TSRC Corporation and Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2024 and 2023 and Independent Auditors' Report

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The entities required to be included in the combined financial statements in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" as of and for the year ended December 31, 2024 are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standard 10 "Consolidated Financial Statements." Relevant information that should be disclosed in the combined financial statements has all been disclosed in the consolidated financial statements. Consequently, we have not prepared a separate set of combined financial statements.

Very truly yours,

TSRC CORPORATION

By

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YIN CHI
Chairman

March 6, 2025

Deloitte.

勤業眾信

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
TSRC Corporation

Opinion

We have audited the accompanying consolidated financial statements of TSRC Corporation (the "Corporation") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheet as of December 31, 2024, and the consolidated statement of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year end December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters for the audit of the consolidated financial statements of TSRC Corporation and its subsidiaries for the year ended 2024 are outlined as follows:

The accuracy and completeness of revenue disclosures and eliminations from the transactions within related parties

The revenue (before eliminated amounts) from related parties of TSRC Corporation and its subsidiaries accounted for 9% of consolidated operating revenue in 2024. As revenue represents a fundamental business activity for corporate sustainability and directly impacts operational performance, coupled with the inherently higher risks associated with related party transactions, the accuracy and completeness of eliminations and disclosures for these transactions were designated as a key audit matter under IFRS and auditing standards for the year ended December 31, 2024. For detailed disclosures, refer to Notes 29 and 34 in the consolidated financial statements.

Key Audit Procedures Performed

1. Understanding and testing the design and operational effectiveness of internal controls related to the summarization and reconciliation of sales transactions with related parties.

2. Obtaining the summary reconciliation report of related-party sales transactions and performing reconciliation procedures to verify the accuracy and completeness of the summarized transaction amounts and counterparties.

3. Reviewing whether related-party sales revenue has been properly and completely offset.

4. Reviewing whether the amount and counterparties of related-party sales revenue have been properly and completely disclosed.

Other Matter

We have also audited the financial statements of TSRC Corporation as of and for the year ended December 31, 2024, on which we have issued an unmodified opinion.

The consolidated financial statements of the Group for the year ended December 31, 2023 were audited by the other auditors, who issued a unmodified opinion report dated March 7, 2024.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Tza-Li Gung and Li-Yuan Kuo.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 6, 2025

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

TSRC CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024		2023	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	$ 6,335,266	15	$ 5,448,591	14
Financial assets at fair value through profit or loss - current (Note 7)	17,644	-	-	-
Notes receivable, net (Note 8)	1,394,513	3	909,650	2
Accounts receivable, net (Note 8)	4,018,085	9	3,366,850	9
Other receivables (Notes 8 and 29)	266,700	1	233,833	1
Inventories (Note 9)	7,583,322	18	6,652,861	18
Other current assets	501,678	1	528,446	1
Total current assets	20,117,208	47	17,140,231	45
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 10 and 29)	1,948,502	4	2,411,941	6
Investments accounted for under equity method (Note 12)	2,968,544	7	2,576,042	7
Property, plant and equipment (Notes 13, 30 and 31)	13,568,513	31	10,506,134	28
Right-of-use assets (Notes 14, 30 and 32)	1,559,545	4	1,628,017	4
Investment property (Note 15)	1,507,972	3	1,522,697	4
Intangible assets (Note 16)	663,086	2	739,458	2
Deferred income tax assets (Note 23)	663,709	2	536,615	1
Other non-current assets (Notes 19 and30)	219,210	-	927,242	3
Total non-current assets	23,099,081	53	20,848,146	55
TOTAL	$ 43,216,289	100	$ 37,988,377	100
LIABILITIES AND STOCKHOLDERS' EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 17)	$ 4,727,801	11	$ 4,580,149	12
Short-term bills payable (Note 17)	99,950	-	-	-
Financial liabilities at fair value through profit or loss - current (Note 7)	217	-	18,531	-
Accounts payable	2,694,587	6	2,091,719	5
Accounts payable - related parties (Note 29)	73,628	-	59,179	-
Other payables (Note 29)	1,877,034	4	1,472,539	4
Current income tax liabilities (Note 23)	229,268	1	357,994	1
Lease liabilities - current (Note 14)	163,994	-	144,672	-
Current portion of long-term borrowings (Notes 17 and 30)	607,555	2	1,494,060	4
Other current liabilities	366,246	1	214,590	1
Total current liabilities	10,840,280	25	10,433,433	27
NON-CURRENT LIABILITIES				
Long-term bank borrowings (Notes 17 and 30)	6,308,861	15	3,182,586	8
Provisions - non-current (Notes 18 and 32)	255,971	1	241,016	1
Non-current income tax liabilities (Note 23)	28,831	-	98,026	-
Deferred income tax liabilities (Note 23)	2,204,806	5	1,617,177	4
Lease liabilities - non-current (Note 14)	442,737	1	535,336	2
Other non-current liabilities (Note 19)	1,347,551	3	1,079,009	3
Total non-current liabilities	10,588,757	25	6,753,150	18
Total liabilities	21,429,037	50	17,186,583	45
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY (Note 20)				
Common stock	8,257,099	19	8,257,099	22
Capital surplus	57,219	-	179,833	-
Retained earnings				
Legal reserve	4,713,729	11	4,647,059	12
Unappropriated earnings	4,807,066	11	4,135,538	11
Total retained earnings	9,520,795	22	8,782,597	23
Other equity	2,516,380	6	2,202,291	6
Total equity attributable to shareholders of the Company	20,351,493	47	19,421,820	51
NON-CONTROLLING INTERESTS (Note 11)	1,435,759	3	1,379,974	4
Total equity	21,787,252	50	20,801,794	55
TOTAL	$ 43,216,289	100	$ 37,988,377	100

