
Nan Ya Plastics
Year 2019
Operations & Performance

Mar. 2020



Agenda

- **Overview**
- **Financial Highlights**
- **Capacity Expansion Plan**
- **Q & A**

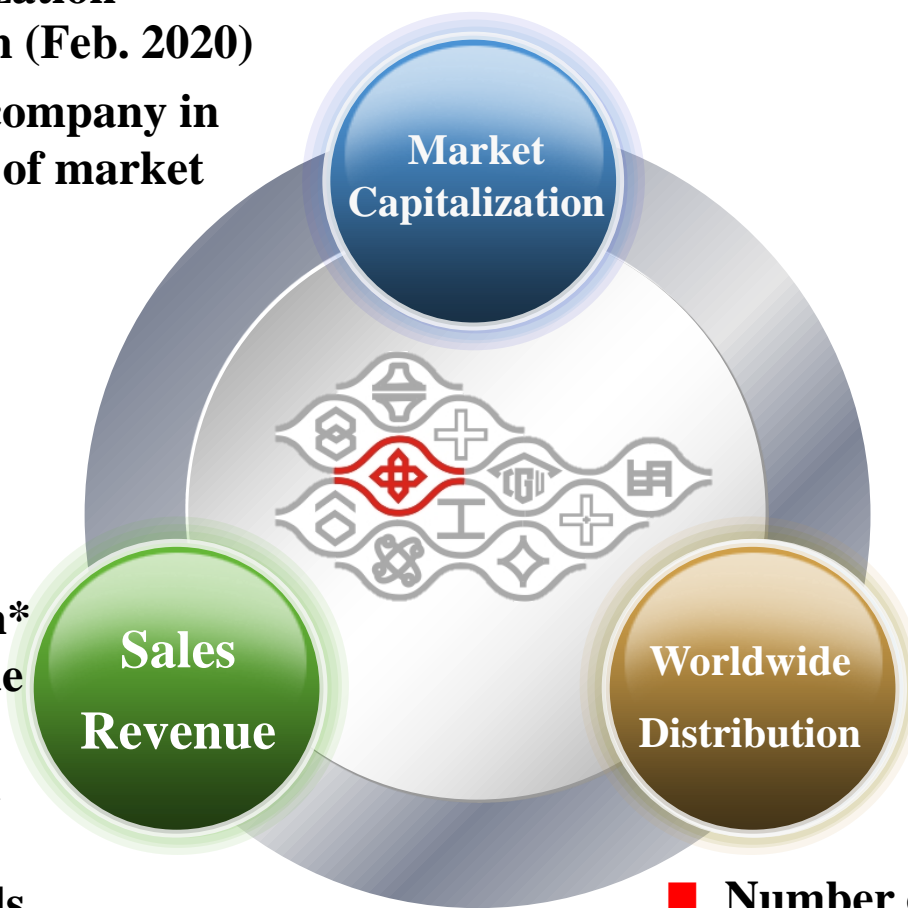


Overview

Highlights

- **Market Capitalization**
NT\$ 540.0 billion (Feb. 2020)
- **The 8th largest company in Taiwan in terms of market capitalization**

- **NT\$ 286.3 billion***
(Y2019, not include Nanya Tech. Co.)
- **Sales breakdown**
 - 15% in plastics
 - 25% in chemicals
 - 39% in electronics
 - 19% in polyesters



