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**Nan Ya Plastics**  
**Year 2022**  
**Operations & Performance**

**Jan. 2023**



# Agenda

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

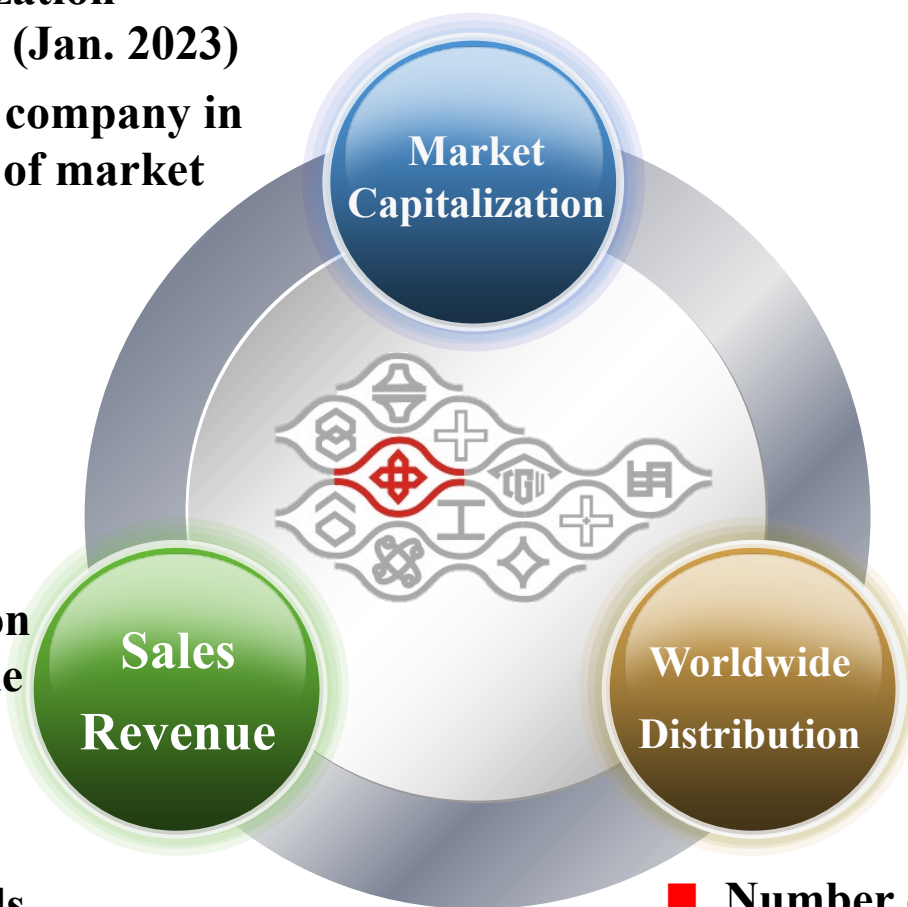


# Overview

## Highlights

- **Market Capitalization**  
NT\$ 598.0billion (Jan. 2023)
- **The 10th largest company in Taiwan in terms of market capitalization**

- **NT\$ 355.2\* billion (Y2022, not include Nanya Tech. Co.)**
- **Sales breakdown**
  - 12% in plastics
  - 23% in chemicals
  - 45% in electronics
  - 18% in polyesters



