2026

台聚集團

Investor Conference

2026/11/25



China General Plastics Corp.
Investor Conference 2026/11/25

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

China General Plastics Corp.

2026 Q3 Review & Q4 Outlook

Nov 25, 2026

Reporter : J.H. Wu, Director

2026 Q3 Review : PVC feedstocks(I)

- **Ethylene :** In July, renewed US-Iran geopolitical risk drove crude oil and naphtha prices sharply higher. Brent/WTI crude surged from US$72/68 per barrel to above US$100 for both by mid-September. Volatile, high-priced naphtha pushed ethylene above US$1,200 per ton (↑50%), squeezing cracker margins; tightening Asian supply continues to support the Q4 market.

2026 Q3 Review : PVC feedstocks(II)

- **EDC :** The US-Iran war stalemate has restricted raw material shipments through the strait and sharply raised freight costs. Together with high power prices, expensive ethylene and chlor-alkali run cuts, this kept EDC costs elevated. However, weak downstream PVC/VCM demand and limited ability to accept higher prices strongly capped EDC's justified increase (↑10%), leaving supply tight and volumes low this quarter. Buyers and sellers remain deadlocked, and the Q4 market is expected to stay range-bound.

- **VCM :** In Q3, upstream ethylene and EDC sharply pushed up VCM costs, but weak downstream PVC demand and conservative purchasing blocked price increases, with only a modest pass-through (↑10%). Asian producers cut operating rates amid losses, reducing supply; trading remained quiet with buyers and sellers deadlocked.

2026 Q3 Review : PVC(I)

- **China :** The traditional "Golden September, Silver October" peak season failed to materialize and China's property market remains weak, weighing on domestic PVC demand. Property investment fell 20.6% YoY in January–September, and floor area started/completed declined about 25% YoY. In Q3, operating rates of pipe/building-material makers (36.6%/40.4%) hovered at low levels. Under loss pressure, plant maintenance increased and PVC operating rates declined (66%→63.5%); total PVC output in the first three quarters was 17.54 million tons, down about 3.2% YoY. Inventory was reduced mainly through exports besides output cuts: cumulative January–September exports reached 3.23 million tons, up 10.6% YoY. Looking ahead, a recovery in China's domestic demand still depends on policy implementation, with a focus on infrastructure such as urban pipe network upgrades, water conservancy projects and renovation of aging buildings. Exports remain weak due to trade barriers, high raw material costs and the off-season.

2026 Q3 Review : PVC(II)

- **Asia : In Q3 the market continued to be affected by Middle East geopolitics and raw material supply uncertainty. Sharp swings in crude oil and naphtha prices put pressure on the production cost of ethylene-based PVC, forcing most Asian producers to cut output and carry out turnarounds. Buyers purchased cautiously and favored lower-priced Chinese cargoes, but in the second half of the quarter Chinese cargoes also faced high raw material costs and sharply higher freight rates. Meanwhile, caustic soda prices fell, eroding the advantage of offsetting chlorine with caustic soda, and sales of non-Chinese Asian cargoes gradually recovered.**

2026 Q3 Review : PVC(III)

- **US : In Q3, the housing market continued to be weighed down by high interest rates (7.2%) and high home prices. September housing starts and sales fell YoY (-7.4%/-5.3%), limiting growth momentum in domestic PVC demand. Quarterly domestic PVC sales were 1.30 million tons, down 3% QoQ. US PVC plants kept operating rates high in Q3, with output of 1.93 million tons, flat QoQ. US PVC, based on upstream ethane feedstock, holds a cost advantage in overseas competition; as Asian ethylene prices soared, Q3 exports reached 660,000 tons, up 16% QoQ. In Q4, with Asian ocean freight rates surging and ethylene still elevated, competition from US cargoes in the Asian market is expected to intensify.**

