

July 10, 2025

Explanation of FCFC's Consolidated Operating Revenue in June 2025

I. Comparison of consolidated operating revenue in June 2025 and May 2025.

NTD in Thousands

Jun. 2025	May. 2025	Amount Difference	Growth Rate
24,792,702	23,721,263	1,071,439	4.5

1. In June, the consolidated operating revenue rose by 1.07 billion compared to the previous month, reflecting a growth rate of 4.5%. This increase consisted of a sales uplift of 1.33 billion, yet the price adjustments wore down 0.26 billion of the total revenue.

2. Aspects of sales volume

i. FCFC : +1.21 billion

Resumption of SM and PP from the overhaul brought an extra sales of 0.54 billion compared with last month. Raffinate oil was sold backward to FPCC which gave reasons for the increase of 0.38 billion. Benefit from insufficient supply during competitors' overhaul, sales volume of PTA increased by 0.28 billion. In addition to that, PX expanded its sales, resulting in an addition of 0.13 billion.

On the other hand, 0.1 billion sales drop of PS could be traced back to the cost raise of freight and raw material cost.

ii. FCNB : +0.33 billion

As the overhaul of PTA-6 facility came to an end, both the production and the sales volume rose.

iii. Other subsidiaries

FIC in Vietnam decreased by 0.12 billion as a result of clients' low demand for film and polyester and less operating hours of power generation kit. Also, filament of FTC shrank by 0.11 billion as a result of the season shifting.

3. Aspects of selling Price

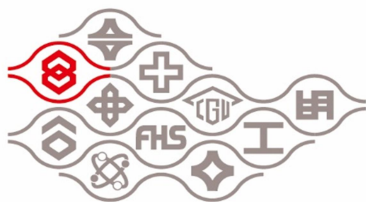
Quotes of primary merchandises were implicated as the the perspective of US tariff stayed unclear and also the price competition among competitors. On the other hand, military conflict between Israel and Iraq drove the oil price up, as well as the quotes of PX and PTA.

II. Comparison of consolidated operating revenue of June in 2025 and in 2024 :

NTD in Thousands

Jun. 2025	Jun. 2024	Amount Difference	Growth Rate
24,792,702	31,291,479	-6,498,777	-20.8

1. In June of 2025, the consolidated operating revenue shrank by 6.49 billion on a YOY basis, reflecting a negative growth rate of 20.8%. This decrease consisted of a sales drop of 0.07 billion, and the prices fall eclipsed 6.42 billion of the total revenue.
2. Aspect of sales volume
 - i. FCFC : -0.85 billion
Affected by the US tariff and market conditions, clients of SM, phenol, PS, ABS and PP purchased based on their inelastic demand, resulting in a decrease of 1.84 billion. Changes in raw material composition also led to a 0.33 billion decline in sales of raffinate oil to FPCC. 0.14 billion of OX's production and sales adjustment was conducted in response to little processed margin. On the other hand, PX sales expanded, contributing an increase of 1.01 billion. Plant PTA resumed to operate from last year overhaul, generating an extra of 0.61 billion.
 - ii. FCNB : +1.1 billion
The completion of PTA-6 facility overhaul resulted in a sales uplift of 1.13 billion.
 - iii. Other Subsidiaries :
Affected by the uncertainties of tariff, appreciation of NT dollar and clients' facility overhaul, revenue of FIPC and FICC together dropped by 0.28 billion.
3. Aspect of selling price
Quotes of merchandises were implicated as the the perspective of US tariff stayed unclear and also the excess supply and price competition among competitors. Besides, currency appreciation drove the clients cautious, affecting the price.



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Declare of FCFC's Consolidated Profit and Loss in the 2nd Quarter of 2025

- I. Comparison of consolidated profit and loss in the 2nd quarter of 2025 and 1st quarter of 2025 :

NTD in Thousands

Item/Quarter	Q2 2025	Q1 2025	Difference	Growth Rate%
Consolidated Operating Revenue	73,547,567	78,909,389	-5,361,822	-6.8
Consolidated Profit	-2,539,219	-447,024	-2,092,195	-
Profit Before Income Tax	-7,019,179	-422,401	-6,596,778	-
Profit After Income Tax				
Net Income (with Non-Controlling Interest)	-7,013,015	-388,759	-6,624,256	-
Net Income (Owner of the Parent)	-6,821,608	-441,768	-6,379,840	-
Profit Attributable to Common Shareholders of the Parent	-1.16	-0.08	-1.08	-

1. In the second quarter of 2025, the consolidated operating revenue shrank by 5.36 billion compared to the previous quarter, reflecting a negative growth rate of 6.8%. This decrease consisted of a sales drop of 3.86 billion, and the prices fell down 9.22 billion of the total revenue.

a. Aspect of sales volume

i. FCFC : +1.56 billion

Among the increase, an addition of 2.07 billion came from the sales expansion of PX. Phenol and PTA resumed from the overhaul in the first quarter, contributing 1.11 billion more than last month. In contrast, plant SM3 had undergone its overhaul in the second quarter, resulting in a sales drop of 0.78 billion. Adjustment of volume of production and sales was conducted in response to market conditions and excessive supply of PP, led to a reduction of 0.37 billion. Affected by the appreciation of ocean freight, clients of PS placed their orders in a conservative way, led to a decrease of 0.24 billion. Also, changes in material composition resulted in a reduction of 0.22 billion in raffinate oil sales to FPCC.

