

UPC Technology Corp. Investor Conference



24 November, 2021





Agenda

01 Our Development
and Future Prospect

02 Financial Performance

03 Q & A



UPC Technology Corporation

- Founded : August 1976
- Chairman : Matthew F.C. Miao
- President : Yi-Shaw Ko
- Revenue
 - 2020 : NT\$51.9 Billion (US\$1.75 Billion)
 - 2021 YTD Sep. : NT\$60.1 Billion (US\$2.14 Billion)
- Number of Employees : 1889
- Taiwan Stock Exchange listed (Y1989): code 1313



Global #1
PA and Plasticizer
Supplier



30%
market share
in Greater China

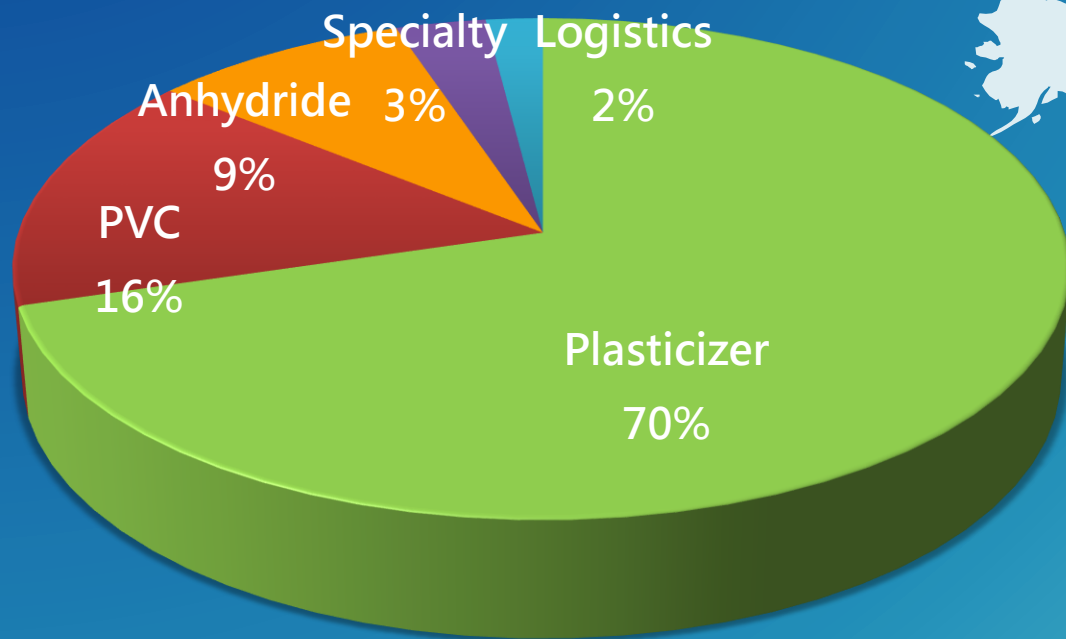
8 Sites Deployment in Asia Over 4,000 Customers Worldwide



