plastics processing industry. PVC futures rose initially before falling. Ending inventories surged and mainly dumped to overseas markets. Export prices declined due to India's BIS/ADD postponed and competition with the US material in near- and far-sea. The export volume was increased 51% year-on-year during Q1-Q3.

2025 Q3 Review : PVC(II)

- ◆ In India, Q3 demand of PVC for agricultural irrigation and infrastructure was slowed by the rainy season, coupled with ample imports (especially from China at low prices up 11% year-on-year in Q3), tariff issues, rupee depreciation, and buyers slowing down transactions before Diwali, resulting 6% decreased in PVC import year-on-year during Q1-Q3. The Bangladeshi rainy season, financial and credit issues declined Asian prices also hampered PVC trading. Southeast Asia was impacted by US tariffs, weak end-user demand and fierce price competition between China and the US for PVC businesses. Buyers mostly shifted to domestic purchases and made purchases only when necessary or postponed transactions, leading a sharp drop in imported PVC prices.

2025 Q3 Review : PVC(III)

- ◆ The US Q3 data on inflation, unemployment, new housing starts and building materials demand were weak. PVC production increased by 3% but domestic sales decreased by 5% quarter-on-quarter, and inventory surged by 25% with pressure. For lowering down inventory, the US PVC shifted to exports and competed with Chinese goods globally. Export prices declined by 14% quarter-on-quarter, dragging down global PVC prices.

2025 Q3 Review : Consolidated Sales

- ◆ The YTD consolidated sales till Q3 in 2025 was NT\$ 7.385 B, which decreased by NT\$ 1.158 B YoY (14 %↓).

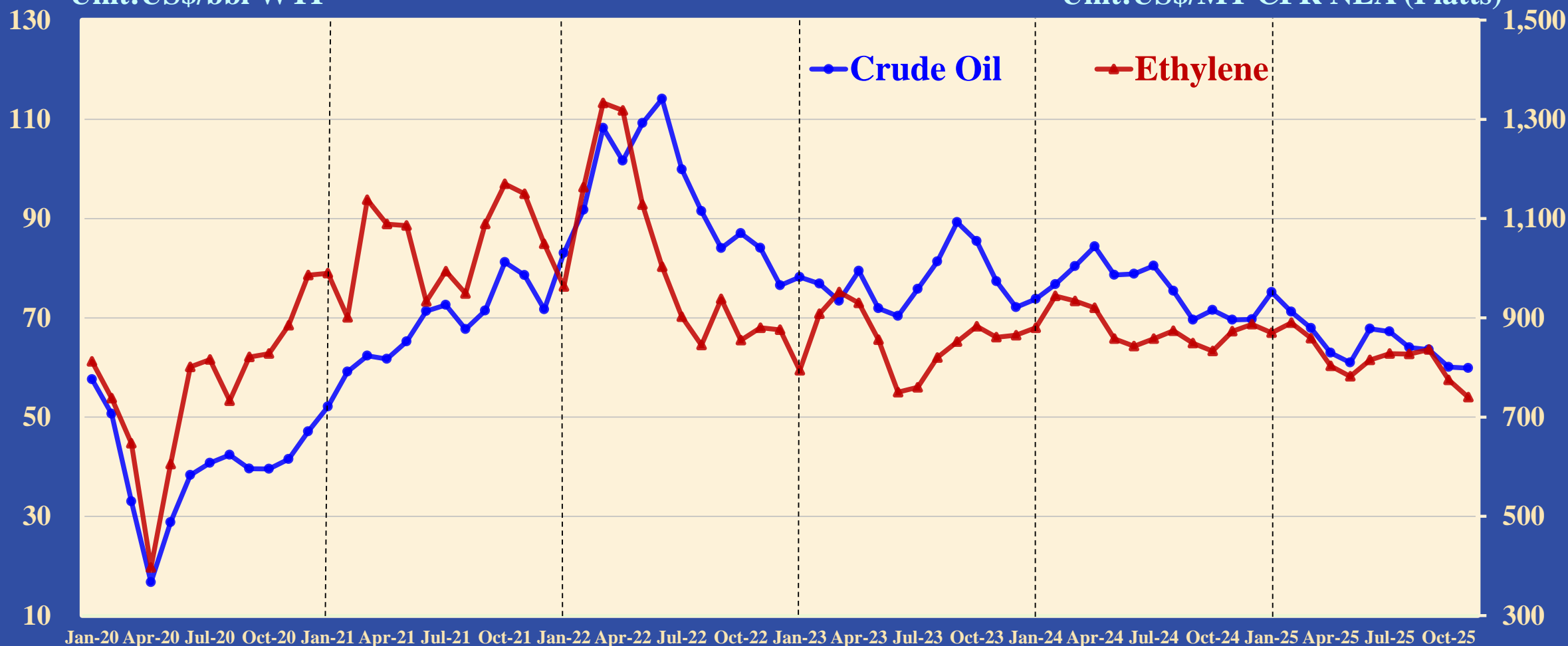
Sales Quantities (KT)

