
Nan Ya Plastics
1H 2022
Operations & Performance

AUG. 2022



Agenda

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

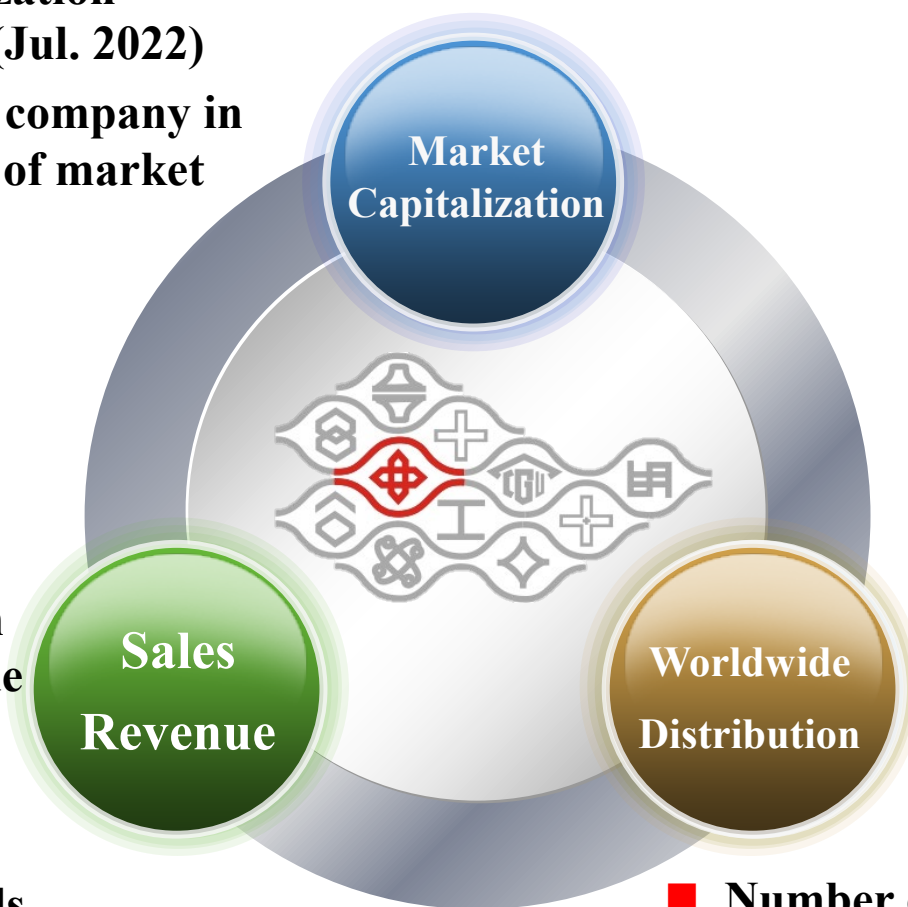


Overview

Highlights

- **Market Capitalization**
NT\$ 53.4billion (Jul. 2022)
- **The 10th largest company in Taiwan in terms of market capitalization**

- **NT\$ 411.7 billion (Y2021, not include Nanya Tech. Co.)**
- **Sales breakdown**
 - 12% in plastics
 - 29% in chemicals
 - 44% in electronics
 - 14% in polyesters