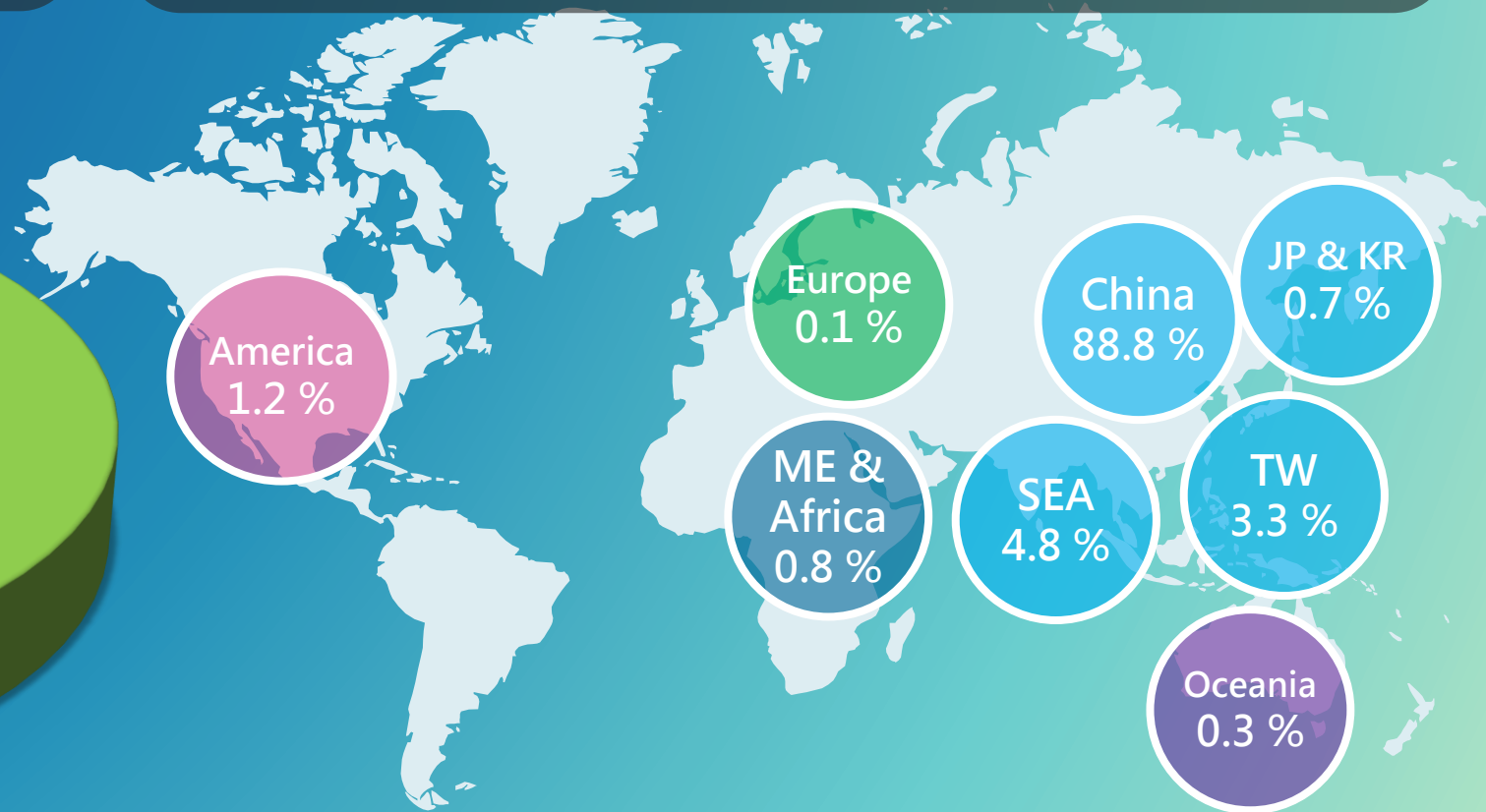


2021 YTD Sep. Total Revenue : NT\$60.1 Billion (US\$2.14 Billion)

Revenue Breakdown by Products



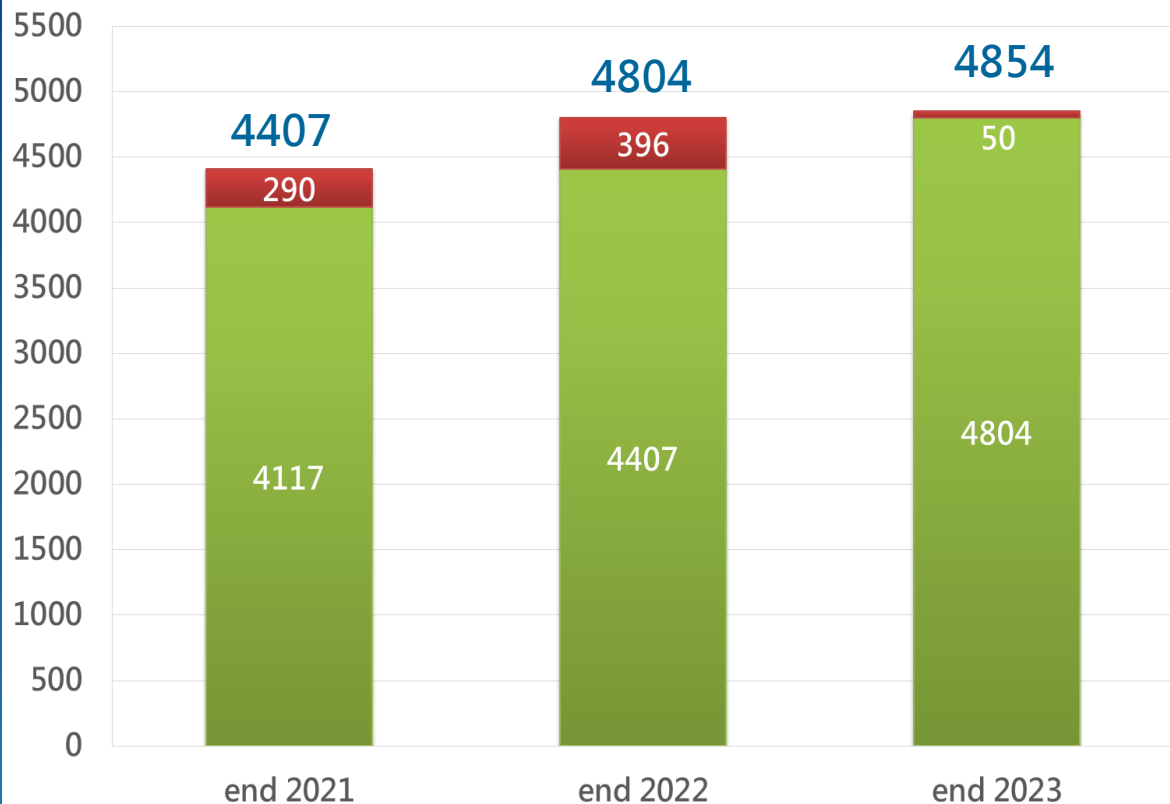
Sales Volume Breakdown by Regions





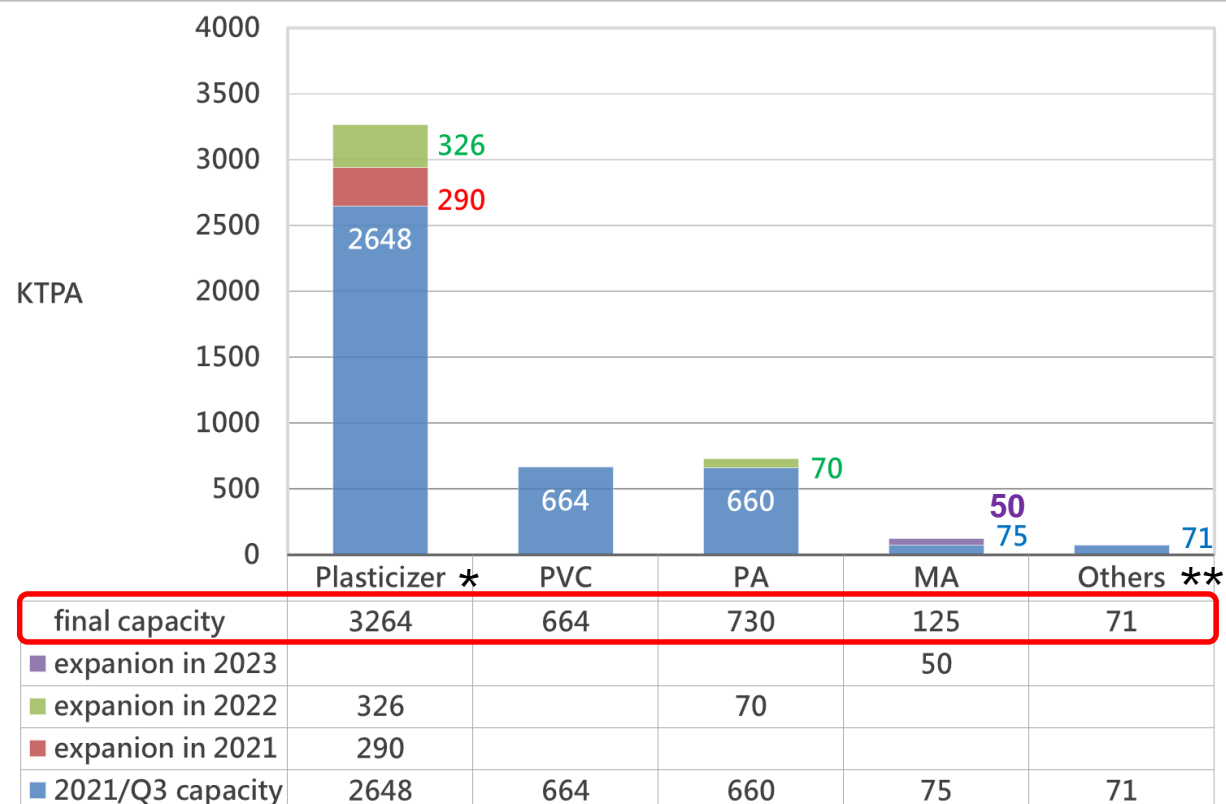
Y2021~2023 Production Capacity Expansion Projects

Yearly expansion capacity (KTPA)



Expansion capacity

Expansion capacity breakdown by products



* converted to capacity of DEHP
 ** others : FA, UPR, POLYOL



Plasticizers Expansion Projects

Total plasticizers capacity will reach 3264 KTPA in 2022

Y2021 + 290 KTPA

Y2022 + 326 KTPA

Panjin
+ 290KTPA
2021.Q4

Taizhou
+ 145KTPA
2022.4

Zhuhai
+ 145KTPA
2022.3

Linyuan
+ 36KTPA
2022.3

General Plasticizers

Di(2-ethylhexyl) Phthalate (DEHP)

Dibutyl Phthalate (DBP)

Diisononyl Phthalate (DINP)

Di(2-propylheptyl) Phthalate (DPHP)

Di(2-ethylhexyl) Terephthalate (UN488 / DOTP)



Specialty Plasticizers

UniHydro® UN899
Eco-friendly, non-toxic and non-phthalate plasticizer

Polymeric Plasticizer (UN600/615/620/630/640)

Linear Plasticizer (UN200 / UN291 / UN380 / TNOTM)

Adipate Plasticizer (DOA / DINA)

Trimellitate Plasticizer (TOTM / TINTM)

Bio-based Plasticizer (ESBO / DOS)

Others (DINT)

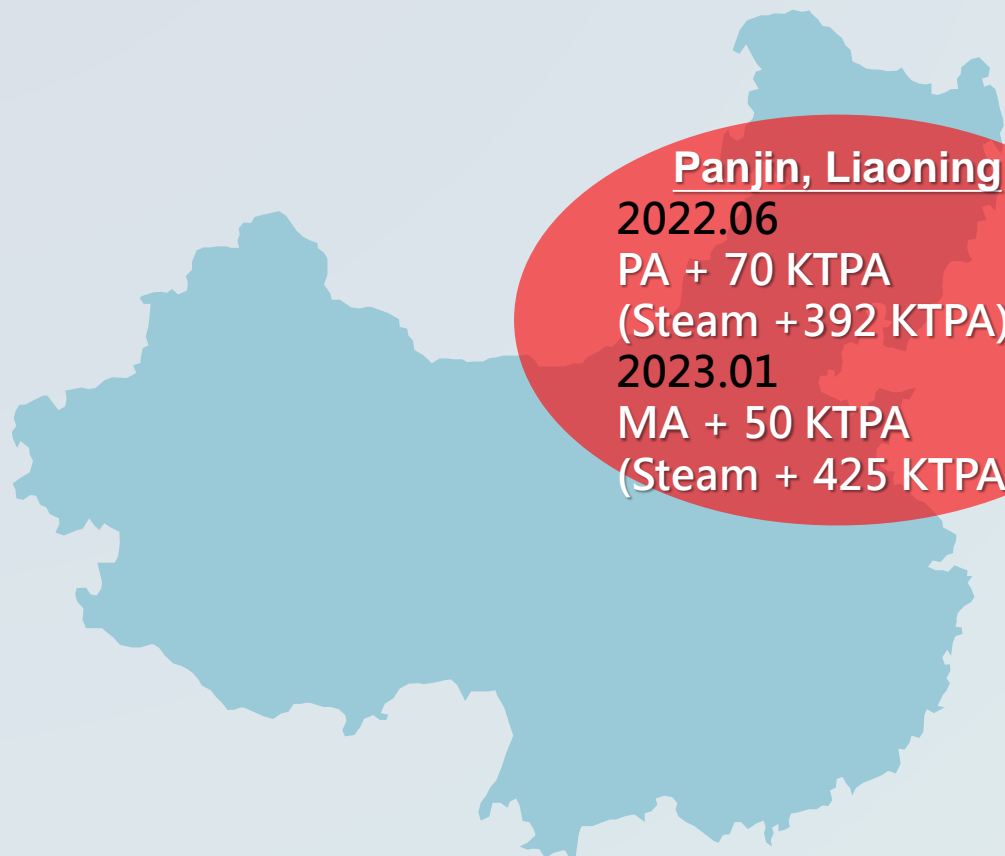
Mixed Plasticizer





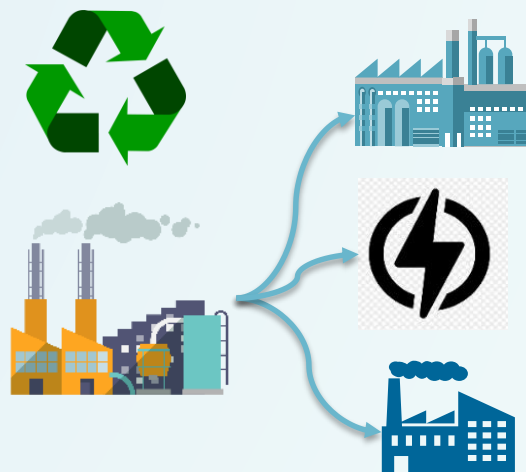
PA & MA Expansion Projects

Total PA capacity will reach 730 KTPA in 2022
Total MA capacity will reach 125 KTPA in 2023



Panjin, Liaoning
2022.06
PA + 70 KTPA
(Steam + 392 KTPA)
2023.01
MA + 50 KTPA
(Steam + 425 KTPA)

Recovery PA/MA process waste heat to produce steam



- Captive use :
 - plasticizer/PVC process
 - heating

- Captive use :
 - Turbine generator (TG)

