

2024



TSRC CORPORATION

TSRC – Global Specialty Polymers

Investor Conference, November 13th, 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.





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[1]

Introduction

Thomas Lin, Deputy Spokesperson



[2]

2024 Sep Year-to-date Financial Performance

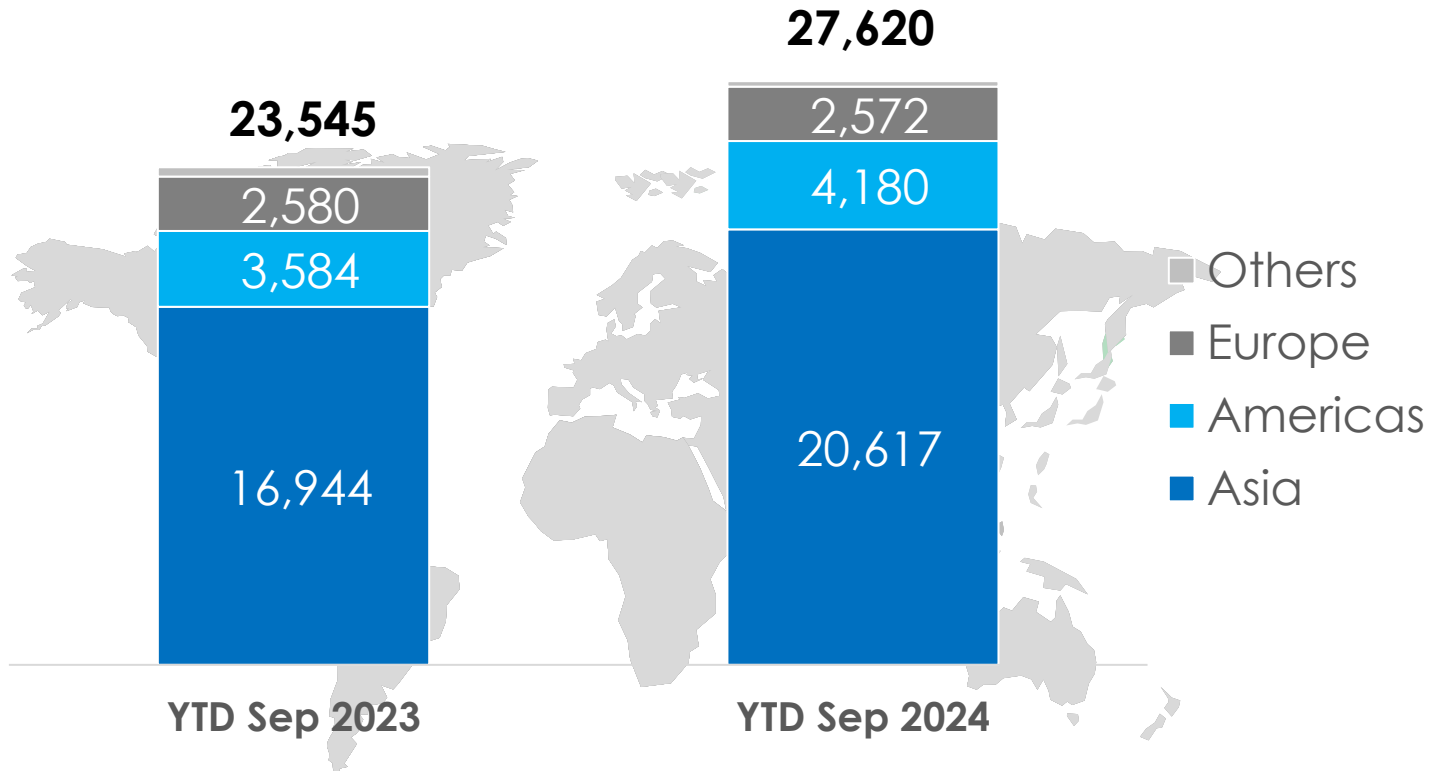
Edward Wang, CFO

YTD Sep 2024 Financial Highlights

In NT\$M	YTD Sep'23	YTD Sep'24	YoY
Revenue	23,545	27,620	17%
Gross Profit	2,340	3,168	35%
Operating Profit	572	1,146	101%
Non-Operating	387	563	46%
Income before Tax	958	1,709	78%
Net income	455	939	106%
EPS (NT\$)	0.55	1.14	106%