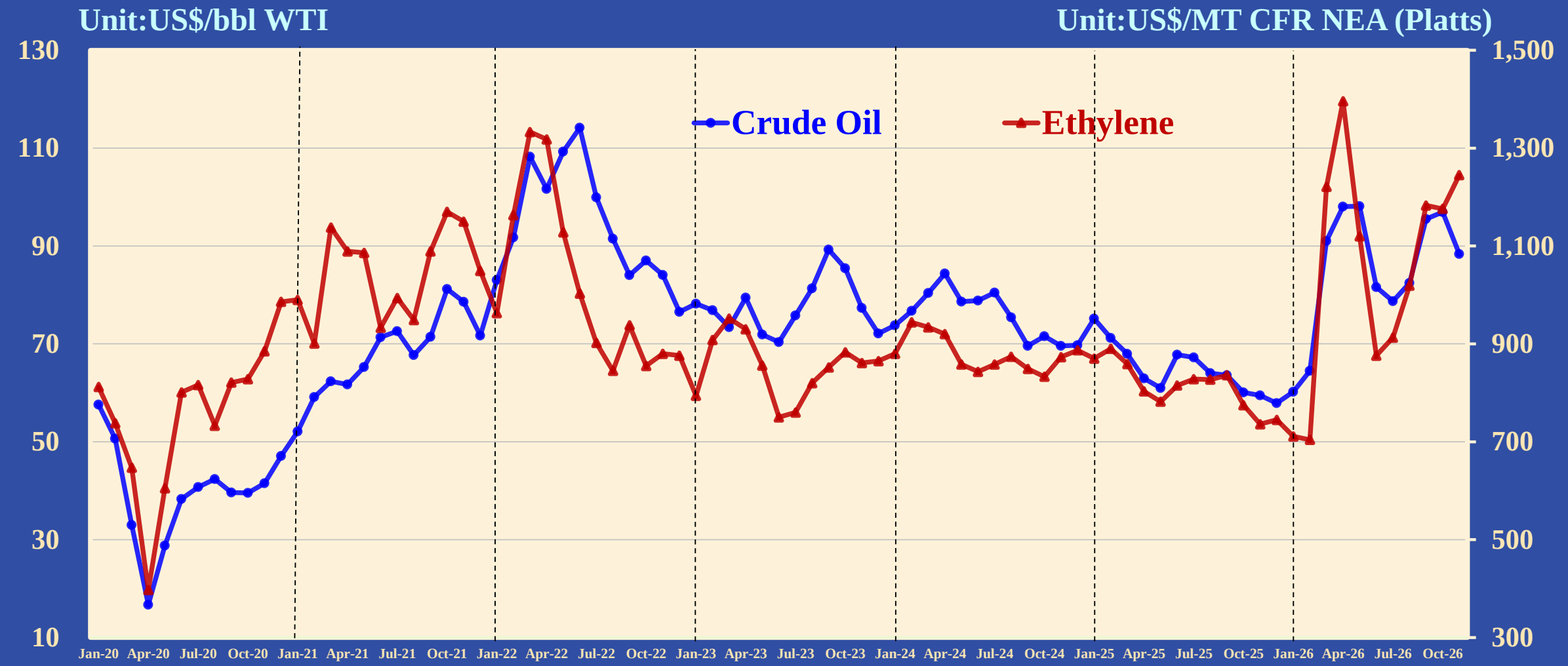
2026 Q3 Review : Consolidated Sales

- The YTD consolidated sales till Q3 in 2026 was NT$ 7.393 B, which increased by NT$ 8 M.

Q1~Q3 Sales Quantities(KT)

