

FORMOSA CHEMICALS & FIBRE CORPORATION

The first quarter of 2025 and the year of 2024
Result Conference

FCFC



April 25, 2025

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Consolidated Financial Performance

(Amount: NT\$ billion)	<u>2024</u>	<u>2023</u>	YoY	<u>1Q2025*</u>	<u>4Q2024</u>	QoQ
Sales Revenue	348.6	332.6	4.8%	78.9	81.3	(2.9%)
COGS	(334.5)	(321.2)		75.9	78.3	(3.1%)
Gross Profits	14.1	11.4	23.7%	3.0	3.0	-
Gross Margin	4.0%	3.4%		3.8%	3.7%	
Operating Expense	(15.6)	(14.5)		(3.5)	(3.9)	
Operating Profit	(1.5)	(3.1)	-	(0.5)	(0.8)	-
Operating Margin	(0.4%)	(0.9%)		(0.6%)	(1.0%)	
Non-Operating Profit (Loss)	2.5	10.5	(77.1%)	0.1	(0.1)	-
Profit Before Tax	0.9	7.4	(87.8%)	(0.4)	(0.9)	-
Net Profit	1.1	7.7	(85.7%)	(0.4)	(1.1)	-
Net Profit Margin	0.3%	2.3%		(0.5%)	(1.4%)	
EPS(NTD)	0.06	1.46		(0.08)	(0.19)	

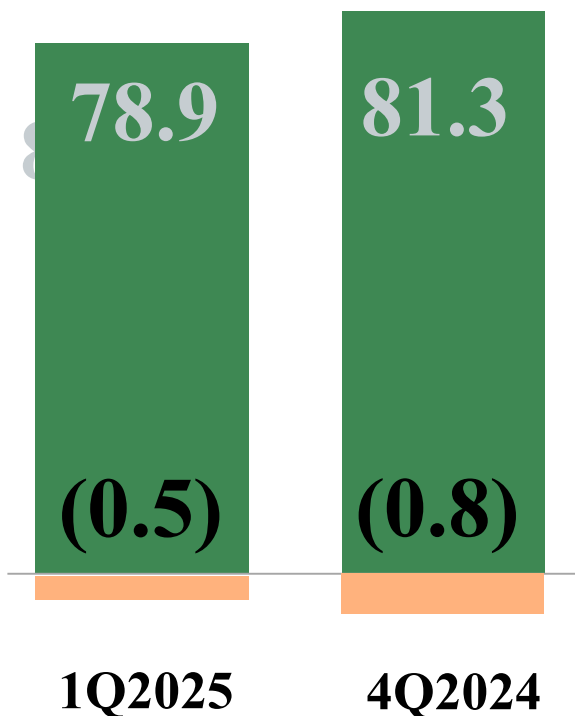
*The figures of 1Q2025 are not yet been reviewed by CPA.



Change in Consolidated Revenue –QoQ

(In NT\$ billion)

- Sales Revenue
- Operating Profit



Consolidated revenue decreased 2.4 billion in 1Q2025, with a decline rate of 2.9% compared to 4Q2024.

■ Volume variance -3.7 billion:

The sales volume of FCFC, as well as its Ningbo and Vietnam subsidiaries, decreased mainly due to equipment maintenance and the Lunar New Year holidays. However, increased sales volumes of PX and SM partially offset the impact of this decrease.

■ Price variance +1.3 billion:

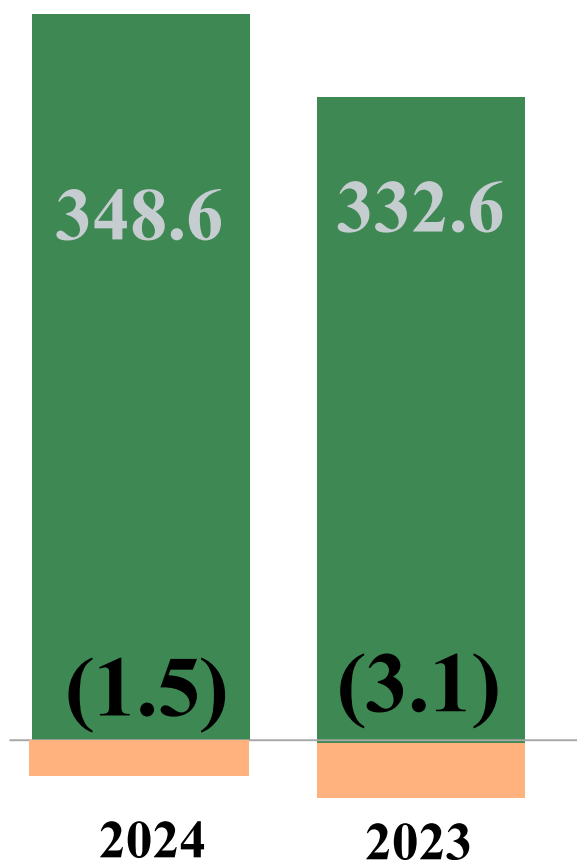
The average crude oil price rose slightly in the first quarter, and coupled with our continued efforts to promote differentiated products to avoid excessive price competition, as well as maintenance shutdowns by phenol and acetone competitors leading to tighter market supply, this supported our company's product prices being higher than the previous quarter.



Change in Consolidated Revenue –YoY

(In NT\$ billion)

- Sales Revenue
- Operating Profit



Consolidated revenue in 2024 increased by NT\$16 billion compared with 2023, with an annual growth of 4.8%.

■ Price variance +9.0 billion

Due to rising product prices driven by petrochemical raw materials, coupled with industry-wide production controls to maintain prices, the average prices of products such as SM, Phenol, PS, ABS increased compared to last year.

■ Volume variance +7.0 billion

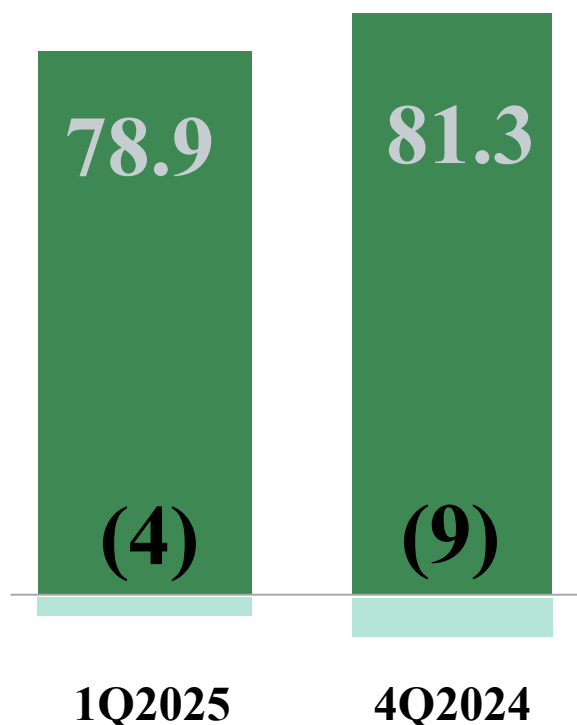
Although the market declined in 2H2024, consumer confidence was weak, and oversupply became more apparent, impacting product sales, the increased production and sales volume after the commissioning of Ningbo PTA-6, along with PIA's strengthened sales efforts to increase market share, compensated for the revenue shortfall in PX, PS, ABS, and PP products.



Change in Profit Before Tax - QoQ

(In NT\$ billion)

- Sales Revenue
- Profit Before Tax



Pre-Tax Loss for the 1Q2025 was NT\$0.4 billion, a NT\$0.5 billion reduction in the loss compared to the 4Q2024.

■ Operating income +0.3 billion

In the first quarter, the average crude oil price rose slightly, driving up raw material costs and product selling prices. Although the Lunar New Year holiday impacted production and sales volume, we focused on profitable orders, controlling volume to maintain prices, and improving product profitability.

■ Non-Operating income +0.2 billion

This primarily came from an increase of 0.14 billion in investment income of equity method.