- **Total number of Plants 106**
  - 59 in Taiwan
  - 39 in China
  - 8 in US

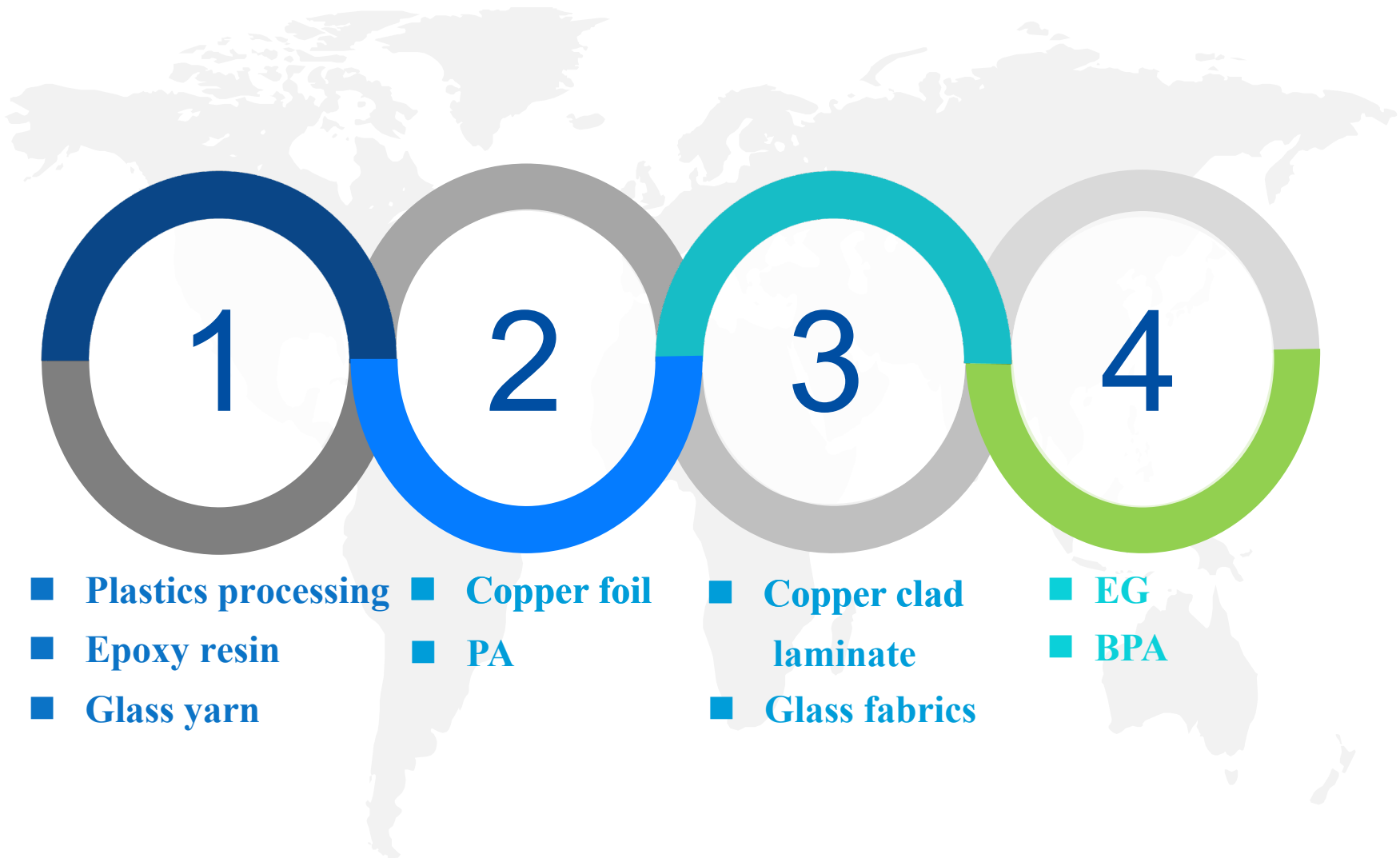
- **Number of Employees 31,736**  
(The number of Plants and Employees includes the consolidated financial reporting company)

\*Unaudited number



# Overview

## Leading market positions for capacity



※Plasticizer products ranked 5<sup>th</sup>  
Polyester products ranked 11<sup>th</sup>



# Overview

## History



Plastics Processing

1958



Nan Ya USA  
& America Co.

- Texas
- Louisiana
- South Carolina

1979



Nanya Tech Co.

1995



Chemicals

1999

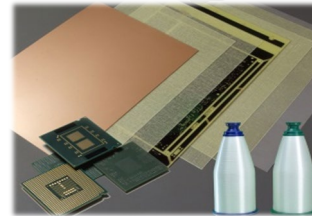
Polyesters

1969



Electronics  
& Nan Ya PCB Co.

1986



Investing in  
China

1994

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



# Overview

## Major Businesses

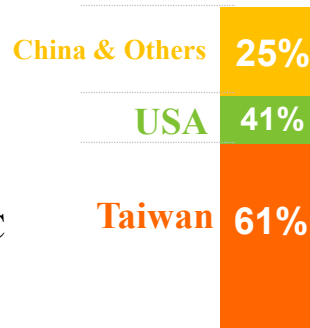
Sales breakdown in 2022



### Plastics

12%

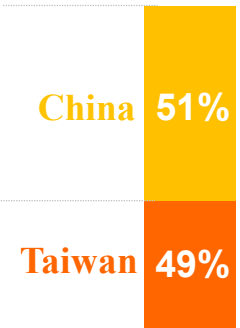
PVC Sheeting, PVC Rigid Film, PU Leather, PVC Rigid Pipe & Fittings, Window & Door Frames, Films, Engineering and PVC Compounds, PP Synthetic Paper



### Electronics

45%

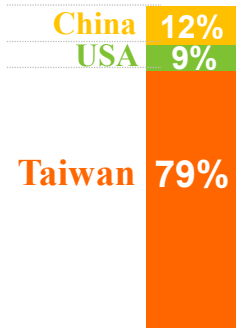
Glass Yarn, Glass Fabrics, Epoxy Resin, Copper Foil, Copper Clad Laminate, Printed Circuit Board