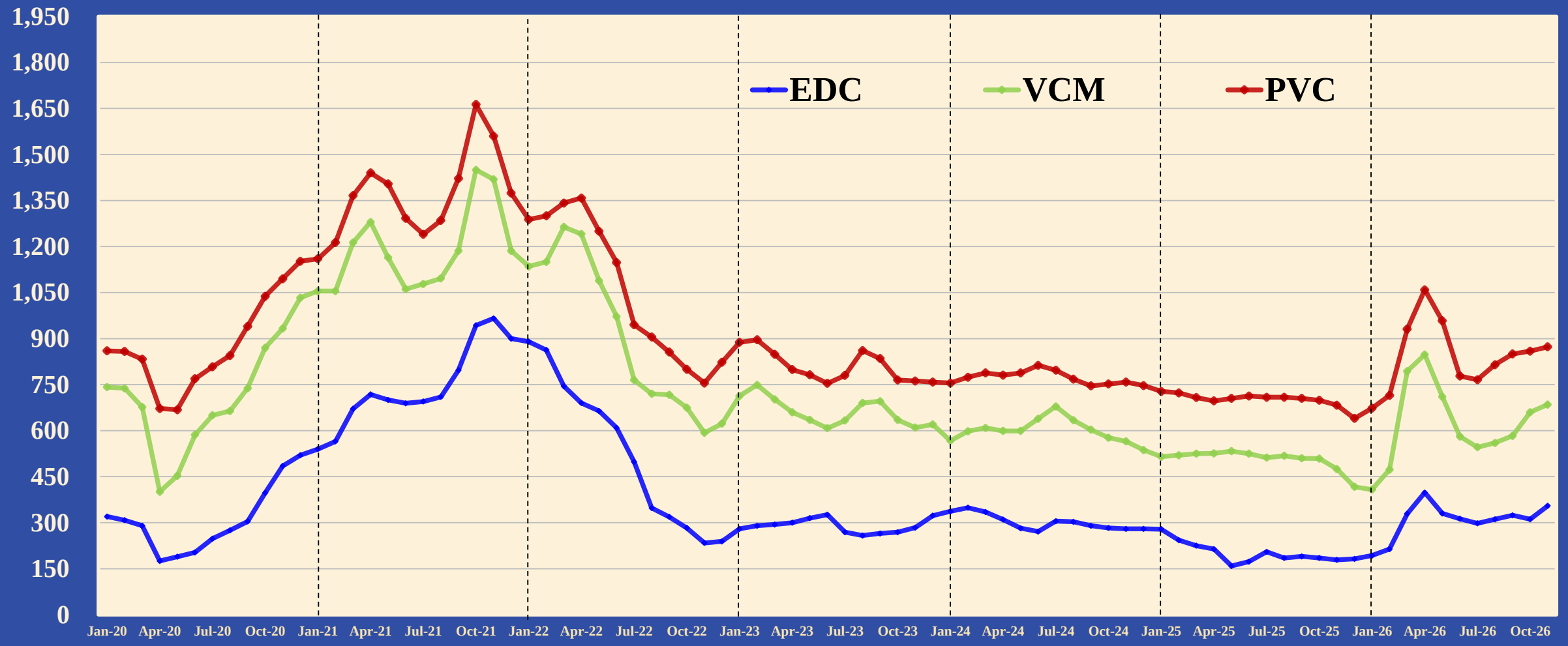
Products	2026	2025	+/-
VCM / PVC	203	228	-25
PVC Products	20	23	-3
Alkaline 100%	42	43	-1
Total	265	294	-29

Crude Oil & Ethylene Price Trend



PVC / VCM / EDC Price Trend

Unit:US$/MT CFR NEA (Platts)



2026 Q4 Outlook : Ethylene

- **Ethylene :** In Q4, with the US midterm elections over and swings between US-Iran war and peace easing, alternative crude export routes are growing and the geopolitical risk premium in petrochemicals is gradually fading; international crude/naphtha prices have fallen sharply from their highs (US$117/1,082). However, Asian cracker consolidation and capacity closures, Korean petrochemical plants entering peak turnaround season, and reduced Middle East exports of ethylene glycol and methanol have left Asian ethylene supply short, quickly pushing regional spot prices higher (US$1,250~1,300).

2026 Q4 Outlook : EDC / VCM

- **EDC :** Asian EDC suppliers face high costs, while very little cargo arrives in Asia from distant sources; most sellers are cutting run rates to protect prices or halting spot sales, prioritizing contract customers. Downstream PVC/VCM demand is unusually weak amid the winter off-season and global output cuts. The market faces a virtual supply cutoff, with buyers resisting high EDC costs and sellers reluctant to sell; prices are expected to trade in a firm range (US$345~360).
- **VCM :** In Q4, although VCM producers are trying to lift prices on output cuts and higher costs, downstream PVC buyers are extremely conservative amid the weak market, making it hard for VCM to pass through costs. The market is characterized by "cost support, tight supply, weak PVC demand, and range-bound prices with slight increases (US$650~700)."

2026 Q4 Outlook : PVC Supply (I)

- **China :** Q3 total output was 5.53 million tons, down 9.4% YoY. In Q4, producers remain constrained by high raw material costs: ethylene-based PVC losses have deepened, with unplanned plant run cuts and shutdowns to limit losses, and operating rates falling steadily (50.8%→35.22%). Calcium carbide-based PVC has seen its valuation recover, mainly benefiting from winter coal supply-assurance policies that keep carbide prices soft, with operating rates recovering gradually (65.2%→69.73%). The overall operating rate of 59.08% is still at a trough. Domestic and export markets are both sluggish, with weak supply and demand; coastal inventories fell on lower operating rates (1.06 million tons in September → 950,000 tons in October). As the Middle East situation eases, crude/naphtha prices have dropped quickly, but upstream raw material prices remain resilient on shortages, supporting ethylene-based PVC prices amid a tug-of-war with downstream buyers' expectations. PVC prices in Q4 are expected to rise easily but fall with difficulty.