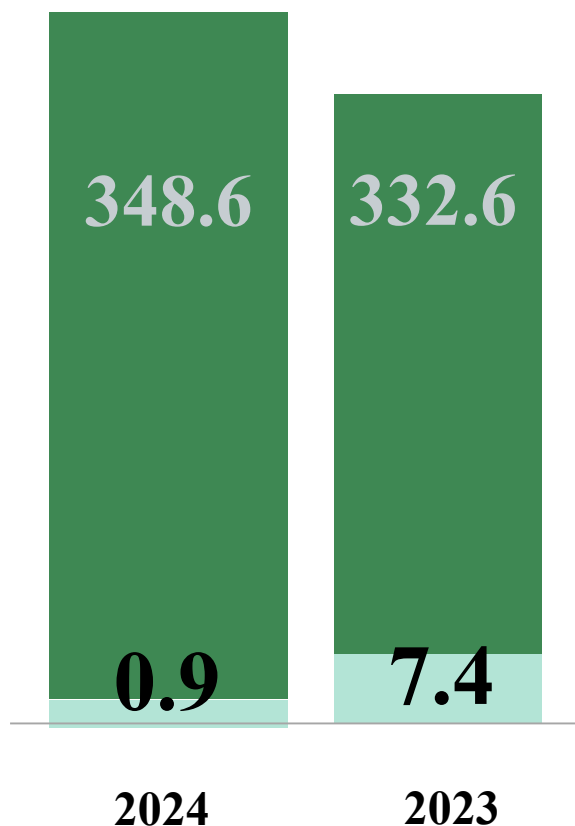
(FPCC +0.48 billion, FHI +0.14, MLPC -0.56 billion)



Change in Profit Before Tax - YoY

(In NT\$ billion)

- Sales Revenue
- Profit Before Tax



Profit Before Tax was NT\$0.9 billion in 2024, a decrease of NT\$6.5 billion compared with 2023, representing a decline of 87.8%.

■ Operating income +1.6 billion

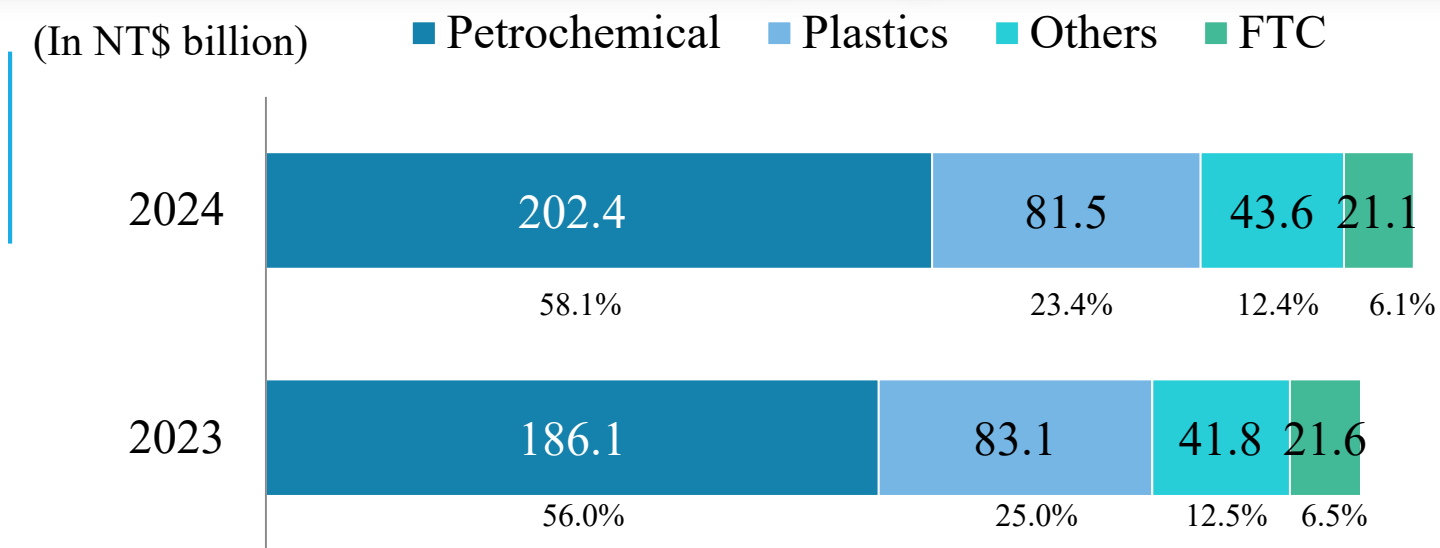
Weak consumption led to insufficient market demand, and the supply-demand imbalance persisted. We continued to adjust our production and sales strategies by prioritizing profitable products and phasing out weaker ones, developing higher-value specifications, and expanding into markets outside of China. As a result, operating profit improved compared to last year.