- **Total number of Plants 102**
 - 59 in Taiwan
 - 36 in China
 - 7 in US

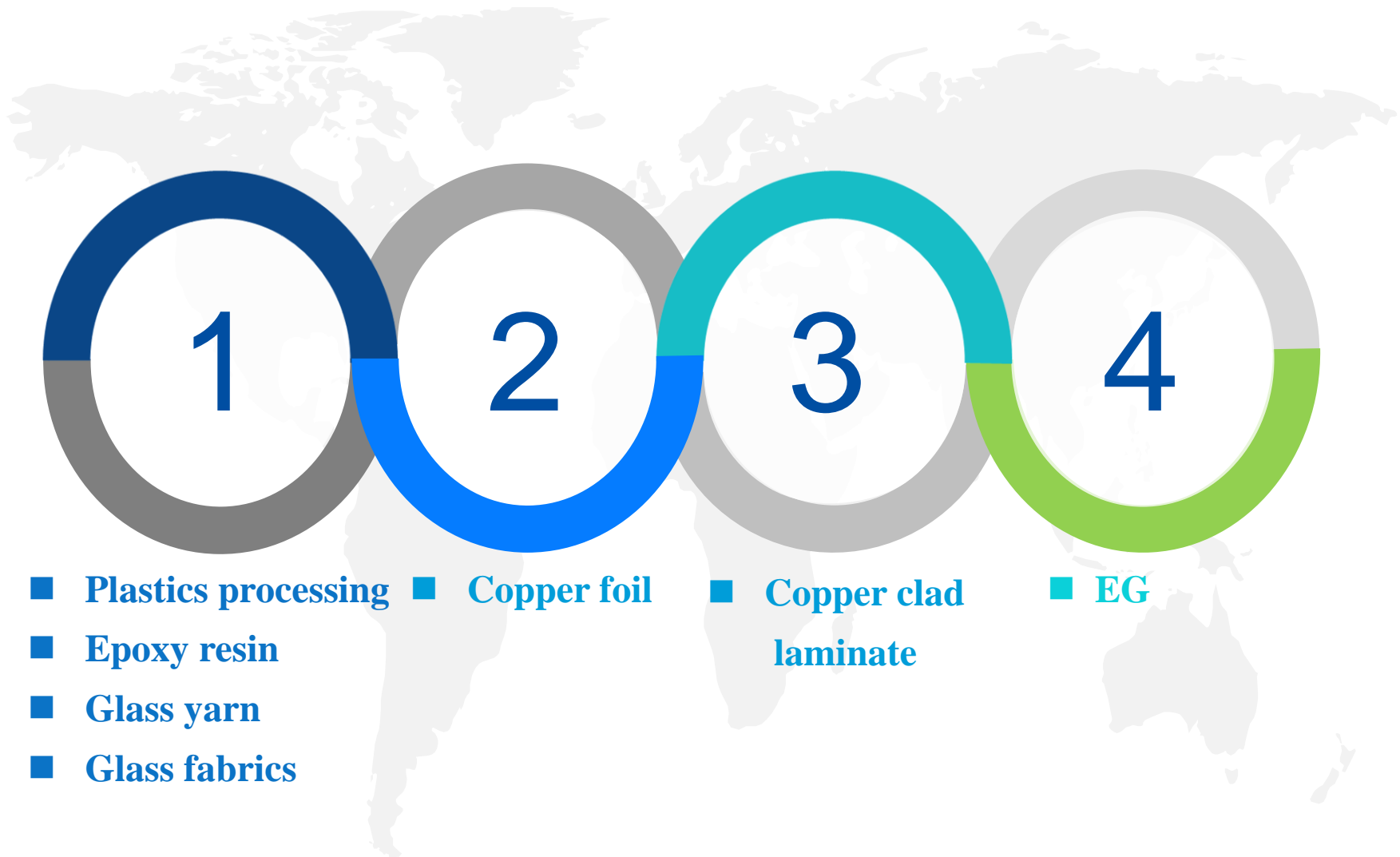
- **Number of Employees 31,899**
(The number of Plants and Employees includes the consolidated financial reporting company)

*Unaudited number



Overview

Leading market positions for capacity



※ Polyester products ranked 8th.



Overview

History



Plastics Processing

1958



Nan Ya USA
& America Co.

- Texas
- Louisiana
- South Carolina

1979



Nanya Tech Co.

1995



Chemicals

1999

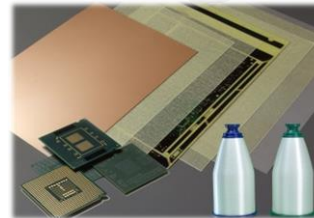
Polyesters

1969



Electronics
& Nan Ya PCB Co.