- Surplus steam sold to adjacent plants



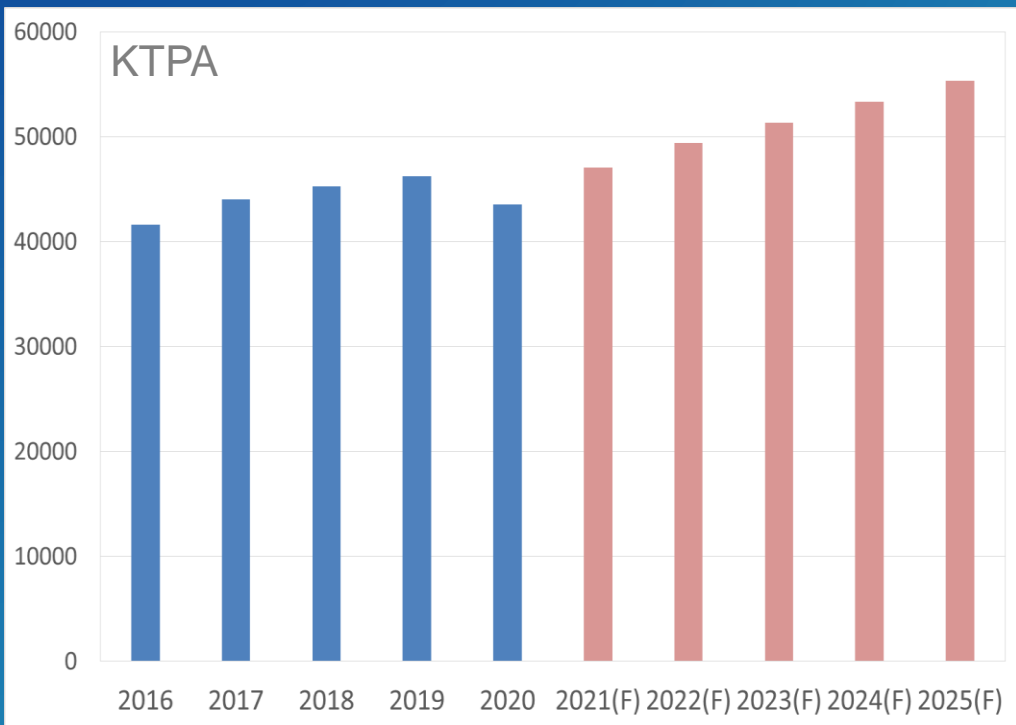


Evaluation of vertical integration of the PVC chain

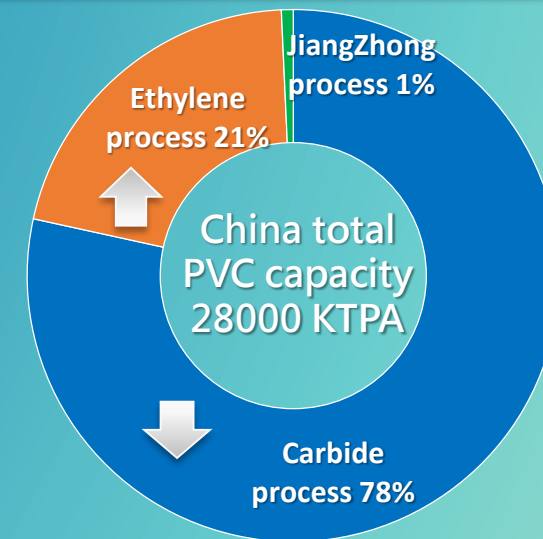
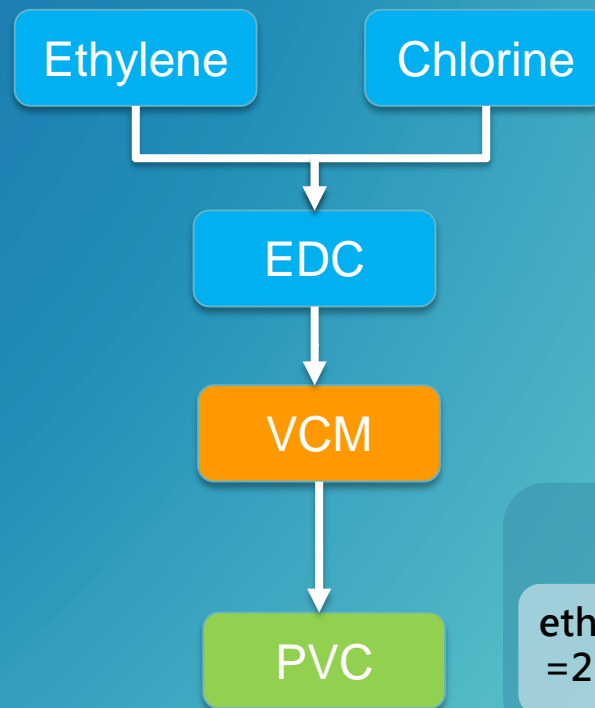
Global PVC market demand expected avg. growth rate of 4% in the next 5 years

China's Dual carbon goals & Dual-control policy

- Carbide-based PVC restricted
- Favor to ethylene-based PVC



source : IHS & UPC



Carbon Emission of PVC

ethylene based PVC = 2.25 t-CO₂e/t PVC

<<

carbide based PVC = 7.66 t-CO₂e/t PVC

Logistics & Service Business

Provide comprehensive and JIT service



Chemical storage tanks, warehouse storage, and related operations.

	Storage capacity
Tank (M ³)	577,770
Warehouse (M ²)	64,773



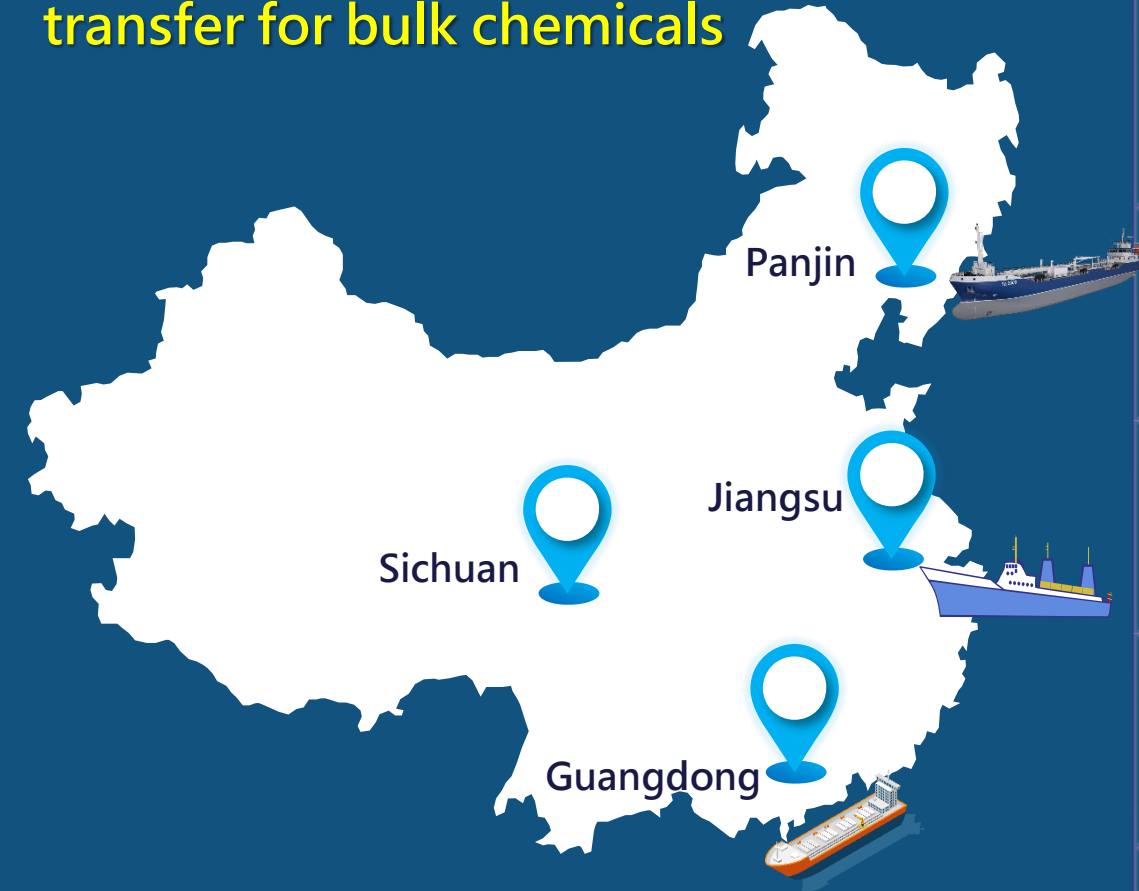
Road transportation and agency for general or dangerous cargoes.



