

FORMOSA CHEMICALS & FIBRE CORPORATION

1H2025 Result Conference

FCFC



Aug 28, 2025

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Consolidated Financial Performance

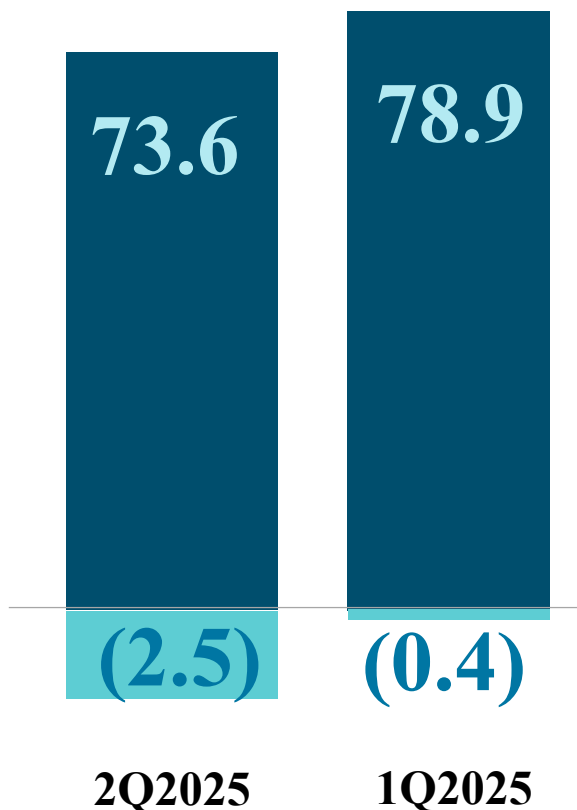
(Amount: NT\$ billion)	<u>1H2025</u>	<u>1H2024</u>	YoY	<u>2Q2025</u>	<u>1Q2025</u>	QoQ
Sales Revenue	152.5	180.4	(15.5%)	73.6	78.9	(6.7%)
COGS	(148.8)	(171.1)		(72.9)	(75.9)	
Gross Profits	3.7	9.3	(60.2%)	0.7	3.0	(76.7%)
Gross Margin	2.4%	5.2%		1.0%	3.8%	
Operating Expense	(6.6)	(7.9)		(3.2)	(3.4)	
Operating Profit	(2.9)	1.4		(2.5)	(0.4)	
Operating Margin	(1.9%)	0.8%		(3.4%)	(0.6%)	
Non-Operating Profit (Loss)	(4.6)	2.3		(4.6)	-	
Profit Before Tax	(7.5)	3.7		(7.1)	(0.4)	
Net Profit	(7.5)	3.5		(7.1)	(0.4)	
Net Profit Margin	(4.9%)	1.9%		(9.6%)	(0.5%)	
EPS(NT\$)	(1.24)	0.58		(1.16)	(0.08)	



Change in Consolidated Revenue -QoQ

(In NT\$ billion)

■ Sales Revenue ■ Operation Income



Consolidated revenue in 2Q2025

decreased by NT\$5.3 billion from 1Q2025, representing a 6.7% QoQ decline.

■ Volume variance +NT\$3.9 billion:

PX exports in Taiwan increased, while PTA and Phenol sales rebounded after maintenance. Ningbo sales of Phenol, PTA, and ABS rose on post-Lunar New Year restocking. Power sales in Taiwan and Vietnam grew with grid dispatching. SM-3 output declined due to maintenance, and plastics volumes fell as customers remained cautious.

■ Price variance -NT\$9.2 billion:

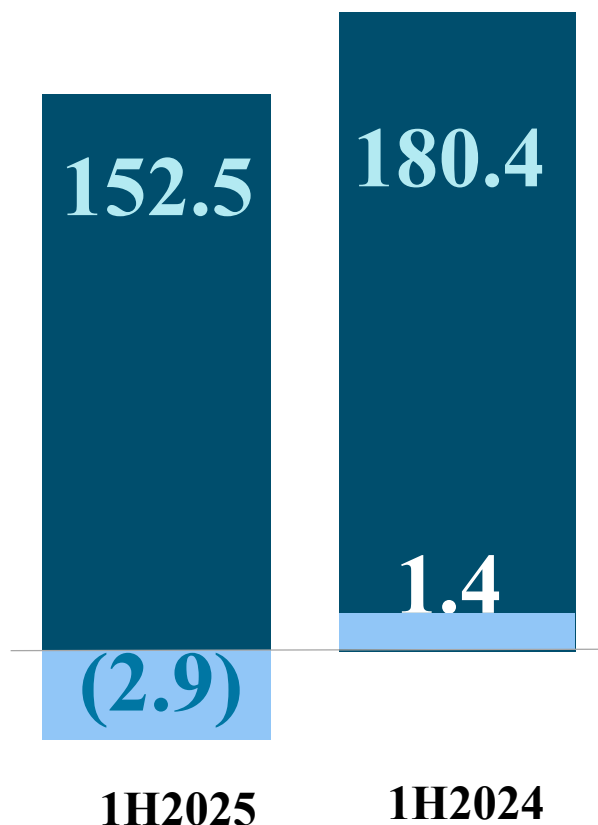
Impacted by U.S. tariff policies, market sentiment turned more cautious and demand weakened. Crude oil and key feedstock prices declined, while NT dollar appreciation further dampened customer ordering interest, leaving product prices without support.