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' report dated March 6, 2025)

TSRC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 21 and 29)	$ 37,208,665	100	$ 31,426,889	100
OPERATING COSTS (Notes 9, 22 and 29)	33,093,008	89	28,118,423	90
GROSS PROFIT	4,115,657	11	3,308,466	10
OPERATING EXPENSES (Notes 8 and 22)				
Selling expenses	1,364,313	4	1,130,137	4
General and administrative expenses	1,121,308	3	1,064,844	3
Research and development expenses	427,402	1	396,693	1
Expected credit loss (reversed) on trade receivables	3,864	-	(2,528)	-
Total operating expenses	2,916,887	8	2,589,146	8
OTHER INCOME AND EXPENSES, NET (Notes 22 and 29)	178,211	1	228,596	1
OPERATING PROFIT	1,376,981	4	947,916	3
NON-OPERATING INCOME AND EXPENSES (Notes 13 and 22)				
Interest income	250,018	1	232,025	1
Other income	174,325	-	122,359	-
Other gains and losses	(262,570)	(1)	48,424	-
Finance costs	(399,632)	(1)	(347,572)	(1)
Share of gain of associates and joint ventures accounted for under equity method	643,736	2	420,931	1
Total non-operating income	405,877	1	476,167	1
PROFIT BEFORE INCOME TAX	1,782,858	5	1,424,083	4
INCOME TAX EXPENSE (Note 23)	734,205	2	457,156	1
NET PROFIT FOR THE YEAR	1,048,653	3	966,927	3

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TSRC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	**%**	**Amount**	**%**
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	$ 29,831	-	$ (13,318)	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	(219,184)	(1)	988,993	3
Income tax related to items that will not be reclassified subsequently to profit or loss (Note 23)	(102,847)	-	(22,937)	-
	(292,200)	(1)	952,738	3
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	978,748	2	(167,058)	-
Share of the other comprehensive income of associates and joint ventures accounted for using equity method	(109,519)	-	9,438	-
	869,229	2	(157,620)	-
Other comprehensive income for the year, net of income tax	577,029	1	795,118	3
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 1,625,682	4	$ 1,762,045	6
NET INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	$ 862,265	2	$ 680,018	2
Non-controlling interests	186,388	1	286,909	1
	$ 1,048,653	3	$ 966,927	3
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	$ 1,390,828	4	$ 1,532,931	5
Non-controlling interests	234,854	-	229,114	1
	$ 1,625,682	4	$ 1,762,045	6
EARNINGS PER SHARE (Note 24)				
Basic	$ 1.04		$ 0.82	
Diluted	$ 1.04		$ 0.82	

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' report dated March 6, 2025) (Concluded)

TSRC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of Parent											
			Retained Earnings			Total Other Equity Interest						
	Common Stock	Capital Surplus	Legal Reserve	Unappropriated Retained Earnings	Total	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	Gain (Loss) on Hedging Instruments	Total	Total Equity Attributable to Owners of Parent	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2023	$ 8,257,099	$ 51,725	$ 4,463,584	$ 4,544,080	$ 9,007,664	$ 251,770	$ 1,004,081	$ (45,789)	$ 1,210,062	$ 18,526,550	$ 2,204,713	$ 20,731,263
Appropriation and distribution of retained earnings:												
Legal reserve	-	-	183,475	(183,475)	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	(891,767)	(891,767)	-	-	-	-	(891,767)	-	(891,767)
Cash dividends distributed to non-controlling interests by subsidiaries	-	-	-	-	-	-	-	-	-	-	(163,335)	(163,335)
Other changes in capital surplus	-	1,561	-	-	-	-	-	-	-	1,561	-	1,561
Net profit for the year ended December 31, 2023	-	-	-	680,018	680,018	-	-	-	-	680,018	286,909	966,927
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	(13,318)	(13,318)	(102,945)	966,056	3,120	866,231	852,913	(57,795)	795,118
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	666,700	666,700	(102,945)	966,056	3,120	866,231	1,532,931	229,114	1,762,045
Difference between the actual acquisition price and the book value of the subsidiary	-	126,547	-	-	-	125,998	-	-	125,998	252,545	(890,518)	(637,973)
BALANCE AT DECEMBER 31, 2023	8,257,099	179,833	4,647,059	4,135,538	8,782,597	274,823	1,970,137	(42,669)	2,202,291	19,421,820	1,379,974	20,801,794
Appropriation and distribution of retained earnings:												
Legal reserve	-	-	66,670	(66,670)	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	(338,541)	(338,541)	-	-	-	-	(338,541)	-	(338,541)
Cash dividends distributed to non-controlling interests by subsidiaries	-	-	-	-	-	-	-	-	-	-	(179,069)	(179,069)
Cash dividends from capital surplus	-	(123,856)	-	-	-	-	-	-	-	(123,856)	-	(123,856)
Other changes in capital surplus	-	1,242	-	-	-	-	-	-	-	1,242	-	1,242
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	183,865	183,865	-	(183,865)	-	(183,865)	-	-	-
Net profit for the year ended December 31, 2024	-	-	-	862,265	862,265	-	-	-	-	862,265	186,388	1,048,653
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	30,609	30,609	816,686	(322,809)	4,077	497,954	528,563	48,466	577,029
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	892,874	892,874	816,686	(322,809)	4,077	497,954	1,390,828	234,854	1,625,682
BALANCE AT DECEMBER 31, 2024	$ 8,257,099	$ 57,219	$ 4,713,729	$ 4,807,066	$ 9,520,795	$ 1,091,509	$ 1,463,463	$ (38,592)	$ 2,516,380	$ 20,351,493	$ 1,435,759	$ 21,787,252