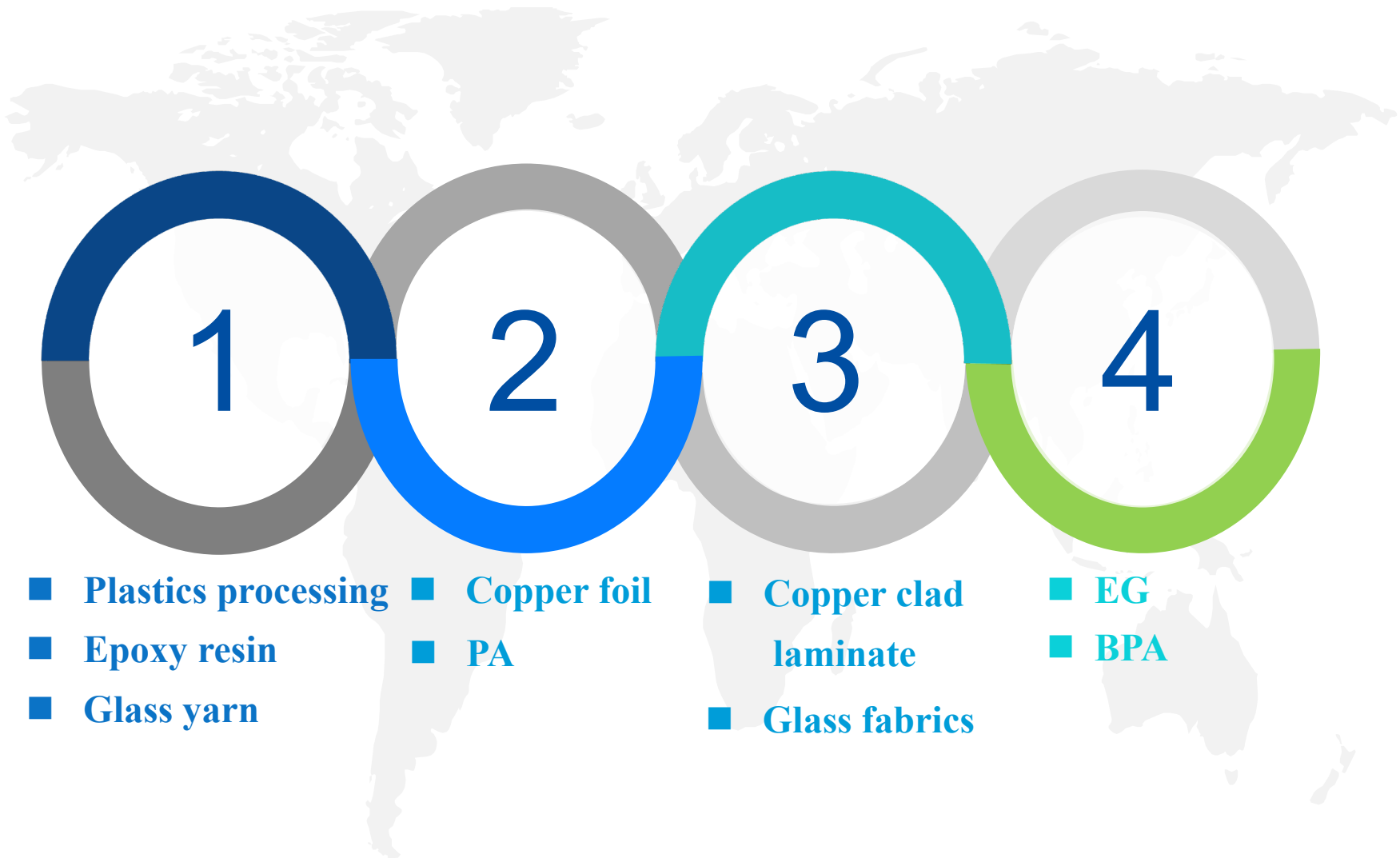
- **Total number of Plants 102**
 - 59 in Taiwan
 - 36 in China
 - 7 in US

- **Number of Employees 32,812**
(The number of Plants and Employees includes the consolidated financial reporting company)



Overview

Leading market positions for capacity



※Plasticizer products ranked 5th
PET ranked 10th



Overview

History



Plastics Processing

1958

Nan Ya USA
& America Co.

1979

- Texas
- Louisiana
- South Carolina

Nanya Tech Co.

1995

Chemicals

1999

Polyesters

1969

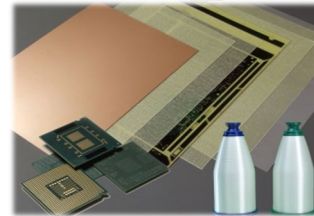
Electronics
& Nan Ya PCB Co.