Products	2025	2024	+/-
VCM / PVC	228	232	-4
PVC Products	23	29	-6
Alkaline 100%	43	44	-1
Total	294	305	-11

Crude Oil & Ethylene Price Trend

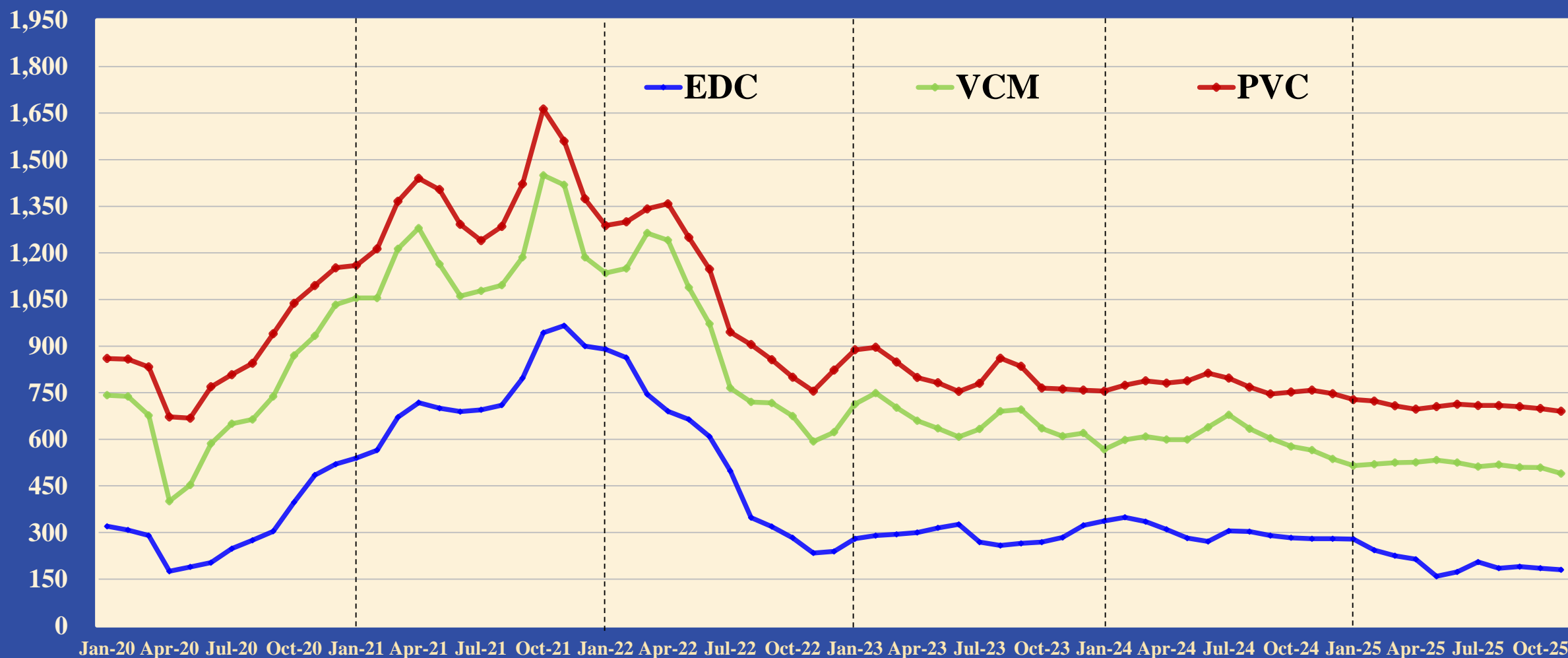
Unit:US\$/bbl WTI

Unit:US\$/MT CFR NEA (Platts)



PVC / VCM / EDC Price Trend

Unit:US\$/MT CFR NEA (Platts)



2025 Q4 Outlook : Ethylene

- ◆ The US tariff tensions rose and uncertain economic outlook coupled with continued OPEC+ production increase and easing tensions in the Middle East but rising trade barriers are impacting crude oil demand and led to continued downward volatility in crude oil/light crude oil prices.
- ◆ New cracking plants in China and new ethylene capacity coming online in Southeast Asia, however, have not seen recovery in downstream ethylene demand. Even with ongoing consolidation and capacity reduction at Japanese and S Korean light crude oil cracking plants to reduce ethylene operating rates, oversupply of ethylene still exists in Asia. Furthermore, with US maintenance completed and far ocean cargos beginning to be quoted, Asian ethylene prices/spreads have fallen sharply.
- ◆ The IMF has lowered its 2026 global economic growth forecast. China's refining capacity expansion show no signs to slow down. Ethylene prices are expected to closely follow light crude oil price movements. Demand and spread improvement in ethylene derivative remains to be seen.