1986



Investing in
China

1996

- Xiamen
- Guangzhou
- Nantong
- Huizhou
- Kunshan
- Ningbo



Overview

Major Businesses

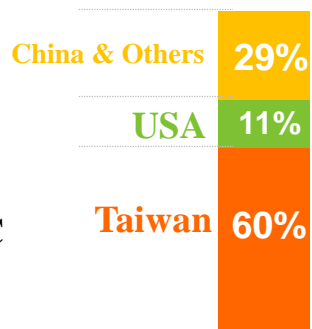
Sales breakdown in 2019(Unaudited number)



Plastics

15%

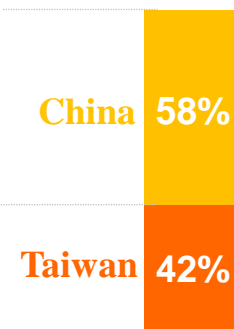
PVC Sheeting, PVC Rigid Film, PU Leather, PVC Rigid Pipe & Fittings, Window & Door Frames, Films, Engineering and PVC Compounds, PP Synthetic Paper



Electronics

39%

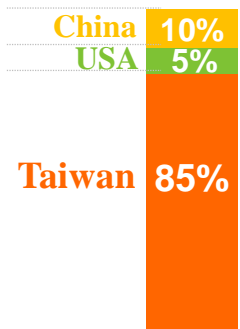
Glass Yarn, Glass Fabrics, Epoxy Resin, Copper Foil, Copper Clad Laminate, Printed Circuit Board



Chemicals

25%

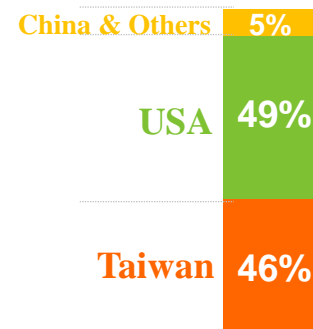
EG, BPA, 1,4BG, Plasticizer, PA, 2EH, INA, MA



Polyesters

19%

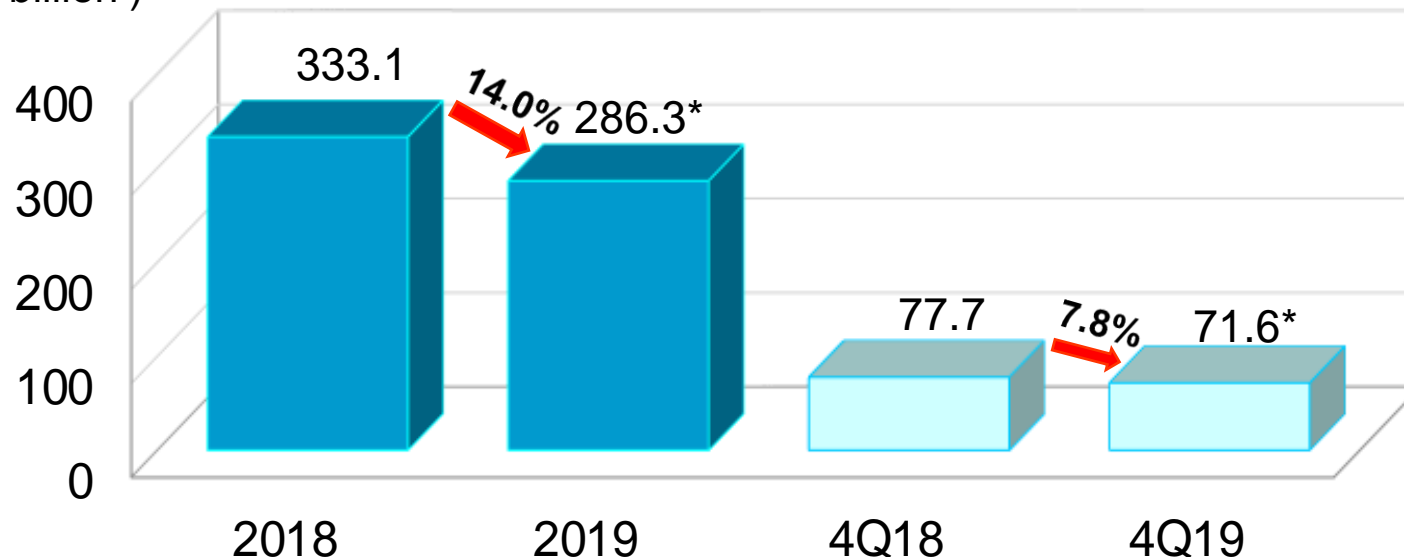
Polyester Staple Fiber, PET Resin, Filament, PET Film