1986

Investing in
China

1994

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



Overview

Major Businesses

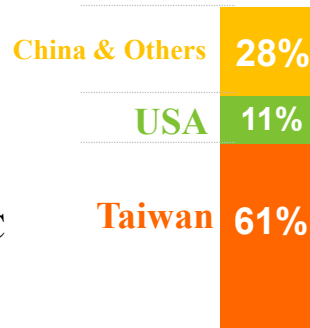
Sales breakdown in 2021



Plastics

12%

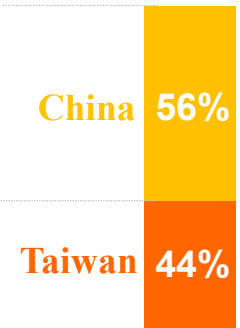
PVC Sheeting, PVC Rigid Film, PU Leather, PVC Rigid Pipe & Fittings, Window & Door Frames, Films, Engineering and PVC Compounds, PP Synthetic Paper



Electronics

44%

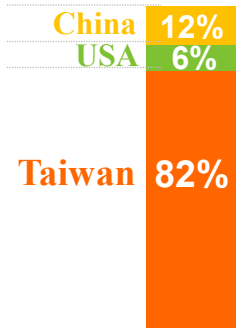
Glass Yarn, Glass Fabrics, Epoxy Resin, Copper Foil, Copper Clad Laminate, Printed Circuit Board



Chemicals

29%

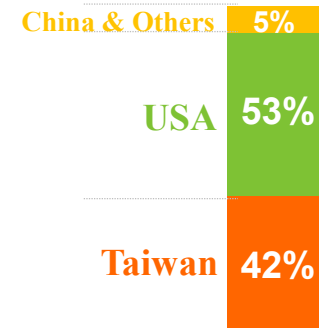
EG, BPA, 1,4BG, Plasticizer, PA, 2EH, INA, MA



Polyesters

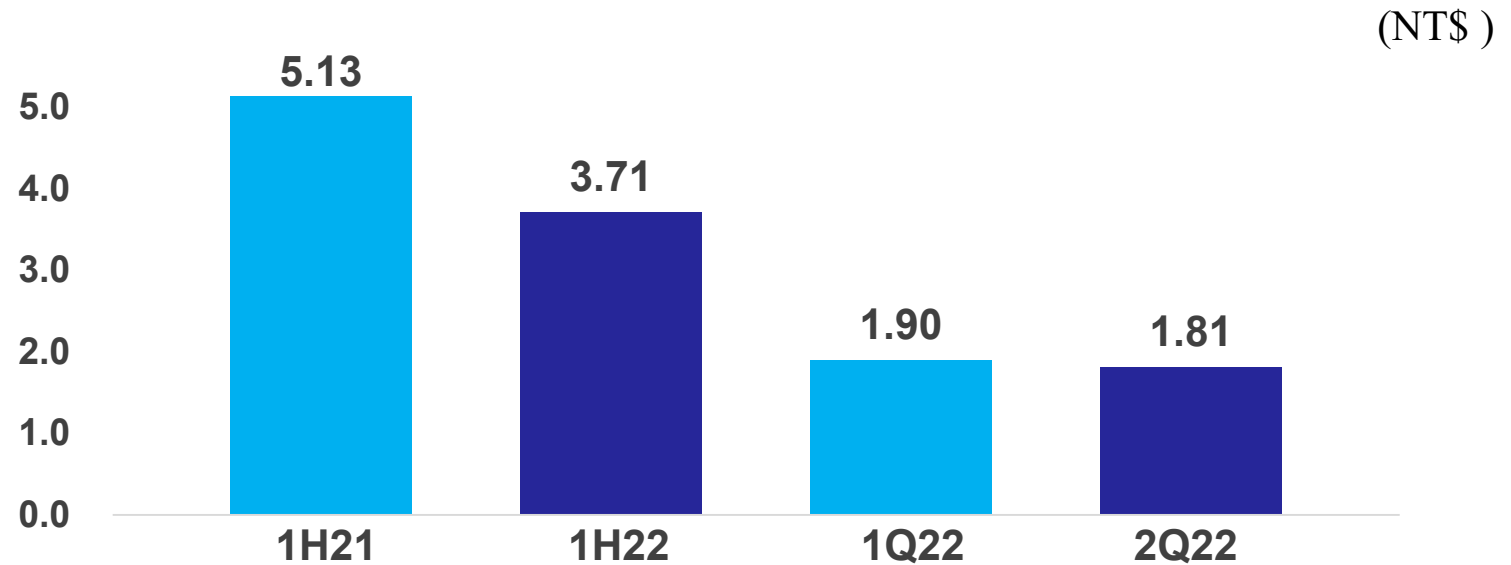
14%

Polyester Staple Fiber, PET Resin, Filament, PET Film



Financial Highlights

Consolidated Revenue (IFRS)