### Chemicals

23%

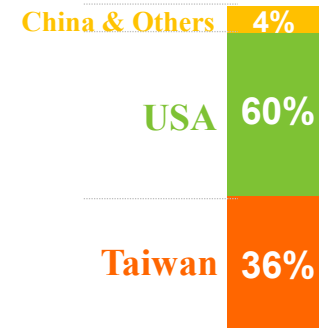
EG, BPA, 1,4BG, Plasticizer, PA, 2EH, INA, MA



### Polyesters

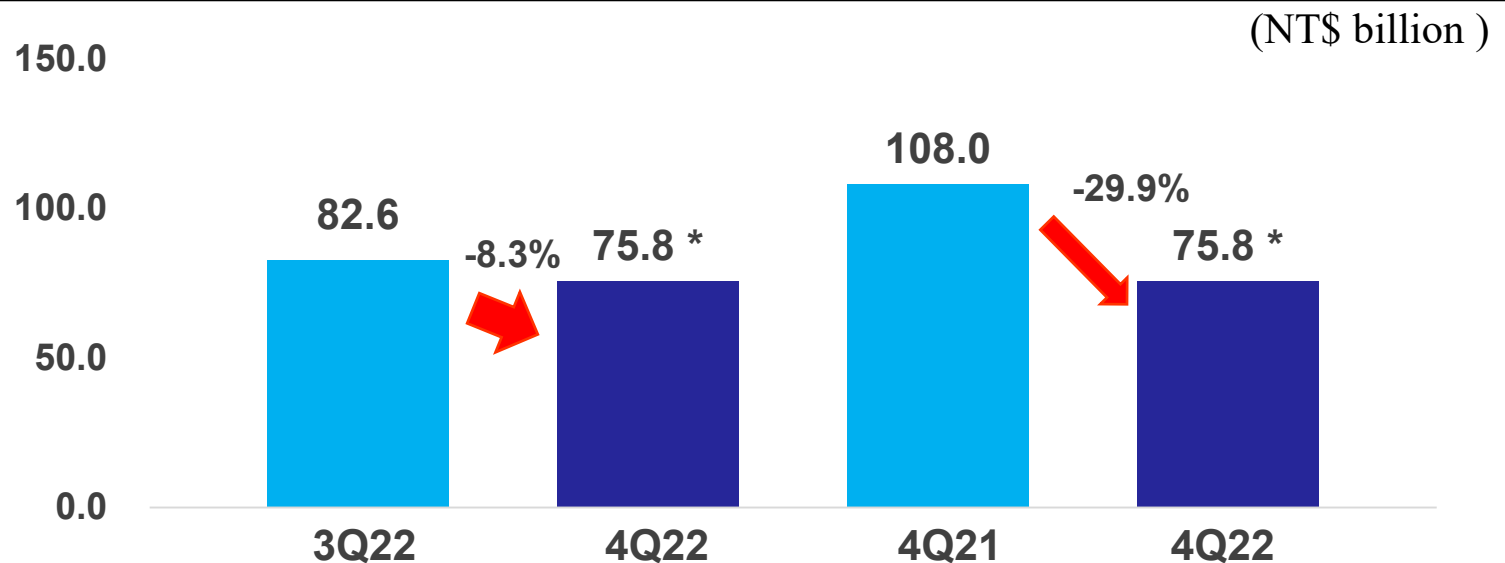
18%

Polyester Staple Fiber, PET Resin, Filament, PET Film



# Financial Highlights

## Consolidated Revenue by Quarter (IFRS)



- **Revenue in 2022 4Q decreased 8.3% QoQ due to:**

Mainly resulted from polyester products due to the shutdown of downstream customers during Thanksgiving holiday and Christmas holiday in the USA, and selling prices dragged down by material prices. Adding up the scheduled turnaround and decline in the material prices of chemical products.