Change in Consolidated Revenue -YoY

(In NT\$ billion)

■ Sales Revenue ■ Operation Income



Consolidated revenue in 1H2025 decreased by **NT\$27.9 billion** compared with the same period of **2024**, representing a **15.5% YoY decline**.

■ **Volume variance –NT\$11.3 billion**

Production and sales decreased due to scheduled maintenance at Taiwan's ARO-1, Phenol, SM-3, and PTA-1 plants. However, PX exports increased, and power sales in Taiwan, Ningbo, and Vietnam rose due to grid dispatching. Sales volumes of plastics and fiber products declined, impacted by tariff uncertainties and higher ocean freight rates, which weakened customer orders.

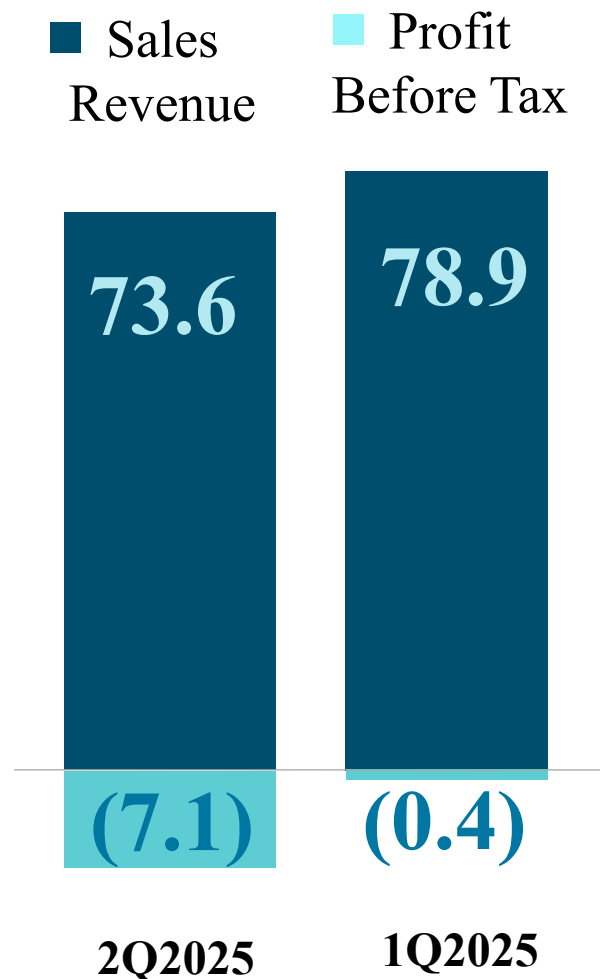
■ **Price variance –NT\$166 billion**

Due to the combined impact of falling oil prices, new industry capacity additions, uncertainties in U.S. tariff policies, and weak market demand, product prices weakened across all segments.



Change in Loss Before Tax - QoQ

(In NT\$ billion)



Consolidated pre-tax loss in 2Q2025 was NT\$7.1 billion, an increase of NT\$6.7 billion compared with 1Q2025.

■ Operating income -NT\$2.1 billion

With ongoing U.S. tariff negotiations, the unresolved Russia-Ukraine war, and renewed conflict between Israel and Iran, global geopolitical uncertainties intensified. Petrochemical and plastics prices fluctuated sharply amid oversupply and significant NT dollar appreciation. Customers maintained only rigid demand purchasing, putting pressure on product prices and making cost absorption difficult, which further widened operating losses.