ii. FCNB : +1.96 billion

Getting rid of the impact of Chinese New Year, sales of phenol, acetone and PTA increased by 1.8 billion compared with the first quarter. Raffinate oil adjusted production and sales, resulting in a increase of 0.35 billion. An growth of 0.22 billion could be traced back to oil price rebounded. Demand from the home appliance for PS suffered from the uncertainties of US tariff, affecting 0.43 billion.

iii. FIC in Vietnam : +0.39 billion

Operating hours of power generation kit increased by 0.22 billion under the request of Vietnamese government. Yarn and polyester inclined by 0.16 billion because of the urgent orders.

b. Aspect of selling Price

Affected by U.S. tariff, market sentiment has turned conservative and demand has contracted. Crude oil and major raw material prices have declined. Although the Israel-Iran conflict in June drove oil prices higher, a ceasefire agreement has since been reached, easing market concerns and causing oil prices to fall again. In addition, the appreciation of the NT dollar has impacted customers' willingness to place orders, leaving product prices without sufficient support.

2. Consolidated loss before income tax in the 2nd quarter of 2025 was 7.02 billion, increasing by 6.6 billion compared with the previous quarter. Reasons are as follows :

a. Operating loss increased by 2.09 billion :

The market continues to wait and see the outcome of U.S. tariff negotiations, while the Russia-Ukraine war remains unresolved and a new conflict has erupted between Israel and Iran. International uncertainties caused significant fluctuations in petrochemical and plastic product prices. With ample supply and a sharp appreciation of NT dollar, customers are limiting purchases to essential needs, putting pressure on product prices and making cost absorption difficult, leading to a further increase in operating losses.

b. Consolidated non-operating profit decreased by 4.51 billion

i. Investment profit of Equity Method jointly decreased by 2.47 billion and FPCC accounted for 2.48 billion of the decrease.

ii. Loss of exchange increased by 2.35 billion.

(-2.28 billion in 2Q25; 0.07 billion in 1Q25)

II. Net profit after income tax attributed to owners of the parent in the 2nd quarter of 2025 was 6 billion 821 million 610 thousand. The earnings per share was NTD -1.16, NTD 1.08 less than the previous quarter.

III. Comparison of consolidated profit and loss in the 1st half of 2025 and that of 2024 :

NTD in Thousands

Item/Quarter	H1 2025	H1 2024	Difference	Growth Rate%
Consolidated Operating Revenue	152,456,956	180,416,968	-27,960,012	-15.5
Consolidated Profit	-2,986,243	1,401,053	-4,387,296	-313.1
Profit Before Income Tax	-7,441,580	3,733,661	-11,175,241	-299.3
Profit After Income Tax				
Net Income (with Non-Controlling Interest)	-7,401,774	3,468,688	-10,870,462	-313.4
Net Income (Owner of the Parent)	-7,263,376	3,364,232	-10,627,608	-315.9
Profit Attributable to Common Shareholders of the Parent	-1.24	0.58	-1.82	-313.8

1. In the first half of 2025, the consolidated operating revenue shrank by 27.96 billion on a YOY basis, reflecting a negative growth rate of 15.5%. This decrease consisted of a sales drop of 11.3 billion, and the prices fall wore down 16.66 billion of the total revenue.

- a. Aspects of sales volume

- i. FCFC : -9.97 billion

A reduction of 11.97 billion could be attributed to the equipment overhaul of SM, sales of phenol and raffinate oil back to FPCC. Affected by the uncertainties of US tariff and ocean freight, PS, ABS and PP decreased by 3.78 billion. Plant rayon was permanently suspended, affecting the sales by 0.26 billion. Sales expansion of PX brought an extra of 6.63 billion

- ii. Other subsidiaries

Affected by the tariff and fluctuation of exchange rate, FIPC and FICC decreased by 0.48 and 0.29 billion respectively. Also, yarn and SPP pellet of FIC in Vietnam declined by 0.77 billion. On the other hand, power generation kit increased by 0.58 billion under the request of Vietnamese government.

- b. Aspects of Selling Price

Affected by the oil price, competitors' new productivity, US reciprocal tariff, quotes of merchandise went weak.

2. Consolidated loss before income tax in the 1st half of 2025 was 7.44 billion, decreasing by 11.18 billion compared with that of 2024.
 - a. Operating **profit** decreased by 4.39 billion
Oil price were much implicated which eclipsed the supporting force of product price. Progress of the tariff negotiation between US government and its trade partners was behind the schedule, making the clients put off their orders. Scheduled overhaul and excessive productivity in the industry led to the price war, turning the positive operationg profit into negative.
 - b. Consolidated non-operating profit decreased by 6.79 billion
 - i. Investment profit of Equity Method decreased by 4.57 billion.
(FPCC -2.83billion; MLPC-1.34 billion; FATC-0.22 billion)
 - ii. Loss of exchange increased by 2.24 billion.
(-2.21 billion/2025H1; 0.03 billion/2024H1)
3. Net loss after income tax attributable to owners of the parent in the 1st half of 2025 is 7 billion 263 million 380 thousand. The earnings per share is NTD - 1.24, NTD 1.82 less than that of 2024.

Spokesperson
Fu-Yuan Hong
Chairman
Tel : 02-2712-2211