2026 Q4 Outlook : PVC Supply (II)

- **Asia : In Q4, the Middle East situation is easing, but tight Asian ethylene/EDC/VCM supply and high raw material costs are supporting PVC quotations; the upward price trend and the oversupply problem have improved compared with the previous quarter. This is mainly because Asian ethylene-based PVC producers are cutting output in step on profit considerations, tightening overall supply and lifting prices to a high but stable level. Asian producers are watching for the right timing on upstream raw material, energy and petrochemical supply balance. Changing trade barriers (India countervailing duties / EU and UK anti-dumping) are creating new cargo trade flows, which may improve supply-demand structure and market conditions, or even lead to supply chain restructuring and market redistribution.**

2026 Q4 Outlook : PVC Supply (III)

- **US : In Q4, reduced upstream chlorine output and peak VCM turnarounds are temporarily tightening PVC, but with the domestic off-season and export trade barriers, overall supply should remain ample. US PVC holds cost and low ocean freight advantages; given year-end inventory reduction for tax purposes and pressure to clear stock, overseas markets remain the main outlet. In regions without trade barriers (Latin America, Africa, the Middle East, India, Southeast Asia, etc.), competition comes from low-priced Chinese calcium carbide-based PVC powder.**

2026 Q4 Outlook : PVC Demand (I)

- **China :** In Q4, domestic property-related demand remains weak, but urban renewal and infrastructure policies will provide localized support. Together with PVC producers' loss-driven output cuts, overall supply-demand balance and prices are expected to improve. Export demand shows a divided picture: a rigid rebound in demand on one hand, and trade barriers and higher costs on the other. India is the most important export market; after its countervailing duty investigation, trade flows are shifting to Central Asia, the Middle East, Africa and Russia, but cannot fill the gap left by India. The EU, UK and Thailand have successively launched anti-dumping investigations, further squeezing room for Chinese PVC exports. Although lower operating rates have eased China's inventory pressure, the surge in monthly exports is not repeating, so export performance will be conservative and highly dependent on emerging markets.

2026 Q4 Outlook : PVC Demand (II)

- **Asia :** The Q4 PVC sales outlook is optimistic, mainly because India and Bangladesh are seeing peak-season processing purchases return once the monsoon season ends. In addition, China's PVC production costs and freight rates are rising together, and weak caustic soda prices cannot subsidize PVC losses, which supports Asian PVC prices. With India and the EU launching countervailing and anti-dumping investigations, the demand dividend will be taken up by Asian producers (Taiwan, Japan, Korea and Southeast Asia), and the market's supply and sales structure is expected to move away from low prices.

2026 Q4 Outlook : PVC Demand (III)

- **US : Seasonal off-season domestic PVC demand is slowing; the 30-year mortgage rate has risen to 7.3% and housing starts are declining, leaving downstream building-materials industries at low operating rates. Benefiting from low raw material and energy costs and low freight rates, overseas export demand supports operating rates and offsets weak domestic demand. Main markets are India, Africa and Turkey. However, recent changes in overseas trade policy have clearly weakened export volumes, with Mexico's anti-dumping duty of US$391.8 per ton on US PVC having an especially large impact. Surplus volumes may flow to the Asian market and intensify competition.**

Patenting High Value-added New Products (I)

1. PVC Cooling Leather :

- Patented heat-reflective technology effectively blocks the buildup of radiant heat from intense sunlight.
- Deepening presence in target fields and scaling up proven results: branded scooters, shared bikes, agricultural machinery, golf carts, and outdoor boats and EVs in Europe and the US.
- Installation trials on shared bikes in Greater Taipei and Kaohsiung are complete, demonstrating significant heat resistance and durability benefits.
- Expanding channels for branded scooters, agricultural machinery and golf carts, with chain-store and distribution coverage in North America.
- Accelerating integration into the EV interior supply chain to upgrade to higher-value products.



Branded motorcycle



Shared scooter



Electric Vehicle



Golf cart



Farm vehicle



Shared bike

Patenting High Value-added New Products (II)

2. Upgraded Synthetic Leather (PVC/TPO) : Water-Based Skin-Friendly Innovation.

- Significantly reduces VOC emissions, lowering air pollution fees and consumable replacement costs (NT$26.72 million/year), while improving overall environmental quality and meeting increasingly strict environmental trends.
- Soft, smooth, skin-friendly touch with low odor and high scratch/flex resistance, adding product value.
- Fully compliant with EU REACH, RoHS and PFAS-Free regulations, targeting global tier-one sourcing supply chains.
- Focused on automotive interiors, high-end furniture, baby seats, long-term-care medical bed and chair leather, and indoor skin-friendly product lines.