	Number	Load capacity
Tractor head	102	49MT
Tail trailer	130	30MT

Logistics & Service Business

Terminal operations and pipeline transfer for bulk chemicals



Liquid chemical Jetty		Own (DWT)	3 rd party (DWT)
	Panjin, Liaoning (open in Dec. 2021)	50,000 10,000	
	Taizhou, Jiangsu	50,000	
	Zhenjiang, Jiangsu		30,000
	Zhongshan, Guangdong	5,000	
	Zhuhai, Guangdong		80,000
	Nanchong, Sichuan	(planning) 500 X 2	

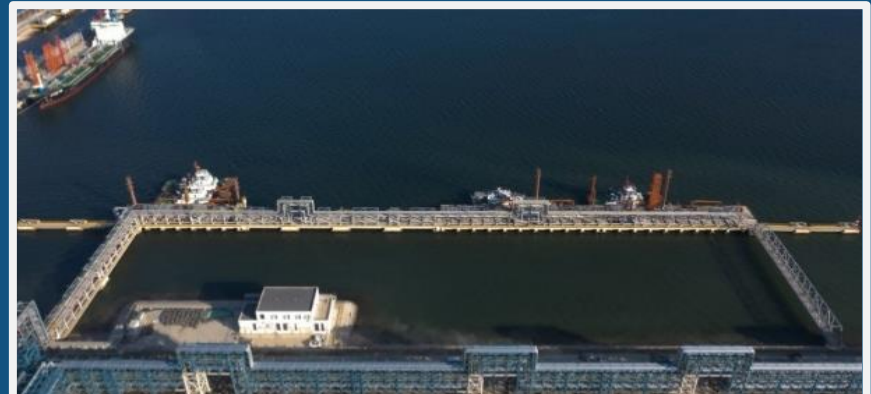


Logistics & Service Business

Panjin Jetty will start operation in Dec. 2021



- Located in Liaodong Bay New Area
- Has two liquid chemical berths
- The most convenient and nearest port in the vast northeastern region
- One of the few terminals that can load and unload a variety of chemicals





Towards Green Chemistry

Create Sustainable Future





Develop Green Production · Achieve Net-Zero goal

- Build green supply chain
- Develop eco-friendly and low-carbon products

- Improve process technology to reduce energy consumption

- Implement circular economy



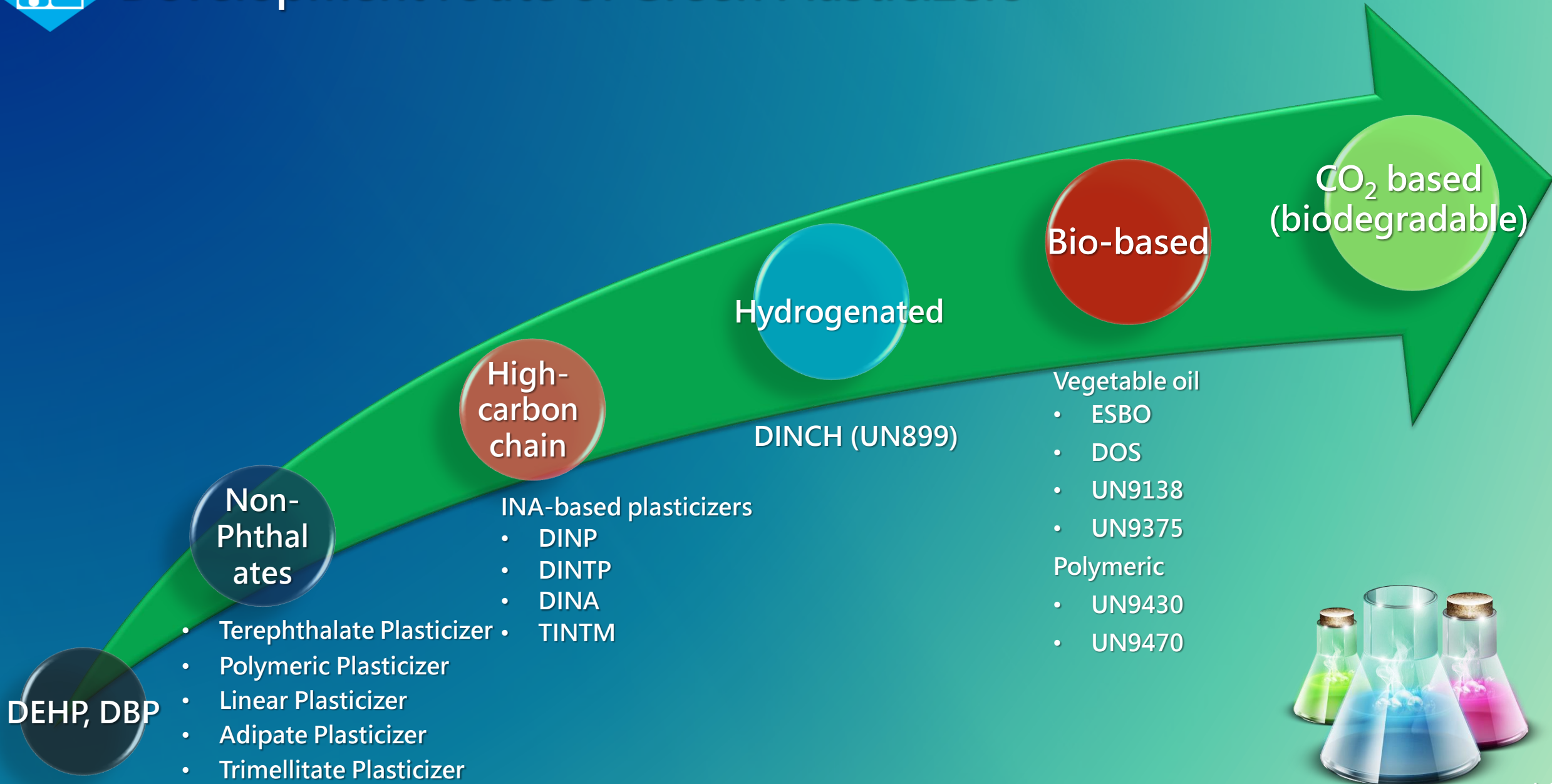
- Carbon capture and utilization (CCU) project

- Develop renewable energy
- Join Malaysian Net Energy Metering (NEM) 3.0 program

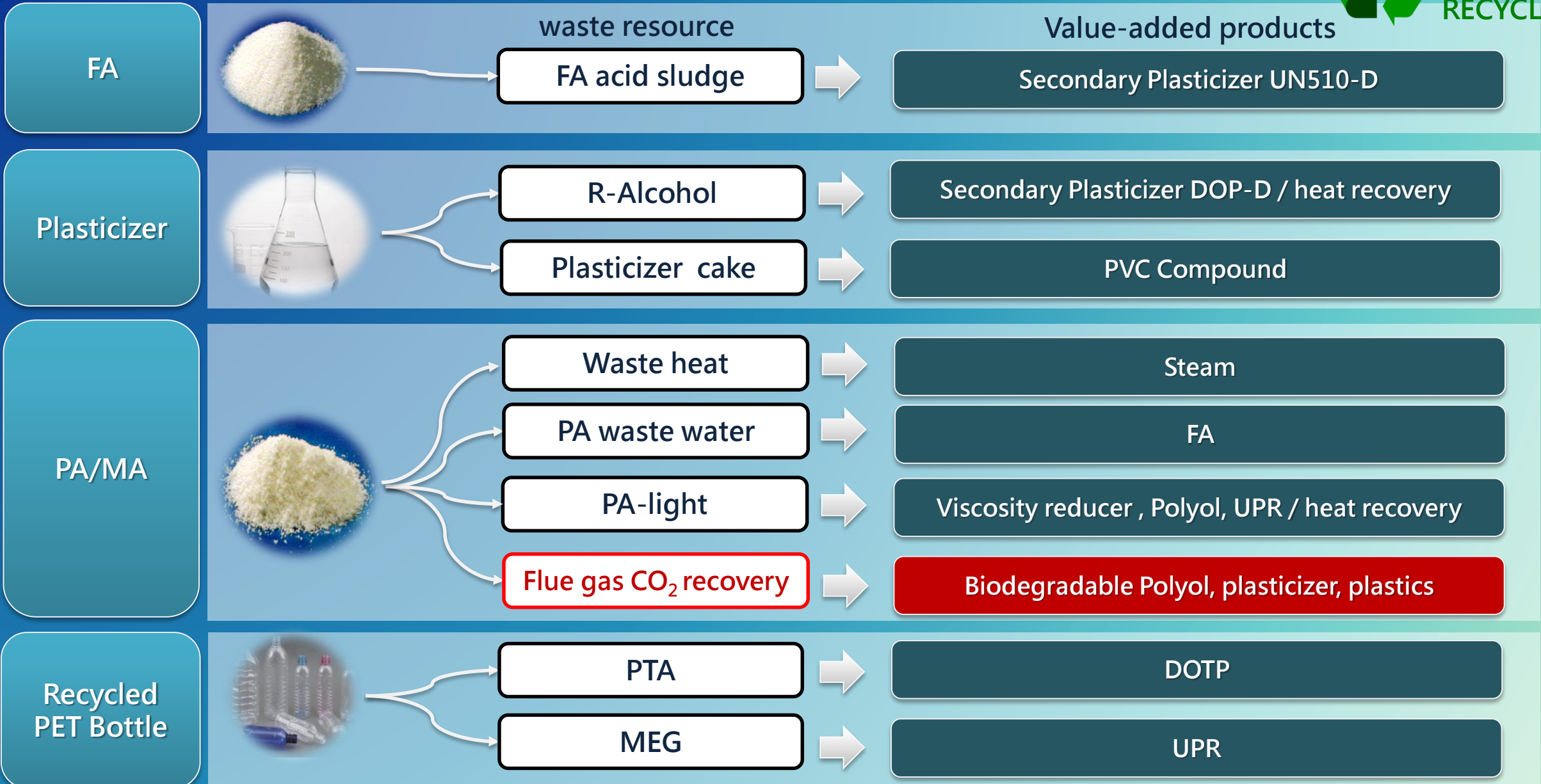
- Recycling and reuse of waste water and rainwater



