



March 7, 2023

## **Explanation of FCFC's Consolidated Operating Revenue in February 2023**

I. Comparison of consolidated operating revenue in February 2023 and in January 2023.

NTD in Thousands

February 2023	January 2023	Amount Difference	Growth Rate
28, 017, 455	25, 576, 976	2, 440, 479	9. 5

1. The consolidated operating revenue in February increased by 2.44 billion on a monthly basis, with a growth rate of 9.5 %. Among the difference, sales amount increased by 2.27 billion, while price raise supported 0.17 billion.

2. Aspects of sales volume

i. FCFC : +0.94 billion

PX increased processing margin and boosted export sales, and raffinate oil sold to FPCC also increased, affecting 0.75 billion altogether. Downstream clients of PTA and PIA scheduled overhaul and reduced load in response to the Chinese New Year and market condition. Production went back to normal this month, thus bringing 0.25 billion increase in sales. PP also resumed from overhaul this month, increasing sales by 0.22 billion. On the otherhand, reconciliation of phenol decreased sales by 0.15 billion. The electric generating set undergone overhaul, leading to a 0.11 billion sales decrease.

ii. FCNB : +0.76 billion

With the end of Chinese New Year, PTA production went back on track, increasing sales by 0.72 billion. PS and ABS resumed from overhaul this month, leading to 0.2 billion sales increase. Reconciliation of raffinate oil and phenol increased sales by 0.15 billion. On the contrary, PIA competitors aroused price-cutting competition as production resumed normal. Sales slipped with the aim to maintain price consequently, affecting 0.36 billion.

iii. Other Subsidiaries :

Market rebounded after Chinese New Year as clients starts to replenish inventory, increasing FTC sales by 0.24 billion, FIC in Vietnam by 0.23 billion.

3. Aspects of Selling Price :

Market remains uncertain although downstream production has resumed, and price consolidates in a rather low level. However, prices of SM, phenol and plastic rebounded moderately with the support of high cost and reduced supply.

## II. Comparison of consolidated operating revenue of February in 2023 and in 2022 :

NTD in Thousands

February 2023	February 2022	Amount Difference	Growth Rate
28, 017, 455	28, 718, 758	-701, 303	-2. 4

1. Consolidated operating revenue in February 2023 decreased by 0. 7 billion, with a decline rate of 2. 4% on a YOY basis. Among the difference, sales amount decreased by 1. 11 billion, while price decline affected 1. 81 billion..

### 2. Aspect of sales volume

#### i. FCFC : +2. 07 billion

PX and OX increased processing margin and boosted export sales, while raffinate oil sold to FPCC also increased, affecting 2. 75 billion altogether. SM underwent overhaul last February, thus sales increased 0. 23 billion as production went normal this year. PIA clients replenished inventory, increasing sales by 0. 22 billion. Electricity sales revenue also increased by 0. 22 billion under Taipower Company's purchasing policy. Conversely, reconciliation of PTA, PS and rayon was conducted due to weak demand, decreasing sales by 1. 38 billion.

#### ii. FCNB : +0. 58 billion

Activation rates of raffinate oil was reduced due to the energy consumption and intensity dual control system last year, yet production resumed to normal this year, bringing a 0. 51 billion increase in sales. Reconciliation of ABS and phenol increased sales by 0. 3 billion. On the otherhand, PIA sales slipped with the aim to maintain price under price competition, affecting 0. 22 billion.

#### iii. FIC in Vietnam : -0. 67 billion

Downstream demand of yarn and polyester shrunk, clients tend to reduce load and deplete inventory, decreasing sales by 0. 37 billion. Operating hours of electricity was cut down, decreasing sales by 0. 24 billion.

#### iv. Other Subsidiaries :

Market remains weak, clients tend to reduced orders and deplete inventory, decreasing FICC sales by 0. 44 billion, FTC by 0. 32 billion.

### 3. Aspect of selling price

Affected by inflation and the rising interest rate, the overall market demand remains weak. The expanded production capacity from China increased supply, leading to the price drop of crude oil and plastic.

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