2025 Q4 Outlook : EDC / VCM

- ◆ **EDC** : Demand for alkali and chlorine derivatives is weak. The inventories are rising. Northeast Asian manufacturers maintain production cut to support prices and limit EDC supply. US EDC supply is ample. Considering year-end inventory tax pressures, increased overseas supply is expected. That will help suppress EDC prices. However, VCM spreads are insufficient, putting pressure on procurement and leading to a wait-and-see attitude. EDC trading is expected to be sluggish/prices will fluctuate.
- ◆ **VCM** : In Q4, under weak PVC demand and insufficient spreads, Asian VCM plants continued to reduce operating rates, resulting in tight supply. The market awaits PVC prices recovery to drive up VCM prices.

2025 Q4 Outlook : PVC Supply (I)

- ◆ The Fourth Plenary Session of the Communist Party Central Committee issued directives for the 15th Five-Year Plan (domestic consumption, technological self-reliance, industrial innovation and transformation, and green energy saving); supply-side reforms in the petrochemical industry to combat involution (inspection of coal, caustic soda and PVC outdated equipment); PVC price supported from calcium carbide costs and continued profitable from chlorine-alkali production (80% operating rate). But under increasing social inventory (900,000 tons) and weakening overseas demand, PVC future/spot/export prices fluctuated weakly. Aside from to increase overseas sales continuously, PVC operation rate may be adjusted.

2025 Q4 Outlook : PVC Supply (II)

- ◆ Crude oil, light oil and ethylene prices declined. Northeast Asian cracking plants reduced ethylene production. Downstream derivatives and PVC demand were weak (year-end inventory reduction, downstream products tariffs, anti-dumping barriers). EDC operating rates remained low to stabilize prices. Asian VCM supply is tight. Market participants continue to monitor inventory fluctuations in China and the US as well as change in PVC prices.
- ◆ Some US PVC plants are undergoing maintenance and reducing year-end inventory, resulting to decrease in output compared to Q3 (1.8-1.85 million tons/quarter). Domestic and export sales are attempting to raise prices, while domestic demand remains weak, ADD interferes overseas sales and the competition comes from Chinese suppliers.

2025 Q4 Outlook : PVC Demand (I)

- ◆ During Q4~2026, Chinese domestic macroeconomic market situation is bullish, including reciprocal tariff reductions and PMI of 49% in Oct. Downstream processing demand is entering its off-season. With the withdrawal of India's trade barriers and lower freight rates, it is expected to maintain their market penetration advantage. Buying sentiment rely on government policy support and their export prices remain price difference with competing countries for inventory dumping.
- ◆ India's agricultural, irrigation and infrastructure PVC demand is rigid in Q4. However, due to ample imports and inventory, buyers mostly continue to wait and see before Diwali holidays, resulting in weak buying sentiment. It is expected the downstream markets operations will strengthen and restocking demand will emerge, leading PVC domestic manufacturers to lower prices for securing sales after the holidays. Buyers focused on rising operating rates and inventories of PVC from Chinese suppliers, using low prices to suppress trade in non-Chinese PVC.

2025 Q4 Outlook : PVC Demand (II)

- ◆ Concerning about the US economic trend and data (inflation/unemployment/consumption), FED cut interest rate by 50 basis point, and reduce tariff with major trading countries. But domestic demand for PVC in the construction, pipe and window industries is expected to be weak in the quarter. To reduce inventory, PVC producers continue to focus on overseas exports and promote sales in the markets without ADD (Africa, Latin America, South Asia, and Southeast Asia). With declining sea freight and competition from China, the global PVC market remains under pressure.

2025 Q4 Outlook : PVC Products(I)

- ◆ **Construction Materials** : The domestic construction industry is pessimistic about the real estate market and housing starts from Q4 to 2026. With the government's year-end public works rush and the expanded budget for 2026, CGPC continue to strive for deliveries of various annual public works projects for maintaining stable gross margins from building materials products with optimizing production and sales volume. We keep replace energy-intensive equipment, implement intelligent processes, quality improvement and promote low-carbon building materials (PCR/ISO14021) in line with the ESG requirements of public works and the construction industry.