- **Revenue in 2022 4Q decreased 29.9% YoY due to:**

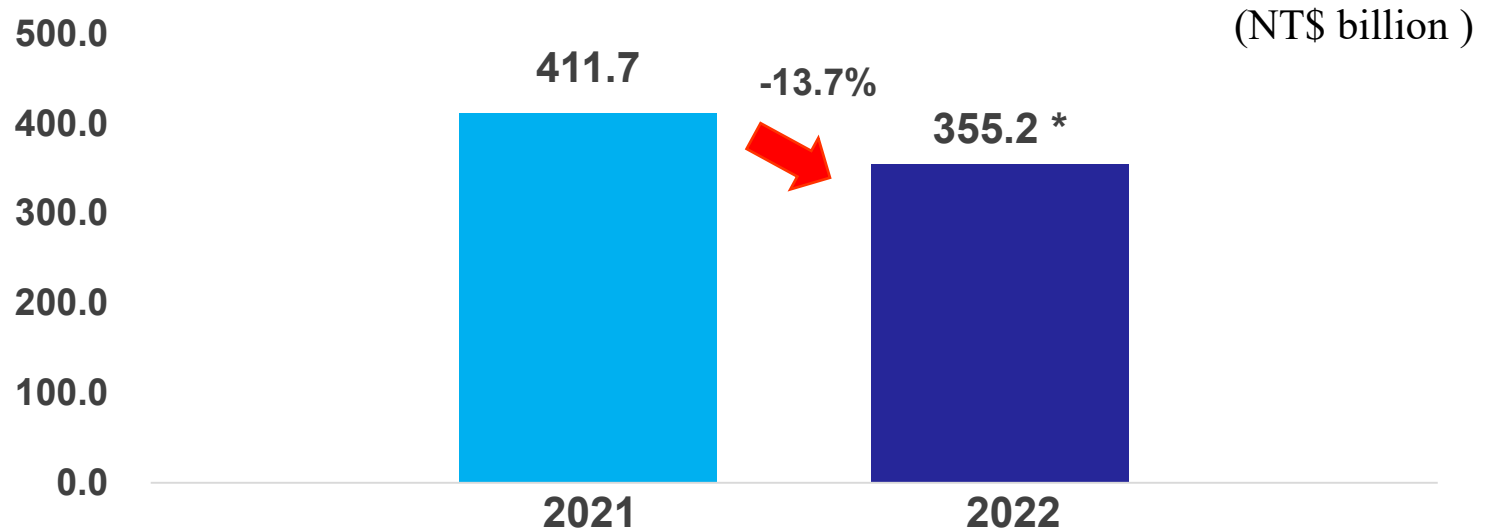
Mainly due to the planned shutdown of EG plants and the decreasing selling prices of chemical products. In addition, although the demand for PCB increased, resulting in an increase in revenue, the revenue of other products declined compared to the peak in 2021.

\*Unaudited number



# Financial Highlights

## Annual Consolidated Revenue (IFRS)



### ■ Revenue in 2022 decreased 13.7% due to:

1. The decreasing selling prices of chemical products, planned shutdown of EG plants, and the revenue of other products declined compared to the peak in 2021 causing the revenue in 2022 decreased.
2. Nevertheless, the Company still benefited from the expanded demands in PCB and widely sited plants of CCL and other electronic material products in Taiwan and China. In addition, polyester products were highly competitive in the USA, while plastic processing products such as rigid pipes sold well in Taiwan. Although the environment was bad the consolidated operating revenue of 2022 still reached 355.2 billion.

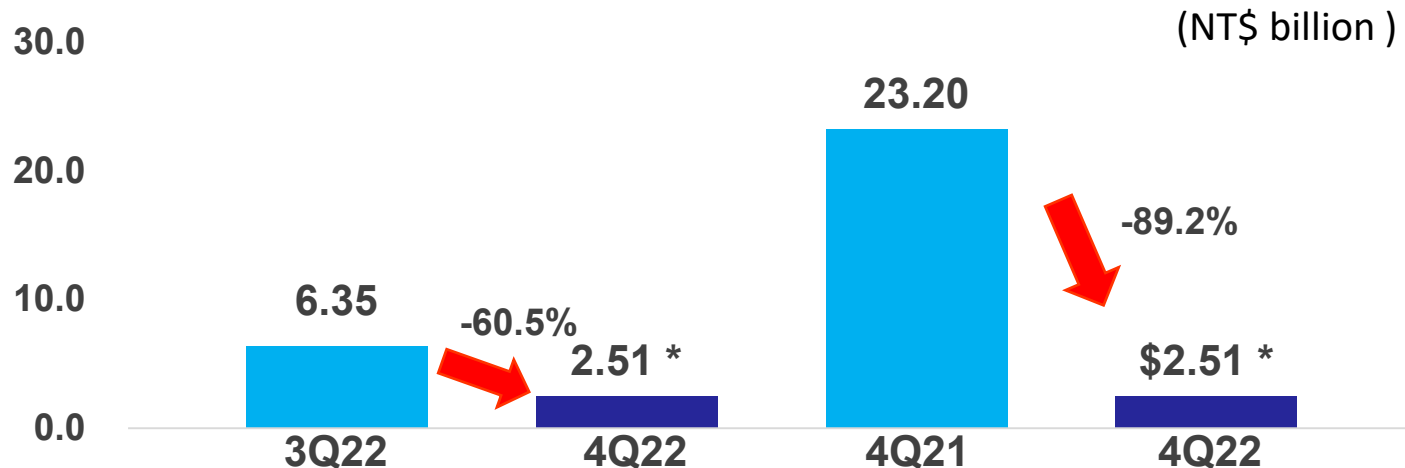
\*Unaudited number





# Financial Highlights

## Pre-tax Income by Quarter (IFRS)



■ **2022 4Q pre-tax income decreased 60.5% QoQ due to :**

1. Operating profit increased NT\$2.33bn mainly due to the demand for CCL and other products increased in China, and the sales of PCB increased..
2. Equity income decreased NT\$2.26bn QoQ :  
(1) Nanya Tech -NT\$1.11bn (2) FPCC -NT\$0.83bn
3. Dividends income decreased NT\$2.76bn.