Financial Highlights

Consolidated Revenue (IFRS)

(NT\$ billion)



- **Revenue in 2019 decreased 14.0% YoY due to:**

Under the circumstance that the market supply increased or remained steady, the product price facing strict competition, causing the revenue to decrease. Revenue of chemical products like EG and BPA dropped the most, and polyester also had a decline.

- **Revenue in 2019 4Q decreased 7.8% YoY due to :**

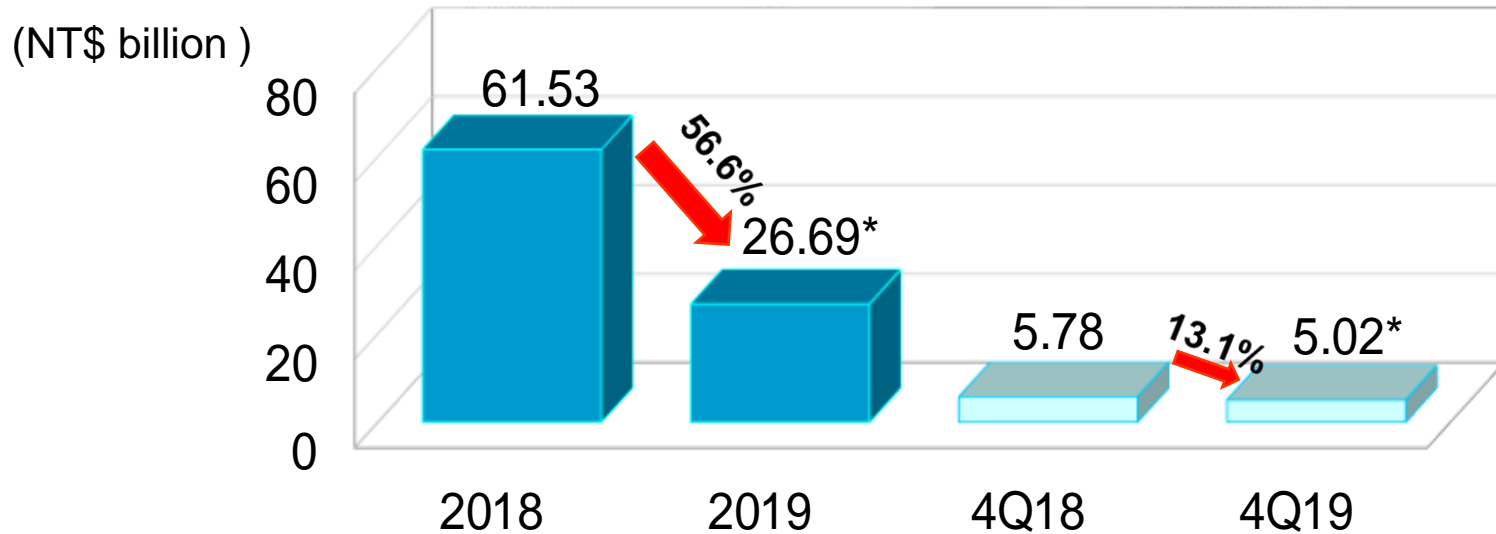
Global economic growth slowed down and the feed stock price kept dropping leading the decline in revenue of chemical and polyester products

*Unaudited number



Financial Highlights

Pre-tax Income



■ **2019 pre-tax income decreased 56.6% YoY due to :**

1. The decrease came mainly from chemical product (EG and BPA the most). Electronic materials, polyester products and plastics products declined as well
2. Equity income decreased NT\$14.3bn YoY :
(1) FPCC -NT\$5.4bn (2) Nanya Tech -NT\$8.7bn