Patenting High Value-added New Products (III)

3. Inkjet Printed Products : AI Digital Design & Custom Applications

1). AI Pattern Scanning and Realistic Fabric-Texture Replication :

- AI digital realistic replication: woven fabric swatches are pattern-scanned and converted, then digitally stitched and sample-printed on leather, perfectly recreating a highly realistic fabric texture.
- Process optimization: added embossing greatly enhances three-dimensionality and fineness.
- Promoting to the high-end furniture market in Europe and the US for commercial and home seating, greatly raising the added value of export products.

2). WeMo Shared Scooter Advertising Seat Covers :

- Riding and roadside parking create high-exposure mobile advertising.
- Combined with ad campaign schedules, creates a mobile media carrier and a new ad-revenue-sharing model.



Patenting High Value-added New Products (IV)

4. Low-Smoke Flame-Retardant Seat Leather : Green Safety for Public Transport.

- Target markets: trains, metro, high-speed rail and public transit buses.
- Fire-safety certifications (Docket 90 and Taiwan railway standards): FAR 25.853 (vertical flame resistance), ASTM E662 (very low smoke density test), BSS 7239 (strict smoke toxicity standard).
- North America: passed all flame resistance, smoke density and smoke toxicity tests.
- Taiwan: green train seat leather uses flame-retardant fabrics, undergoing physical and chemical verification.
- Advancing high-value components such as metro car seat leather and high-speed rail business-class armrests.

U.S. Buses



Train Seats



Metro Seats



HSR Business Class



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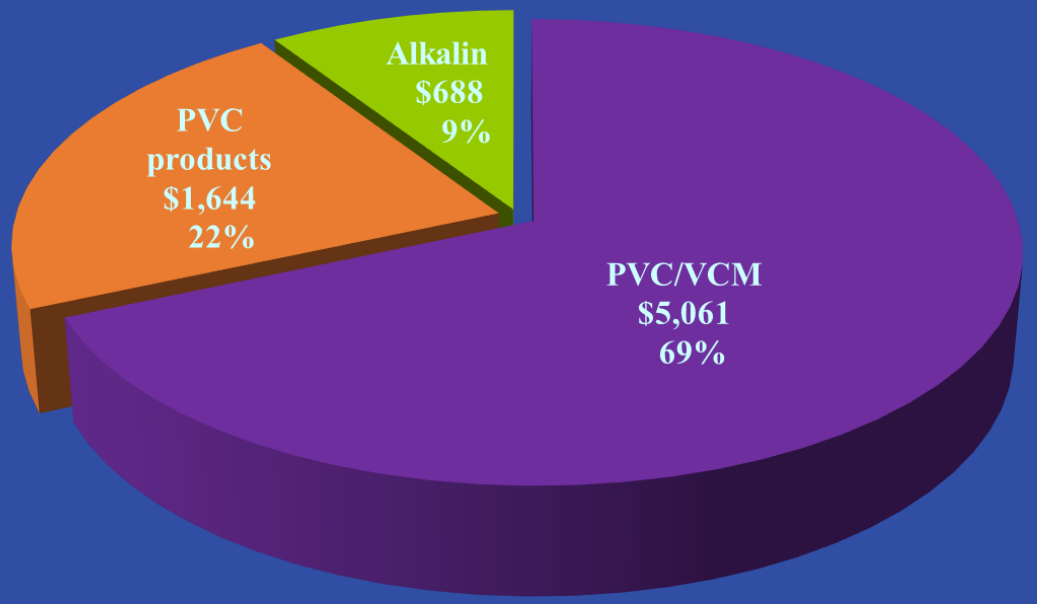
2026 Q1~Q3
Finance Information