■ Non-Operating income -8.1billion

- 1) Equity method investment income -NT\$4.77 billion.
- 2) Dividends income -NT\$2.96 billion.



Revenue Breakdown by Segment



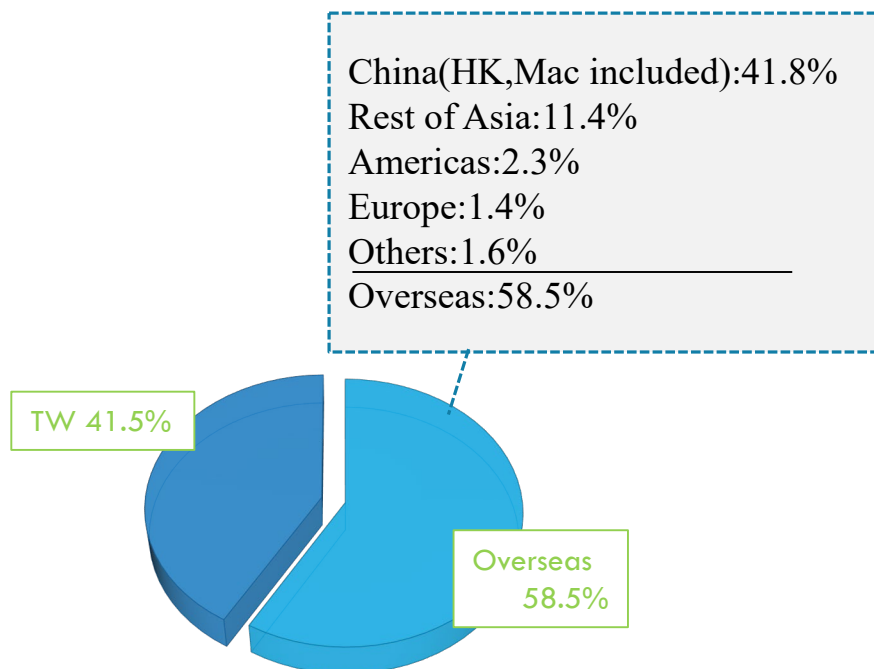
- **Petrochemical** product revenue for 2024 was NT\$202.4 billion, an increase of NT\$16.3 billion compared to 2023, representing a growth rate of 8%. This growth is attributed to rising crude oil prices, which drove up the prices of certain petrochemical products, as well as increased sales volume due to the commencement of production at Ningbo PTA-6. The market conditions for petrochemical products were more favorable than those for plastic products this year. Petrochemical products accounted for 58.1% of total revenue, an increase from 56% in the same period of 2023.
- **Plastics** product revenue for 2024 was NT\$81.5 billion. In response to the persistent market oversupply, production was reduced to maintain prices, resulting in a decrease of NT\$1.6 billion compared to the NT\$83.1 billion in 2023. Plastic products accounted for 23.4% of total revenue, a reduction from 25% in the same period of 2023.



