



NAN YA PLASTICS CORPORATION

Press Release

2024/2/7

Nan Ya Plastics Corporation January 2024 non-audited **Consolidated Operating Revenue Announcement**

I. MoM Comparison:

Units: NT\$ thousands

| 2024/1 | 2023/12 | Diff. | Growth rate (%) |
|------------|------------|---------|-----------------|
| 20,392,952 | 20,166,589 | 226,363 | 1.1 |

The consolidated operating revenue in January 2024 was 20,393 million, which increased by 226 million (1.1% increase) compared to December 2023, with 187 million increases in sales volume variance and 39 million increases in sales price variance. For polyester products, as a result of the impact from the Panama Canal drought on shipping, American manufacturers replaced imports with increasing local procurement, contributing to the growth in revenue in the South Carolina polyester product plant. Due to customers' increasing stocking demand before Chinese New Year holidays, the sales volume from electronic material products increased. In terms of plastic processing products, revenue grew owing to the downstream industries' resumption of work after Christmas in the U.S. and the approaching Chinese New Year, increasing demand for food packaging and decorations. However, due to the scheduled turnaround for catalyst replacement in Texas EG-2, external sales volume decreased.

1. Polyester products: increased by 574 million (sales volume +612, sales price -38).

After the end of the Christmas holiday in the U.S., customers resumed to work and were replenishing inventories. Besides, the drought in the Panama Canal affected shipping costs for imports, prompting downstream industries to increase domestic procurement in the U.S. as a substitute. As a result, orders increased in South Carolina polyester product plant, and the revenue grew.

2. Electronic material products: increased by 561 million (sales volume +630, sales price -69).

After the year-end inventory audit, orders increased to meet the stocking demand before the Chinese New Year, which leading to an increase in revenue for CCL, Copper foil, and Epoxy.

3. Plastic processing products: increased by 129 million (sales volume +92, sales price +37).

As the industries resumed operations after Christmas in the U.S., and the demand for food packaging and decorations increased before the Chinese New Year, the sales volume of medical materials, wallpapers, differentiated tapes, and food packaging materials increased, leading to a growth in revenue.

4. Chemical products: decreased by 1,080 million (sales volume -1,190, sales price +110).
 - a. EG decreased by 839 million (sales volume -983, sales price +144).

Affected by the Panama Canal drought and the crisis in the Red Sea, imports to China decreased, leading to a rise in the price of EG. This month, due to the scheduled turnaround for catalyst replacement in Texas EG-2, both the external sales volume and revenue decreased.

- b. Phthalate plasticizers decreased by 325 million (sales volume -339, sales price +14).

As 2EH plant conducted scheduled inspection, production and sales volume declined.

II. YoY Comparison:

Units: NT\$ thousands

| 2024/1 | 2023/1 | Diff. | Growth rate (%) |
|------------|------------|---------|-----------------|
| 20,392,952 | 20,289,828 | 103,124 | 0.5 |

Compared to 2023/1, revenue increased by 103 million (0.5% increase), which included 895 million increases in sales volume variance and 792 million decreases in sales price variance. The revenue from plastic processing products and polyester products increased, while it decreased from electronic material products and chemical products.

1. Plastic processing products: increased by 719 million (sales volume +777 sales price -58).

As the Chinese New Year holiday fell in January 2023, there were relatively more working days in January 2024, leading to an increase in revenue.

2. Polyester products: increased by 339 million (sales volume +576, sales price -237)

Last January, as Asian customers were on Chinese New Year vacation, revenue for this January increased relatively.

3. Electronic material products: decreased by 1,024 million (sales volume -424, sales price -600).

Due to the impact from technology war between the U.S. and China, the electronic industry placed orders in a more conservative way, leading to a significant decline in revenue for high-end materials, such as ABF substrates. The sales performance of basic materials was relatively stable, with higher sales volumes in CCL and Epoxy compared to the same

period last year.

4. Chemical products: decreased by 37 million (sales volume -141, sales price +104).
 - a. EG decreased by 186 million (sales volume -206, sales price +20)

The production of Texas EG-2 was halted in order to replace catalyst, leading to lower revenue.
 - b. 1,4BG decreased by 94 million (sales volume -103 sales price +9)

Demand from downstream industries was still weak, and the revenue was lower than last January.
 - c. BPA increased by 193 million (sales volume +223, sales price -30).

As Ningbo BPA-2 plant completed expansion and started in operation, the revenue increased.

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