Development route of Green Plasticizers



Implement circular economy





CCU project / Carbon capture and utilization (under R&D)

Recovery CO₂ from flue gas



PA plant



MA plant



Use recycled CO₂ to develop biodegradable chemicals & specialties

Biodegradable plasticizer

Biodegradable polyol

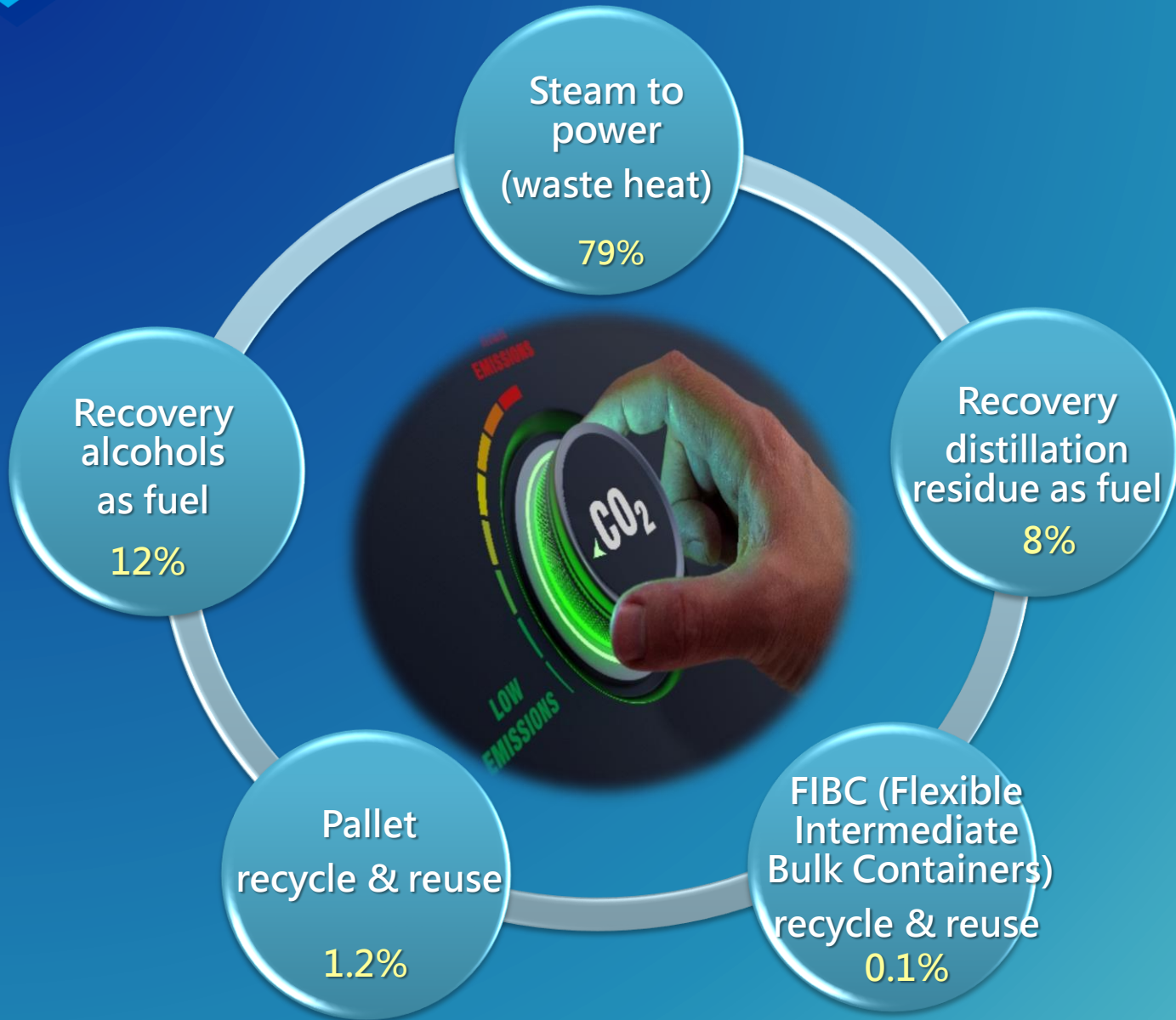
Biodegradable plastics

Other specialty chemicals

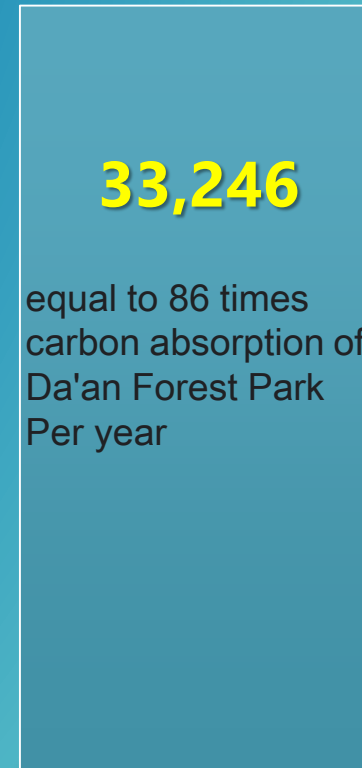




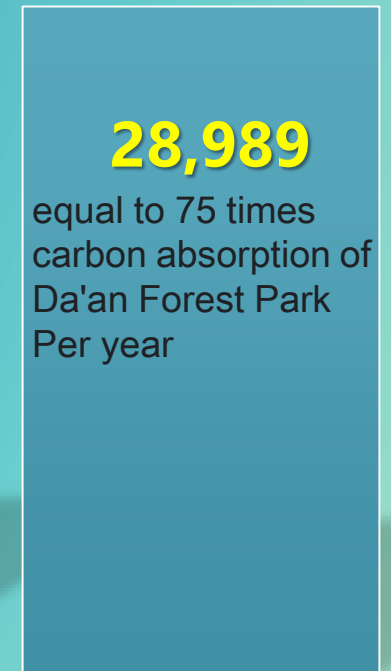
Major energy-saving and carbon-reduction measures



Carbon reduction (CO₂e) (MT)



2020



2021/Q1~Q3

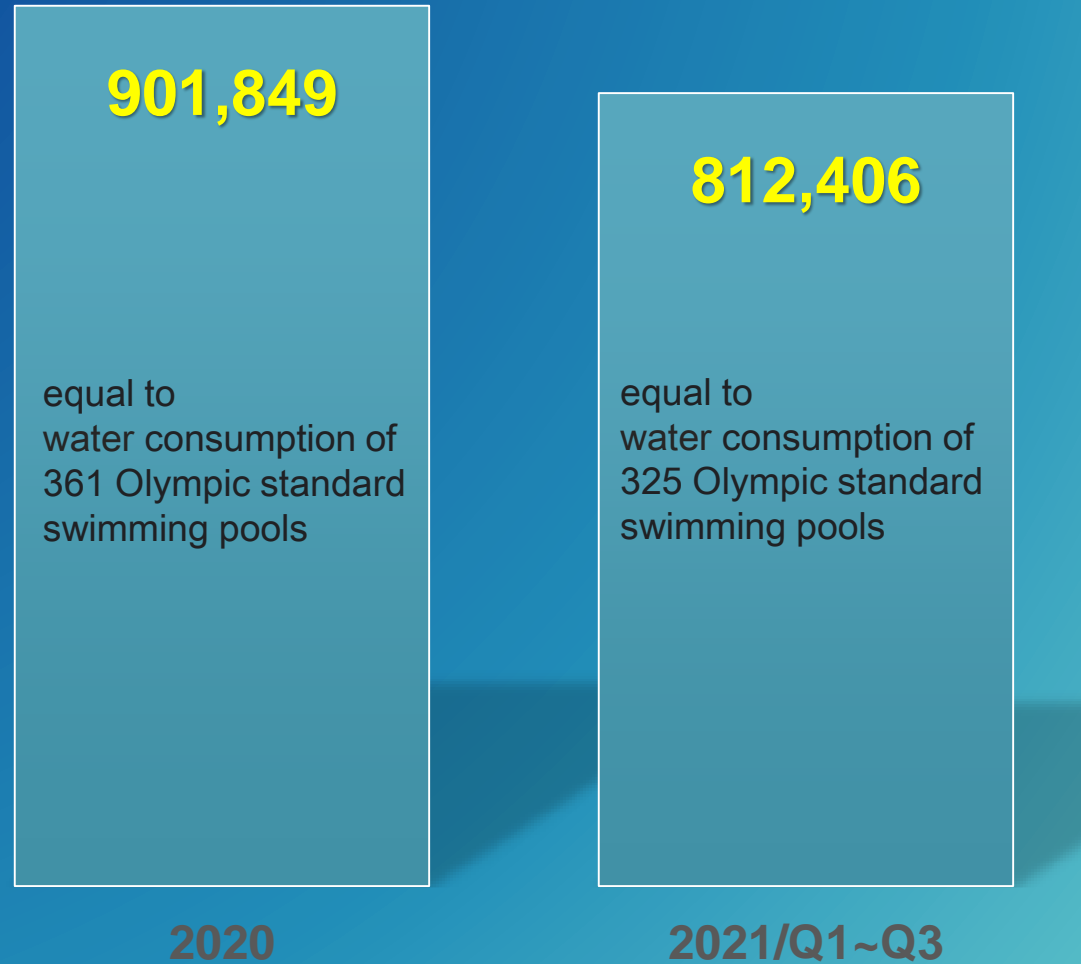
* CO₂ absorption capacity of Da'an Forest Park : 384.6 MT/y



Water Resources Management

- recycle and reuse of waste water from PA & plasticizer process

Water recycle volume (MT)





Future Prospect

◆ SCOPE & SCALE Dual Strategy

- Increase market share to maintain PA & Plasticizers market leadership.
- Develop eco-friendly products to build green supply chain.
- Upstream vertical integration.
- Chemicals business combined with logistics to provide comprehensive and professional service.