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' report dated March 6, 2025)

TSRC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Consolidated net income before tax	$ 1,782,858	$ 1,424,083
Depreciation	1,078,923	1,181,146
Amortization	138,380	136,537
Expected credit loss recognized (reversed) on trade receivables	3,864	(2,528)
Interest expense	399,632	347,572
Interest income	(250,018)	(232,025)
Dividend income	(174,325)	(122,359)
Share of profit of associates and joint ventures accounted for using the equity method	(643,736)	(420,931)
Loss on disposal of property, plant and equipment	59,838	6,198
Impairment loss recognized on property, plant and equipment and intangible assets	244,278	-
Transfer to operating costs and inventories	77,952	78,344
Changes in operating assets and liabilities:		
Financial assets at fair value through profit or loss	(17,644)	14
Notes receivable	(484,863)	31,288
Accounts receivable	(655,204)	(319,682)
Other receivables	(31,726)	(72,210)
Inventories	(930,461)	839,171
Other current assets	26,768	(19,036)
Financial liabilities at fair value through profit or loss	(18,314)	(18,198)
Accounts payable	602,868	457,436
Accounts payable - related parties	14,449	25,943
Other payables	105,718	(84,148)
Other current liabilities	151,656	(58,317)
Net defined benefit liability	(2,623)	(305)
Other non-current liabilities	(1,101)	22,953
Cash flow generated from operating activities	1,477,169	3,200,946
Interest income received	248,877	216,885
Interest paid	(402,398)	(330,233)
Income taxes paid	(575,216)	(370,313)
Net cash flow generated from operating activities	748,432	2,717,285
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of financial assets at fair value through other comprehensive income	248,161	-
Proceeds from capital reduction of investments accounted for using equity method	236,396	-
Payments for property, plant and equipment	(3,051,966)	(1,633,630)
Proceeds from disposal of property, plant and equipment	1,971	1,903
Decrease (increase) in other non-current assets	23,116	(655,806)

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TSRC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024	2023
Dividends received	$ 285,169	$ 171,204
Compensation for relocation/Government grant	281,859	730,019
Net cash flow used in investing activities	(1,975,294)	(1,386,310)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	26,904,999	26,259,693
Decrease in short-term borrowings	(26,925,288)	(27,807,344)
Increase in short-term commercial paper payable	2,727,000	1,973,000
Decrease in short-term commercial paper payable	(2,627,000)	(2,223,000)
Proceeds from long-term borrowings	4,180,737	2,728,225
Repayments of long-term borrowings	(2,008,162)	(903,715)
Decrease in other long-term commercial paper payable	-	(350,000)
Repayments of lease liabilities	(170,598)	(168,464)
Cash dividends paid	(461,643)	(891,767)
Change in non-controlling interests	-	(637,659)
Cash dividends paid to non-controlling interests	(179,069)	(163,335)
Return of dividends not distributed within the stipulated period	-	2,561
Net cash flow generated from (used in) financing activities	1,440,976	(2,181,805)
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	672,561	(33,634)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	886,675	(884,464)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	5,448,591	6,333,055
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 6,335,266	$ 5,448,591

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors’ report dated March 6, 2025) (Concluded)

TSRC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

TSRC Corporation (formerly Taiwan Synthetic Rubber Corporation, hereinafter referred to as “the Corporation”) was incorporated in the Republic of China (ROC) on November 22, 1973, as a corporation limited by shares in accordance with the ROC Company Act. In May 1999, Taiwan Synthetic Rubber Corporation was renamed TSRC Corporation and was approved by the shareholders in their meeting. In June 2016, the Corporation changed its registered address to No. 2, Singgong Rd., Dashe Dist., Kaohsiung City. The consolidated financial statements comprise the Corporation and its subsidiaries (collectively, “the Group”). The Group mainly manufactures, imports and sells various types of synthetic rubber and does import-export trades of related raw materials.

2. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Corporation’s board of directors and were authorized for issue on March 6, 2025.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the FSC

   The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Group’s accounting policies.