- **Revenue in 2022 1H decreased NT\$ 1.42 YoY due to:**

The EPS was NT\$3.71 in 1H22, the third-highest in the history of the same period, following 1H21 and 1H18.

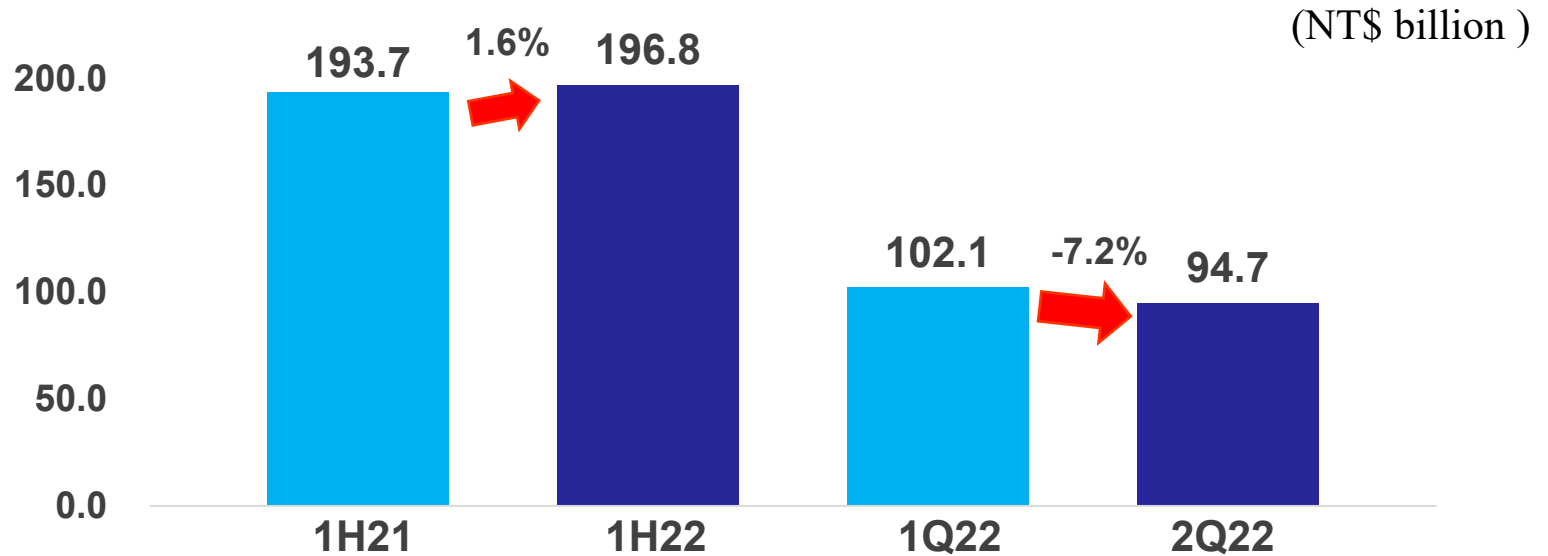
- **Revenue in 2022 2Q decreased NT\$ 0.09 QoQ due to:**

Although affected by Covid-19 control measures in Shanghai during April, the EPS still reached NT\$1.81 in 2Q22. It was the third-highest in the history of the same period, following 2Q21 and 2Q18.



Financial Highlights

Consolidated Revenue (IFRS)



- **Revenue in 2022 1H increased 1.6% YoY due to:**

As the market conditions of polyester products in the United States boomed substantially and the cost of raw materials increased, product prices rose significantly resulting the revenue increased.