Revenue Breakdown by Geography

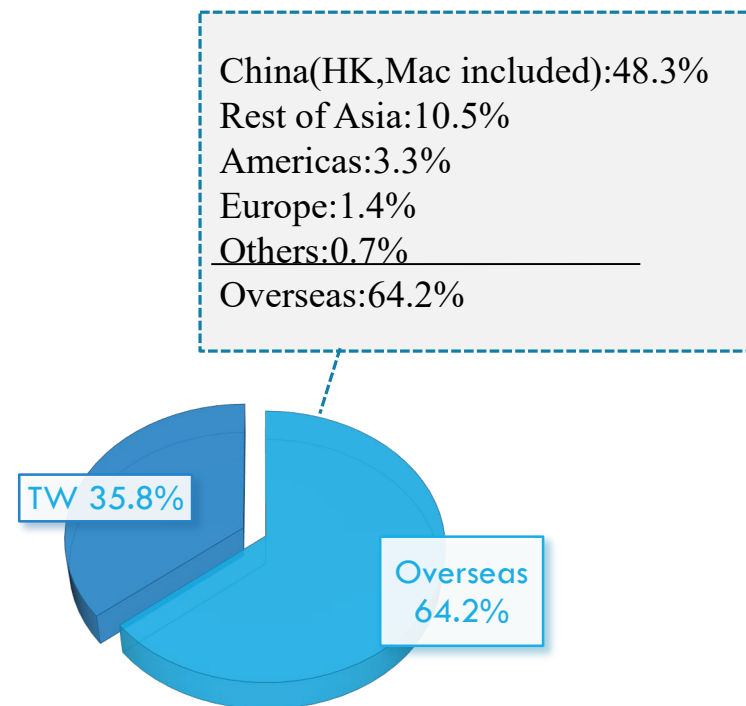
2024

Sales Revenue: NT\$348.6 billion



2023

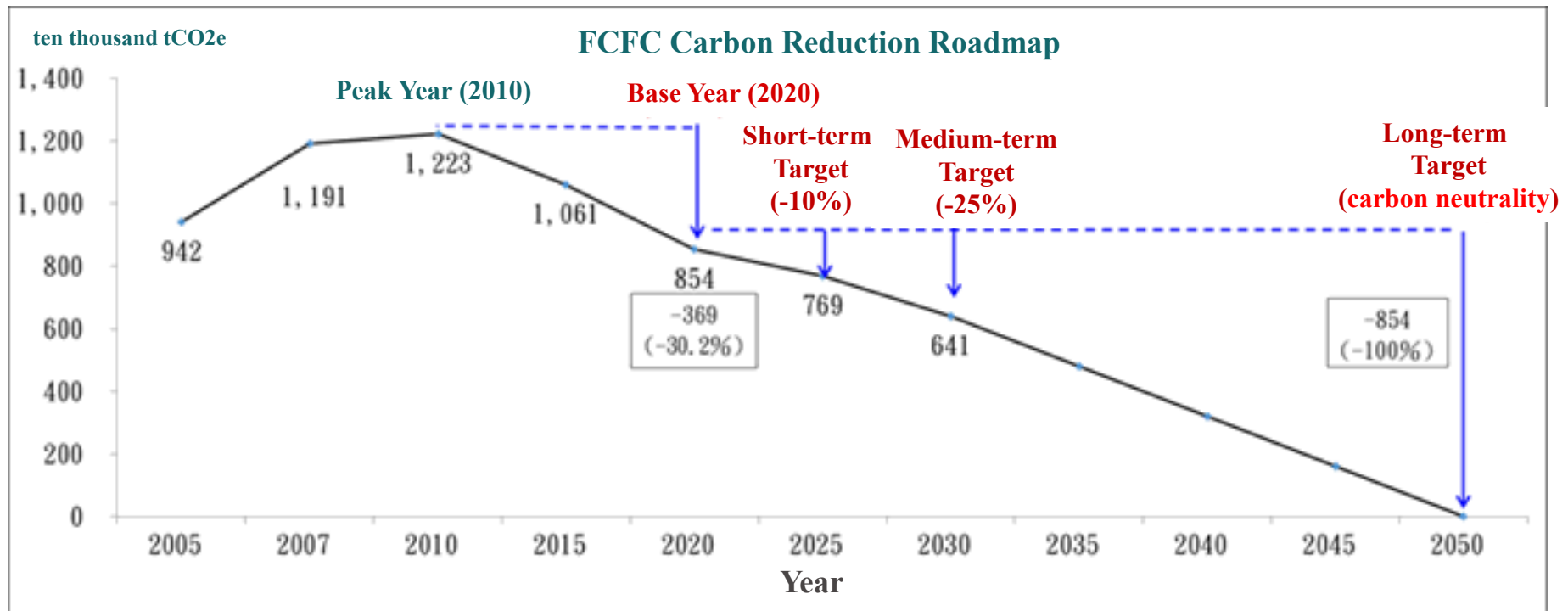
Sales Revenue: NT\$332.6 billion



- The China region (including Hong Kong and Macau) remains the primary market, accounting for 41.8% of revenue in 2024 (with domestic sales from mainland subsidiaries comprising 33.1%), but this represents a decrease from 48.3% in 2023.

