



May 9, 2023

Explanation of FCFC's Consolidated Operating in April 2023

I. Comparison of consolidated operating revenue in April 2023 and in March 2023.

NTD in Thousands

April 2023	March 2023	Amount Difference	Growth Rate
25, 509, 217	29, 434, 395	-3, 925, 178	-13. 3

1. The consolidated operating revenue in April decreased by 3.93 billion on a monthly basis, with a decline rate of 13.3 %. Among the difference, sales amount decreased by 4.04 billion, while price raise supported 0.11 billion.

2. Aspects of sales volume

i. FCFC : -3.45 billion

Overhaul in ARO-3 and SM were scheduled , decreasing production and sales of PX and SM. Along with the decreased raffinate oil sold to FPCC, sales decreased by 2.33 billion in total. Sales and production of PS, ABS, PP, and PIA were adjusted, decreasing sales by 0.6 billion. PTA clients underwent overhaul and reduced their pickup , resulting in an impact of 0.14 billion.

ii. Other Subsidiaries :

Downstream clothing brands of FTC continued to deplete inventory, decreasing sales by 0.35 billion. Market demand of FICC remained weak, decreasing sales by 0.11 billion. FIPC insisted on price and rejected orders with no profit margin, decreasing sales by 0.1 billion.

3. Aspects of Selling Price :

Prices of PX, PTA, SM, and acetone rebounded moderately due to rising oil price and reduced supply from competitors undergoing overhaul, while the rest of the products remained in a loose supply-demand situation without signs of improvement. Additionally, concerns over the recovery outlook in China led to price fluctuations and consolidation.

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

NTD in Thousands

April 2023	April 2022	Amount Difference	Growth Rate
25, 509, 217	36, 418, 996	-10, 909, 779	-30. 0

1. Consolidated operating revenue in April 2023 decreased by 10. 91 billion, with a decline rate of 30% on a YOY basis. Among the difference, sales amount decreased by 6. 98 billion, while price decline affected 3. 93 billion..

2. Aspect of sales volume

i. FCFC : -5. 83 billion

Overhaul in ARO-3 and SM were scheduled, decreasing production and sales of PX and SM. Along with the decreased raffinate oil sold to FPCC, sales decreased by 3. 54 billion in total. Sales and production of PTA, PS, ABS, PP, nylon, and Rayon were adjusted, and product lines with low margin were cut off, decreasing sales by 2. 96 billion. Apart from that, phenol underwent overhaul last year yet ran normal production this year, increasing sales by 0. 72 billion.

ii. FIC in Vietnam : -0. 69 billion

Sales of PVC films and polyester staple fiber decreased by 0. 41 billion due to sluggish downstream demand and inventory backlog. Power generation units reduced load in response to the Nation's dispatch on electric power, decreasing sales by 0. 09 billion. SPP pellets were affected price-cutting competition, decreasing sales by 0. 06 billion.

iii. FCNB : +1. 08 billion

ABS underwent overhaul last year yet ran normal production this year, increasing sales by 0. 55 billion. Sales and production of raffinate oil and PIA ran according to plan, increasing sales by 0. 46 billion.

iv. Other Subsidiaries :

With market demand remaining weak, clients prioritize in depleting inventory, leading to 0. 84 billion sales decrease in FTC and 0. 4 billion in FICC. FIPC cut off deals with low margin, affecting 0. 21 billion.

3. Aspect of selling price:

With the economic growth momentum fading and market consumption shrinking, downstream clients tend to clear inventory, thus overall market conditions are not as good as last year. In addition, intense competition among peers were aroused in the context of expanded supply, leading to decline in product prices.

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