■ **2019 4Q pre-tax income decreased 13.1% YoY due to :**

1. Operating profit decreased 13.1% YoY mainly due to the significant decline in profit of chemical product.
2. Equity income decreased NT\$0.4bn YoY :
(1) FPCC +NT\$2.6bn (2) Nanya Tech -NT\$2.0bn

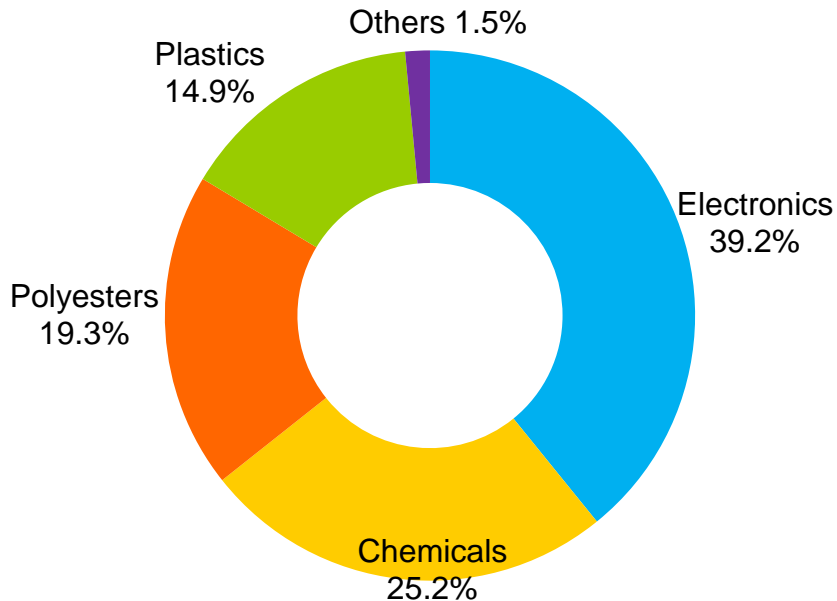
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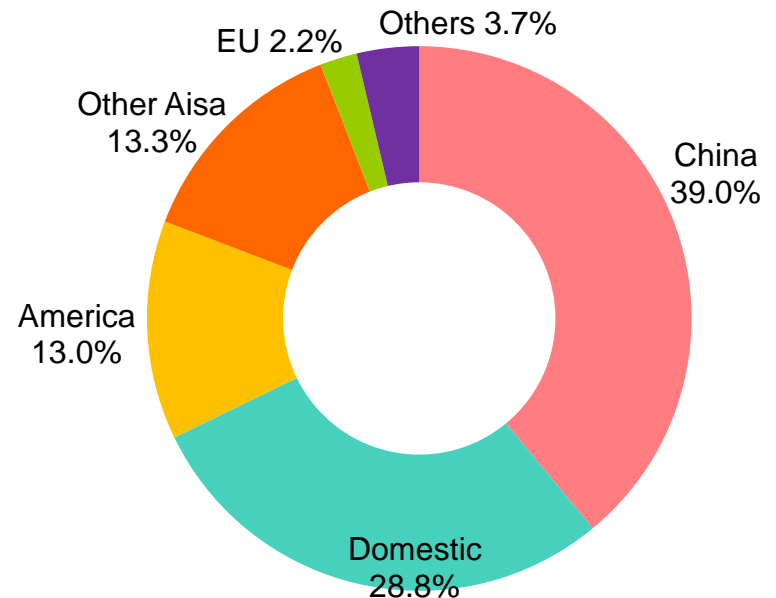
Financial Highlights

Revenue Breakdown

2019 Net Sales
NT\$ 286.3 billion*



**2019 Sales Breakdown*
by Geography**



- Under the circumstance that the market supply increased or remained steady, the product price facing strict competition, causing the revenue to decrease. Revenue of chemical products dropped the most, and polyester also had a decline.
- Revenue in the next few years is still mainly driven by chemicals product and electronic materials
- Mainland China remains the most important market, accounting for 55% of total overseas in 2019