ESG Strategy and Carbon Reduction Roadmap

FCFC's GHG emissions reached highest point in 2010. By 2020, emissions decreased by 30.2% compared to 2010 levels. **Considering 2020 as the baseline**, we set short, medium and long term targets aiming 10% reduction in 2025, 25% reduction in 2030, and **carbon neutrality by 2050**.





Investment Plan - ESG Projects

To achieve the **carbon reduction goal in 2030**, we outlined an investment plan to **allocate 18.6 billion** towards carbon reduction projects before then. **As of 2024**, the company **has already invested 7.9 billion** in these initiatives.

Projects	Descriptions	Projected investment amount (in NT\$ thousand)
Energy Efficiency strategy	Optimized production process and enhanced energy efficiency.	8,174,942
Energy transition Strategy	Low-carbon Energy, coal reduction, and green power development.	10,254,799
Circular economy	Promotion in eco-friendly products, plastic and marine waste recycling.	88,000
Other measures	Promotion in low-carbon office environment, less use of paper, and development in green products.	121,914



Recycled Nylon – The Ocean with Sustainability

Circular economy

 Energy Reduction **15%**

 GHG Reduction **62.5%**





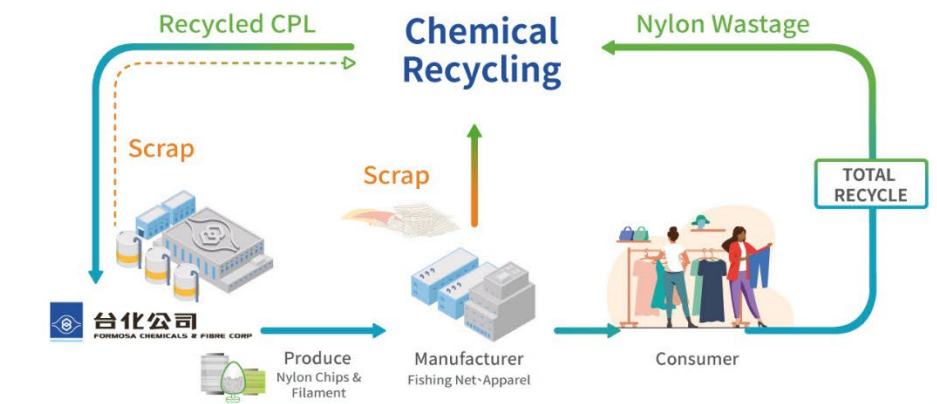
Recycled Nylon – The Ocean with Sustainability



台灣化學纖維股份有限公司
FORMOSA CHEMICALS & FIBRE CORPORATION

Circular economy

Chemical Recycling



SEAWASTEX
Published FCFC owned trade mark "Seawastex"(PCR)

Cooperated with client and published carbon neutral watch band with using "Seawastex"(PCR)



Published downproof apparel with the trade mark Netplus(PCR)





Plastic's Recycling and Reusing



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FORMOSA CHEMICALS & FIBRE CORPORATION

Circular economy

Post Consumer Recycled &
Post Industrial Recycled

Reducing Carbon
Footprint: 43%

Multifunction Printer



PCR APPLICATION



Recycle and Treatment for
waste electronic appliances
Printer's recycling and
disassembling



Global Recycled
Standard

All of FCFC's PCR resin grades
are approved by GRS.

Production, Consumption

Recycling and disassembling

Reusing

Resin's Production



Outer Loop

Production's plastic waste
100% recycled



FCFC Green Plant

PCR Content: 30~97%

Inner Loop

PCR Plant

Classification, Crushing,
Washing, Extrusion



PELLETIZING



Q&A

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Please visit www.fcfc.com.tw

台化點塑成金

We Produce We Recycle

