



August 8, 2022

## **Explanation of FCFC's Consolidated Operating Revenue in July 2022**

### I. Comparison of consolidated operating revenue in July 2022 and in June 2022.

NTD in Thousands

July 2022	June 2022	Amount Difference	Growth Rate
31, 249, 506	36, 477, 227	-5, 227, 721	-14. 3

1. The consolidated operating revenue in June decreased by 5. 23 billion on a monthly basis, with a decline rate of 14. 3%. Among the difference, the sales amount decreased by 3. 06 billion, and the price cut decreased 2. 16 billion .

#### 2. Aspects of sales volume

##### i.FCFC : -2. 91 billion

Pressure from inflation and rising interest rates dented consumption. Also, stocks of rigid demand were depleted by clients, thus declining the sales of SM, phenol, PS and ABS by 1. 71 billion. Stock reconciliation on PX was adopted this month as the comparatively favorable conditions no longer last. Moreover, raffinate oil to FPCC dropped. The above all jointly contributed 0. 84 billion. Overhaul led to a 0. 35 billion sales decrease in PTA this month. Catering to the demand for PA from NYPC, OX cut down the sales by 0. 27 billion. Apart from that, BZ was put more into sales than internal use, which affected 0. 42 billion.

##### ii.FCNB : +0. 37 billion

Since PTA had resumed from overhaul last month, production ran regularly, increasing sales by 1. 11 billion. Other than that, PS enhanced sales by 0. 1 billion. In contrast, weak demand for ABS and PIA, along with the adjustment of raffinate oil, decreased sales by 0. 83 billion altogether.

##### iii.Other Subsidiaries

In response to the dropping market demand, clients of the FIC in Vietnam purchase in a relatively conservative way. Sales for yarn and polyester decreased, affecting 0. 42 billion in total. Orders to FTC on the filament fabric shifted from A/W to S/S, decreasing the sales by 0. 13 billion.

#### 3. Aspects of Selling Price :

Affected by inflation and the rising interest rate, ultimate consumption was dented accordingly. Procurement reduced due to insufficient confidence in the overall economic environment, which furthermore resulted in the drop of the product price.

## II. Comparison of consolidated operating revenue of July in 2022 and in 2021

NTD in Thousands

July 2022	July 2021	Amount Difference	Growth Rate
31, 249, 506	30, 240, 623	1, 008, 883	3. 3

1. Consolidated operating revenue in July 2022 increased by 1. 01 billion, with a growth rate of 3. 3% on a YOY basis. Among the difference, the sales amount decreased by 2. 12 billion, while the selling price supported 3. 13 billion.

### 2. Aspects of sales volume

#### i. FCFC : -2. 18 billion

With weak consumption and dented demand, SM, phenol, PS, ABS, PP and PTA affected sales by 3. 15 billion in total. In response to the heightened coal price, operating hours of generating sets were reduced, affecting 0. 23 billion. Other than that, ARO-2 remained standard production since it had completed overhaul last year. In addition to that, sales of PX and raffinate oil increased. The above jointly contributed 0. 72 billion in sales. Besides, BZ was put more into sales than internal use, which affected 0. 42 billion.

#### ii. FCNB : +0. 79 billion

Having had the overhaul last July, production of PTA ran regularly this year, increasing by 1. 44 billion. Also, clients increased their order this year as the new production line just put into operation last year, contributing 0. 2 billion. Yet, shrinking demand for PS and ABS affected sales by 0. 79 billion.

#### iii. Other Subsidiaries:

In FIC Vietnam, a decrease of 0. 39 billion was found in the sales of yarn, polyester and nylon due to the weakened market demand. Sales of FIPC also decreased by 0. 23 billion due to its refusal against the price competition.

### 3. Aspects of selling price

Affected by inflation and rising interest rate, confidence has lowered recently. Yet, the price of crude oil, petroleum, and textile products has risen compared with that in the previous year. Only the price of ABS, PP, PC and acetic acid dropped as the result of weak downstream demand.

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