
Nan Ya Plastics
Year 2023
Operations & Performance

Mar. 2024



Agenda

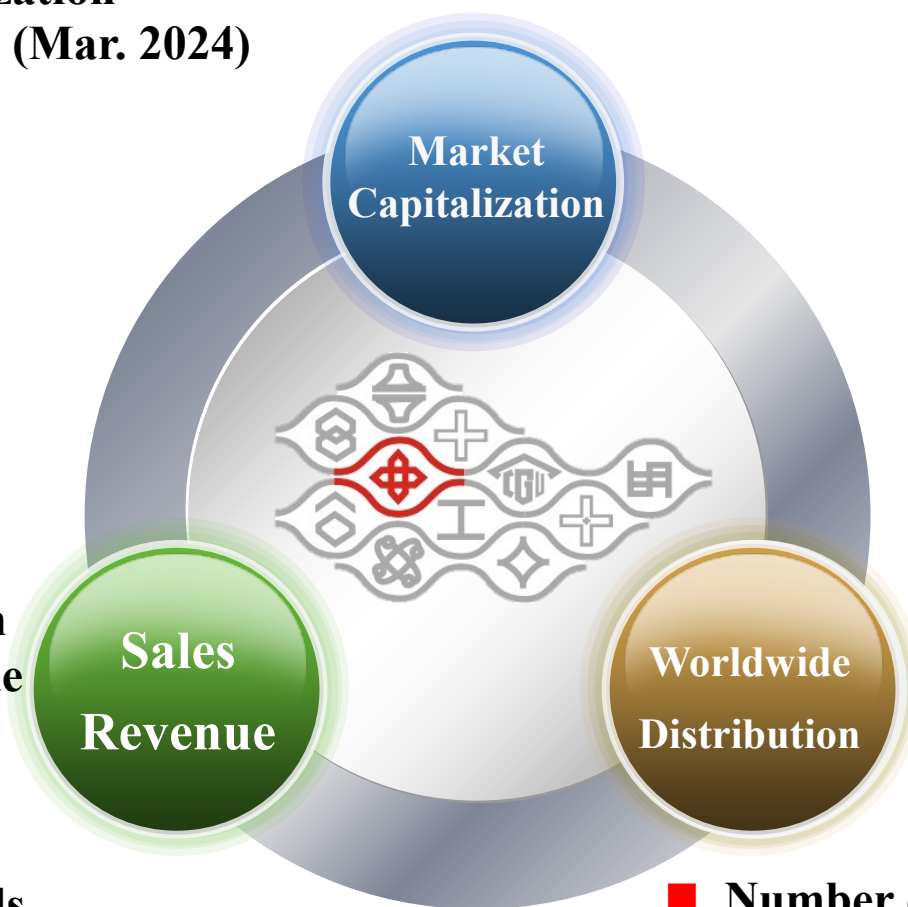
- **Overview**
- **Financial Highlights**
- **Annual Outlook**
- **Capacity Expansion Plan**
- **Q & A**



Overview

Highlights

- **Market Capitalization**
NT\$ 436.2billion (Mar. 2024)



- **NT\$ 259.8 billion**
(Y2023, not include Nanya Tech. Co.)
- **Sales breakdown**
 - 15% in plastics
 - 21% in chemicals
 - 44% in electronics
 - 17% in polyesters