■ **2022 4Q pre-tax income increased 89.2 % YoY due to :**

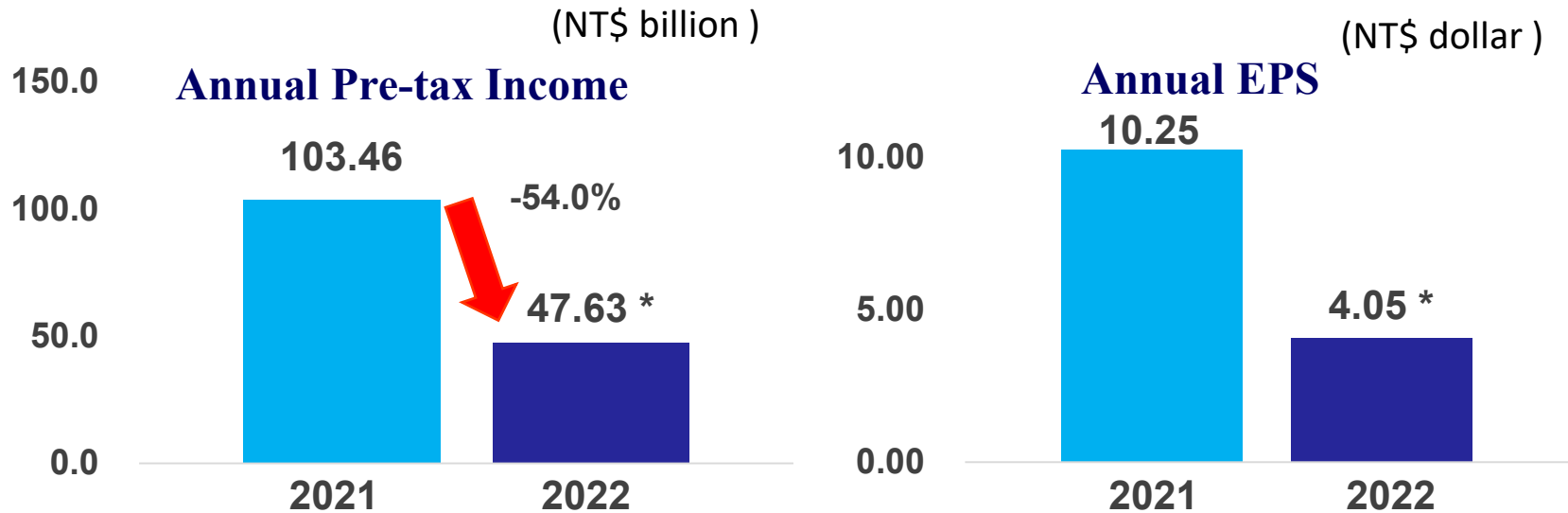
1. Operating profit decreased by NT\$13.63bn mainly due to decline in profit of electronic material products and chemical products.
2. Equity income decreased NT\$7.51bn YoY :  
(1) FPCC -NT\$4.04bn (2) Nanya Tech -NT\$2.23bn

\*Unaudited number



# Financial Highlights

## Annual Pre-tax Income and EPS (IFRS)



### ■ Pre-tax income in 2022 decreased 54.0% due to :

1. Operating profit decreased NT\$48.67bn mainly due to the declined in profit of electronic materials product and chemical product.
2. Equity income decreased NT\$16.03bn YoY :
  - (1) FPCC -NT\$8.08bn
  - (2) Nanya Tech -NT\$2.43bn
  - (3) Formosa Olefins, L.L.C -NT\$1.96bn
  - (4) Formosa Industries Corp. (Vietnam) -NT\$1.53bn

### ■ EPS in 2022 decreased NT\$6.2 due to :

The inflation, the Russian-Ukrainian war, and Covid-19 control measures the global economic growth momentum significantly slowed down, causing the EPS in 2022 dropped NT\$6.2 compared with the EPS NT\$ 10.25 in 2021(highest record).