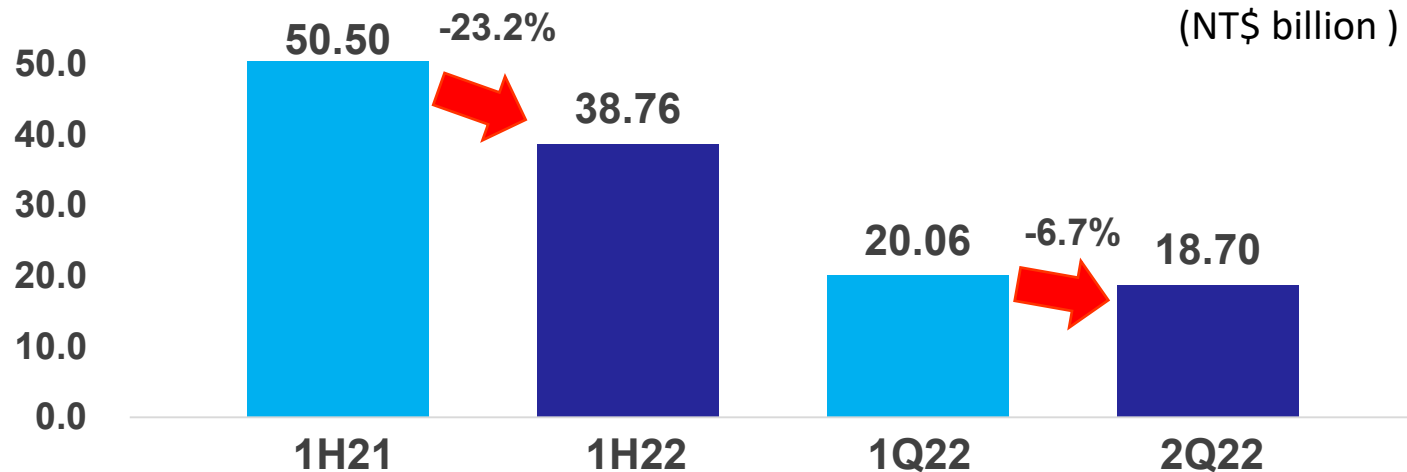
- **Revenue in 2022 2Q decreased 7.2% QoQ due to:**

Mainly due to the planned cut in production and scheduled turnaround of part of production line and the decline in the prices of BPA and other products. In addition, other electronic materials products were affected by the Covid-19 control measures in China and global inflation, leading to the revenue decline.



Financial Highlights

Pre-tax Income (IFRS)



■ **2022 1H pre-tax income decreased 23.2% YoY due to :**

1. Operating profit decreased NT\$15.6bn mainly due to the decline in profit of chemical products and electronic material products.
2. Equity income decreased NT\$1.7bn YoY :
 - (1) Nanya Tech +NT\$1.2bn
 - (2) Formosa Olefins, L.L.C in U.S. -NT\$0.7bn
 - (3) Mai Liao Power -NT\$1.2bn
 - (4) Formosa Industries in Vietnam -NT\$0.4bn

■ **2022 2Q pre-tax income decreased 6.7 % QoQ due to :**

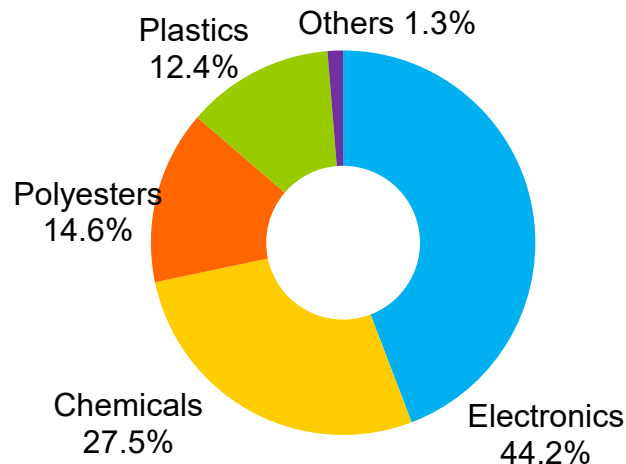
1. Operating profit decreased by NT\$3.3bn mainly due to the decline in profit of chemical products and electronic material products.
2. Equity income increased NT\$ 0.01 bn QoQ :
 - (1) FPCC +NT\$0.8bn
 - (2) Formosa Industries in Vietnam -NT\$0.3bn
 - (3) Mai Liao Power -NT\$0.4bn