2025 Q4 Outlook : PVC Products (II)

- ◆ **PVC Film & PVC Leather** : In Q4, CGPC continue product transformation, promoting high-performance, high-value PVC leather and environmentally friendly products, expanding industrial application and improving profitability through patent and trademark registration. PVC Film/PVC Leather factories prioritize production improvements, focusing on profit-generating products and industrial safety. Leather and Film production focuses on improving yield rates, energy conservation and emission reduction in processes, green energy, product recycling and reduction. CGPC will adhere to ESG governance principles.

China General Plastics Corp.

2025 Q1~Q3 Finance Information

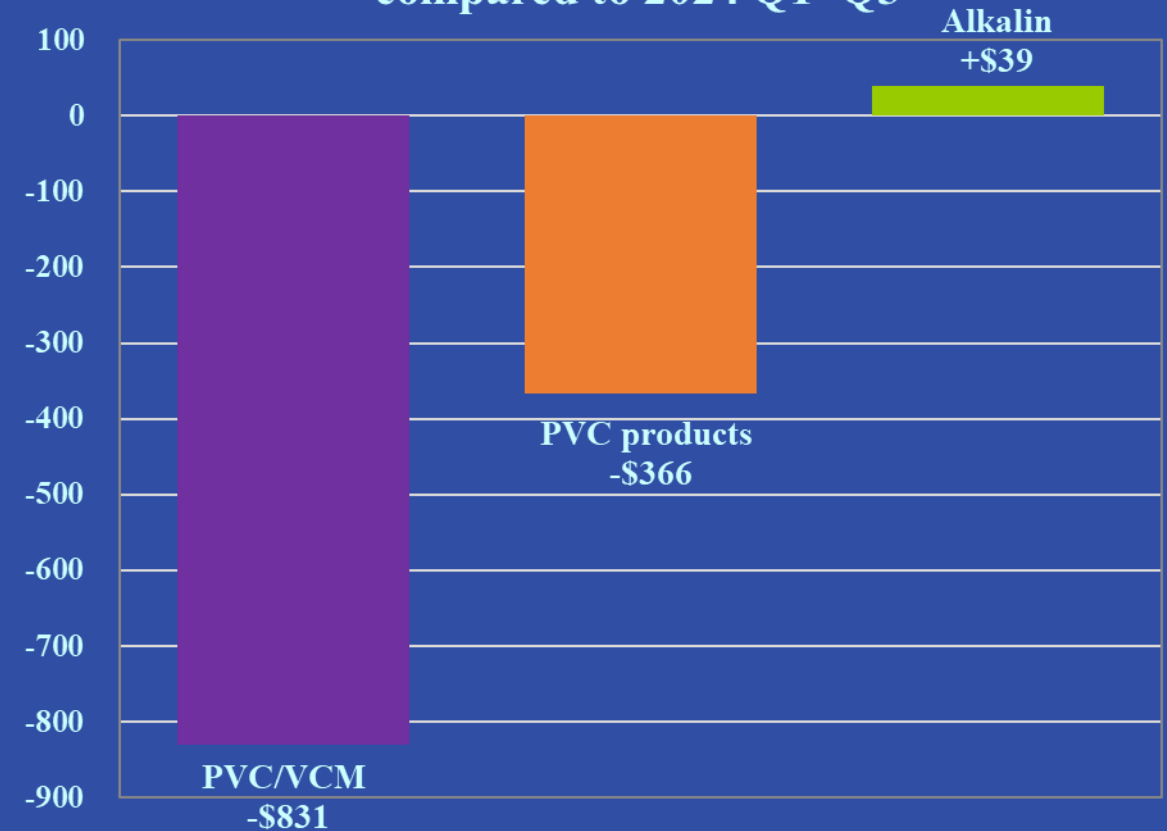
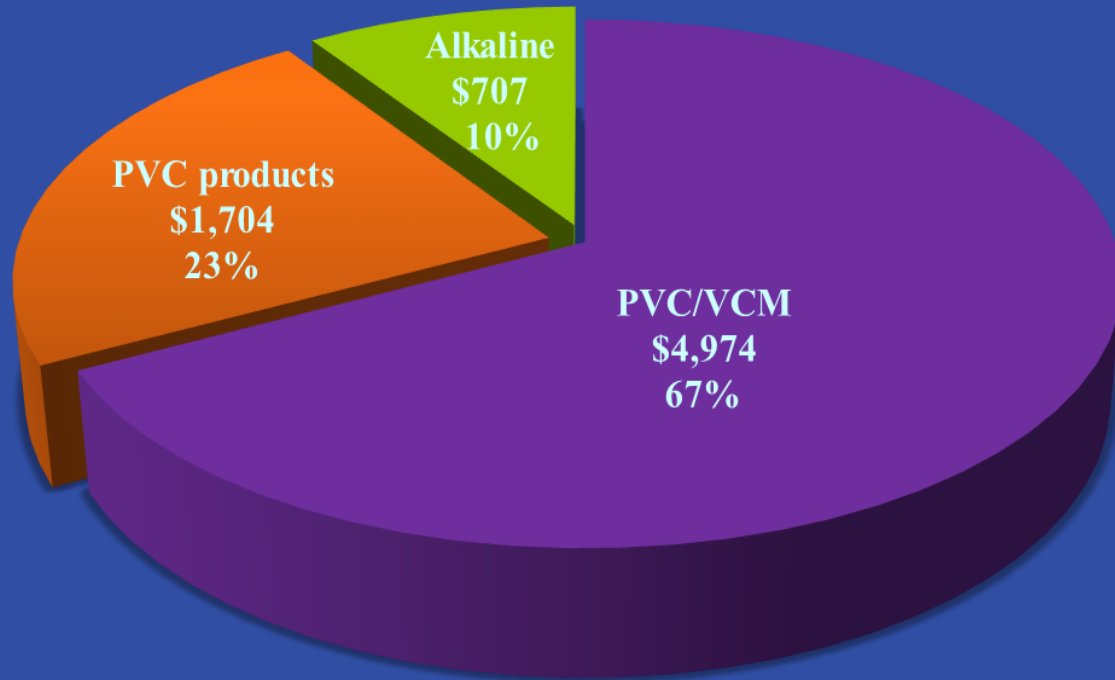
Nov 21, 2025