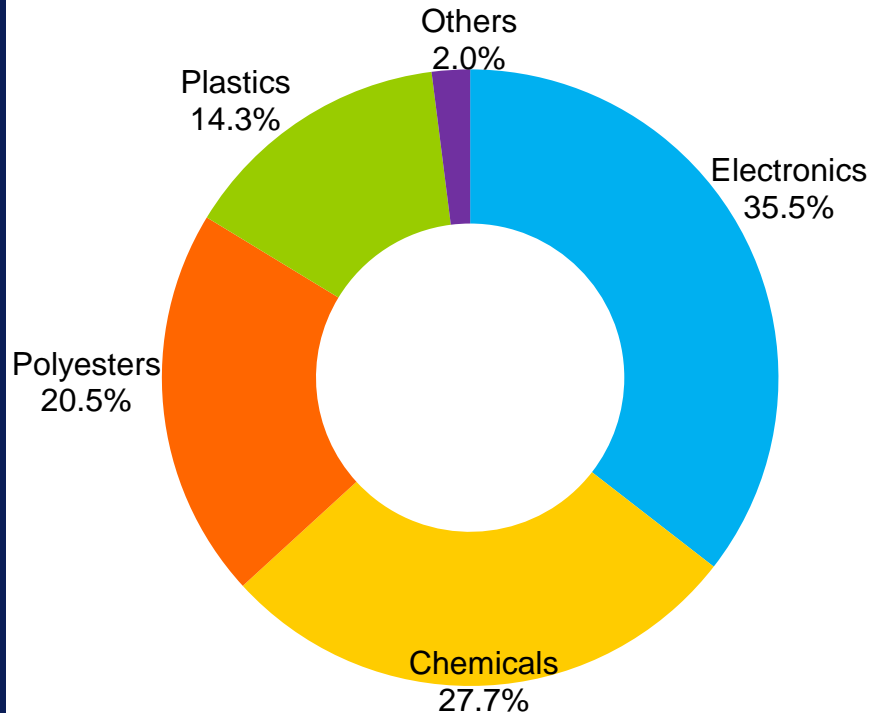
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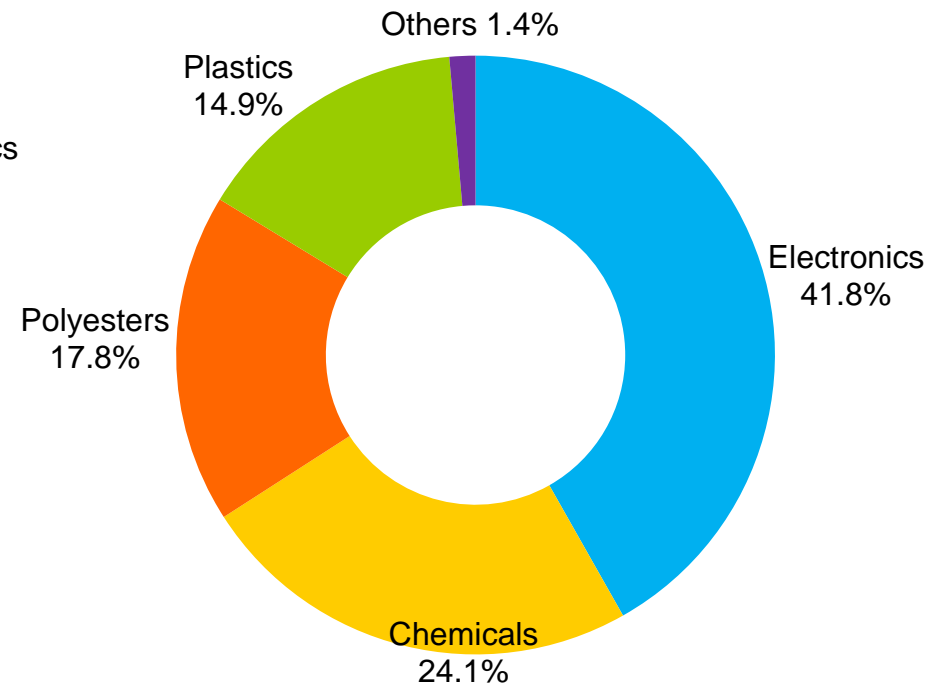
Financial Highlights

