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Quanzhou Grand Pacific Chemical is a key investment for GPPC in entering the C3 value chain.

TAIPEI, TAIWAN, May 14, 2025 /EINPresswire.com/ -- Grand Pacific Petrochemical Corporation (GPPC, 1312) stated that the Quanzhou Grand Pacific Chemical (QGPC) plant, a key strategic investment for GPPC in entering the C3 value chain, has begun contributing to revenue growth and its production lines are gradually stabilizing. With the launch of new polypropylene specifications in Q1, increased sales orders in Q2, and the commencement of production by downstream customers in the C3 value chain, the plant is expected to progressively improve its utilization rate within this year, becoming a significant driver of GPPC's operational growth.

The QGPC plant is designed to produce 660,000 tons of PDH and 450,000 tons of PP annually. The PDH facility adopts the UOP Oleflex process technology from U.S., the most mature propane dehydrogenation technology in the globe. This process offers four major advantages: simple feedstock, short process, high energy efficiency, and high yield in converting propane into polymer-grade propylene, a key feedstock for downstream products like polypropylene and propylene oxide. The process is both cost-effective and has a low carbon emission profile, aligning with GPPC's long-term goals of promoting green processes and sustainable operations. The PP facility uses LyondellBasell's patented Spheripol tubular process from Italy to produce high-performance polypropylene with good processability and mechanical strength, which can be widely used in automotive parts, home appliance casings, medical equipment, and even common product packaging and food containers, and can be recycled to maximize the efficiency of its use.

In addition to scaling up capacity, GPPC showcases its ambition in automation and sustainable operations through establishment of QGPC. The QGPC plant has fully implemented a distributed control system (DCS) and an AI simulation optimization platform that collect and calculate big data to achieve automated process monitoring, optimize efficiency, and reduce energy consumption, further advancing the petrochemical industry towards a higher level and greener operation. Furthermore, the plant collaborates with the Quangang Petrochemical Industrial Park (□□□□□□□□□) to reduce costs through local manufacturing and supply.

GPPC President Chia-Hsiung Tseng (□□□) pointed out that the key to profitability in the plasticizer industry lies in the margin between products and feedstocks. Due to U.S. tariffs under the Trump administration, the global economy is full of uncertainty. The decision by OPEC+ to increase oil production led to a drop in crude oil prices, while the New Taiwan Dollar's appreciation lowered the cost of importing petrochemical feedstocks. These factors have caused the market to remain wait-and-see. QGPC, with its latest and most advanced processes, is expected to be among the first to benefit from economic recovery, widening the competitive gap with industry peers. If market demand rises, the company is expected to return to profitability and leverage operational efficiency.

Amid the global economic impact of changes in U.S. tariff policies, GPPC reported impressive consolidated revenue for the first quarter of 2025, demonstrating continued operational resilience. However, the plastics market is still in a downturn, and QGPC, a wholly owned subsidiary of GPPC, began to incur depreciation and interest expenses in March, leading to a loss in the first-quarter financial results. The subsidiary's consolidated revenue for the first quarter was NT$5.698 billion, with a loss of NT$0.61 per share.

In the face of industry volatility, GPPC continues to strengthen its business structure and maintain operational stability through two major transformation strategies: expanding to new international markets and developing advanced material applications. GPPC Chairman Sherie Chiu (□□□) stated that with the introduction of new production lines and diversified business operations, GPPC is moving towards a more competitive and sustainable business model. For example, the company is developing bio-based nylon using corn and castor oil as main raw materials, which, through biotechnology, can replace petrochemical processes and reduce carbon footprints by approximately 50%. In the future, the company's research and development center will continue to focus on low-carbon, environmentally friendly, and high-value composite products, steering the company towards a green petrochemical transformation and sustainable operations.

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