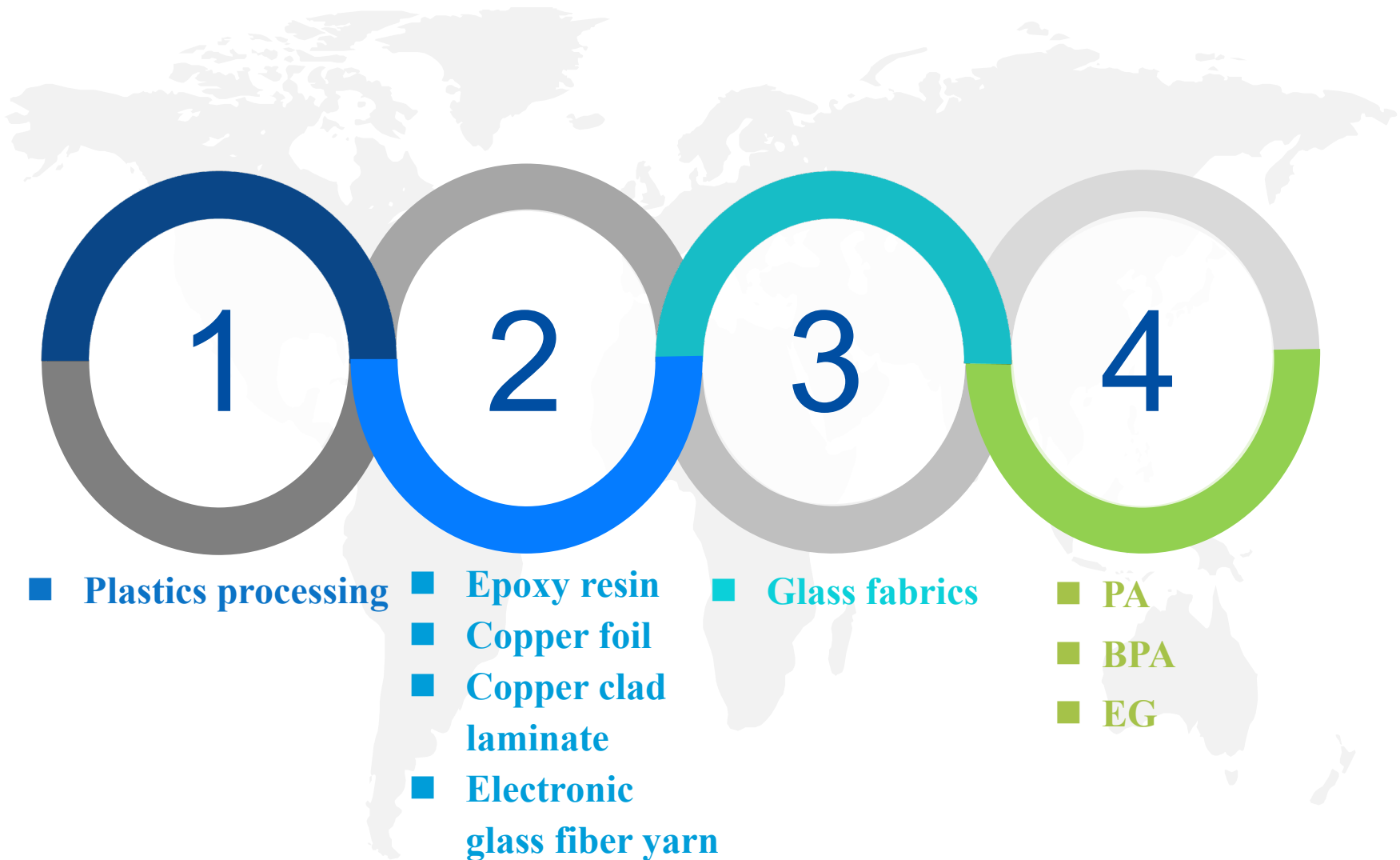
- **Total number of Plants 104**
 - 59 in Taiwan
 - 37 in China
 - 8 in US

- **Number of Employees 30,392**
(The number of Plants and Employees includes the consolidated financial reporting company)



Overview

Leading market positions for capacity



※Plasticizer products ranked 5th



Overview

History



Plastics Processing

1958



Nan Ya USA
& America Co.

- Texas
- Louisiana
- South Carolina

1979



Nanya Tech Co.

1995



Chemicals

1999

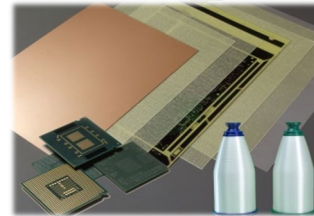
Polyesters

1969



Electronics
& Nan Ya PCB Co.

1986



Investing in
China

1994

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



Overview

Major Businesses

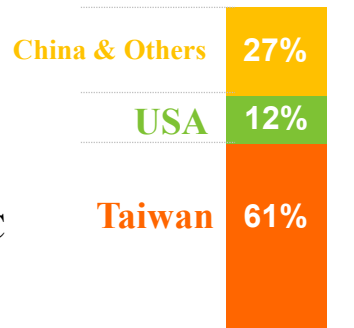
Sales breakdown in 2023



Plastics

15%

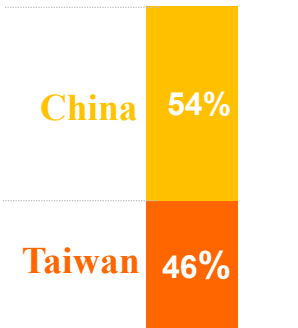
PVC Sheeting, PVC Rigid Film, PU Leather, PVC Rigid Pipe & Fittings, Window & Door Frames, Films, Engineering and PVC Compounds, PP Synthetic Paper



