

Explanation of FCFC's Consolidated Operating Revenue in December 2021

- I. Comparison of consolidated operating revenue in December 2021 and in November.

NTD in Thousands

Dec., 2021	Nov, 2021	Amount Difference	Growth Rate%
31, 274, 998	31, 632, 092	-357, 097	-1. 1

Consolidated operating revenue in December was 0. 36 billion less than it in November, with a negative growth rate of 1. 1%. Among the difference, the sales amount increased by 1. 32 billion, yet the price drop accounted for 1. 68 billion of the decrease.

1. Aspect of sales volume

i.FCFC : +0. 17 billion

Delayed shipment of PTA dragged some of the November orders to December, generating an increase of 0. 9 billion. Also, SM and phenol were both faced with increasing purchase from downstream due to the marketing reconciliation, bringing an extra sales of 0. 21 billion. On the contrary, a decrease of 0. 75 billion could be traced back to less raffinate backward sales and less export which resulted from inferior processing charge of PX and OX. Scheduled overhaul for plant PS also drove the production and sales down, affecting 0. 24 billion.

ii.FCNB : +0. 67 billion

With the dual control eased up and clients strong demand for restock before CNY, phenol, PTA, PS and ABS together contributed 0. 68 billion more than November.

iii.FTC : +0. 36 billion

Filament fabric is much favored during A/W. Also, recovering purchasing power and the Vietnamese plant situation were also the positive factors making the revenue higher.

2. Aspect of Selling Price :

Quotation of products were driven low because of the fluctuating price of crude oil, new production of competitors and market's reservation toward the trend..

II. Comparison of consolidated operating revenue of December in 2021 and in 2020.

NTD in Thousands			
Dec., 2021	Dec., 2020	Amount Difference	Growth Rate%
31,274,998	26,248,571	5,026,427	19.1

1. Consolidated operating revenue in December increased by 5.03 billion compared with last December, with a growth rate of 19.1%. Among the difference, the sales amount accounted for 0.35 billion increase and the selling price supported the rest 4.68 billion.

2. Aspect of sales volume

i. FCFC : -0.34 billion

PS, ABS, PP and acetone decreased by 0.99 billion resulting from the facility overhaul, delayed shipment and weak downstream demand. However, PTA, SM and phenol benefited 0.48 billion from the reconciliation and the postponed ETA of the shipment. Besides, electricity generator made 0.15 billion more, just catering to the grid's need.

ii. FCNB : +1.04 billion

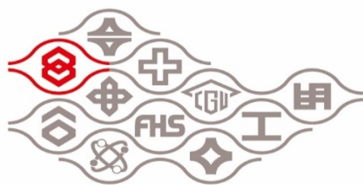
Plant phenol who resumed to standard production capacity from its overhaul in 2020 and the new PIA line put into production together brought the numbers high.

iii. FIC in Vietnam : -0.44 billion

Owing to the pandemic, staff's duty and the uptime were both affected. Clients then implemented load reduction in response to the depressing situation.

3. Aspect of selling price

With the pandemic under control and the vaccination rate raised, consumers' purchasing power bounced back. Except for acetone whose demand went down because of the decreasing request for epidemic prevention, quotations of petrochemical and plastic products were all favored.



January 10th, 2022

Declare of FCFC's Consolidated Profit and Loss in the 4th Quarter of 2021

I. Comparison of consolidated profit and loss in the 4th quarter and the 3rd quarter of 2021

NTD in Thousands

Item/Quarter	4 th Quarter, 2021	3 rd Quarter, 2021	Difference	Growth Rate%
Consolidated Operating Revenue	94, 656, 252	91, 125, 938	3, 530, 314	3. 9
Consolidated Profit	3, 306, 602	5, 400, 679	-2, 094, 077	-38. 8
Profit Before Income Tax	5, 177, 270	11, 688, 483	-6, 511, 213	-55. 7
Profit After Income Tax				
Net Income (with Non-Controlling Interest)	4, 450, 329	10, 391, 310	-5, 940, 981	-57. 2
Net Income (Owner of the Parent)	3, 544, 411	9, 517, 505	-5, 973, 094	-62. 8
Profit Attributable to Common Shareholders of the Parent	0. 60	1. 63	-1. 03	-63. 2

1. Operating revenue increased 3. 53 billion in the 4th quarter, with a growth rate of 3. 9%. Among the increase, sales volume accounted for 2. 94 billion (83%) and the price accounted for the rest 0. 59 billion(17%).

a. Aspect of sales volume

i. FCFC : +0. 8 billion

Plant PTA, PIA and PP had undergone their overhauls in the 3rd quarter, resuming to standard capacity in the 4th, thus contributing 1. 8 billion than the 3rd. An increase of 0. 43 billion happened to SM because of the reconciliation strategy. On the other hand, PS and ABS decreased by 0. 93 billion because of ample supply and shipment issue, affecting 0. 93 billion. Also, plant Aro-3's overhaul affected the sales of PX and raffinate by 0. 71 billion.