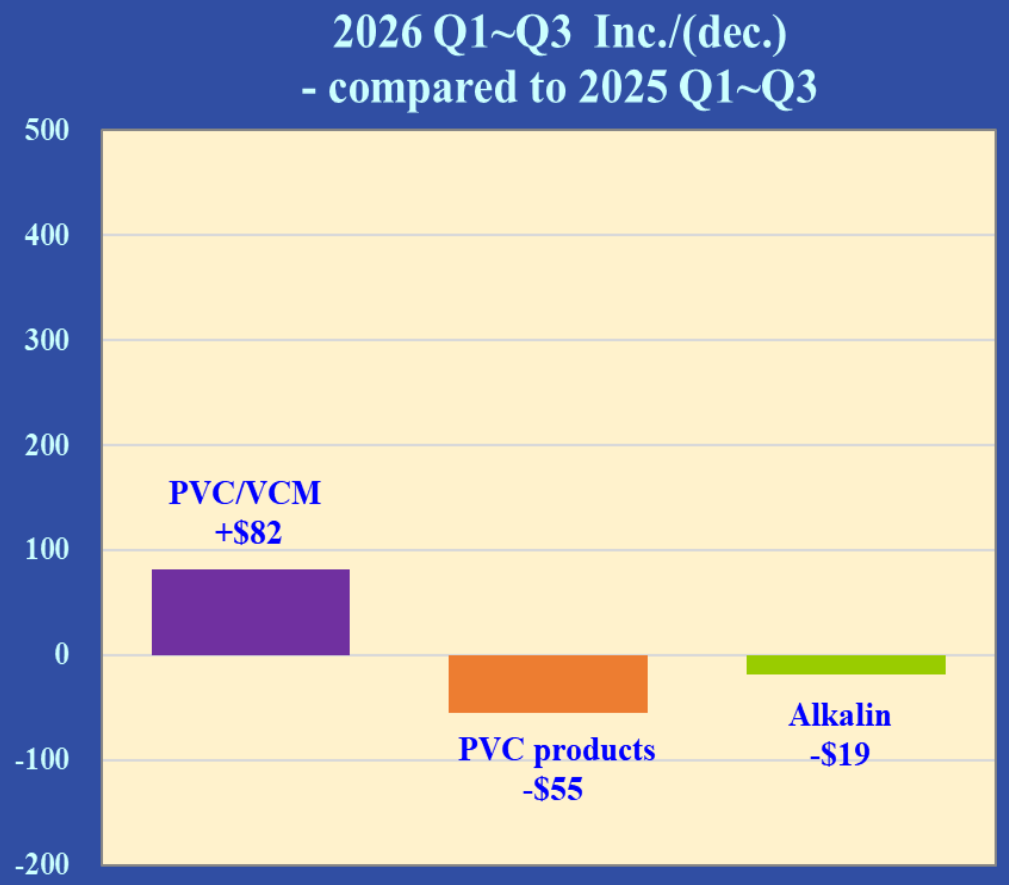
Nov 25, 2026

Reporter : C F Li, Manager

2026 Q1~Q3 Sales by Products

(NT$million)





Consolidated Statements of Income

Unit : NT$million , except per share data

	2026 Jan.-Sep.	2025 Jan.-Sep.	YoY%	2025 FY	2024 FY	2023 FY
Sales	7,393	7,385	0.1%	9,221	11,087	13,707
Cost of goods sold	7,090	7,747	-8.5%	9,571	10,876	12,030
Gross profit	303	-362	-183.7%	-350	211	1,677
Gross profit ratio	4.1%	-4.9%		-3.8%	1.9%	12.2%
Operating expenses	654	709	-7.8%	910	1,054	1,217
Operating income(loss)	-351	-1,071	-67.2%	-1,260	-843	460
Operating income ratio	-4.7%	-14.5%		-13.7%	-7.6%	3.4%
Non-operating income(loss)	-34	-99	-65.7%	-67	-77	7
Income(Loss) before income taxes	-385	-1,170	-67.1%	-1,327	-920	467
Income taxes expense(benefit)	-67	-336	-80.1%	-345	-169	73
Net income(loss)	-318	-834	-61.9%	-982	-751	394
Net income ratio	-4.3%	-11.3%		-10.6%	-6.8%	2.9%
Net income(loss) attributable to						
- China General Plastics Corporation	-281	-777	-63.8%	-919	-710	342
- Noncontrolling interest	-37	-57	-34.7%	-63	-41	52
Earnings(loss) per share	-0.48	-1.34		-1.58	-1.22	0.59

Financial Ratio Analysis (Consolidated Basis)

	2026 Jan.-Sep.	2025 Jan.-Sep.	2025 FY	2024 FY	2023 FY
Operating income margin(%)	-4.7	-14.5	-13.7	-7.6	3.4
Net income margin(%)	-4.3	-11.3	-10.7	-6.8	2.9
Debt ratio(%)	58	51	53	48	42
Current ratio(%)	130	92	109	136	204
Quick ratio(%)	70	56	58	82	127
Average days of collection	31	36	34	34	34
Average inventory turnover days	74	73	85	85	77

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- The information in this presentation is not for investment advices.

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The End
Thank You



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Q & A

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