■ Non-operating income -4.6billion

1. Foreign currency exchange gain decreased by **NT\$ 2.3bn.**
(-NT\$2.26bn/2Q2025, +NT\$0.03bn/1Q2025)
2. Investment gain from Equity Method decreased by **NT\$2.46 bn.** (FPCC -NT\$2.48bn)

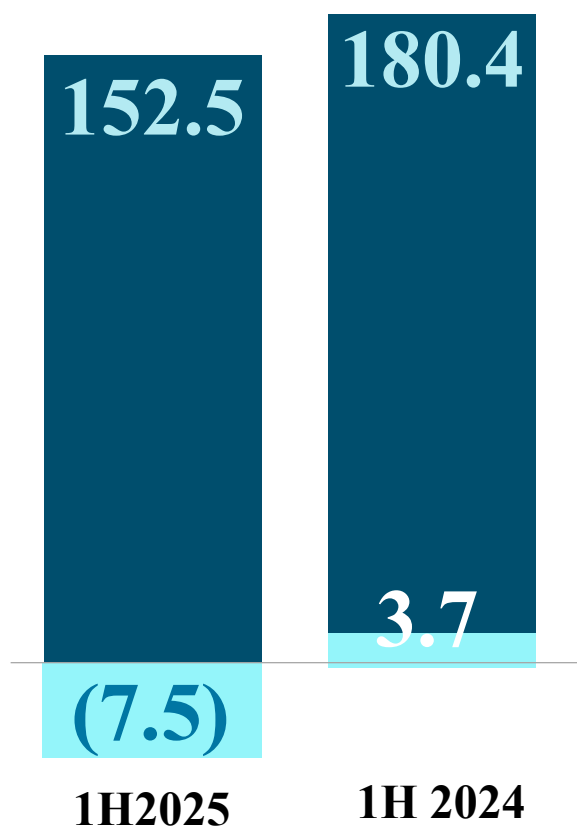


Change in Profit Before Tax - YoY

(In NT\$ billion)

■ Sales
Revenue

■ Profit
Before Tax



Consolidated pre-tax loss in 1H2025 was NT\$7.5 billion, representing a deterioration of NT\$11.2 billion compared with 1H2024.

■ Operating income –NT\$4.3billion

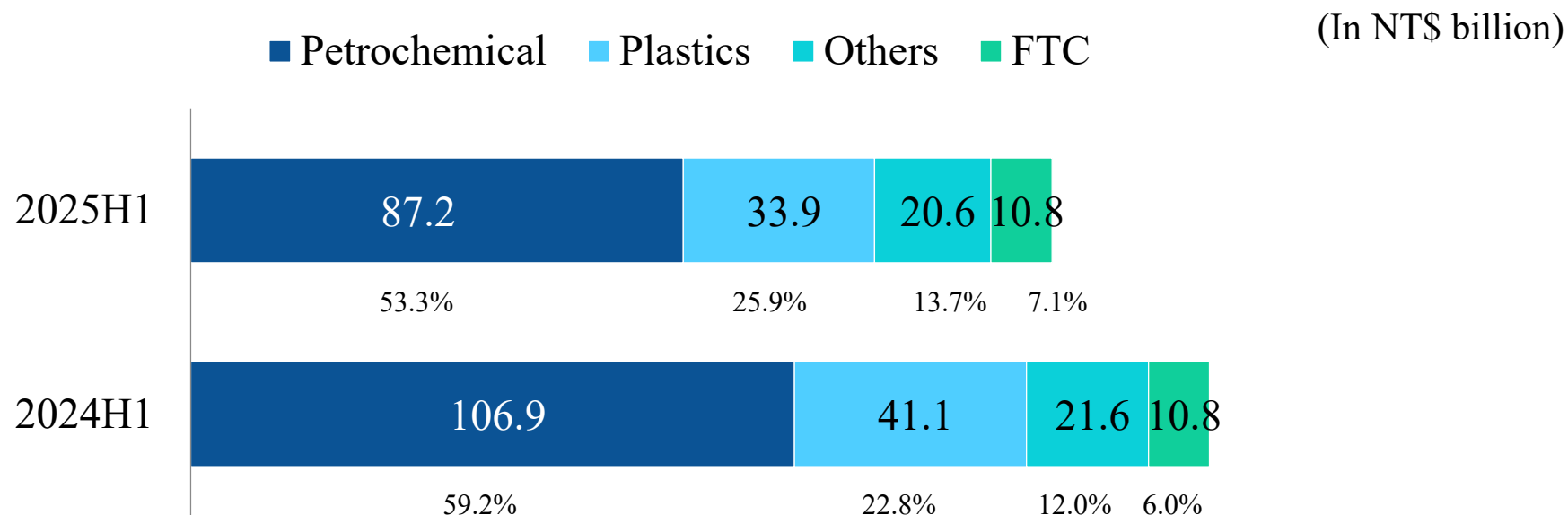
Crude oil price declines left product prices unsupported. Slow progress in U.S. tariff negotiations led to market caution and delayed orders. Excess capacity and scheduled maintenance reduced sales, turning operating profit into a loss.

