



NAN YA PLASTICS CORPORATION

Press Release

2021/5/6

Nan Ya Plastics Corporation April 2021 non-audited Consolidated Operating Revenue Announcement

I. MoM Comparison:

Units: NT\$ thousands

2021/4	2021/3	Diff.	Growth rate (%)
34,904,534	34,372,304	532,230	1.55

The consolidated operating revenue of 2021/4 was 34,905 million, again reached a record high of the Company's monthly revenue, increased by 532 million (1.55% growth) compared to 2021/3, which included 912 million decreasing in sales volume variance, and 1,444 million increasing in sales price variance. The condition of the company's operation remained thriving. In the previous forecast, revenues might decrease slightly in April due to one less working day. However, thanks to the continued strong demand and the hiking prices of electronic material products and the chemical products such as BPA, and 1.4BG, the revenue was superior than expected and also better than last month.

Among the consolidated revenues in April, the parent company in Taiwan accounted for 48.8%, the subsidiaries in China accounted for 29.2%, the subsidiaries in the US accounted for 8.6%, and other subsidiaries (Nanya PCB, etc.) accounted for 13.4%. In terms of products, electronic material products accounted for 44.2%, chemical products accounted for 28.3%, polyester products accounted for 14.0%, and plastic products accounted for 12.2%.

1. Analysis by region:

(1) Taiwan: increased by 122 million (0.61% growth).

The revenue of electronic material products and chemical products increased, while the revenue of plastic and polyester products decreased slightly.

(2) China: increased by 462 million (4.10% growth).

Mainly due to the revenue growth of electronic material products.

(3) U.S.: decreased by 52 million (1.71% decline).

The operation of polyester products was stable. Due to one less working day, revenue decreased slightly.

2. Analysis by product:

(1) Electronic material products: increased by 817 million (sales volume +91, sales price +726).

The material demand for PC/NB and automobiles remained strong. Plenty of orders for various electronic material products was coming in, and the factories in Taiwan and China all operated at full capacity. In the meantime the rising raw material prices of copper, BPA, and ECH, had further pushed up the selling prices of Epoxy resin and Copper foil, resulting in revenue growth.

(2) Chemical products: increased by 101 million (sales volume - 276, sales price +377).

a. BPA: increased by 333 million (sales volume -42, sales price +375).

The sales volume decreased slightly due to one less working

day. The production capacity of raw materials phenol and acetone had not been restored due to the shutdown of some factories in Asia and the climate in Texas, causing the tight supply, leading to the higher BPA price. Besides, since the demand for the downstream Epoxy resin was still strong and the BPA competitors' upcoming turnaround, the April average price of BPA increased by 13.0% even after months of price hike, resulting in a revenue increase.

- b. 1.4BG: increased by 200 million (sales volume -18, sales price +218).

Downstream like engineering plastics, elastic fibers were in strong demand, while some 1.4BG producers in Europe and the United States had not yet recovered their production capacity from force majeure. The imbalance of global demand and supply pushed up 1.4BG prices by 29.5%, and then revenue increased.

- c. Phthalate plasticizers: decreased by 347 million (sales volume -408, sales price +61).

Due to the slight slowdown in demand for PVC anti-epidemic gloves after continually growing in China and the impact of the fasting month in some export markets, sales volume declined.

- d. EG: decreased by 121 million (sales volume +157, sales price -278).

As new capacity was expected by the market, EG's monthly average price dropped by 11.0%, causing the decline of revenue.

(3)Plastic products: decreased by 192 million (sales volume -358, sales price +166).

The customer expected that the price of raw material PVC would continue to rise and then prepared materials in March in advance, resulting in a relative decrease in April revenue.

(4)Polyester products: decreased by 133 million (sales volume -308, sales price +175).

The market demand remained positive, and the order remained smooth. Due to one less working day, the revenue decreased.

II. YoY Comparison:

Units: NT\$ thousands

2021/4	2020/4	Diff.	Growth rate (%)
34,904,534	20,411,078	14,493,456	71.01

Compared to 2020/4, revenue increased by 14,493 million (71.01% growth), which included 4,936 million increasing in sales volume variance and 9,557 million increasing in sales price variance. It was mainly due to the spread of the Covid-19 last April, while the condition of the company's operation this April was thriving, resulting in a substantial difference in comparison.

1. Analysis by region

(1)Taiwan: increased by 8,350 million (70.67% growth).

The market demand for chemical products such as EG, BPA, 1.4BG, plasticizers, and electronic material products such as CCL, Epoxy resins, PCB, and polyester products, and plastic products were all significantly better than last April, leading to the revenue growth.

(2)China: increased by 4,853 million (70.47% growth).

The continuous expansion of the 5G applications and automotive electronics market had increased the revenue of electronic materials products the most among the products.

(3)U.S.: increased by 1,291 million (75.48% growth).

Mainly contributed from the substantial increase in the revenue of polyester products.

2. Analysis by product:

(1)Electronic material products: increased by 5,835 million (sales volume +2,159, sales price +3,676).

The application of remote business, 5G, and the electrification and intelligence of vehicles, coupled with the rising prices of raw materials such as copper, ECH, and BPA, had contributed to a substantial increase in overall electronic material product revenue compared with last year.

(2)Chemical products: increased by 5,227 million (sales volume +516, sales price +4,711).

a. BPA: increased by 2,343 million (sales volume +16, sales price +2,327).

The recent shortage of supply from the industry and the strong demand for downstream PCs and Epoxy resins had caused BPA prices to rise by 262.9% compared with last April, resulting in revenue growth.

b. Phthalate plasticizers: increased by 1,271 million (sales volume +405, sales price +866).

The recovery of China's market condition had increased the

sales price and volume of plasticizers, PA, 2EH, and other products.

- c. EG: increased by 852 million (sales volume -160, sales price +1,012).

The turnaround of EG1 in Texas resulted in a decrease in sales compared to last April. In terms of the sales price, since the utilization rate of downstream polyester increased significantly compared with last April, the average price of EG had risen by 65.6%, resulting in revenue growth.

- (3) Polyester: increased by 2,157 million (sales volume +1,439, sales price +718).

The Covid-19 pandemic had been slowing down compared with last year, market demand increased, resulting in the growth of overall polyester product revenue.

- (4) Plastic products: increased by 1,062 million (sales volume +609, sales price +453).

Since the global economy rebounded from the bottom, the revenue of various plastic products had increased.

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