



Dec 7, 2023

Explanation of FCFC's Consolidated Operating Revenue in November 2023

I. Comparison of consolidated operating revenue in Nov 2023 and in Oct 2023.

NTD in Thousands

Nov 2023	Oct 2023	Amount Difference	Growth Rate
28,737,570	30,166,153	-1,428,583	-4.7

1. The consolidated operating revenue in October decreased by 1.43 billion on a monthly basis, with a decline rate of 4.7 %. Among the difference, sales amount decreased by 0.27 billion, while price decline affected 1.16 billion.

2. Aspects of sales volume

i. FCFC : -0.62 billion

Market conditions of phenol and acetone were unfavorable, customers reduced production and delivery orders, affecting 0.41 billion. Downstream clients of PS, ABS, PP adopt a wait-and-see attitude on purchases, decreasing 0.19 billion.. Operating hours of power generators were reduced in response to the Nation's dispatch on electric power, affecting 0.13 billion. PIA switched supply from Taiwan to Ningbo, decreasing 0.1 billion. SM was put less in self-use purpose and more in sales, increasing 0.22 billion.

ii. FCNB : +0.17 billion

PIA and phenol adjusted production and sales to reconcile inventory, increasing 0.4 billion. PTA sales increased by 0.16 billion due to the shutdown of industry peers in China. Inventory reconciliation of raffinate oil decreased sales by 0.19 billion. Price competition from industry peers and sluggish demand decreased PS sales by 0.14 billion.

iii. Other Subsidiaries :

Demands of FIPC and FICC were pulled back, increasing sales by 0.18 billion.

3. Aspects of Selling Price :

Global economic growth slowed down, oil demand declined, and production cuts by oil-producing countries frustrated market confidence, causing oil prices to fluctuate and fall. Due to sluggish demand and little support from raw material costs, prices of petrochemical plastic products also fell as a consequence.

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

NTD in Thousands

Nov 2023	Nov 2022	Amount Difference	Growth Rate
28,737,570	26,691,678	2,045,892	7.7

1. Consolidated operating revenue in November 2023 increased by 2.05 billion, with a growth rate of 7.7 % on a YOY basis. Among the difference, sales amount increased by 3.04 billion, while price decline affected 0.99 billion.

2. Aspect of sales volume

i. FCFC : +1.84 billion

SM underwent overhaul last year yet ran normal production this year, increasing sales by 1.62 billion. Profit margins of PX were improved, increasing sales by 1.17 billion. Phenol in Ningbo underwent overhaul last year yet ran normal production this year, increasing sales by 0.31 billion. By contrast, ABS and PP sales decreased by 0.68 billion due to oil price volatility and downstream caution. Operating hours of power generators were reduced in response to the Nation's dispatch on electric power, affecting 0.4 billion. PIA sales decreased by 0.21 billion due to reduced production by domestic consumers.

ii. FCNB : +1.34 billion

Phenol and acetone underwent overhaul last year yet ran normal production this year, while production expansion of ABS commenced, increasing sales by 1.09 billion. Sales of PIA increased by 0.29 billion due to some customers switching from Taiwan to Ningbo for supply. Inventory reconciliation increased sales of PTA by 0.18 billion, decreased sales of raffinate oil by 0.19 billion.

iii. Other Subsidiaries :

Demands from India were pulled back due to needs in inventory replenishment before holiday, increasing FICC sales by 0.15 billion. FTC sales decreased by 0.35 billion due to sluggish market demand.

3. Aspect of selling price:

Market interest rates remained high, suppressing consumption and slowing economic growth, while demand in China has not seen any improvement. With oil prices fluctuating and falling, and new capacity being added by competitors, most prices of main products were also lower than last year. Only prices of SM and acetone are supported by tight supply under reduced production by competitors.

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