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2025

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025 (Note)

Note: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments to IAS 21, the Group shall not restate the comparative information and shall recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or, if applicable, to the cumulative amount of translation differences in equity as well as affected assets or liabilities.

Amendments to IAS 21 "Lack of Exchangeability"

The amendments stipulate that a currency is exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. An entity shall estimate the spot exchange rate at a measurement date when a currency is not exchangeable into another currency to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. In this situation, the Group shall disclose information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, its financial performance, financial position and cash flows.

c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note)
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Note: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will supersede IAS 1 "Presentation of Financial Statements". The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.

- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as "other" only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing other impacts of the above amended standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, other regulations and IFRS Accounting Standards as endorsed and issued into effect by the FSC.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Classification of current and non-current assets and liabilities

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within 12 months after the reporting period; and

3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the consolidated financial statements are authorized for issue; and

3) Liabilities for which the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Assets and liabilities that are not classified as current are classified as non-current.

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Corporation and the entities controlled by the Corporation (i.e., its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Corporation.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Corporation and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Corporation.

See Note 11, Tables 7 and 8 for detailed information on subsidiaries (including percentages of ownership and main businesses).

e. Foreign currencies

In preparing the financial statements of each individual entity in the Group, transactions in currencies other than the entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value is determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which cases, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are not translated using the exchange rate at the date of the transaction.

For the purpose of presenting the consolidated financial statements, the functional currencies of the Corporation and the entities in the Group (including subsidiaries and associates in other countries that use currencies that are different from the currency of the Corporation) are translated into the presentation currency, the New Taiwan dollar as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income.

If the Group disposes of its entire ownership interest in a foreign operation, the cumulative exchange differences related to that foreign operation, attributable to the owners of the parent, shall be reclassified from equity to profit or loss.

f. Inventories

Inventories are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. Net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at weighted-average cost on the balance sheet date.

g. Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. A joint venture is a joint arrangement whereby the Group and other parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The Group uses the equity method to account for its investments in associates.

Under the equity method, investments in an associate and a joint venture are initially recognized at cost and adjusted thereafter to recognize the Group’s share of the profit or loss and other comprehensive income of the associate and joint venture. The Group also recognizes the changes in the Group’s share of the equity of associates and joint ventures attributable to the Group.

When an entity in the Group transacts with its associate and a joint venture, profits and losses resulting from the transactions with the associate are recognized in the Group’s consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

h. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment under construction are carried at cost, less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. These assets are depreciated and placed in the appropriate categories of property, plant and equipment when completed and ready for intended use.

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

i. Investment properties

Investment properties are properties held to earn rentals or for capital appreciation. Investment properties also include land held for a currently undetermined future use.

Freehold investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognized using the straight-line method.

Investment properties are depreciated using the straight-line method.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

j. Intangible assets

Intangible assets are measured at cost, less accumulated amortization and accumulated impairment losses. Intangible assets with finite useful lives are amortized on a straight-line basis. The Group reviews the estimated useful life, residual value, and amortization method at least at the end of each annual reporting period, with the effect of any changes in accounting estimates being applied prospectively. Intangible assets with indefinite useful lives are reported at cost less accumulated impairment losses.

k. Impairment of property, plant and equipment, right-of-use assets, investment properties and assets related to contract costs

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets, investment properties and intangible assets to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the individual cash-generating units on a reasonable and consistent basis of allocation.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the assets may be impaired.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

Before the Group recognizes an impairment loss from assets related to contract costs, any impairment loss on inventories, property, plant and equipment and intangible assets related to the contract shall be recognized in accordance with applicable standards. Then, impairment loss from the assets related to the contract costs is recognized to the extent that the carrying amount of the assets exceeds the remaining amount of consideration that the Group expects to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services and which have not been recognized as expenses. The assets related to the contract costs are then included in the carrying amount of the cash-generating unit to which they belong for the purpose of evaluating impairment of that cash-generating unit.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset, cash-generating unit or assets related to contract costs is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset, cash-generating unit or assets related to contract costs in prior years. A reversal of an impairment loss is recognized in profit or loss.

l. Financial instruments

Financial assets and financial liabilities are recognized when an entity in the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

1) Measurement categories

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost and investments in equity instruments at FVTOCI.

a) Financial assets at FVTPL

Financial assets are classified as at FVTPL when such financial assets are mandatorily classified or designated as at FVTPL. The net gain or loss recognized in profit or loss does not incorporate any interest earned on such a financial asset.

b) Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

i. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash, notes receivable, account receivables, other receivables and refundable deposits, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss.

Cash equivalents include time deposits, commercial papers and repurchase agreements collateralized by bonds with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

c) Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

2) Impairment of financial assets and contract assets

At the end of each reporting period, a loss allowance for expected credit loss is recognized for financial assets at amortized cost (including accounts receivable) and for investments in debt instruments that are measured at FVTOCI.

The Group always recognizes lifetime expected credit losses (ECLs) for trade receivables. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

3) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of an investment in an equity instrument at FVTOCI, the cumulative gain or loss that had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Corporation are recognized at the proceeds received, net of direct issue costs.