ii. FIPC and FICC :

Resuming to the standard production capacity in the 4th quarter from the overhaul, generating 0. 8 and 0. 77 billion respectively.

iii. FTC : +0. 75 billion

With the restriction lifted, Filament fabric is much favored during A/W. Also, recovering purchasing power and the Vietnamese plant situation were also the positive factors making the revenue higher.

b. Aspect of Selling Price

Quotations of PTA, ABS, PP and PC were affected because of the weak downstream demand and competitors' new production line. Other than that, most of the petrochemical and plastic products performed better as a result of the rising quotations of crude oil and raw materials.

2. Consolidated profit before income tax in the 4th quarter of 2021 was 5.18 billion, decreasing by 6.51 billion compared with the last quarter. Reasons are listed as follows :

a. Operating margin decreased 2.09 billion :

Production cost went up as a result of the increasing quotation of oil and coal. Additionally, clients tend to purchase in a conservative way because of the uncertainty resulting from the "three on site" and the "dual control" policy. Thus, some of the products price and the processing spread went down, affecting the quarterly revenue.

b. Consolidated non-operating profit decreased by 4.42 billion

i. Income from the cash dividends decreased by 3.1 billion since the dividends of FPC, NYPC and NTC were recognized last quarter.

ii. Investment profit of Equity Method decreased by 1.03 billion. Among it, FPCC and MLPC accounted for 0.71 and 0.23 billion respectively.

3. Net profit after income tax attributed to owners of the parent in the 4th quarter was 3.54 billion. Profit Attributable to Common Shareholders of the Parent was NTD 0.6, NTD 1.03 less than the 3rd quarter.

II. Comparison of consolidated profit and loss in 2021 and in 2020 :

NTD in Thousands

Item/Quarter	2021	2020	Difference	Growth Rate%
Consolidated Operating Revenue	365,812,098	253,294,668	112,517,430	44.4
Consolidated Profit	34,459,886	15,323,620	19,136,266	124.9
Profit Before Income Tax	50,124,182	24,767,687	25,356,495	102.4
Profit After Income Tax				
Net Income (with Non-Controlling Interest)	42,727,060	21,553,709	21,173,351	98.2
Net Income (Owner of the Parent)	38,339,215	19,544,141	18,795,074	96.2
Profit Attributable to Common Shareholders of the Parent	\$6.55	\$3.34	\$3.21	96.1

1. Operating revenue increased 112.5 billion in 2021 than in 2020, with a growth rate of 44.4%. Among the increase, the sales amount accounted for 20 billion (18%) and the price raise supported the rest 92.5 billion (82%).

a. Aspect of sales volume

i. FCFC : +12.03 billion

Market demand recovered from the COVID pandemic, increasing the sales of aroma, SM, phenol, PTA and ABS by 1.31 billion. On the contrary, sales of PP, PS and acetone decreased by 0.11 billion as a result of the overhaul and the less demand for COVID prevention.

ii. FCNB : +7.77 billion

Expansion of plant phenol and PIA had come to a completion, generating 9.31 billion. However, electricity generator set decreased by 1.52 billion as the rising quotation of coal and the dual control policy.

iii. FIPC : +0.44 billion

Market demand recovered thanks to the control of COVID.

iv. FICC : Scheduled overhaul in 2021 resulted in a decrease of 0.32 billion.

- b. Aspect of Selling Price
 - Quotations were much affected last year by the pandemic. This year, climate anomalies and the facility failure made the supply tighter, bringing the quotations of petro products high.
- 2. Consolidated profit before income tax in 2021 was 50.12 billion, increasing by 25.36 billion (102.4%) on a YOY basis.
 - a. Operating margin increased 19.14 billion
 - In 2021, the average economy recovered from the measures of COVID prevention in 2020 such as country lockdowns. However, the order of the international trade and supply chain were disrupted, driving the market demand conservative after a soar-up. Despite that, operating revenue still performed better than it in 2020.
 - b. Non-operating net income increased by 6.22 billion
 - i. Investment profit of Equity Method increased by 8.74 billion. FPCC and MLPC accounted for +10.19 and -1.6 billion respectively.
 - ii. Income from the cash dividends decreased by 2 billion.
FPC : -0.97 billion ; FPCC : -0.84 billion ; API : -0.1 billion
 - iii. Profit on assets selling decreased by 0.69 billion as TSC sold its land plant at 0.82 billion in 2020.
- 3. Net profit after income tax attributable to owners of the parent in 2021 was 38.34 billion. Profit attributed to common shareholders of the parent was NTD 6.55, NTD 3.21 more than 2020.

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