

2024



TSRC CORPORATION

TSRC – Global Specialty Polymers

1st Investor Conference, 23rd May 2024

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We undertake no obligation to publicly update or revise any statements regarding those information presented and referred herein in the event of any further changes or updates to the information presented herein.





AGENDA

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 - Thomas Lin, Deputy Spokesperson
2. 2023 & 1Q2024 Financial Performance
 - Edward Wang, CFO
3. 2024 Outlook & Business Highlights
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 - Joseph Chai, CEO
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Introduction

Thomas Lin, Deputy Spokesperson



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2023 & 1Q2024 Financial Performance

Edward Wang, CFO

2023 Financial Highlights

In NT\$M	2022	2023	YoY
Revenue	33,841	31,427	(7%)
Gross Profit	5,513	3,308	(40%)
Operating Profit	2,675	948	(65%)
Non-Operating	394	476	21%
Income before Tax	3,069	1,424	(54%)
Net income	1,783	680	(62%)
EPS (NT\$)	2.16	0.82	

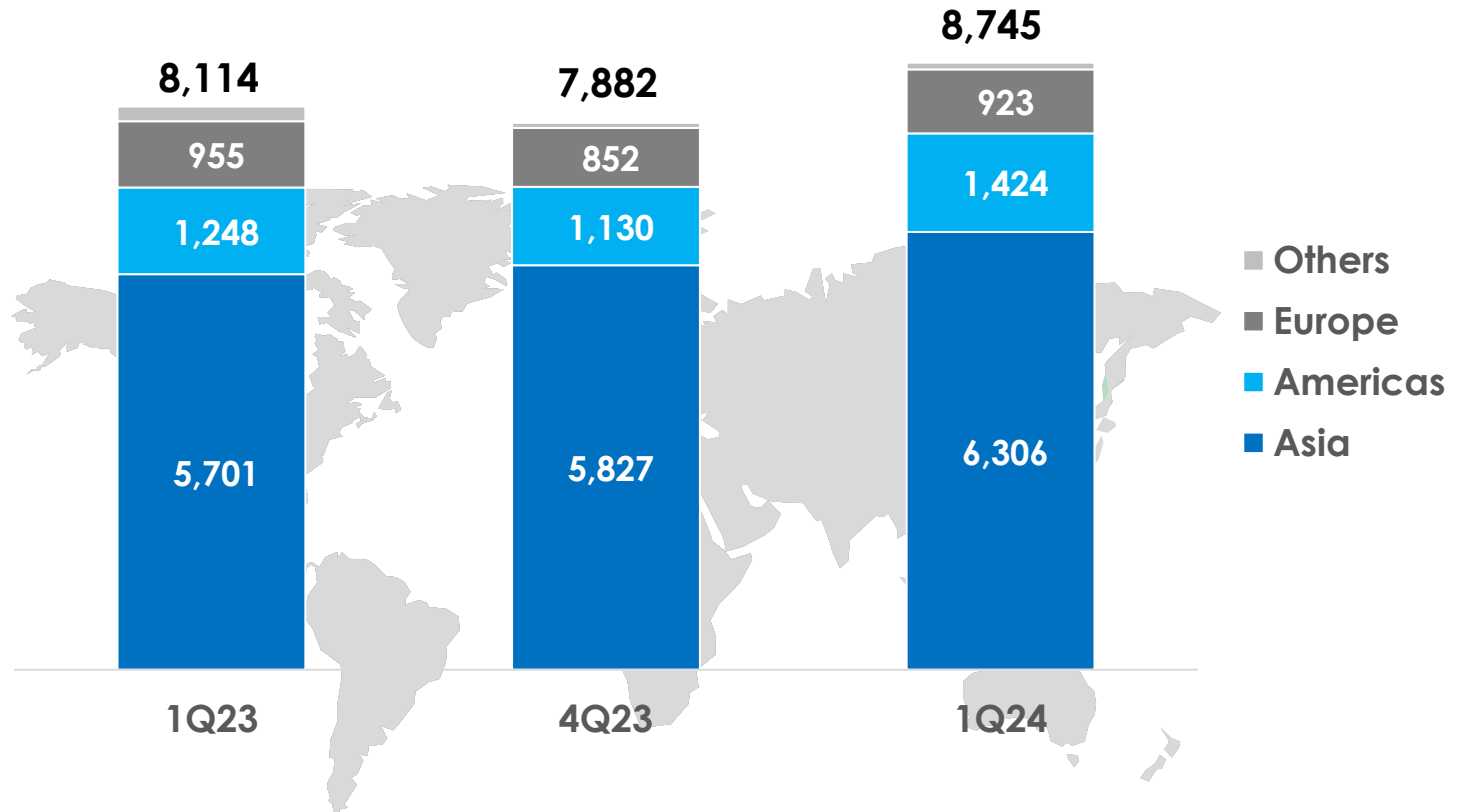


1 Q2024 Financial Results

In NT\$M	1Q23	4Q23	1Q24	QoQ	YoY
Revenue	8,114	7,882	8,745	11%	8%
Gross Profit	913	968	1,052	9%	15%
Operating Profit	313	376	416	11%	33%
Non-Operating	99	90	82	(9%)	(17%)
Income before Tax	412	466	498	7%	21%
Net income	256	225	261	16%	2%
EPS (NT\$)	0.31	0.27	0.32		