Electronics

44%

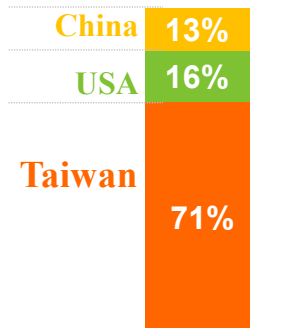
Glass Yarn, Glass Fabrics, Epoxy Resin, Copper Foil, Copper Clad Laminate, Printed Circuit Board



Chemicals

21%

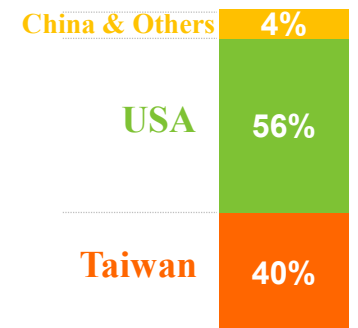
EG, BPA, 1,4BG, Plasticizer, PA, 2EH, INA, MA



Polyesters

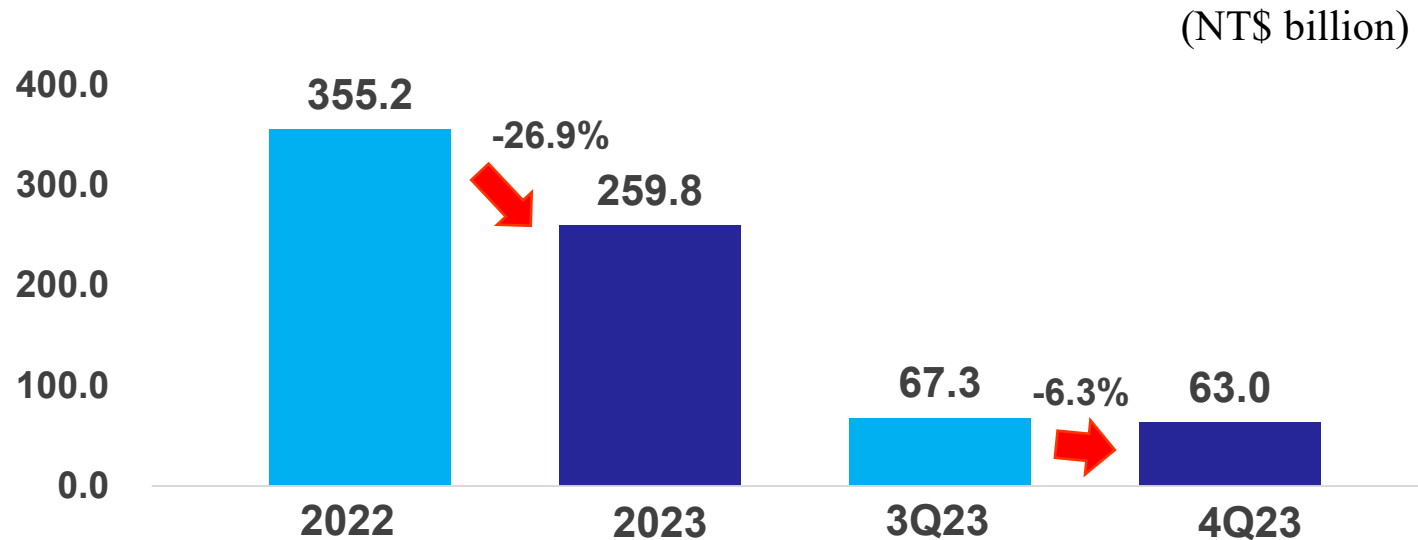
17%

Polyester Staple Fiber, PET Resin, Filament, PET Film



Financial Highlights

Consolidated Revenue by Quarter (IFRS)



- **Revenue in 2023 decreased 26.9% YOY due to:**

Due to the impact of the global economic conditions, weak market consumer demand, and the escalation of geopolitical risks in the second half of 2023, coupled with the expanding influence of the trade dispute between the U.S. and China, the product sales volume and prices in 2023 were mostly lower than 2022, leading to a decrease in revenue for the full year.