■ Non-Operating income –NT\$6.9 billion

- (1) Investment profit from Equity Method decreased by NT\$**4.57 bn**.
(FPCC -NT\$2.83bn, MLPC –NT\$1.34bn)
- (2) Foreign currency exchange profit decreased by NT\$**2.3 bn**.



Revenue Breakdown by Segment



- **Petrochemical:** Impacted by falling oil prices, weak demand, and NT dollar appreciation, petrochemical product prices declined during the period. In addition, scheduled maintenance at Taiwan's ARO-1, Phenol, and SM-3 plants reduced sales volumes. As a result, petrochemical product revenue in 1H2025 was NT\$87.2 billion, down NT\$19.7 billion from 1H2024. Petrochemical products accounted for 53.3% of total revenue, lower than 59.2% in the same period of 2024.
- **Plastics:** Plastic revenue in 1H2025 was NT\$33.9 billion, down NT\$7.2 billion from 1H2024. As plastic prices had already bottomed in the same period last year, this year's performance was further impacted by NT dollar appreciation, uncertainties in U.S. tariffs, rising freight costs, and weak market demand. Customers placed orders cautiously, leading to lower sales volumes.

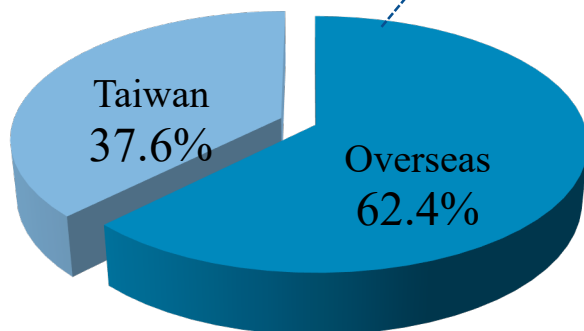


Revenue Breakdown by Region

1H2025

Sales Revenue: NT\$152.5 billion

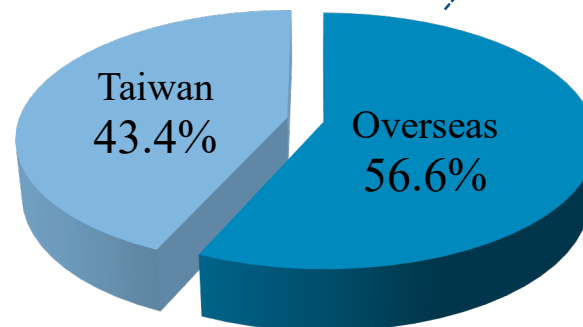
China(HK,MAC included):44.7%
Rest of Asia: 12.7%
Americas: 2.8%
Europe:1.5%
Others:0.7%
Overseas:62.4%



1H2024

Sales Revenue: NT\$180.4 billion

China(HK,MAC included):41.3%
Rest of Asia: 10.1%
Americas: 3.1%
Europe:1.7%
Others:0.4%
Overseas:56.6%



- China (including Hong Kong and Macau) remained the largest market, accounting for 44.7% of revenue in 1H2025 (with domestic sales from China subsidiaries at 33.8%), compared with 41.3% in 1H2024 (domestic sales at 32.9%).



ESG 2024 – Carbon Reduction Results

Energy Efficiency Improvements

Annual carbon reduction

227 kt

CO₂e

- ❑ Implement AI for process optimization, recover waste heat, and enhance energy utilization efficiency.
- ❑ Invested NT\$**1.31** billion and completed **235** projects in 2024.
- ❑ Saved **69.2** tons of thermal energy per hour, **11** MWh of electricity per hour, and **0.1** tons of fuel per hour. Total carbon reduction for the year was **227** kt CO₂e..

Annual carbon reduction

79 kt

CO₂e

Energy Transition Strategy

- ❑ **Green Power:** Generated **81,736** MWh of solar and hydro power, resulting in a reduction of **48.7** kt CO₂e for the year.
- ❑ **Low-Carbon** Converted **2** more oil-fired boilers to natural gas in 2024 (24 in total), reducing **30.6** kt CO₂e annually.

Circular Economy Strategy

Annual carbon reduction

39 kt

CO₂e

- ❑ **Waste Nylon Recycling:** Recycled discarded fishing nets and oyster ropes into eco-friendly nylon, reducing **15** kt CO₂e annually.
- ❑ **Waste Plastic Recycling:** Developed 100% PCR recycled resins with third-party certification, reducing **7** kt CO₂e annually.
- ❑ **CO₂ Capture and Utilization:** Converted process-generated CO₂ into CO without increasing naphtha feed, reducing **7** kt CO₂e annually.
- ❑ **Eco-friendly Yarn:** Recycled PET bottles into polyester fibers for downstream textile production, reducing **10** kt CO₂e annually.



Q&A

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