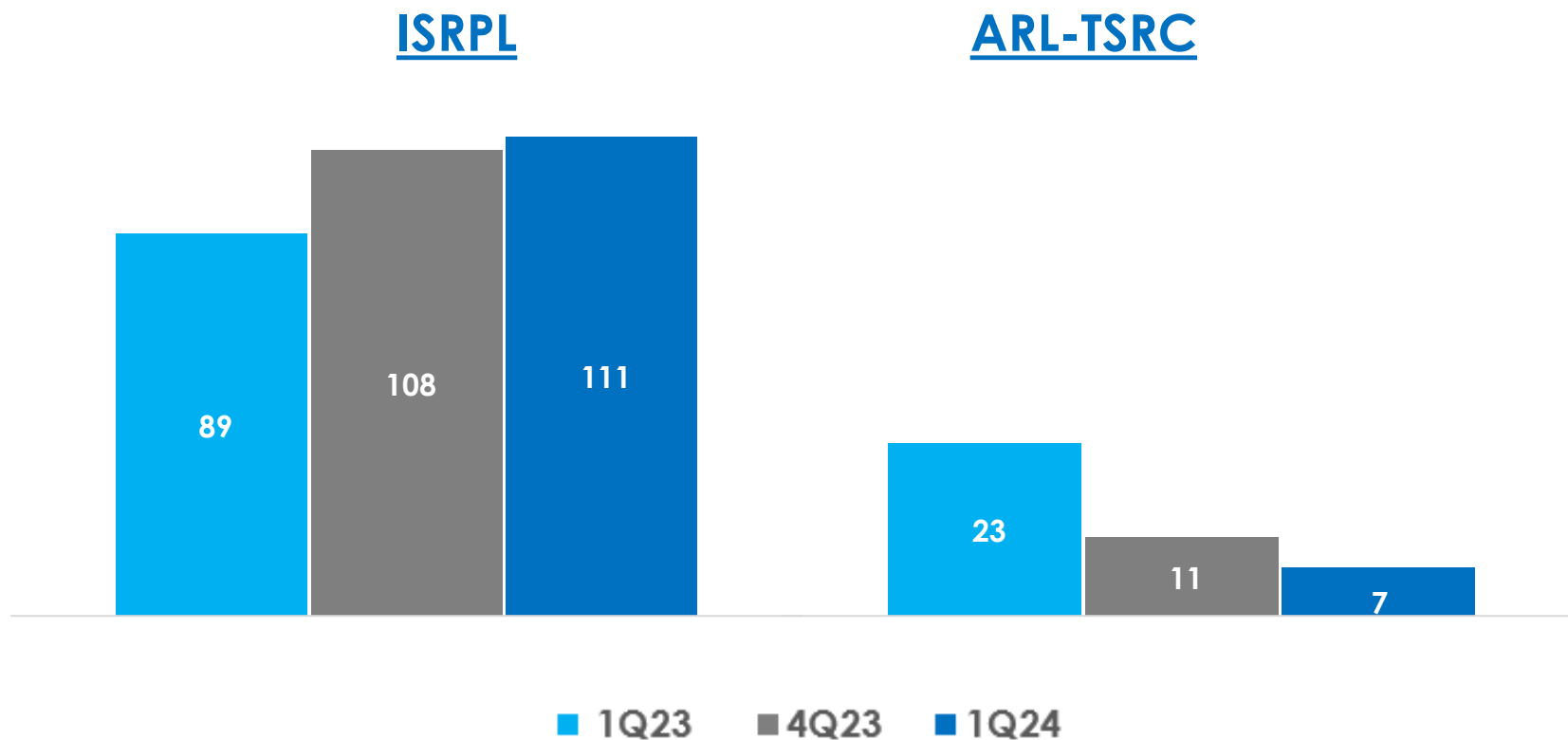
1Q2024 Revenue by Geography



Amount in NT\$M



1Q2024 Major Equity Investment