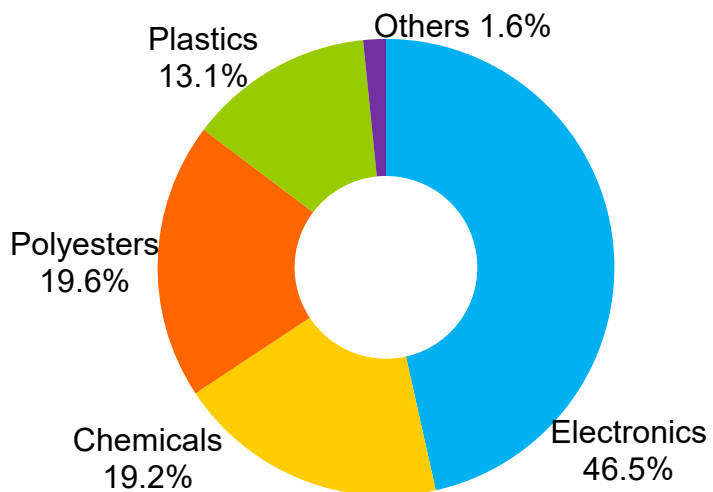
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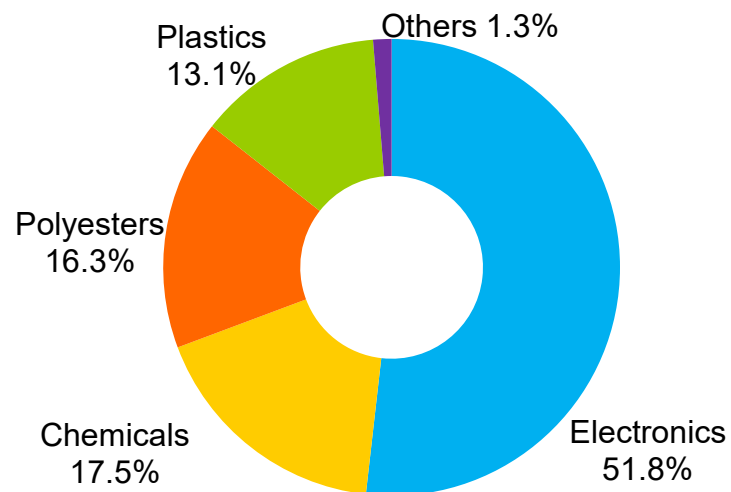
# Financial Highlights

## Revenue Breakdown (Quarter)

**2022 3Q Net Sales**  
**NT\$ 82.6 billion**



**2022 4Q Net Sales**  
**NT\$ 75.8\* billion**



- The demand for PCB slightly increased. Moreover, the downstream customers were destocking gradually in 4Q22, thus the sales volume was more than 3Q22 leading the proportion of electronic material products increased.
- The proportion of polyester products decreased mainly due to the shutdown of downstream customers during Thanksgiving holiday and Christmas holiday in the USA, and selling prices dragged down by material prices.
- The scheduled turnaround, plus the decline in the material prices causing the proportion of chemical products decreased.

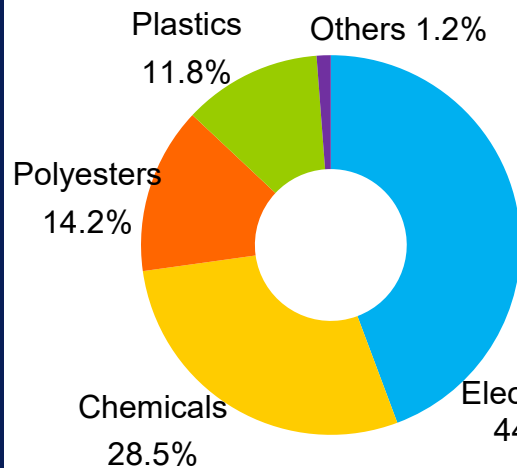
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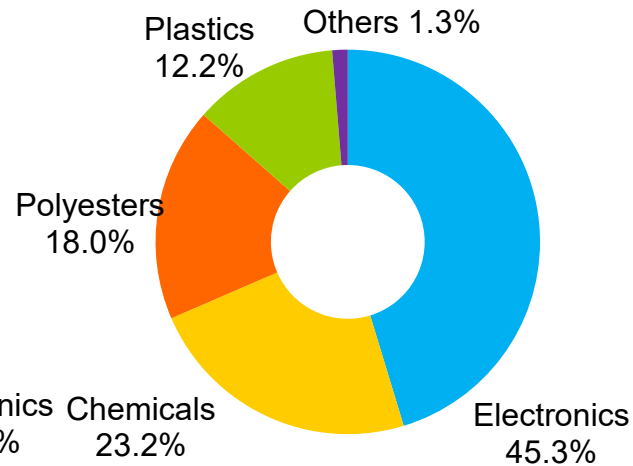
# Financial Highlights

