

July 9th, 2021

Explanation of FCFC's Consolidated Operating Revenue in June 2021

I. Comparison of consolidated operating revenue in June and in May 2021 :

NTD in Thousands

Jun., 2021	May, 2021	Amount Difference	Growth Rate%
30,693,373	32,135,688	-1,443,315	-4.5

1. Consolidated operating revenue in June was 30.69 billion, 1.44 billion less than it in May, with a growth rate of -4.5%. Among the decrease, the sales amount shrank by 0.73 billion and the selling price accounted for the rest 0.71 billion.

2. Aspect of sales volume

i.FCFC : 0.35 billion less

The overhaul of plant PP brought a decrease of 0.28 billion. Also, plant ARO-3 cut down the usage of xylene mixture, affecting the raffinate sales backward to FPCC by 0.27 billion. In addition to that, SM3 contributed additional 0.26 billion this month after the overhaul.

ii.FTC : 0.47 billion less ; FIPC : 0.16 billion less

Because of the end of A/W orders, level-3 alert as well as the shortage of automotive chips, sales of filament fiber and cord decreased by 0.47 billion.

FIPC's production was affected by the provision of CO from its upstream.

iii.FCNB : 0.28 billion plus

Owing to the completion of new production line, sales of PIA and raffine increased by 0.32 billion. Also, PS contributed additional 0.24 billion in June after the checkover. Yet, plant ABS was scheduled for overhaul this month, affecting 0.23 billion.

3. Aspect of Selling Price :

Quotations of SM, phenol, PS, ABS, PP and acetone dropped because of the following reasons :

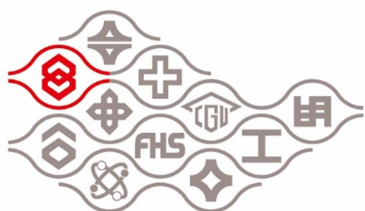
- Increasing market supply.
- Low demand due to the high quotation.
- Tense container spaces and high delivery costs.

II. Comparison of consolidated operating revenue of June in 2021 and in 2020 :

NTD in Thousands

Jun., 2021	Jun., 2020	Amount Difference	Growth Rate%
30,692,373	19,842,166	10,850,207	54.7

1. Consolidated operating revenue in June 2021 was 30.69 billion, 10.85 more than last June with a growth rate of 54.7%. Among the difference, the sales amount accounted for 1.93 billion increase and the selling price supported the rest 8.92 billion.
2. Aspect of sales volume
 - i. FCFC : 1.45 billion plus
Affected by the COVID outbreak and the scheduled overhauls, sales remained at a low ebb last June. However, as the situation much eased down this year, the stay-at-home economy and the boosting demands after pandemic stimulated the sales, resulting in a substantial growth.
 - ii. FIC in Vietnam : 0.3 billion plus
Sales of poly and spinning related products increased as a result of the recovering economy.
 - iii. FCNB : 0.17 billion plus
The debottlenecking project and the launch of PTA's new production line made phenol and acetone performed 0.57 billion better than last June. However, scheduled overhaul of plant ABS and the electricity generator set's suspension for efficiency improvement together resulted in a decrease of 0.44 billion.
3. Aspect of selling price
With the pandemic eased down and people get vaccinated intensively, consumers' purchasing power rose again. Except for acetone whose demand went down, quotations of petrochemical, plastic and spinning products were all higher than last June. FCFC benefited from the above reasons by 5.18 billion, FCNB 1.84 billion, FIPC 0.62 billion and 1.28 billion for the rest subsidiaries.



July 9th, 2021

Declare of FCFC's Consolidated Profit and Loss in the 2nd Quarter of 2021

- I. Comparison of consolidated profit and loss in the 2nd quarter and the 1st quarter of 2021 :

Item/Quarter	NTD in Thousands			
	2 nd Quarter, 2021	1 st Quarter, 2021	Difference	Growth Rate%
Consolidated Operating Revenue	95,875,657	84,154,251	11,721,406	13.9
Consolidated Profit	13,221,380	12,580,581	640,799	5.1
Profit Before Income Tax	16,516,076	16,755,067	-238,991	-1.4
Profit After Income Tax				
Net Income (with Non-Controlling Interest)	13,851,853	14,068,077	-216,224	-1.5
Net Income (Owner of the Parent)	12,390,050	12,872,934	-482,884	-3.8
Profit Attributable to Common Shareholders of the Parent	NTD\$2.12	NTD\$2.20	NTD\$-0.08	-3.6

1. Operating revenue increased 11.72 billion in the 2nd quarter than in the 1st, with a growth rate of 13.9%. Among the increase, sales volume accounted for 1.52 billion and the price supported the rest 10.2 billion.