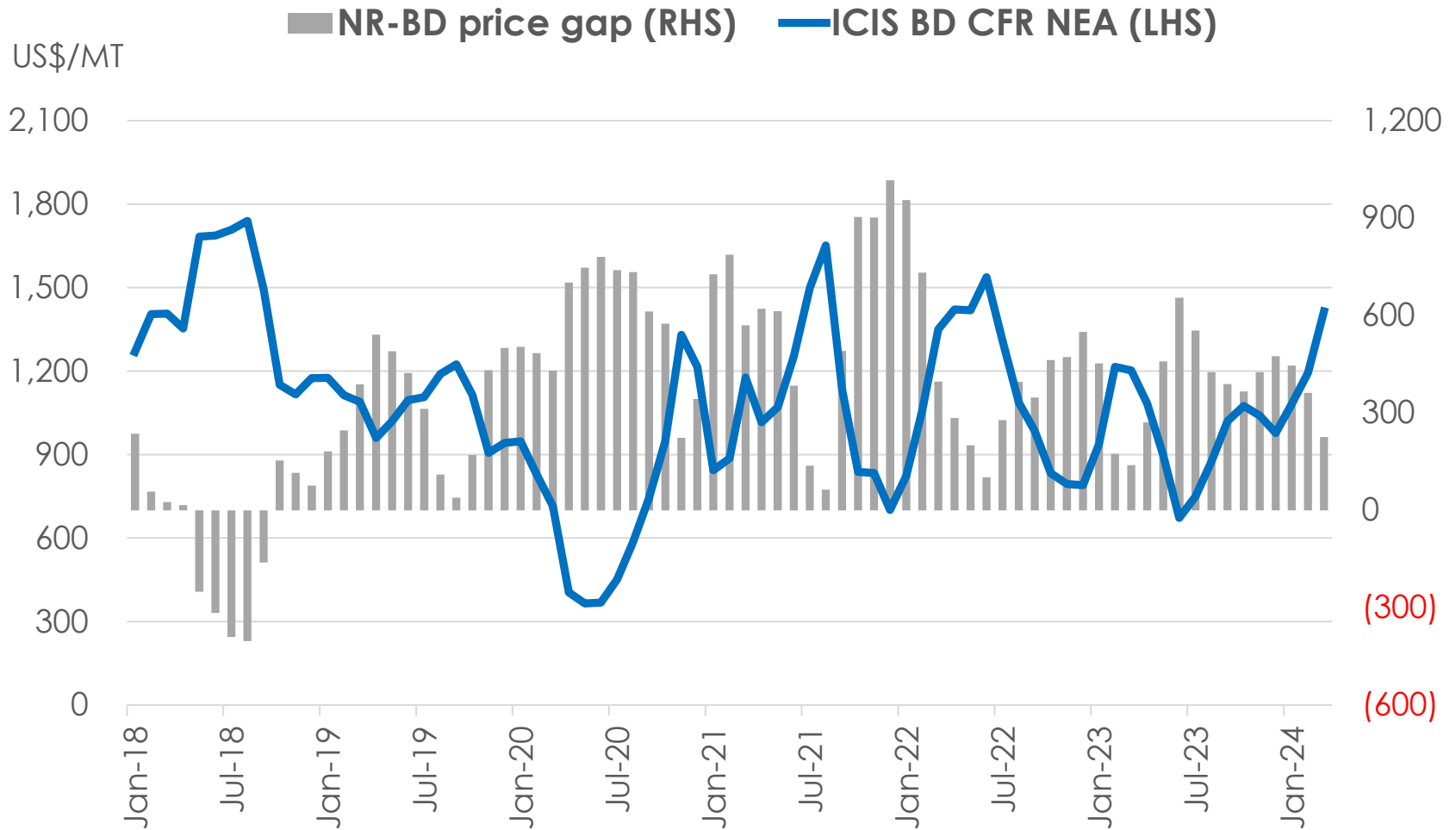


Amount in NT\$M

Note: numbers shown as TSRC's investment income of each investee.