Financial liabilities

1) Subsequent measurement

   Except for financial liabilities at FVTPL, other financial liabilities are measured at amortized cost using the effective interest method.

   Financial liabilities at FVTPL

   a) Financial liabilities at FVTPL include those held for trading and those designated as at FVTPL.; and

   b) Financial liabilities held for trading are measured at fair value, and related gains or losses are recognized in other gains and losses.

2) Derecognition of financial liabilities

   The Group only derecognizes the financial liabilities when the obligation is lifted, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in profit or loss

Derivative financial instruments

Derivative financial instruments are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period.

m. Provisions

Provisions are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Decommissioning and restoration obligation

Provisions are recognized based on the present value of the best estimate of future outflows of economic benefits that will be required for fulfillment of the restoration obligation in accordance with government’s environmental regulations.

n. Revenue recognition

The Group identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

For contracts where the period between the date on which the Group transfers a promised good or service to a customer and the date on which the customer pays for that good or service is within one year, the Group does not adjust the promised amount of consideration for the effect of a significant financing component.

Revenue from the sale of goods is derived from the manufacture and sale of various synthetic rubbers. The Group recognizes revenue when control of the products is transferred to the customer. Control of the product is transferred when the product has been delivered to the customer, the significant risks and rewards of ownership have been transferred to the buyer, and the Group does not retain continuing managerial involvement to a degree usually associated with ownership or control over the goods sold. Delivery occurs when the products are shipped to a specified location, the risks of obsolescence and loss have been transferred to the customer, and the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

The Group recognizes accounts receivable upon delivery of goods, as the Group has an unconditional right to consideration at that point in time.

o. Leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

1) The Group as lessor

Rental income from operating leases is recognized as income on a straight-line basis over the lease term.

2) The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for by applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee’s incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

p. Borrowing costs

Borrowing costs directly attributable to an acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other than those stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

q. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expenses when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost, and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses and returns on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Group's defined benefit plans.

r. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, unused loss carryforwards and unused tax credits for purchases of machinery, equipment and technology, to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognized only to the extent that it is probable that there will be sufficient taxable profit against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred taxes

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group’s accounting policies, management is required to make judgments, estimations, and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

Write-down of Inventories

The net realizable value of inventories is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The estimation of net realizable value is based on current market conditions and historical experience in the sale of product of a similar nature. Changes in market conditions may have a material impact on the estimation of the net realizable value. Furthermore, due to the uncertainty of subsequent developments in market volatility, significant fluctuations in raw material prices have resulted, leading to greater uncertainty in estimating net realizable value.

6. CASH AND CASH EQUIVALENTS

	December 31 2024	December 31 2023
Cash on hand	$ 468	$ 412
Checking accounts and demand deposits	456,737	828,647
Cash equivalents		
Time deposits	5,878,061	4,619,532
	$ 6,335,266	$ 5,448,591

The marketing rate intervals of cash in banks at the end of the reporting period were as follows:

	December 31 2024	December 31 2023
Time deposits	0.04%-4.80%	1.25%-5.54%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31 2024	December 31 2023
Financial assets at FVTPL - current		
Financial assets mandatorily classified as at FVTPL		
Derivative financial assets (not under hedge accounting)		
Foreign exchange forward contracts		
Cross-currency swap contracts	$ 17,644	$ -
Financial liabilities at FVTPL - current		
Financial liabilities held for trading		
Derivative financial liabilities (not under hedge accounting)		
Foreign exchange forward contracts		
Cross-currency swap contracts	$ 217	$ 18,531

At the end of the reporting period, foreign exchange forward contracts and cross-currency swap contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
December 31, 2024			
Sell (forward contracts)	EUR/USD	2025.01.13-2025.02.27	EUR2,247/USD2,352
Sell (forward contracts)	JPY/USD	2025.01.24-2025.02.27	JPY27,500/USD179
Swap contracts	EUR/USD	2025.01.17-2025.03.27	EUR17,690/USD18,970
December 31, 2023			
Sell (forward contracts)	EUR/USD	2024.01.12-2024.02.20	EUR5,828/USD6,297
Swap contracts	EUR/USD	2024.01.12-2024.03.28	EUR18,215/USD19,752
Swap contracts	JPY/USD	2024.01.12	JPY20,000/USD138

The Group entered into foreign exchange forward contracts and cross-currency swap contracts to manage exposures to exchange rate fluctuations of foreign currency-denominated assets and liabilities.

8. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	December 31	
	2024	2023
Notes receivable		
At amortized cost		
Gross carrying amount	$ 1,394,513	$ 909,650
Trade receivables		
At amortized cost		
Gross carrying amount	$ 4,024,544	$ 3,369,340
Less: Allowance for impairment loss	(6,459)	(2,490)
	$ 4,018,085	$ 3,366,850
Other receivables		
Other receivables from related parties	$ 30,444	$ 46,384
Others	236,256	187,449
	$ 266,700	$ 233,833

The average credit period of sales of goods is 50 days. In order to minimize credit risk, the Group authorized a department to be responsible for determining credit limits, credit approvals, credit management and to manage other unusual risk to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts.