a. Aspect of sales volume

i. FCFC : 1.94 billion

1.49 billion of increase resulted from the improvement of PX's processing spread. Also, plant Phenol resumed its production from the overhaul, increasing 0.93 billion. Other than that, PS and ABS benefited another 0.6 billion from its downstream demand. Yet, PIA and SM experienced a decrease of 0.6 billion mainly because of their scheduled overhauls. In addition to that, delivery delay of PTA also brought a decrease of 0.23 billion.

ii. FCNB : 0.26 billion

Affected by CNY in the first quarter, sales in this quarter resumed. Thus, 0.28 billion was added to the revenue.

iii. FIPC :

Downstream clients cut down their purchase in response to the high quotations. Thus, a decrease of 0.61 billion was found in FIPC this quarter.

b. Aspect of Selling Price

Due to the growth of the market demand, natural disasters as well as the abnormality of competitors, prices of crude oil, petrochemical, plastic and other spinning related products rose up. As a result, FCFC increased its sales by 5.47 billion, FCNB 2 billion, FIC 0.59 billion and 2.13 billion to FIPC.

2. Consolidated profit before income tax in the 2nd quarter of 2021 was 16.52 billion, decreasing by 0.24 billion with a growth rate of -1.4 % compared with the last quarter. Reasons are as follows :
 - a. Operating margin increased 0.64 billion :

Countries who had the pandemic well controlled had a better performance when it comes to the economy, pushing up the prices of end products and the processing spreads. However, costs were also driven high by the crude oil price, making the operating margin affected.
 - b. Consolidated non-operating profit decreased by 0.88 billion
 - i. Investment profit of Equity Method decreased by 0.47 billion. FPCC accounted for 0.65 billion less while MLPC increased by 0.14 billion.
 - ii. Loss of exchange increased by 0.19 billion.
(-0.35 billion/2021 Q2; -0.16 billion/ 2021 Q1)
3. Net profit after income tax attributed to owners of the parent in the 2nd quarter was 12.3 billion 90.05 million. Profit Attributable to Common Shareholders of the Parent was NTD 2.12, NTD 0.08 less than the 1st quarter with a growth rate of -3.6%.

II. Comparison of consolidated profit and loss in the first half year of 2021 and in 2020 :

NTD in Thousands

Item/Quarter	H1 of 2021	H1 of 2020	Difference	Growth Rate%
Consolidated Operating Revenue	180,029,908	120,431,899	59,598,009	49.5
Consolidated Profit	25,801,961	622,720	25,179,241	4043.4
Profit Before Income Tax	33,271,143	-2,111,774	35,382,917	-
Profit After Income Tax				
Net Income (with Non-Controlling Interest)	27,919,930	-2,530,798	30,450,728	-
Net Income (Owner of the Parent)	25,262,984	-3,467,101	28,730,085	-
Profit Attributable to Common Shareholders of the Parent	NTD\$4.32	NTD\$-0.59	NTD\$4.91	-

1. Operating revenue increased 59.6 billion in H1 of 2021 than in 2020, with a growth rate of 49.5%. Among the increase, the sales amount accounted for 15.57 billion and the price raise accounted for the rest 44.03 billion .

a. Aspect of sales volume

i. FCFC : 9.63billion

In spite of 0.88 billion decrease from the overhaul of plant phenol/ acetone, and the adjustment of product combination, sales increase of 10.37 billion from petrochemical and plastic products mainly resulted from the booming demand after the pandemic.

ii. FCNB : 3.53 billion ; FIC in Vietnam : 1.39 billion

Increases were attributed to the completion of phenol/acetone and PIA's productivity expansion, adjustment of Vietnam production structure as well as the economy recovery after the pandemic.

b. Aspect of Selling Price

With the pandemic eased down and people get vaccinated, market tended to be vibrant and brisk. Also, prices of crude oil, petrochemical, plastic and other spinning related products rose up due to natural disasters and the abnormality of competitors,

2. Consolidated profit before income tax in H1 of 2021 was 33.27 billion, increasing by 35.38 billion compared with H1 of 2020.
 - a. Operating margin increased 25.18 billion
Driven by the post-pandemic demand from mainland and the international trade, growth of products was larger than the raw material, making the operating margin increase.
 - b. Non-operating net income increased by 10.2 billion
Investment profit of equity method increased by 11.48 billion, arising mainly from FPCC's gain of 11.74 billion.
3. Net profit after income tax attributable to owners of the parent in H1 was 25.2 billion 62.98 million. Profit attributed to common shareholders of the parent was NTD 4.32, NTD 4.91 more than 2020.

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