

Research Update:

# Asia Polymer Corp. Ratings Affirmed At 'twA/twA-1'; Outlook Stable

November 20, 2023

## Rating Action Overview

Taiwan Ratings Corp. today affirmed its 'twA' long-term and 'twA-1' short-term issuer credit ratings on **Asia Polymer Corp.** The outlook on the long-term rating is stable to reflect the stable outlook on the ratings on Asia Polymer's parent, **USI Corp.** We continue to assess Asia Polymer as a core member of the USI group, based on our view that Asia Polymer's ethylene-vinyl acetate (EVA) and polyethylene (PE) businesses are fully integrated with USI's operations and are critical to the group's core EVA and PE business.

Asia Polymer's small operating scale and limited product differentiation constrain its stand-alone credit profile. The integration of the company's operations with USI's EVA and PE businesses enhances Asia Polymer's market position and partly offsets this weakness. The company's sustained low debt leverage also supports its stand-alone credit profile, in our view. The ratio of debt to EBITDA could remain well below 1x in 2023-2024 through positive discretionary cash flow, despite weakening profitability over the same period.

## Related Criteria & Research

### Related Criteria

- General Criteria: Group Rating Methodology - July 01, 2019
- General Criteria: National And Regional Scale Credit Ratings Methodology - June 08, 2023
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings - October 10, 2021
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments - April 01, 2019
- Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers - December 16, 2014
- General Criteria: Country Risk Assessment Methodology And Assumptions - November 19, 2013
- General Criteria: Methodology: Industry Risk - November 19, 2013
- Criteria | Corporates | General: Corporate Methodology - November 19, 2013
- General Criteria: Methodology: Management And Governance Credit Factors For Corporate Entities - November 13, 2012
- General Criteria: Principles Of Credit Ratings - February 16, 2011

### Related Research

- Taiwan Ratings' Ratings Definitions – November 11, 2021

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## Ratings List

### Ratings Affirmed

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#### Asia Polymer Corp.

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Issuer Credit Rating	twA/Stable/twA-1
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Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at [www.taiwanratings.com](http://www.taiwanratings.com) for further information. Complete ratings information is available to subscribers of Rating Research Service at [rrs.taiwanratings.com.tw](http://rrs.taiwanratings.com.tw). All ratings affected by this rating action can be found on Taiwan Ratings' public website at [www.taiwanratings.com](http://www.taiwanratings.com).

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