



NAN YA PLASTICS CORPORATION

Press Release

2021/6/7

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

I. MoM Comparison:

Units: NT\$ thousands

2021/5	2021/4	Diff.	Growth rate (%)
34,484,715	34,904,534	-419,819	-1.20

The consolidated operating revenue of 2021/5 was 34,485 million, decreased by 420 million (1.20% decline) compared to 2021/4, which included 511 million decreasing in sales volume variance, and 91 million increasing in sales price variance. The operation of various products remained smooth in May. Revenue decreased compared with April due to Epoxy resin customers adjusting the procurement schedule, reducing the purchase volume this month, and the slight decrease in the selling price of EG. Besides, revenues from CCL and polyester products increased, and most other products remained flat.

Among the consolidated revenues in May, the parent company in Taiwan accounted for 50.6%, the subsidiaries in China accounted for 26.7%, the subsidiaries in the US accounted for 9.2%, and other subsidiaries (Nanya PCB, etc.) accounted for 13.5%. In terms of products, electronic material products accounted for 44.0%, chemical products accounted for 27.7%, polyester products accounted for 14.7%, and plastic products accounted for 12.3%.

1. Analysis by region:

(1) Taiwan: increased by 244 million (1.21% growth).

Mainly due to the revenue growth of CCL and copper foil.

(2) China: decreased by 844 million (7.19% decline).

Mainly due to the revenue decline of Epoxy resin.

(3) U.S.: increased by 180 million (6.01% growth).

The operation of polyester products was booming, leading to revenue growth.

2. Analysis by product:

(1) Chemical products: decreased by 321 million (sales volume +66, sales price -387).

a. EG: decreased by 160 million (sales volume -35, sales price -125).

As new capacity was expected by the market, EG's monthly average price dropped by 0.8%, causing the revenue decline.

b. 1.4BG: decreased by 92 million (sales volume -33, sales price -59).

Product prices had risen for several months until the market correction happened this month after the peak, leading to the revenue decline.

c. BPA: decreased by 30 million (sales volume +171, sales price -201).

Since the BPA plant 4 was under turnaround during 4/1~4/16, sales volume increased relatively with full capacity in May. In terms of the selling price, after a continuous surge since the beginning of the year, it dropped slightly in May. The average selling price fell 3.2% from April, resulting in a slight revenue decline.

(2)Electronic material products: decreased by 240 million (sales volume -522, sales price +282).

The price of Epoxy resin still increased in May. As the supply in the market is about to resume, the rising trend of the price was expected to slow down. Therefore, customers had advanced or postponed the purchases, resulting in a sales volume decrease in May and a decline in revenue. Meanwhile, the flourishing demand of CCL continued, sales volume and price increased, leading to revenue growth.

(3)Plastic products: decreased by 28 million (sales volume -142, sales price +114).

Market sales were stable, while revenue decreased slightly.

(4)Polyester products: increased by 174 million (sales volume +92, sales price +82).

Due to the effectiveness of vaccination in the United States, consumption activities had increased. Moreover, the upcoming peak season of PET bottle resin had led to an increase in revenue.

II. YoY Comparison:

Units: NT\$ thousands

2021/5	2020/5	Diff.	Growth rate (%)
34,484,715	19,418,507	15,066,208	77.59

Compared to 2020/5, revenue increased by 15,066 million (77.59% growth), which included 5,273 million increasing in sales volume variance and 9,793 million increasing in sales price variance. The spread of the Covid-19 last year from Asia to Europe/USA severely crushed global economic activities, while the company's operation this May was thriving, resulting in a substantial difference in

comparison.

1. Analysis by region

(1)Taiwan: increased by 9,375 million (84.98% 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 year, leading to the revenue growth.

(2)China: increased by 4,543 million (71.54% growth).

Revenues of various products all increased significantly, especially in electronic materials products.

(3)U.S.: increased by 1,148 million (56.40% growth).

Mainly contributed from the strong rebound in demand for polyester products, revenue enhanced substantially.

2. Analysis by product:

(1)Electronic material products: increased by 6,448 million (sales volume +2,566, sales price +3,882).

The development of 5G applications, the demand for remote business and stay-at-home economy, and the significant increase in the use of electronic materials by the automotive industry have led to a considerable increase in the demand for electronic materials. In addition, the prices for raw materials such as copper, ECH, and BPA remains high, making the overall revenue from electronic materials products grow substantially compared to last year.

(2)Chemical products: increased by 5,042 million (sales volume +742, sales price +4,300).

a. BPA: increased by 2,445 million (sales volume +277, sales

price +2,168).

The market demand in China had increased significantly compared with last year, causing the price of BPA to rise by 226.3% compared with last May, leading to revenue growth.

- b. Phthalate plasticizers: increased by 1,209 million (sales volume +243, sales price +966).

The recovery of the processing industry, along with the significant increase in demand for medical materials and protective materials, had driven the sales price and volume of phthalate plasticizers, PA, 2EH, and other products to rise.

- c. EG: increased by 659 million (sales volume -66, sales price +725).

As the utilization rate of downstream polyester increased compared with last year, the average price of EG had risen by 55.1%, resulting in revenue growth.

- (3) Polyester: increased by 2,342 million (sales volume +1,352, sales price +990).

Market demand increased considerably, resulting in the growth of revenue in overall polyester products.

- (4) Plastic products: increased by 1,066 million (sales volume +445, sales price +621).

With the rebound in global economy, the revenue of various plastic products increased.

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