Industry Dynamics remains favorable





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2024 Outlook & Business Highlights

Joseph Chai, CEO

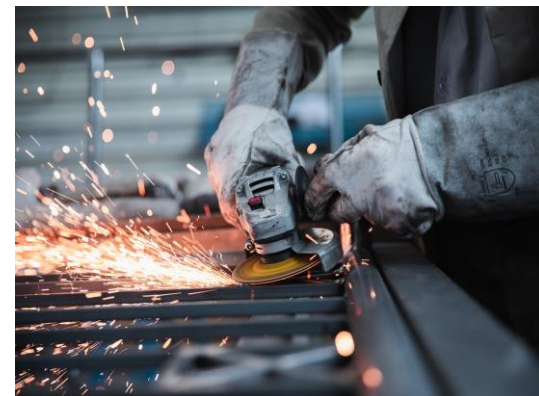
Gradual recovery for Chemical industry in 2024

- ◆ **Destocking activities ceased leading to demand stabilization**
- ◆ **Recovery diverges among regions:**
 - Improved sentiment in the US/ EU manufacturing sector
 - Persist structural challenges in mainland China
 - Stable growth in Southeast Asia
- ◆ **Automotive market remains buoyant**



Some challenges and uncertainties persist

- ◆ **Oversupply and intense price competition**
- ◆ **Geopolitical conflicts dampen economic recovery**
- ◆ **High operating cost unlikely to cool in the short term**
- ◆ **No quick solution to Mainland China economic challenges**



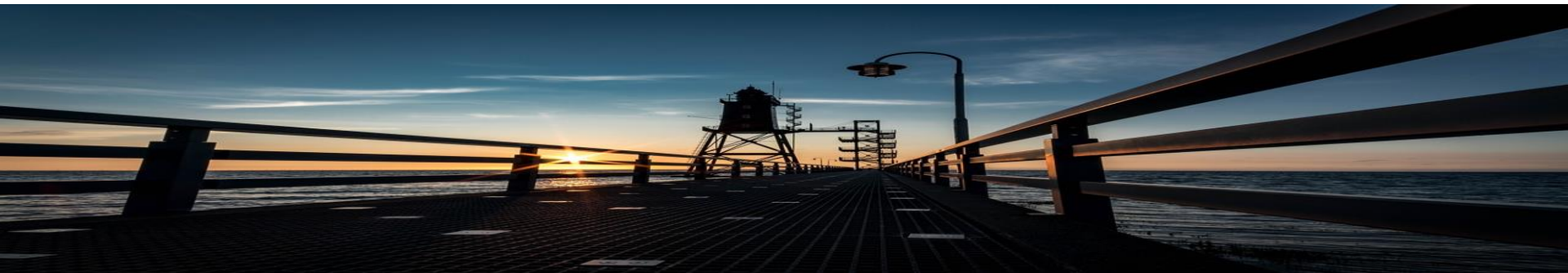
2024 Market outlook – Current view

- ◆ Year-on-Year basis, 2024 market demand is expected to improve over last year
- ◆ Some product lines and market segments remain at low point with compressed margins
- ◆ TSRC is expected to make further in-road in EV tires and Medical application
- ◆ India economic growth momentum remains on-track



Other Updates

- ◆ **Shenhua and ARL-TSRC relocation project is on-track to complete by end 2024**
- ◆ **Continue to work hard on a couple of initiatives which provide new growth momentum and earning opportunities**
- ◆ **Made solid progress on ESG targets and milestones in 2023**



Key ESG actions in 2023

As of December 31, 2023

GHG (Scope 1+2)

▼ **8.3** % (vs Base year 2021)

TRIR

0.34

R&D expense

▲ **1.2** % (vs 2022)

Renewable energy usage

6.1 %

Employee wellbeing programs

2,606 prs

Granted patents

449

Wastewater recycling ratio

25 %

ESG training

100 %

Local Sourcing

78 %

Air Pollution-VOC

▼ **7** % (vs 2022)

Chemical Education

578 prs

Revenue from Products with environmental contribution

▲ **39** % (vs 2022)

Unit Waste Recycling

▲ **7** % (vs 2022)

Charitable contribution

NT\$ **2.86** Million

Revenue from new product sales

16 %



The background features a repeating pattern of blue, multi-lined hexagonal outlines. These hexagons are arranged in a staggered grid and have a 3D effect, appearing to recede into the distance. The lines are thin and light blue, creating a subtle, textured background.

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Summary

Joseph Chai, CEO

Summary



01

- ◆ 2023 financial performance was impacted by weak demand, margin compression, and intense competition

02

- ◆ 2024 market is expected to remain moderate but with demand and outlook improves over 2023

03

- ◆ Solid ESG progress in 2023. Growth initiatives to strengthen business portfolio and operational resilience are underway



Q&A



THANK YOU



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