## Revenue Breakdown (Annual)

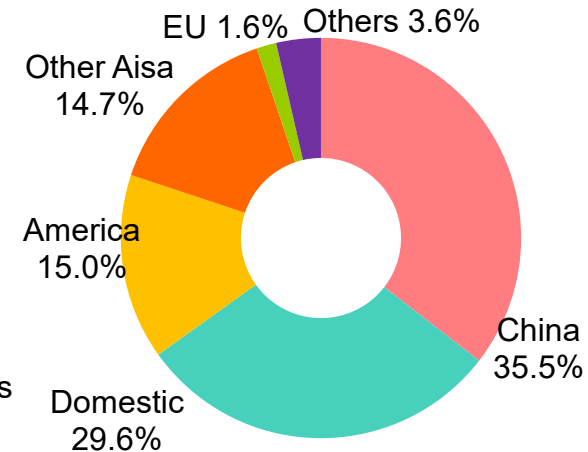
**2021 Net Sales**  
NT\$ 4,11.7 billion



**2022 Net Sales**  
NT\$ 355.2\* billion



**2022 Sales Breakdown**  
by Geography



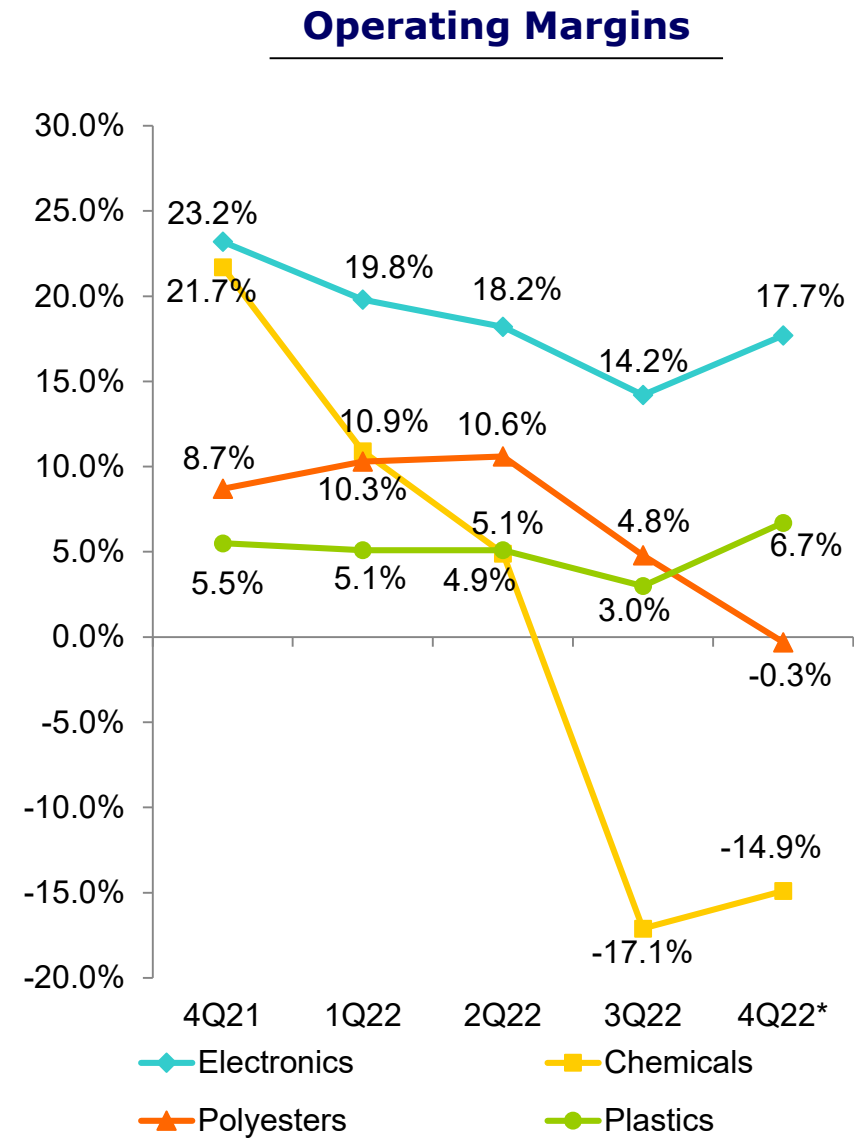
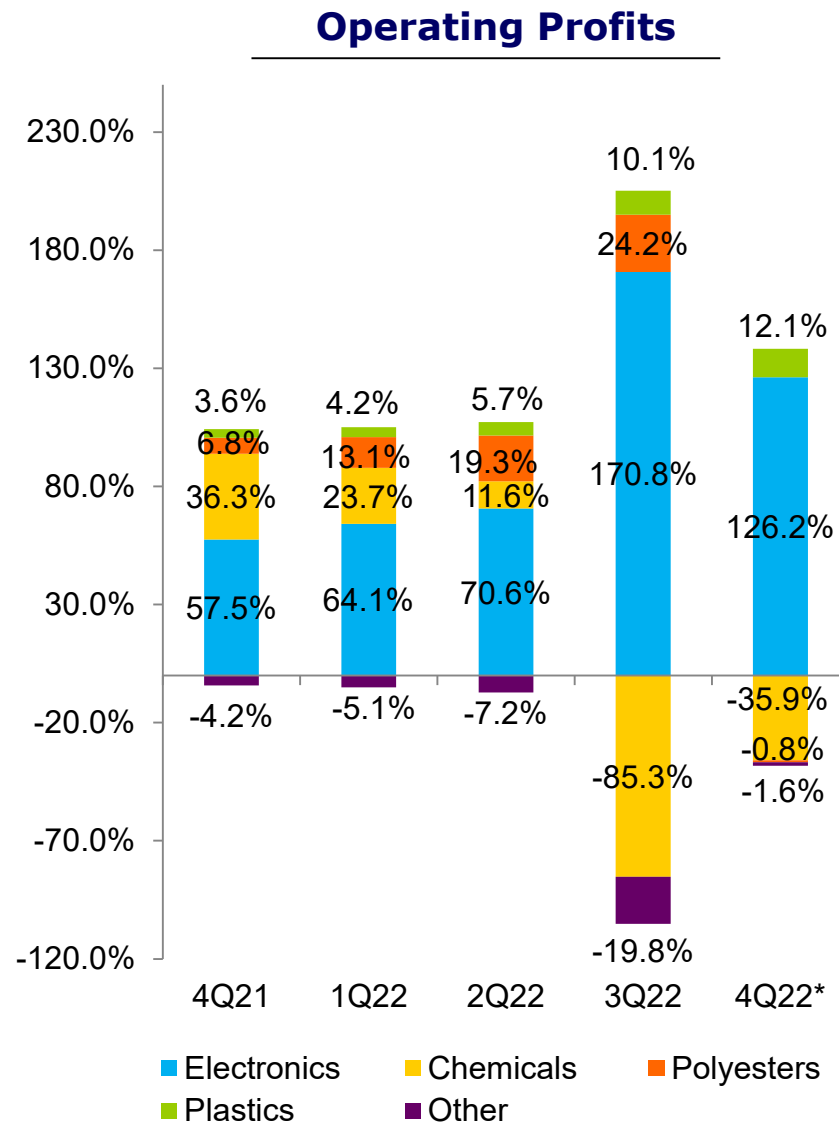
- The proportion of polyester products increased was mainly resulted from the increasing material prices pushed up product prices.
- The planned shutdown of EG plants and the decreasing selling prices of products causing the proportion of chemical products decreased.
- Although the proportion of China decreased in 2022 due to the impact of the lockdown policy, still it accounts for 50% of overseas region and remains the most important market.