Revenue Breakdown by Product Segment

**2018 4Q Net Sales
NT\$ 77.7 billion**



**2019 4Q Net Sales
NT\$ 71.6 billion***



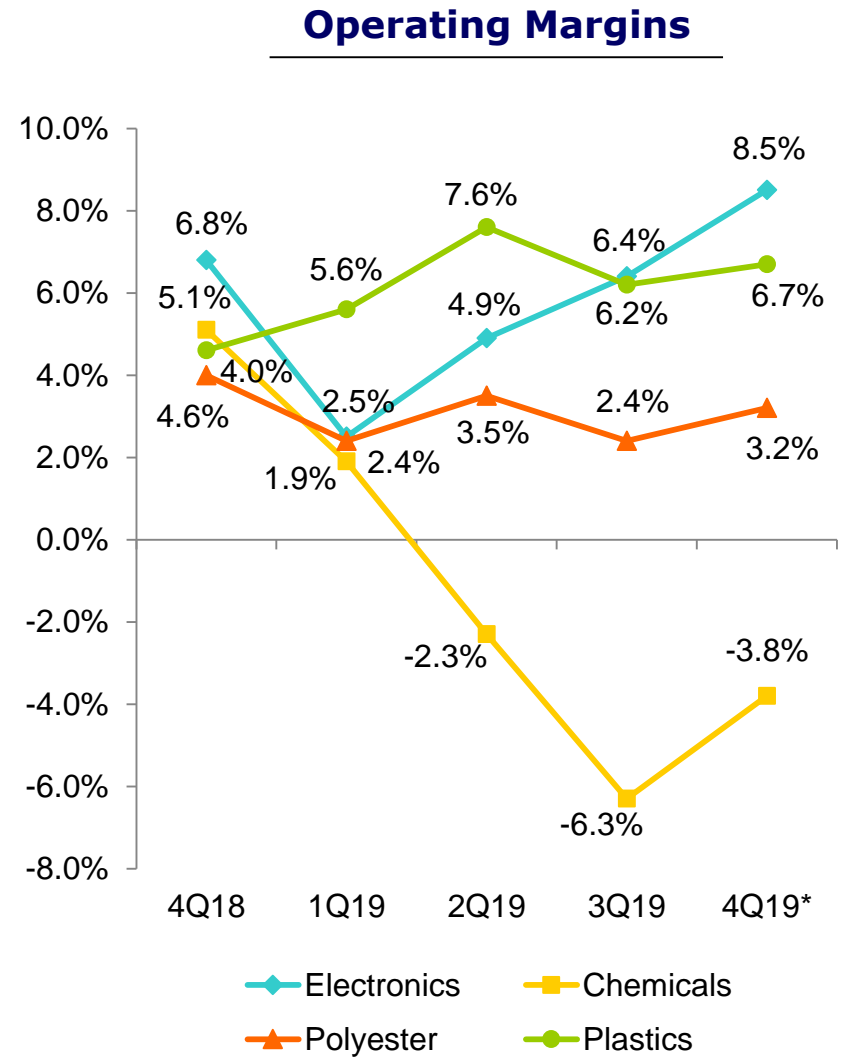
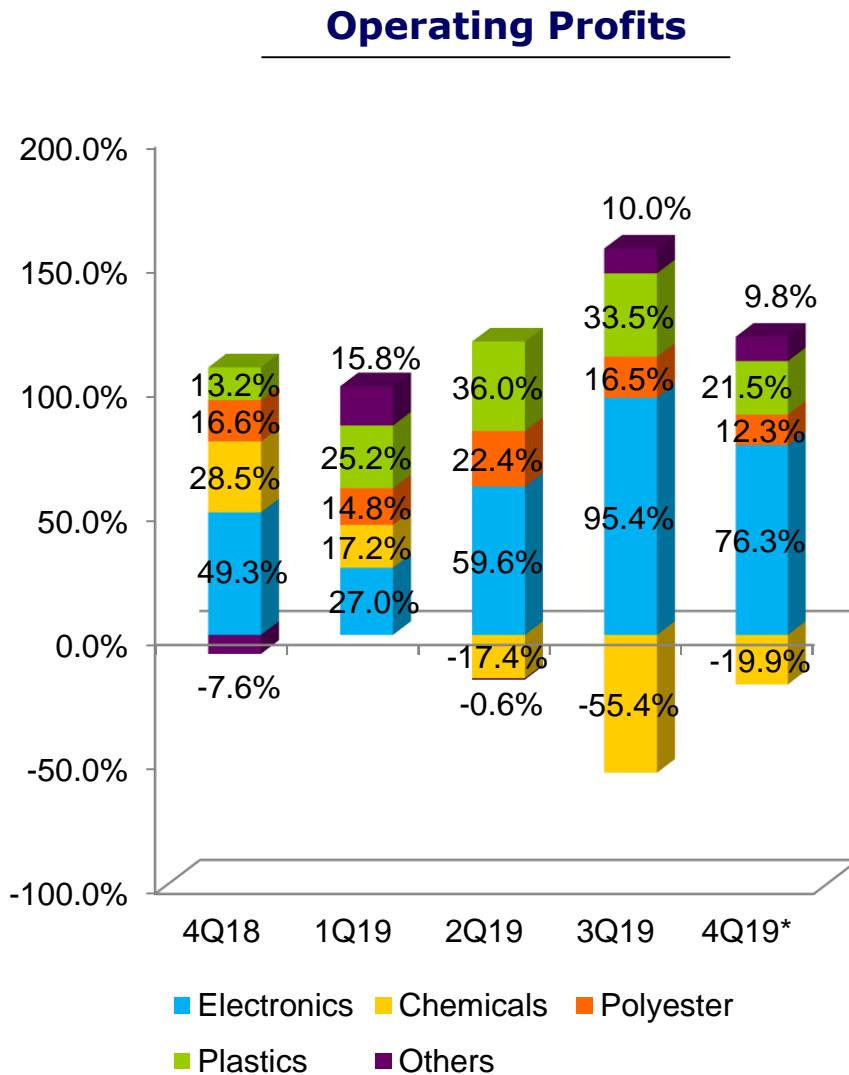
- Revenue in 2019 4Q decreased 7.8% YoY
- Global economic growth slowed down and the feed stock price kept dropping leading the decline in revenue of chemical and polyester products