◆ Develop circular economy and green production to achieve Net-Zero goal

◆ Uphold the corporate culture of “Honesty, Prudence and Pragmatism “. Aim to become a sustainable company.

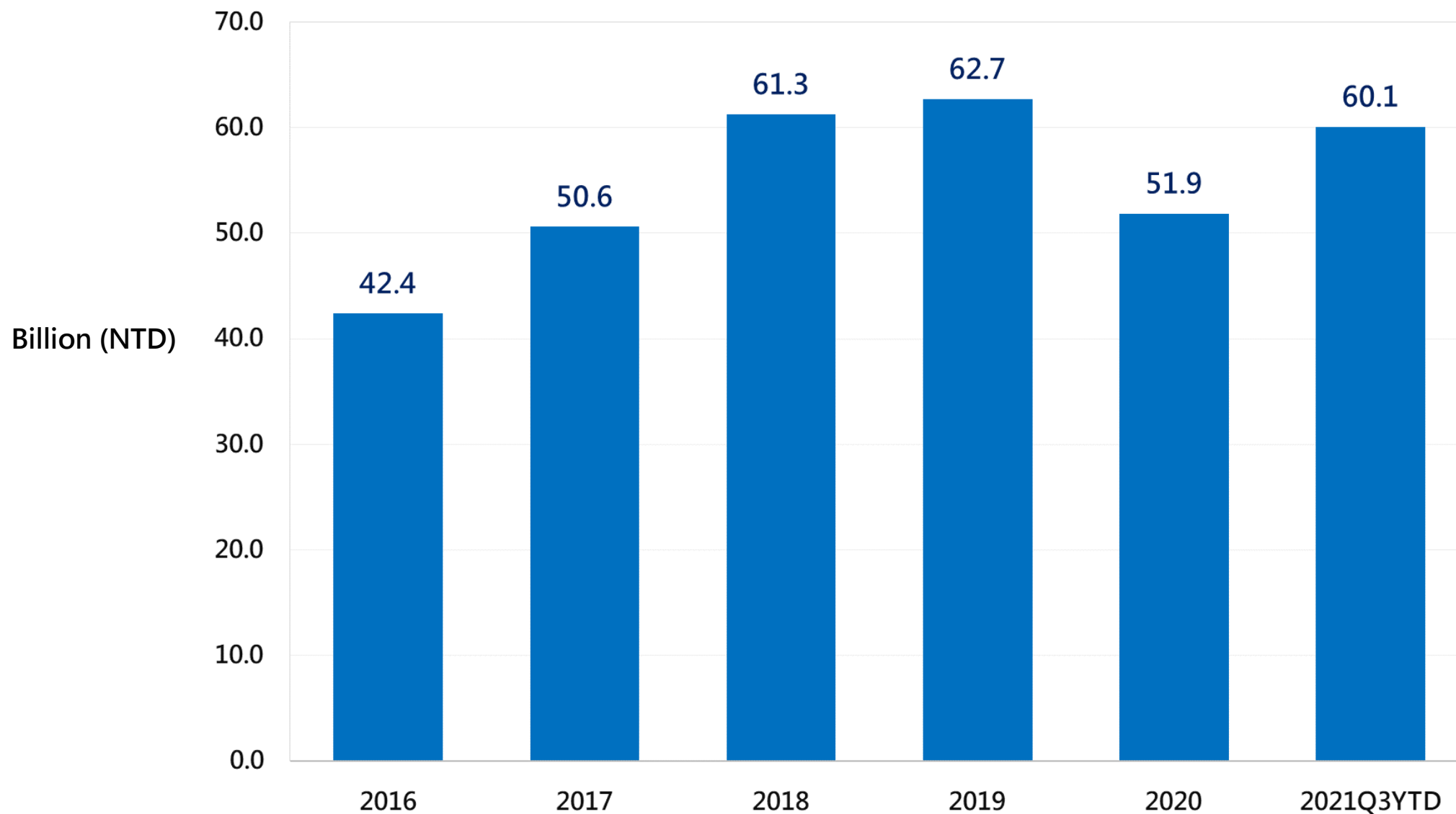


Financial Performance

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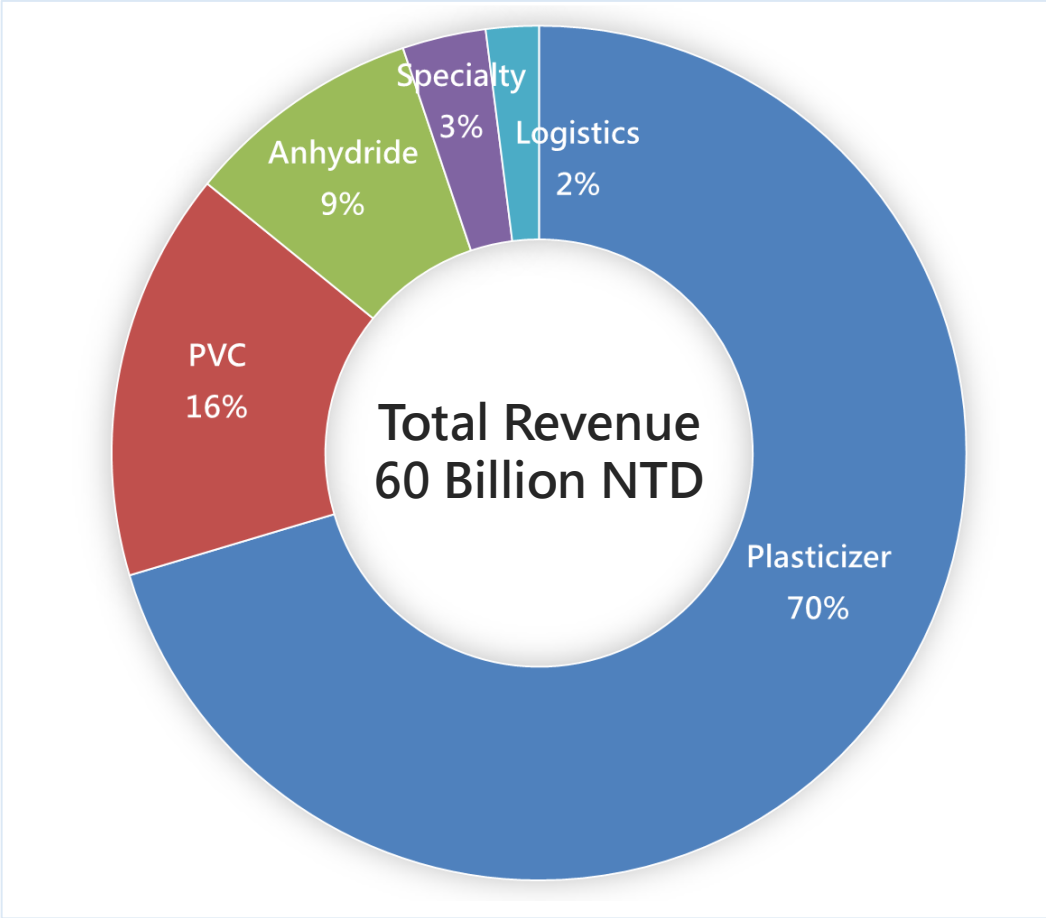
2016~2021/Q3 Consolidated Revenue