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected credit loss provision for all receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics, days past due, and forward-looking information.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of notes receivables and trade receivables based on the Group’s provision matrix.

December 31, 2024

	Not Past Due	Past Due Less than 30 Days	Past Due 31 to 90 Days	Past Due 90+ Days	Total
Expected credit loss rate	0.00%	0.11%	5.06%	100.00%	
Gross carrying amount	$ 5,209,577	$ 201,512	$ 1,859	$ 6,109	$ 5,419,057
Loss allowance (Lifetime ECLs)	(34)	(222)	(94)	(6,109)	(6,459)
Amortized cost	$ 5,209,543	$ 201,290	$ 1,765	$ -	$ 5,412,598

December 31, 2023

	Not Past Due	Past Due Less than 30 Days	Past Due 31 to 90 Days	Past Due 90+ Days	Total
Expected credit loss rate	0.01%	0.65%	36.86%	100%	
Gross carrying amount	$ 4,160,953	$ 115,204	$ 2,572	$ 261	$ 4,278,990
Loss allowance (Lifetime ECLs)	(535)	(746)	(948)	(261)	(2,490)
Amortized cost	$ 4,160,418	$ 114,458	$ 1,624	$ -	$ 4,276,500

The movements of the loss allowance of trade receivables were as follows:

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ 2,490	$ 4,985
Impairment losses (reversed) recognized for the year	3,864	(2,528)
Foreign exchange gains and losses	105	33
Balance at December 31	$ 6,459	$ 2,490

9. INVENTORIES

	December 31	
	2024	2023
Finished goods	$ 4,520,849	$ 4,154,853
Work in progress	411,338	360,455
Raw materials	2,651,135	2,137,553
	$ 7,583,322	$ 6,652,861

The nature of the cost of goods sold is as follows:

	December 31	
	2024	2023
Cost of inventories sold	$ 32,592,697	$ 27,420,909
Inventory write-downs (reversed)	(38,678)	(26,870)
Income from sale of scrap	(28,320)	(30,003)
Unallocated production overhead	562,137	753,638
Others	5,172	749
	$ 33,093,008	$ 28,118,423

The reversal of inventory write-downs for the years ended December 31, 2024 and 2023, respectively, which resulted from the sale or consumption of the inventories in the current year.

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in Equity Instruments at FVTOCI

	December 31	
	2024	2023
Non-current		
Investments in equity instruments		
Domestic listed and emerging market shares	$ 1,083,601	$ 1,263,392
Domestic and foreign unlisted shares	864,901	1,148,549
	$ 1,948,502	$ 2,411,941

These investments in equity instruments are held for medium- to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

The Group adjusted its investment portfolio to diversify risk and sold ordinary shares of Hsin Jung Enterprise Co., Ltd. at a fair value of NT$248,161 thousand. The related unrealized valuation gain of NT$183,865 thousand, previously recognized in other equity under financial assets at fair value through other comprehensive income (FVTOCI), was reclassified to retained earnings for the year ended December 31, 2024.

11. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements

			Proportion of Ownership		
			December 31		
Investor	Investee	Nature of Activities	2024	2023	Remark
The Corporation	Trimurti Holding Corporation	Investment	100.00	100.00	-
The Corporation	Hardison International Corporation	Investment	100.00	100.00	-
The Corporation and Hardison International Corporation	Dymas Corporation	Investment	100.00	100.00	1)
The Corporation	TSRC (Vietnam) Co., Ltd.	Production and processing of rubber color masterbatch, thermoplastic elastomer and plastic compound products	100.00	100.00	-
Trimurti Holding Corporation	Polybus Corporation Pte Ltd	International commerce and investment corporation	100.00	100.00	-
Trimurti Holding Corporation	TSRC (Hong Kong) Limited	Investment	100.00	100.00	-
TSRC (Hong Kong) Limited	TSRC (Shanghai) Industries Ltd.	Production and sale of engineering-plastics, plastic alloy and thermoplastic elastomer engineering-plastic	100.00	100.00	-
TSRC (Hong Kong) Limited	TSRC (Lux.) Corporation S.A R.L.	International commerce and investment corporation	100.00	100.00	-
TSRC (Lux.) Corporation S.A R.L.	TSRC (USA) Investment	Investment	100.00	100.00	-
TSRC (USA) Investment Corporation	TSRC Specialty Materials LLC	Production and sale of TPE	100.00	100.00	-
Polybus Corporation Pte Ltd	Shen Hua Chemical Industries Co., Ltd.	Production and sale of ESBR	88.00	88.00	2)
Polybus Corporation Pte Ltd	TSRC-UBE (Nantong) Industries Ltd.	Investment	55.00	55.00	-
Polybus Corporation Pte Ltd	TSRC (Nantong) Industries Ltd.	Production and sale of thermoplastic elastomer	100.00	100.00	-
Hardison International Corporation	Triton International Holdings Corporation	Investment	100.00	100.00	-

Remarks:

1) TSRC directly owns 19.48% of Dymas Corporation's equity and indirectly owns 80.52% via Hardison International Corporation, for a total of 100% directly and indirectly owned equity.