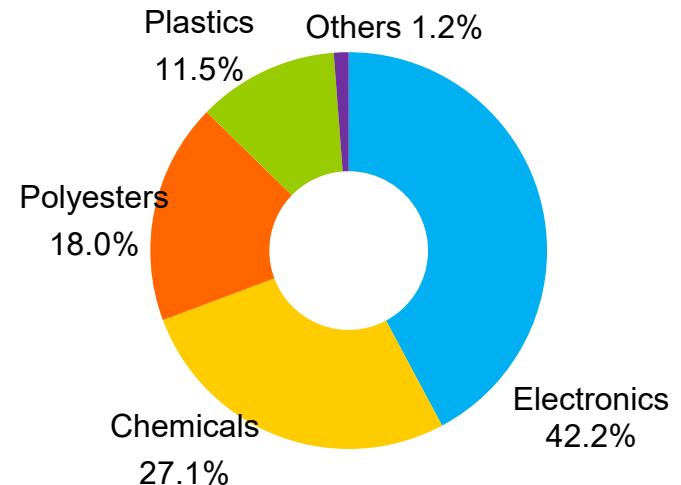
Financial Highlights

Revenue Breakdown (Annual)

2021 1H Net Sales
NT\$ 193.7 billion



2022 1H Net Sales
NT\$ 196.8 billion



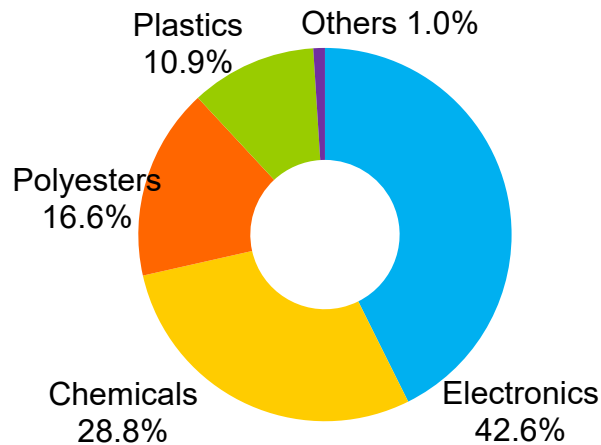
- In electronic material products, the profit of PCB had increased significantly due to the growing demand for high-value products, but other electronic material products were affected by Covid-19 control measures in China, leading to shipment volume and profit drop.
- The profit of polyester products increased, benefiting from the strong demand for Polyester Staple Fiber and PET resin in the United States, widening the product margin.



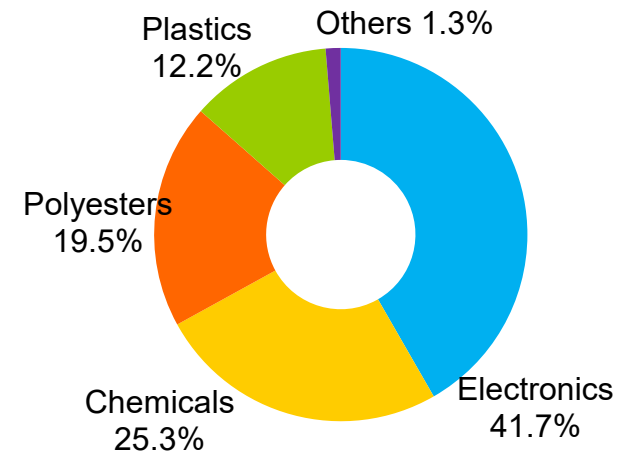
Financial Highlights

Revenue Breakdown (Quarter)