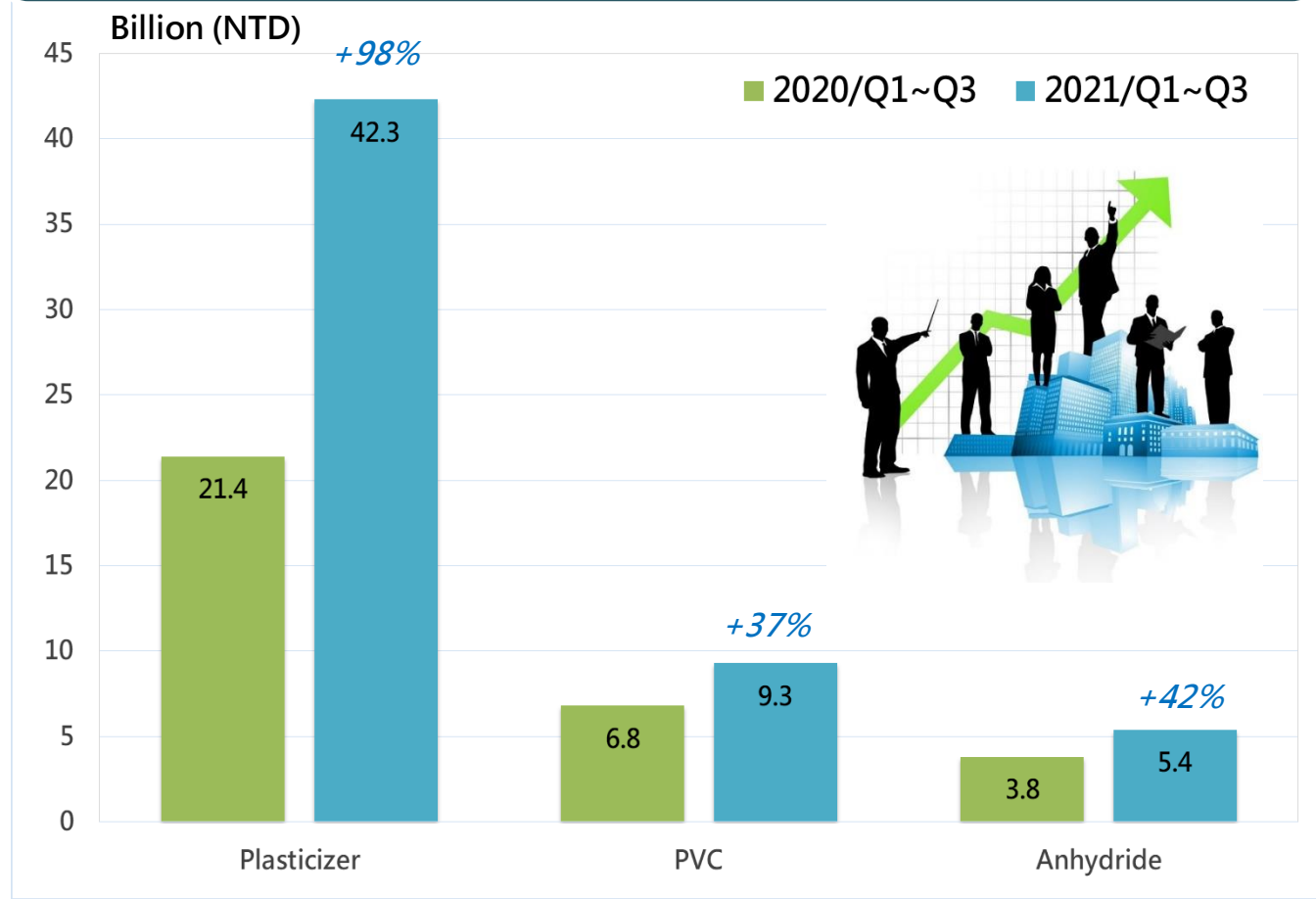


2021/Q1~Q3 Revenue : 60 Billion NTD (YOY growth +71%)