2) In November 2023, Polybus Corporation Pte Ltd acquired 22.56% shares of Shen Hua Chemical Industries Co., Ltd. from Marubeni Petrochemicals Investment B.V. and increased its ownership percentage from 65.44% to 88.00%.

b. Details of subsidiaries that have material non-controlling interests

Name of Subsidiary	Principal Place of Business	Proportion of Ownership and Voting Rights Held by Non-controlling Interests December 31 2024	2023
Shen Hua Chemical Industries Co., Ltd.	China	12.00%	12.00%
TSRC-UBE (Nantong) Industries Ltd.	China	45.00%	45.00%

Summarized financial information in respect of each of the Group's subsidiaries that have material non-controlling interests is set out below. The summarized financial information below represents amounts before intragroup eliminations.

Shen Hua Chemical Industries Co., Ltd.

	December 31 2024	2023
Current assets	$ 4,325,284	$ 3,177,332
Non-current assets	6,075,080	3,337,134
Current liabilities	(1,550,042)	(890,778)
Non-current liabilities	(4,189,154)	(1,571,440)
Equity	$ 4,661,168	$ 4,052,248
Equity attributable to		
Owners of Shen Hua Chemical Industries Co., Ltd.	$ 4,092,675	$ 3,565,978
Non-controlling interests of Shen Hua Chemical Industries Co., Ltd.	568,493	486,270
	$ 4,661,168	$ 4,052,248

	2024	2023
Revenue	$ 10,136,041	$ 8,057,008
Net profit from continuing operations	$ 469,018	$ 404,106
Other comprehensive income (loss)	142,000	(165,630)
Total comprehensive income (loss) for the year	$ 611,018	$ 238,476
Profit attributable to		
Owners of Shen Hua Chemical Industries Co., Ltd.	$ 403,774	$ 275,587
Non-controlling interests of Shen Hua Chemical Industries Co., Ltd.	65,244	128,519
	$ 469,018	$ 404,106

(Continued)

	2024	2023
Total comprehensive income (loss) attributable to:		
Owners of Shen Hua Chemical Industries Co., Ltd.	$ 528,795	$ 147,012
Non-controlling interests of Shen Hua Chemical Industries Co., Ltd.	82,223	91,464
	$ 611,018	$ 238,476
Cash (outflow) inflow from		
Operating activities	$ 313,030	$ 308,494
Investing activities	(2,281,703)	(908,010)
Financing activities	2,238,614	376,147
Effects of exchange rate changes on cash and cash equivalents	23,876	(7,036)
Net cash inflow (outflow)	$ 293,817	$ (230,405)

(Concluded)

TSRC-UBE (Nantong) Industries Ltd.

	December 31	
	2024	2023
Current assets	$ 1,792,891	$ 1,660,419
Non-current assets	739,592	711,584
Current liabilities	(544,038)	(345,028)
Non-current liabilities	(61,188)	(40,966)
Equity	$ 1,927,257	$ 1,986,009
Equity attributable to		
Owners of TSRC-UBE (Nantong) Industries Ltd.	$ 1,059,991	$ 1,092,305
Non-controlling interests of TSRC-UBE (Nantong) Industries Ltd.	867,266	893,704
	$ 1,927,257	$ 1,986,009

	2024	2023
Revenue	$ 4,229,182	$ 3,364,956
Net profit from continuing operations	$ 269,208	$ 351,977
Other comprehensive income (loss)	69,971	(46,089)
Total comprehensive income for the year	$ 339,179	$ 305,888
Profit attributable to		
Owners of Shen Hua Chemical Industries Co., Ltd.	$ 148,064	$ 193,587
Non-controlling interests of Shen Hua Chemical Industries Co., Ltd.	121,144	158,390
	$ 269,208	$ 351,977

(Continued)

	2024	2023
Total comprehensive income attributable to:		
Owners of Shen Hua Chemical Industries Co., Ltd.	$ 186,548	$ 168,238
Non-controlling interests of Shen Hua Chemical Industries Co., Ltd.	152,631	137,650
	$ 339,179	$ 305,888
Cash inflow (outflow) from		
Operating activities	$ 165,898	$ 425,139
Investing activities	(87,253)	(74,625)
Financing activities	(328,504)	(345,680)
Effects of exchange rate changes on cash and cash equivalents	24,600	(8,671)
Net cash (outflow) inflow	$ (225,259)	$ (3,837)
Dividends paid to non-controlling interest of:		
TSRC-UBE (Nantong) Industries Ltd.	$ 179,069	$ 163,335

(Concluded)

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2024	2023
Investments in associates	$ 744,672	$ 1,001,330
Investments in joint ventures	2,223,872	1,574,712
	$ 2,968,544	$ 2,576,042

Investments in Associates

	December 31	
	2024	2023
Material associate		
ARLANXEO-TSRC (Nantong) Chemicals Industries Co., Ltd.	$ 744,672	$ 720,175
Associates that are not individually material	-	281,155
	$ 744,672	$ 1,001,330

a. Material associate

			Proportion of Ownership and Voting Rights	
			December 31	
Name of Associate	Nature of Activities	Principal Place of Business	2024	2023
ARLANXEO-TSRC (Nantong) Chemicals Industries Co., Ltd.	Strategic alliance of production and sale NBR	China	50.00%	50.00%

The investment in the associate is accounted for using the equity method.