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Financial Highlights

Operating Profits Breakdown by Product Segment



*Unaudited number

Business Overview

Capacity Expansion Plan

Area	Product	Unit	Annual Capacity			Completion Date
			Current	Expansion	Increase%	
Taiwan	PP Synthetic Paper	KMT	65	22	34	2020/2
	Long Fiber-Reinforced Thermoplastics	KMT	0	5	100	2021/1
	Copper Foil	KMT	34	18	53	2021/1
	Polyester Film	KMT	94	13	14	2020/11
	Polyester Release Film (4 th coating machine)	KM ²	240,000	120,000	50	2020/6
	Polyester Release Film (5 th set)	KM ²	240,000	123,600	52	2021/1
Mainland China	PVC Leather	KYD	34,200	9,000	26	2020/12
	Aluminum Laminated Foil	KM ²	0	13,536	100	2020/6
	PVC Decorative Film	KYD	24,000	19,200	80	2021/9
	Copper Clad Laminate	KSH	12,000	13,200	110	2022/12
	Prepreg	KM	24,000	28,800	120	2022/12
	Glass Fabrics	KM	0	102,000	100	2022/10
	PCB	KSF	17,304	271	2	2021/2
USA	BPA	KMT	130	130	100	2021/10
	Flexible PVC Sheeting	KMT	0	14	100	2021/11
	EG	KMT	360	828	230	2020/7



THE END