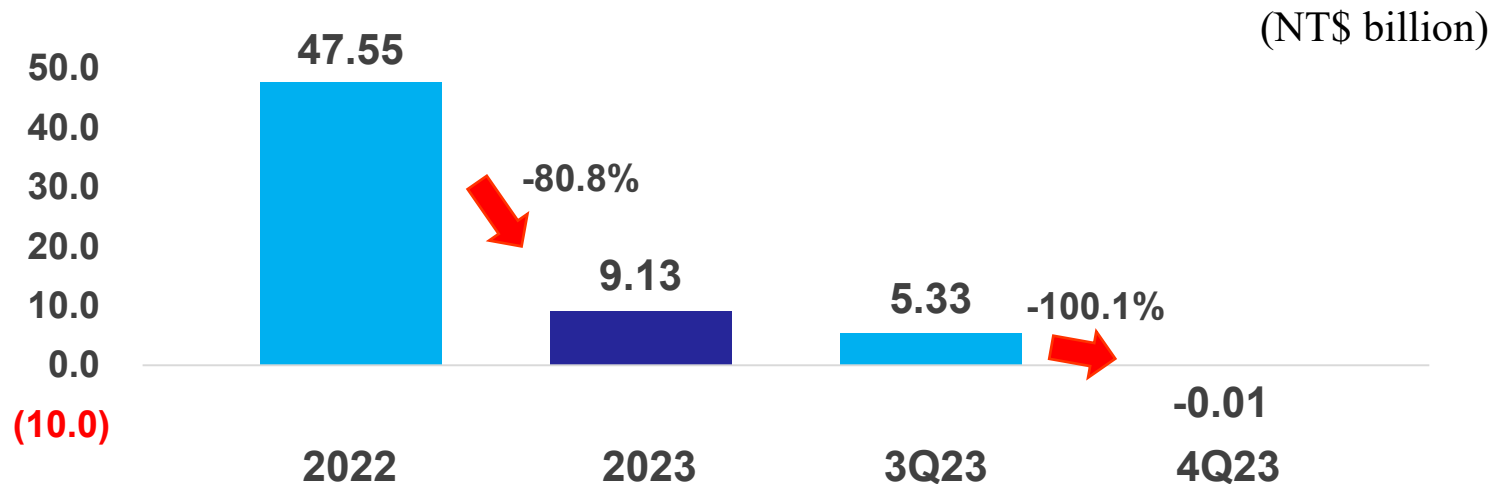
- **Revenue in 4Q23 decreased 6.3% QoQ due to:**

The shutdown of downstream customers during Christmas and Thanksgiving holidays in the U.S., PRC National Day Holidays and customers' year-end inventory audits leading the shipping volume and revenue decreased in 4Q23.



Financial Highlights

Pre-tax Income by Quarter (IFRS)



■ 2023 pre-tax income decreased 80.8% YoY due to :

1. Operating profit decreased NT\$30.05bn. Mainly due to the profit decreased in electronic material products.
2. Equity income increased NT\$0.84bn YoY :
(1) FPCC +NT\$1.73bn (2) Nanya Tech -NT\$6.46bn (3) Mai Liao Power +NT\$4.23bn

■ 4Q23 pre-tax income decreased 100.1 % QoQ due to :