\*Unaudited number



# Financial Highlights

## Operating Profits Breakdown by Product Segment



\*Unaudited number

# Annual Overlook

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- The war between Russia and Ukraine has not stopped in 2023 1Q and the inflation in Europe and the United States has not yet bottomed out, thus the overall economy is still weak.
- Although China has unlocked, the domestic demand is waiting to pick up, it is expected that some negative factors will gradually ease from 2023 2Q and the market conditions are expected to pick up quarter by quarter.
- Continue to focus on new materials such as 5G high frequency and high speed, new energy vehicles and automotive electronic substrates, and actively develop high-value and differentiated high-end applications of electronic materials.
- Grasp the opportunity of green environmental protection and circular economy, research and develop environmentally friendly high-value green products, and provide consumers with more choices.
- Diversify production layouts in Taiwan, China, the United States, and Vietnam to build a regional supply system in response to the market demand, supply chain transfer, carbon footprint reduce, local supply and other trends.
- Strengthen the autonomy of the supply chain to grasp the business opportunities from economic recovery in emerging markets in Southeast Asia, South Asia, etc. and the European region.



# Business Overview

## Capacity Expansion Plan

Area	Product	Unit	Annual Capacity			Estimated Commissioning Date
			Current (Note1)	Expansion	Increase%	
Taiwan	Wide Semi-Rigid Film	KMT	0	12	100	2023/9
	Blood bag and Leukocyte reduction filter system	Thousand Set	0	2,970	100	2023/7
	PBAT CHIP	KMT	0	36	100	2023/6
	Polyester Release Film (5 <sup>th</sup> set)	KM <sup>2</sup>	360,000	144,000	40	2023/6
	Polyester Release Film (6 <sup>th</sup> set)	KM <sup>2</sup>	360,000	144,000	40	2024/10
	ABF Substrate Phase I	Million Unit	-	-	13	2023/1
	ABF Substrate Phase II	Million Unit	-	-	13	2024/1
	Solar System Phase I (Note2)	KW	-	51,625	100	2022/11
	Solar System Phase II	KW	-	7,074	100	2024/11
Mainland China	Copper Foil	KM	60,000	23,400	39	2025/6
	BPA	KMT	186	170	91	2023/9
	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.

Note2: Successively completed from the end of Nov. 2022.



THE END