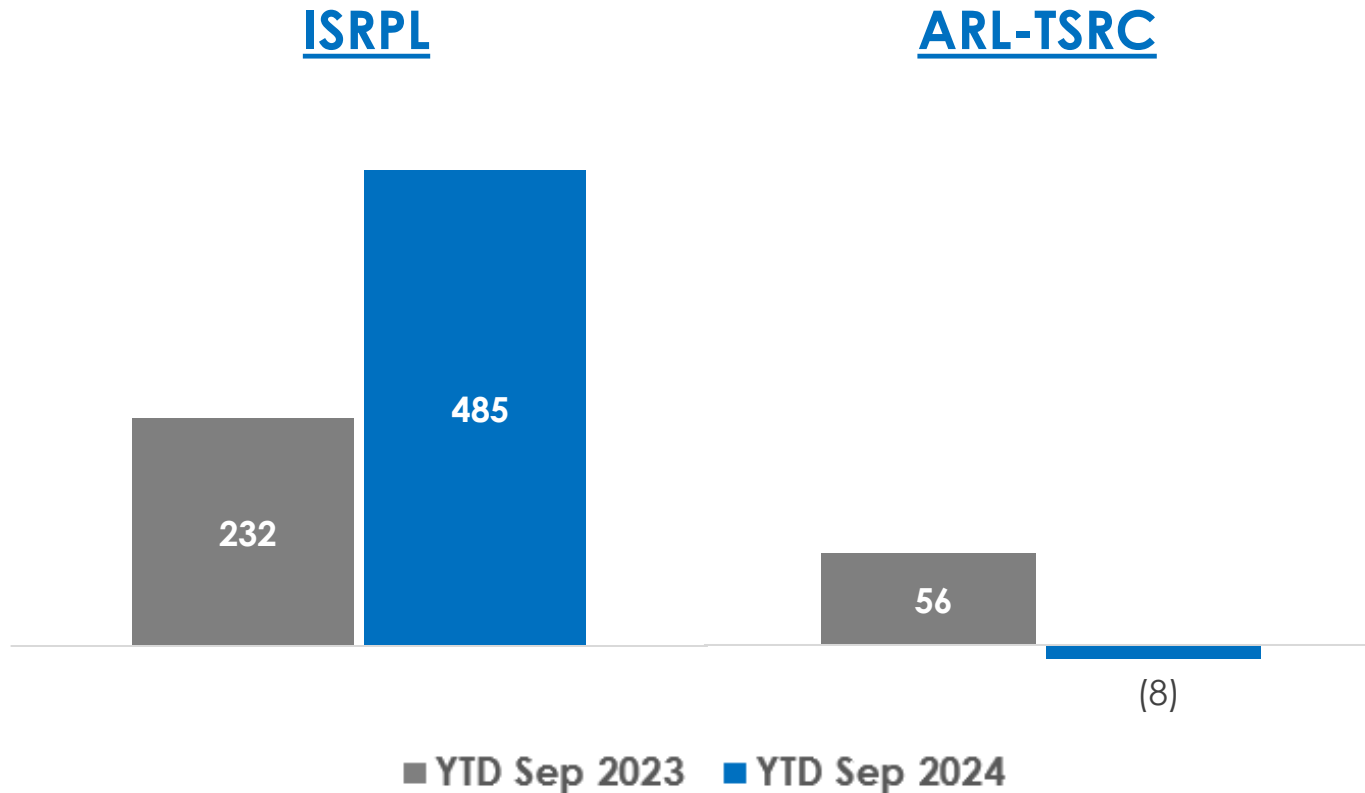
YTD Sep Revenue by Geography



Amount in NT\$M



YTD Sep Major Equity Investment

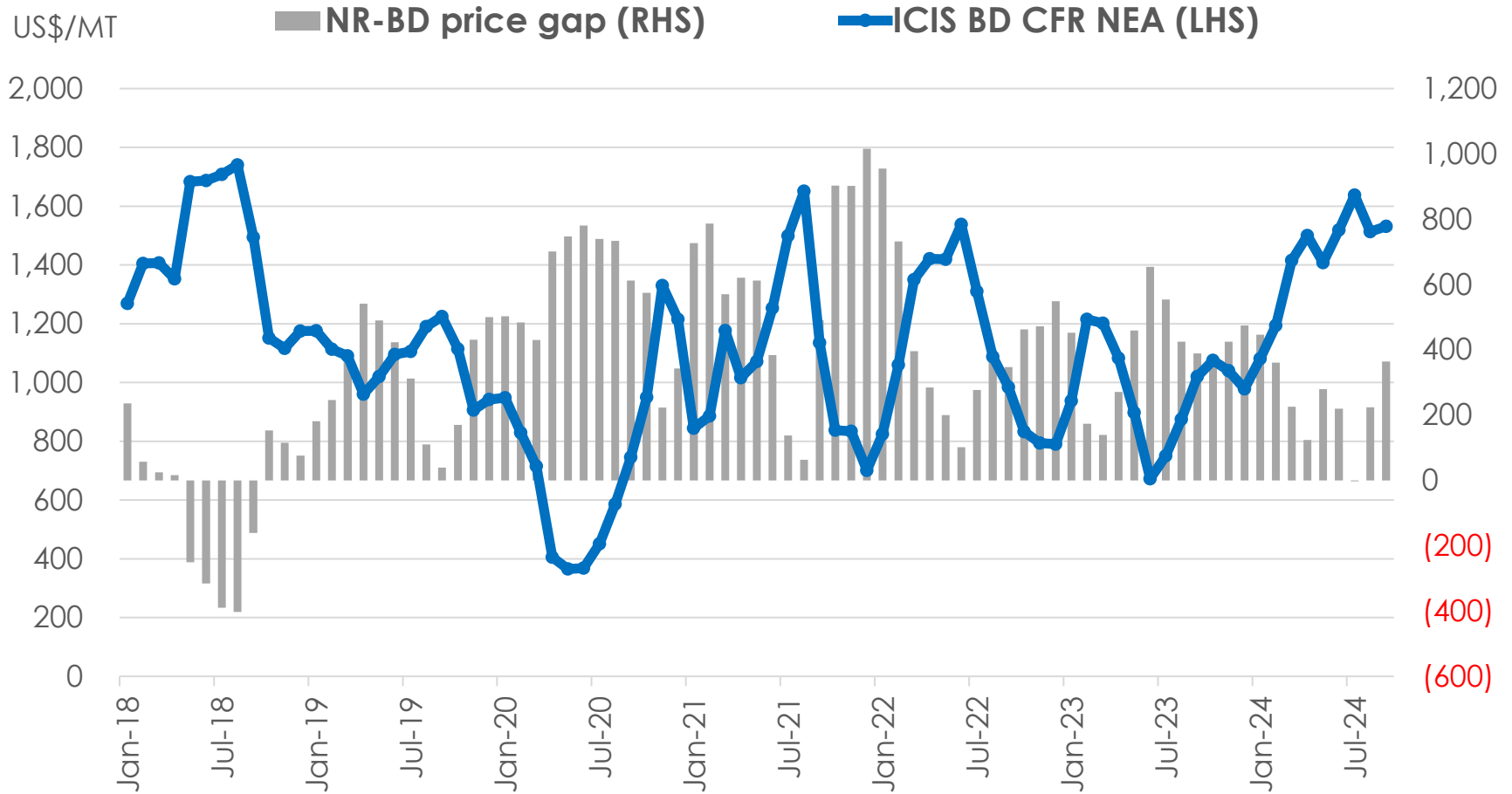


Amount in NT\$M

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



Industry dynamics remain favorable





[3]

**2024 Business Review
and 2025 Market
Outlook**

Joseph Chai, CEO

Delivered improved business result in 2024

◆ Strong performance from synthetic rubber business

- Capitalized on stable Asian auto market
- Optimized customer and product mix
- Increased sales volume and captured supply disruption opportunities

◆ Offset extremely challenging TPE business

- Industry oversupply and weak demand especially for SIS
- Substantial freight, raw materials, manufacturing cost increase
- Significant improvement over 2023

◆ Execution and resilience – key strengths of TSRC



Moderate and Uncertain Outlook for 2025

- ◆ **Do not expect much stronger market growth versus 2024**
- ◆ **Structural challenges**
 - Health of the Petrochemical industry continues to deteriorate
 - Muted growth in mainland China
 - Heighten geopolitical conflicts
- ◆ **Operating cost is expected to increase further**
- ◆ **Climate change impact continues to pose opportunities and challenges for low C transition**



Key Business Focus for TSRC in 2025

- ◆ **Optimize profitability amidst cost increases through pricing and productivity initiatives**
- ◆ **Commercialize operation of Shenhua and ARL-TSRC new plant with safe start-up and smooth customer transition**
- ◆ **Expand market penetration of new TPE product grades in medical and film applications**
- ◆ **Take decisive improvement actions on underperforming business segment and asset**





[4]