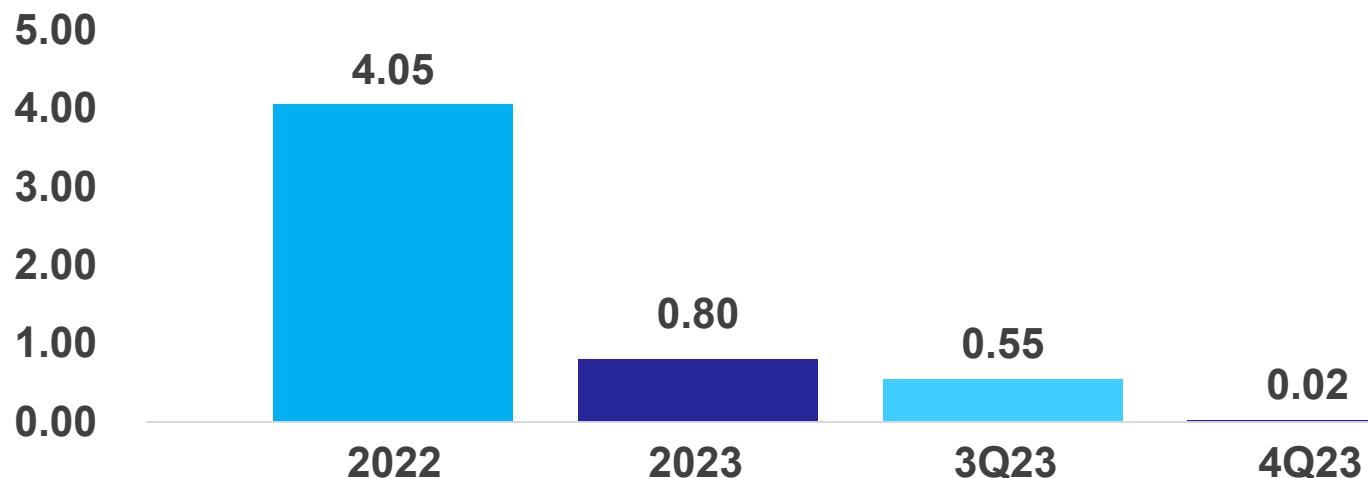
1. Operating profit increased by NT\$0.51bn. Mainly due to the profit increased in electronic material and plastic processing products.
2. Equity income decreased NT\$4.26bn QoQ :
(1) FPCC -NT\$3.63bn (2) Formosa Heavy Industries Corp. -NT\$0.63bn



Financial Highlights

EPS (IFRS)

(NT\$ dollar)



- **EPS in 2023 decreased NT\$3.25 YoY due to :**

The global economic recovered slowly in 2023, and the high consumer prices as well as high interest rates led to insufficient market consumption momentum. Additionally, geopolitical conflicts and the impact of technology war between the U.S. and China compressed the profit margins of products.

- **EPS in 4Q23 decreased NT\$0.53 QoQ due to :**

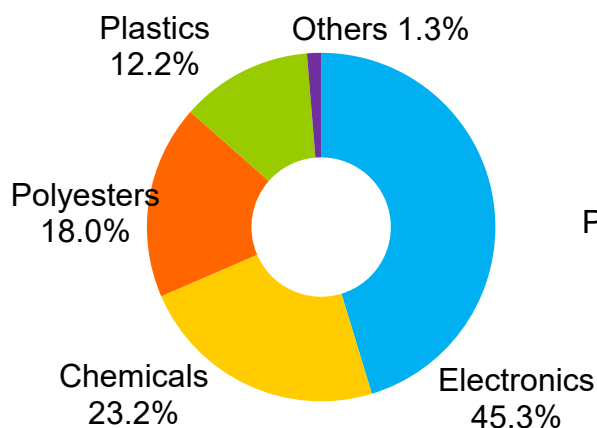
In terms of operating income, electronic material and plastic processing products grew slightly. However, the investment incomes from FPCC and Formosa Heavy Industries Corp., etc. decreased leading to a decline in EPS compared with 3Q23.



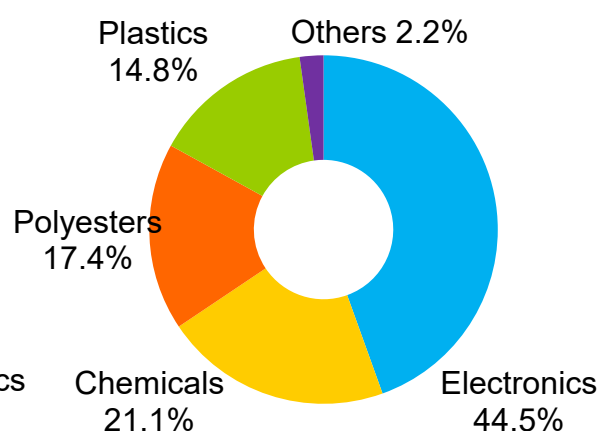
Financial Highlights

Revenue Breakdown (Quarter)