2021/Q1-Q3 Revenue Breakdown by Products

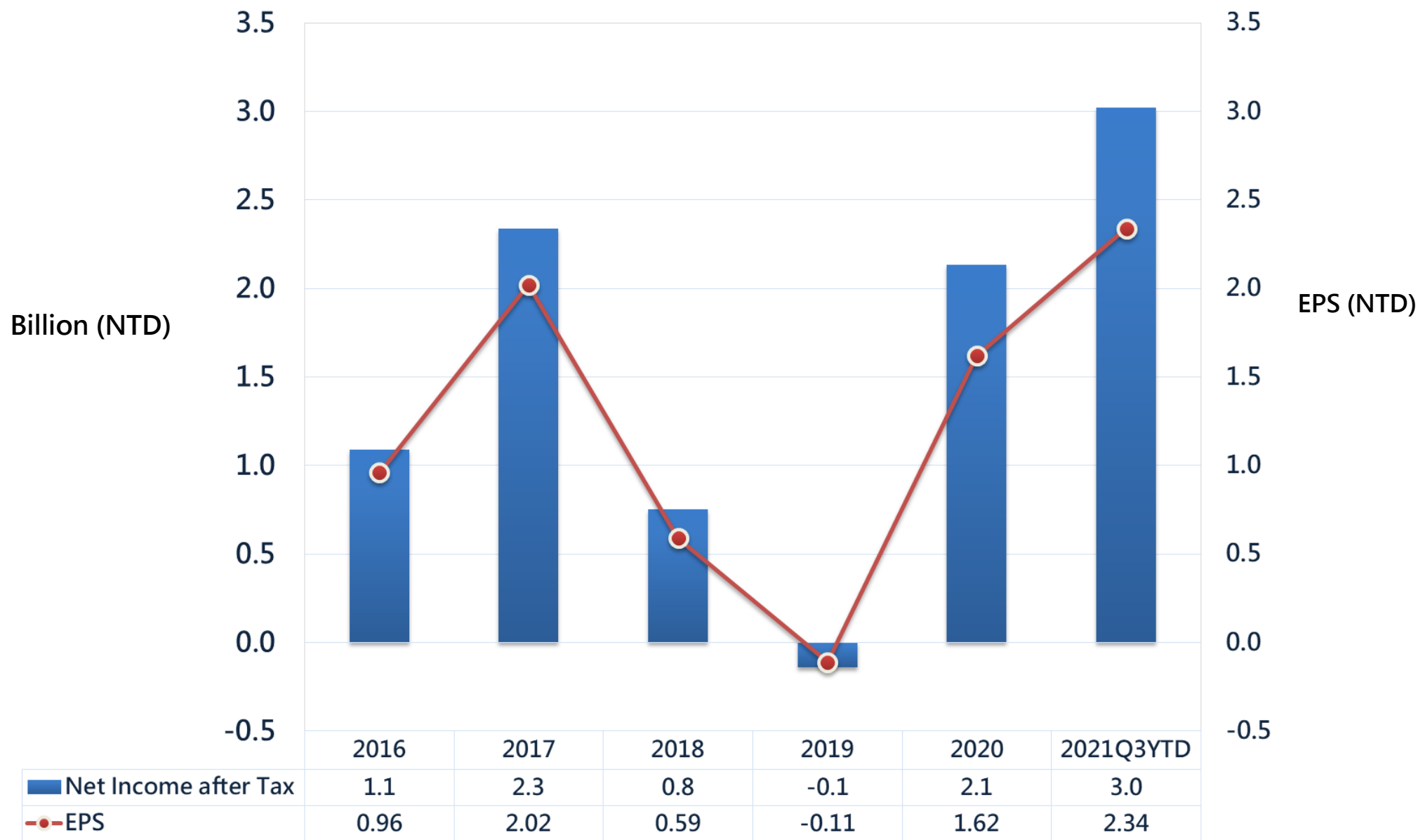


Major Products Revenue YOY Growth 2021/Q1-Q3 vs 2020/Q1-Q3



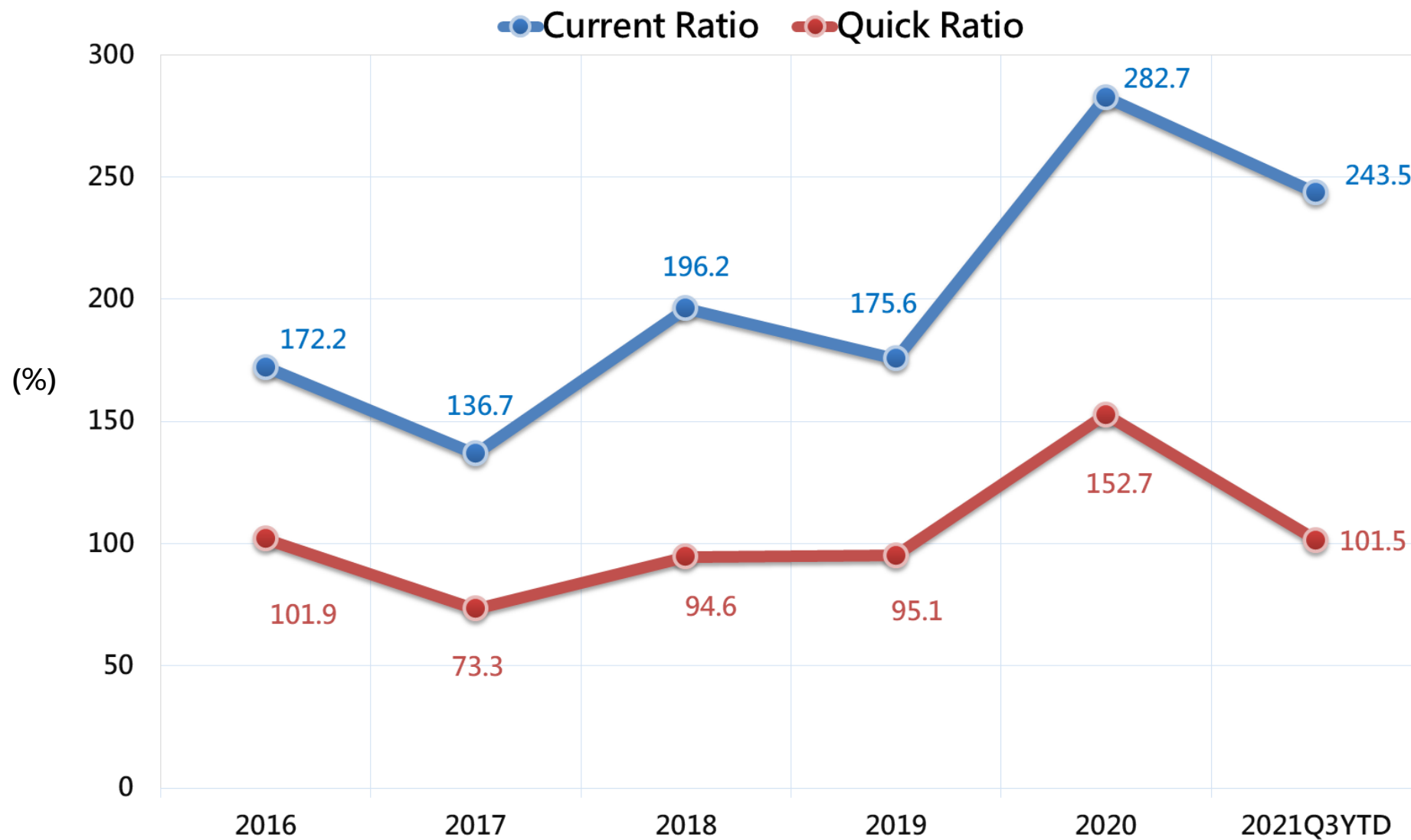


2016~2021/Q3 Net Income after Tax & EPS



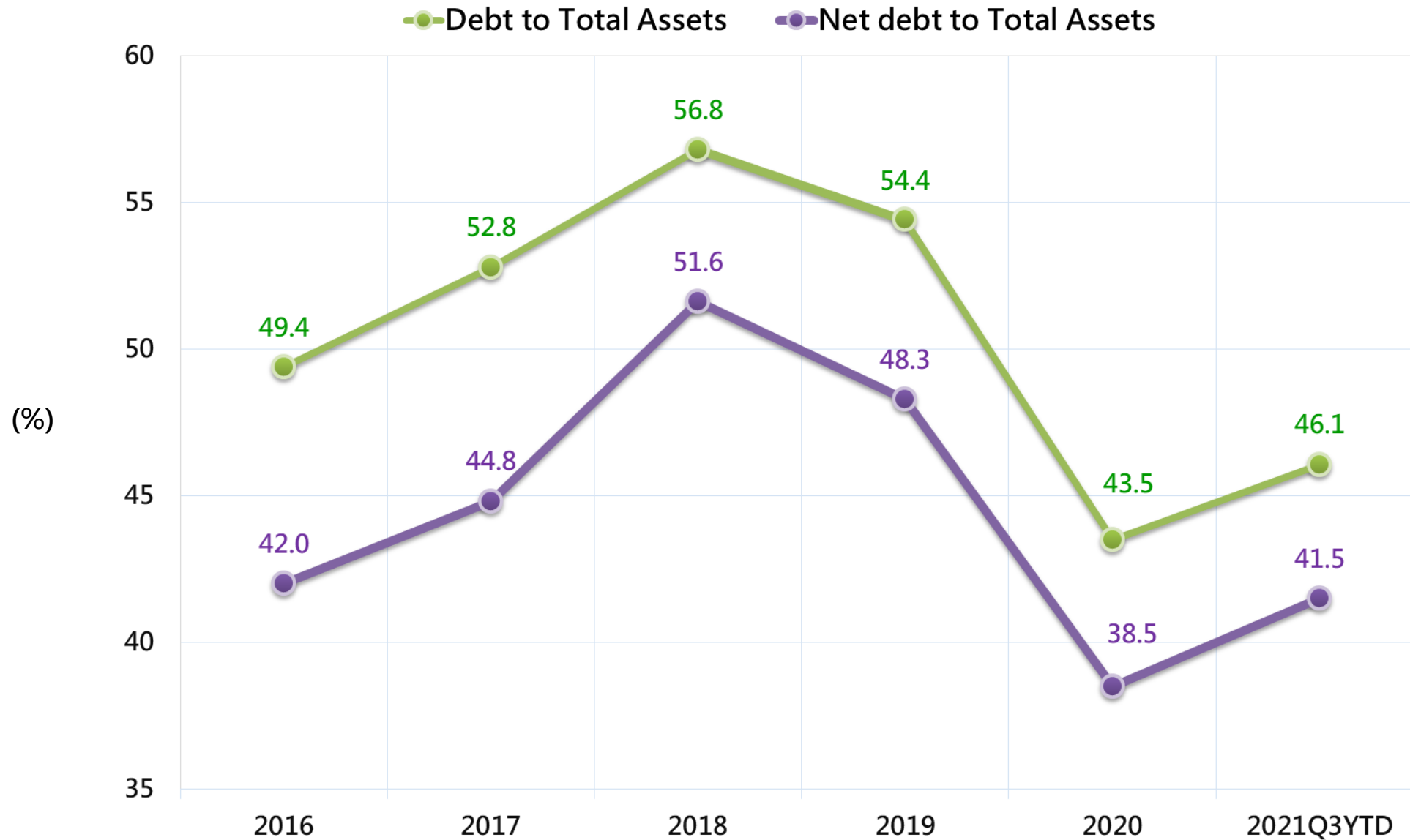


2016~2021/Q3 Financial ratio : Solvency (%)



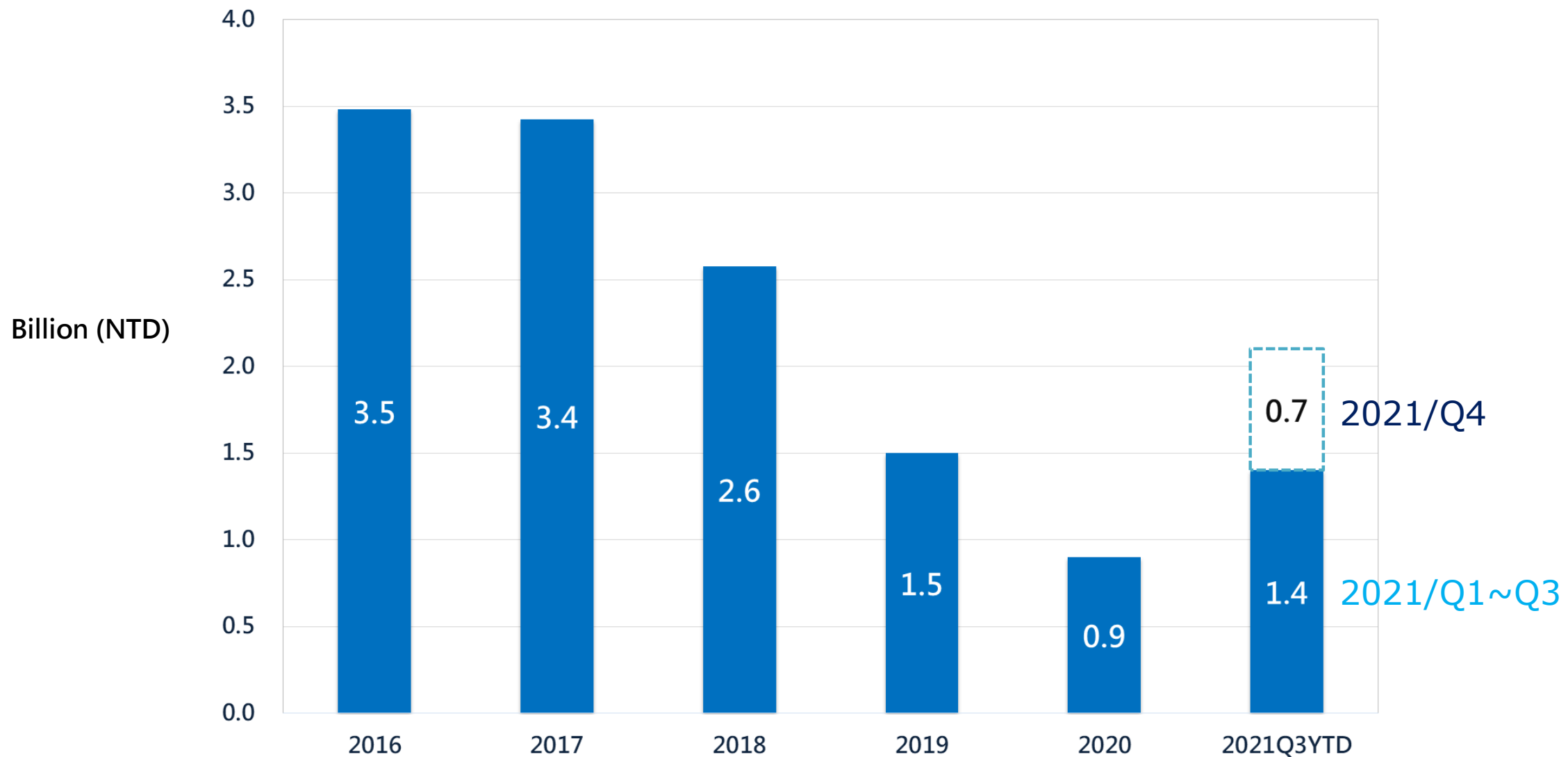


2016~2021/Q3 Financial ratio : Financial structure (%)





2016~ 2021/Q3 Capital Expenditures







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Thank you!

Commitment to a Better Tomorrow