2022 1Q Net Sales NT\$ 102.1 billion



2022 2Q Net Sales NT\$ 94.7 billion

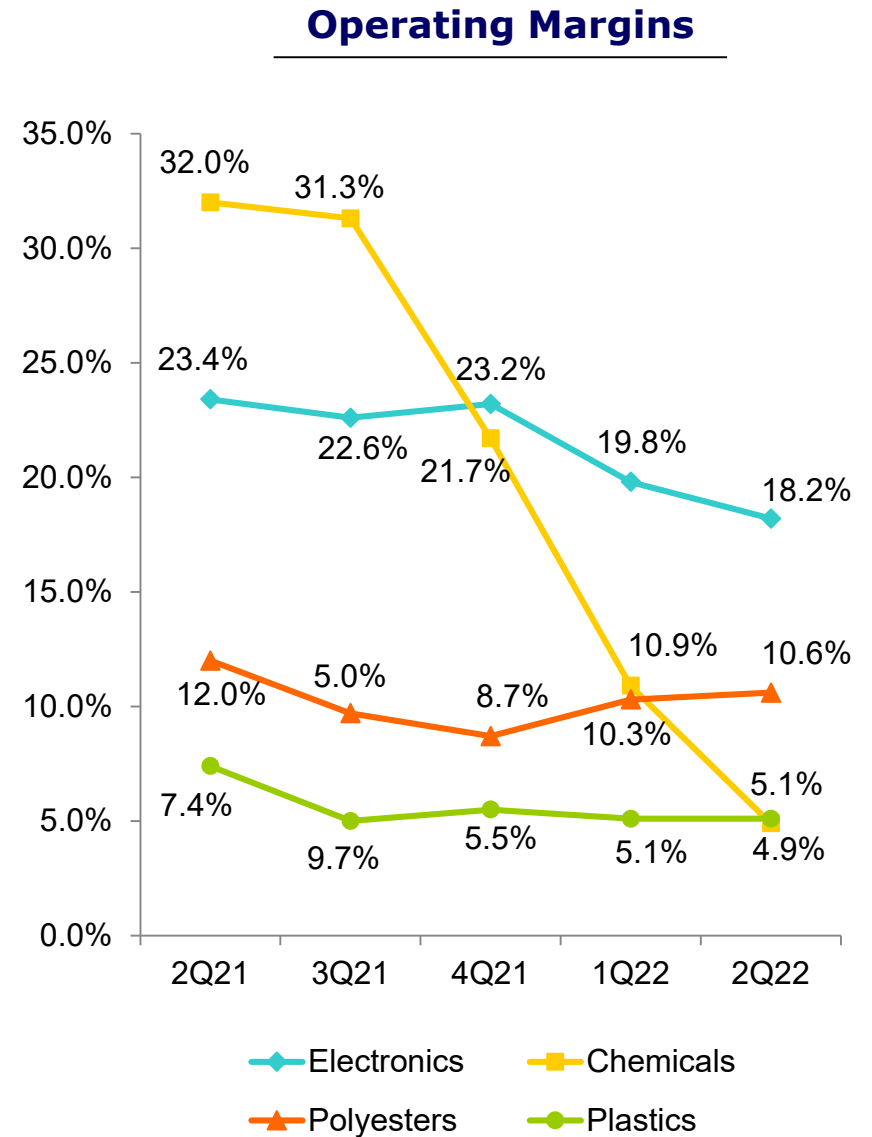
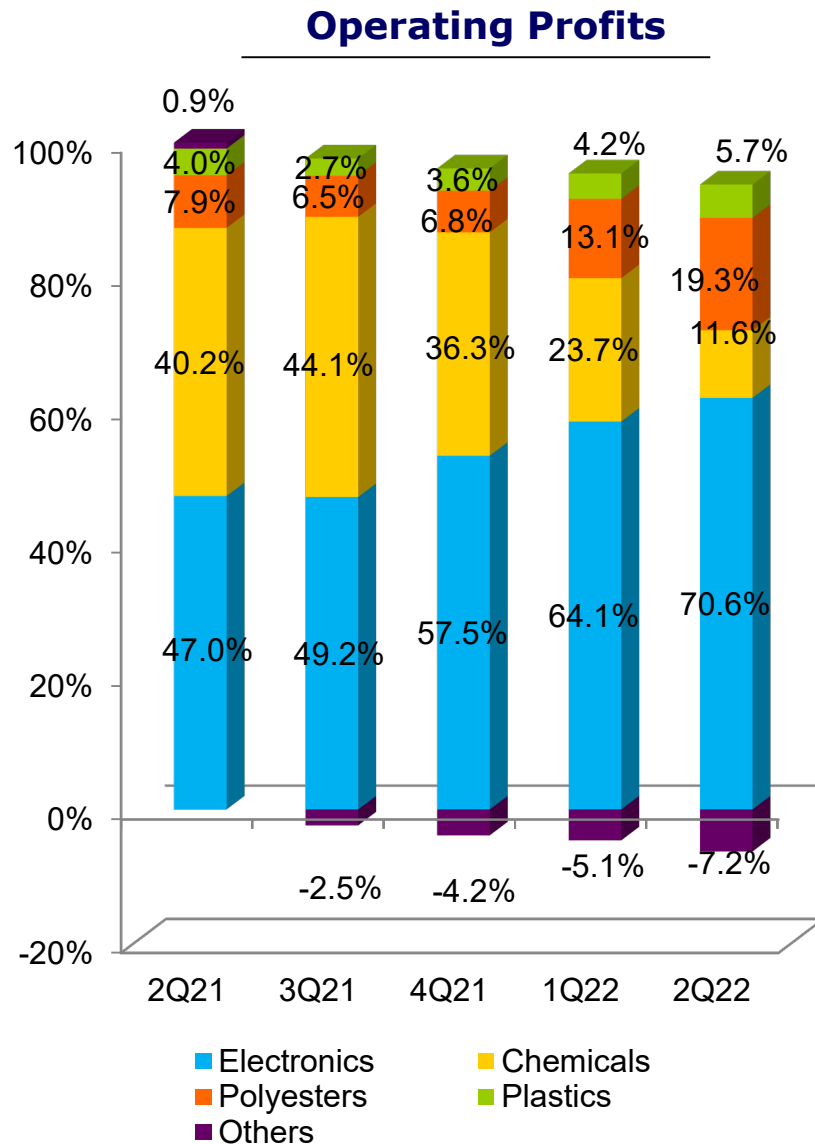