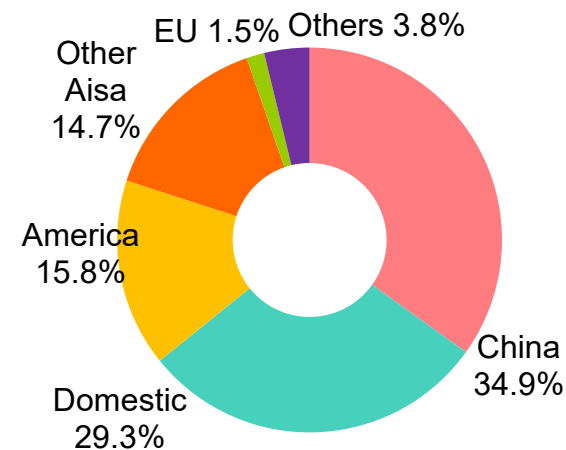
2022 Net Sales
NT\$ 355.2 billion



2023 Net Sales
NT\$ 259.8 billion



2023 Sales Breakdown
by Geography

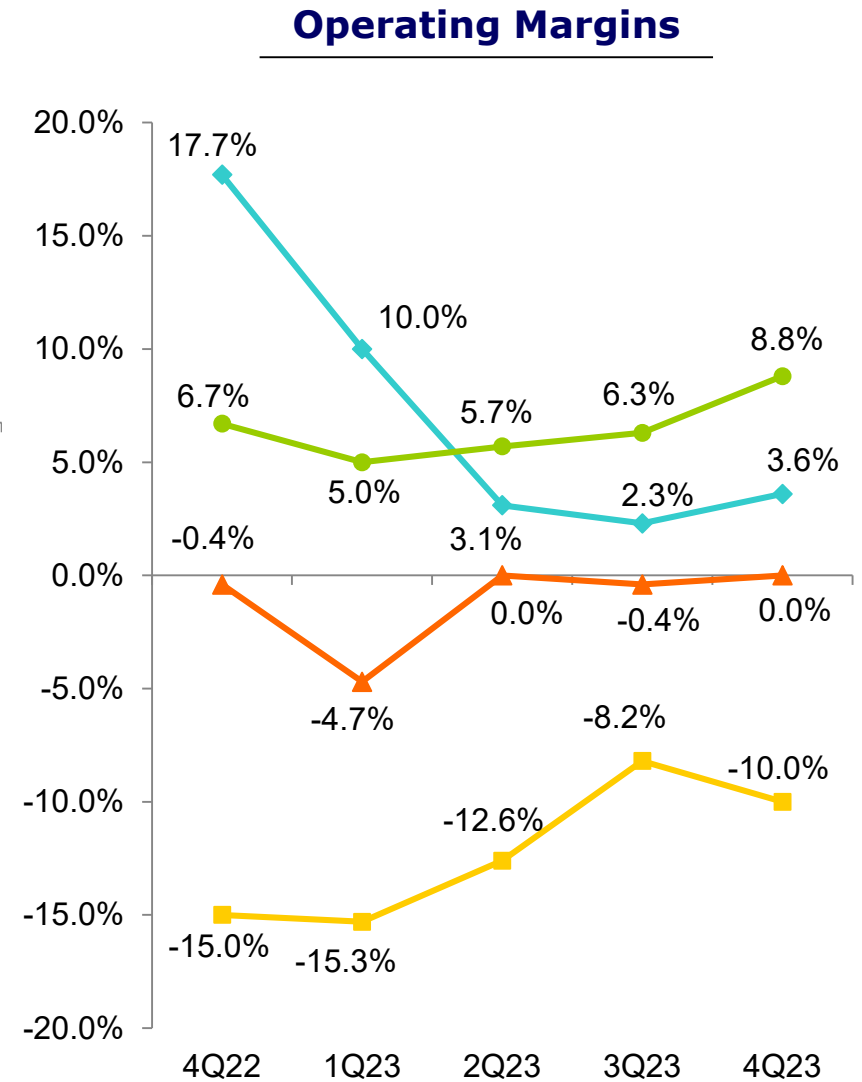
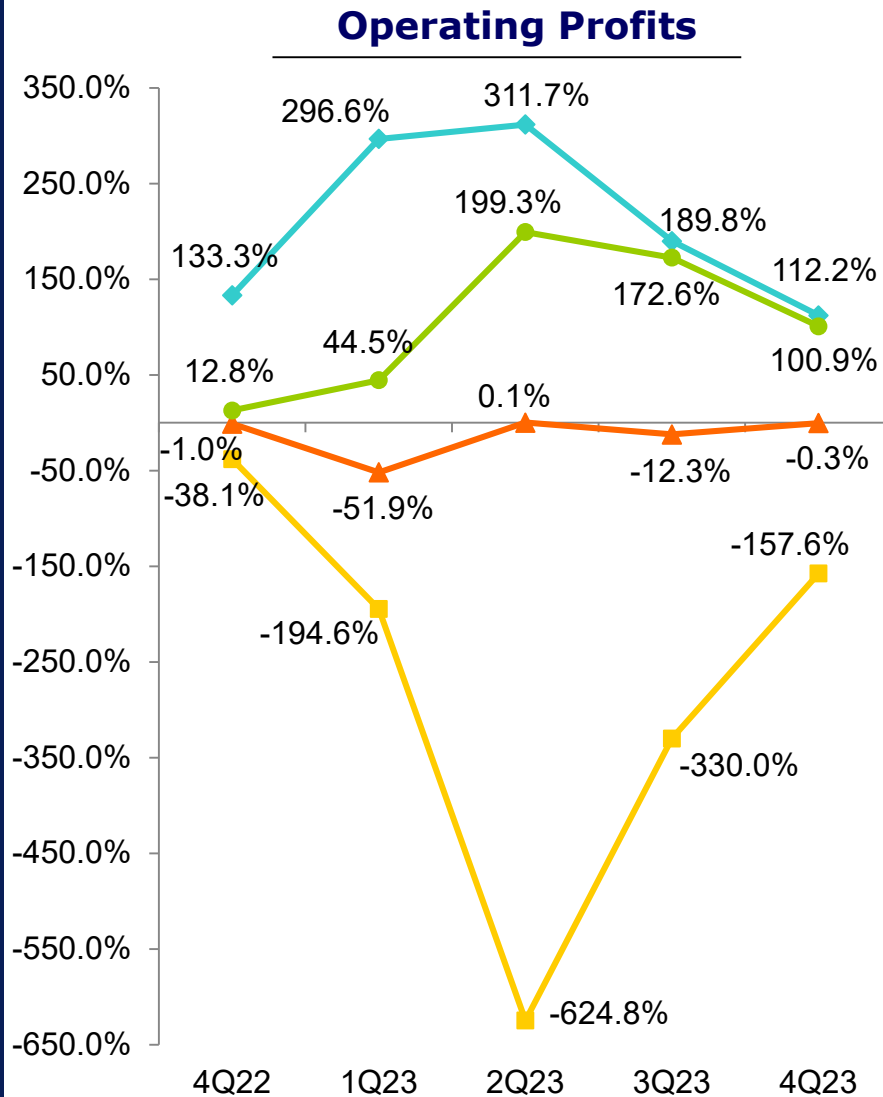