Key Investment and ESG Updates

Joseph Chai, CEO

Key investment project updates

◆ Shenhua relocation project:

- On-track mechanical completion in Oct. 2024
- Production trial in 1Q 2025
- Target to complete full transition to new plant by 1H 2025



Key investment project updates

- ◆ **New investment planned to build a 60 KTA SSBR new line in Nantong**
 - **New-gen functionalized SSBR (F-SSBR) solutions for Green Tires**
 - **F-SSBR offers strong ESG value proposition for EV and green tires**
 - **First F-SSBR plant in mainland China to meet demand growth based on close collaboration with global tire brands**



Achieved key ESG milestones in 2024

- ◆ On-track to meet the annual 2.5% carbon reduction goal since 2021
- ◆ GRS certificate for recycled PP/SEBS compound.
- ◆ Commercialized bio-base BR & ESBR
- ◆ External ESG accolades
 - EcoVadis “Silver Medal”
 - Taiwan Corporate Governance Rating at 6-20%
 - SGS “Sustainable Governance Award”
 - “R&D 100 Awards” by R&D World
 - “2024 TALENT in Taiwan”



The background features a repeating pattern of blue, multi-lined hexagonal shapes that create a 3D effect, appearing to recede into the distance. The lines are thin and closely spaced, giving the hexagons a wireframe or architectural appearance. The overall color palette is light blue and white.

[5]

Summary

Joseph Chai, CEO

Summary

- **Delivered year-on-year business results improvement amidst a tough economic climate**
- **Expect 2025 market growth to be moderate with uncertainties caused by geopolitical disruptions**
- **Forward investment to drive growth in low carbon solutions and higher value applications**



Q&A



THANK YOU



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