- Due to the planned cut in production and scheduled turnaround of part of production line and the decline in the prices of BPA and other products, the revenue of chemical products decreased.
- Due to the booming demand for communication, vehicle and continuous development in high-end products, the gap between supply and demand had widened, the revenue and profit of PCB products reached a peak again. Nevertheless, other electronic materials products were affected by the Covid-19 control measures in China and global inflation, leading to the revenue decline in electronic material products.
- Due to high demand in the US and high selling prices pushed by rising raw material prices, leading to an increase in income of polyester products.



Financial Highlights

Operating Profits Breakdown by Product Segment



Business Overview

Capacity Expansion Plan

Area	Product	Unit	Annual Capacity			Estimated Commissioning Date
			Current (Note)	Expansion	Increase%	
Taiwan	Wide Semi-Rigid Film	KMT	0	12	100	2022/12
	Blood bag and Leukocyte reduction filter system	10 Thousand Set	0	297	100	2023/7
	PBAT CHIP	KMT	0	36	100	2023/6
	Polyester Release Film (5 th set)	KM ²	360,000	144,000	40	2022/12
	Polyester Release Film (6 th set)	KM ²	360,000	144,000	40	2024/10
	ABF Substrate Phase I	Million Unit	-	-	14	2023/1
	ABF Substrate Phase II	Million Unit	-	-	14	2024/1
	Solar System	KW	-	51,625	100	2022/10
Mainland China	Copper Clad Laminate	KSH	44,400	13,200	30	2022/8
	Prepreg	KM	81,600	28,800	35	2022/8
	Copper Foil	KM	55,200	23,400	42	2025/6
	BPA	KMT	186	170	91	2023/2
	ABF Substrate	Million Unit	-	-	100	2023/1
USA	Flexible PVC Sheeting	KMT	48	14	29	2023/05

Note1: Annual capacity is the total product production capacity by region.



THE END