- The revenue proportion of electronic material products decreased due to the economic slump in China and the impact of the technology war between the U.S. and China.
- The revenue proportion of chemical products declined as a result of rapid expansion of supply-side production capacity in China and weak end-user demand.
- Although the proportion of China decreased in 2023 due to the impact of the local economic conditions, still it accounts for 49% of overseas region, remaining the most crucial market.



Financial Highlights

Operating Profits Breakdown by Product Segment



◆ Electronics
 ■ Chemicals
 ▲ Polyesters
 ● Plastics
 ◆ Electronics
 ■ Chemicals
 ▲ Polyesters
 ● Plastics



Annual Overlook

- Global interest rates remain persistently high, and the intensification of technological competition between the United States and China, coupled with unpredictable international developments. Additionally, with the continuous expansion of petrochemical production capacity in mainland China in recent years, the overall market is oversupplied. The coming year is expected to be challenging.
- However, the electronic materials industry is encountering new opportunities. In the future, it will focus on core areas such as high-speed communication, innovative applications of AI, new energy vehicles, and automotive electronic substrates. By understanding market development trends, we aim to enhance operational performance.
- Furthermore, sustainability has become an integral part of modern corporate management. To achieve “2050 Carbon Neutrality”, we actively addressing the opportunities and challenges brought by climate change. This involves improving product design, refining process technology, and strengthening supply chain management to enhance operational resilience.



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	2024/4
	Copolymers with high PIA and PETG	KMT	0	36	100	2024/12
	Polyester Release Film (5 th set)	KM ²	360,000	144,000	40	2025/2
	Polyester Release Film (6 th set)	KM ²	360,000	144,000	40	2025/2
	Solar Photovoltaic System (Note2)	KW	-	54,663	100	2024/11
Mainland China	Copper Foil	KM	60,000	23,400	39	2025/6
USA	Flexible PVC Sheeting	KMT	48	14	29	2024/5

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

Note2: Successively completed from Nov. 2022 to Nov. 2024.



THE END