Reporter : C F Li, Manager

2025 Q1~Q3 Sales by Products

(NT\$million)

2025 Q1~Q3 Inc./ (dec.)
- compared to 2024 Q1~Q3



Consolidated Statements of Income

Unit : NT\$million , except per share data

	2025 Jan.-Sep.	2024 Jan.-Sep.	YoY%	2024 FY	2023 FY	2022 FY
Sales	7,385	8,543	-13.6%	11,087	13,707	17,637
Cost of goods sold	7,747	8,308	-6.8%	10,876	12,030	16,959
Gross profit(loss)	-362	235	-254.0%	211	1,677	678
Gross profit ratio	-4.9%	2.8%		1.9%	12.2%	3.8%
Operating expenses	709	810	-12.5%	1,054	1,217	1,662
Operating income(loss)	-1,071	-575	86.3%	-843	460	-984
Operating income ratio	-14.5%	-6.7%		-7.6%	3.4%	-5.6%
Non-operating income(loss)	-99	70	-241.4%	-77	7	467
Income(loss) before income taxes	-1,170	-505	131.7%	-920	467	-517
Income taxes expense(benefit)	-336	-125	168.8%	-169	73	-179
Net income(loss)	-834	-380	119.5%	-751	394	-338
Net income ratio	-11.3%	-4.4%		-6.8%	2.9%	-1.9%
Net income(loss) attributable to						
- China General Plastics Corporation	-777	-349	122.9%	-710	342	-370
- Noncontrolling interest	-57	-31	81.4%	-41	52	32
Earnings(loss) per share	-1.34	-0.60	123.3%	-1.22	0.59	-0.64

Financial Ratio Analysis (Consolidated Basis)

	2025 Jan.-Sep.	2024 Jan.-Sep.	2024 FY	2023 FY	2022 FY
Operating income margin(%)	-14.5	-6.7	-7.6	3.4	-5.6
Net income margin(%)	-11.3	-4.4	-6.8	2.9	-1.9
Debt ratio(%)	51	47	48	42	40
Current ratio(%)	92	133	136	204	217
Quick ratio(%)	56	83	82	127	129
Average days of collection	36	34	34	34	36
Average inventory turnover days	73	81	85	77	61

Disclaimer

- ◆ This presentation includes the Company's current information and any development or adjustments thereof will be published according to laws, regulations or rulings. The Company is not obligated to update or revise this presentation.
- ◆ The information in this presentation is not for investment advices.



China General Plastics Corp.

The End
Thank You



2025/11/21

Work together to create prosperity

China General Plastics Corp.

Investor Conference

Q & A



2025/11/21

Work together to create prosperity