Summarized financial information of the Group's material associate set out below represents amounts shown in the associate's financial statements prepared in accordance with IFRS Accounting Standards adjusted by the Group for equity accounting purposes.

ARLANXEO-TSRC (Nantong) Chemicals Industries Co., Ltd.

	December 31	
	2024	**2023**
Current assets	$ 1,265,234	$ 1,381,586
Non-current assets	3,093,065	1,114,726
Current liabilities	(911,541)	(546,923)
Non-current liabilities	(1,957,414)	(509,039)
Equity	$ 1,489,344	$ 1,440,350
Proportion of the Group's ownership	50.00%	50.00%
Equity attributable to the Group	$ 744,672	$ 720,175
Carrying amount	$ 744,672	$ 720,175

	2024	**2023**
Revenue	$ 1,931,634	$ 1,773,612
Net (loss) profit for the year	$ 137	$ 132,559
Other comprehensive income	-	-
Total comprehensive (loss) income for the year	$ 137	$ 132,559

b. Aggregate information of associates that are not individually material

	2024	**2023**
The Group's share of:		
Net profit for the period	$ 3,015	$ 13,419
Other comprehensive income	-	-
Total comprehensive income for the period	$ 3,015	$ 13,419

Asia Pacific Energy Development Co., Ltd. conducted the capital reduction and refunded shareholders' capital totaling $236,396 thousand in March 2024.

Investments in Joint Ventures

	December 31	
	2024	**2023**
Investments in joint ventures		
Material joint venture		
Indian Synthetic Rubber Private Limited	$ 2,183,541	$ 1,516,994
Joint ventures that are not individually material	40,331	57,718
	$ 2,223,872	$ 1,574,712

a. Material joint venture

Name of Associate	Nature of Activities	Principal Place of Business	Proportion of Ownership and Voting Rights December 31 2024	2023
Indian Synthetic Rubber Private Limited	Strategic alliance of production and sales of synthetic rubber products	India	50.00%	50.00%

The investment in joint ventures is accounted for using the equity method.

The summarized financial information of the Group's material associate set out below represents amounts shown in the joint venture's financial statements prepared in accordance with IFRS Accounting Standards adjusted by the Group for equity accounting purposes.

Indian Synthetic Rubber Private Limited.

	December 31 2024	2023
Current assets	$ 2,336,777	$ 2,985,166
Non-current assets	4,572,696	2,441,529
Current liabilities	(1,685,010)	(1,212,342)
Non-current liabilities	(722,125)	(1,051,409)
Equity	$ 4,502,338	$ 3,162,944
Proportion of the Group's ownership	50.00%	50.00%
Equity attributable to the Group	$ 2,251,169	$ 1,581,472
Carrying amount	$ 2,183,541	$ 1,516,994

	2024	2023
Revenue	$ 7,404,388	$ 5,719,953
Net profit from continuing operations	$ 1,319,794	$ 680,196
Other comprehensive income	11,552	5,942
Total comprehensive income for the year	$ 1,331,346	$ 686,138

b. Aggregate information of joint ventures that are not individually material

	2024	2023
The Group's share of:		
Net profit (loss) from continuing operations	$ (19,245)	$ 1,135
Other comprehensive income	-	-
Total comprehensive income for the period	$ (19,245)	$ 1,135

13. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land and Land Improvements	Buildings	Machinery Equipment	Office and Other Equipment	Construction in Progress and Equipment under Installation	Total
Cost						
Balance at January 1, 2024	$ 798,815	$ 4,991,085	$ 24,056,746	$ 274,501	$ 1,890,977	$ 32,012,124
Additions	-	-	15,603	170	3,338,174	3,353,947
Disposals	-	(3,823)	(385,972)	(5,575)	-	(395,370)
Reclassification	1,818	4,127	946,803	11,370	(295,029)	669,089
Effects of foreign currency exchange differences	5,962	139,598	646,557	7,789	60,808	860,714
Balance at December 31, 2024	$ 806,595	$ 5,130,987	$ 25,279,737	$ 288,255	$ 4,994,930	$ 36,500,504
Accumulated depreciation and impairment						
Balance at January 1, 2024	$ 119,593	$ 2,949,257	$ 18,216,315	$ 220,825	$ -	$ 21,505,990
Disposals	-	(2,371)	(326,070)	(5,120)	-	(333,561)
Recognize the impairment loss	-	-	237,621	6,576	-	244,197
Depreciation expenses	8,037	136,402	793,533	18,303	-	956,275
Effects of foreign currency exchange differences	2,672	70,194	480,152	6,072	-	559,090
Balance at December 31, 2024	$ 130,302	$ 3,153,482	$ 19,401,551	$ 246,656	$ -	$ 22,931,991
Carrying amounts at December 31, 2024	$ 676,293	$ 1,977,505	$ 5,878,186	$ 41,599	$ 4,994,930	$ 13,568,513
Cost						
Balance at January 1, 2023	$ 798,900	$ 5,010,910	$ 23,790,687	$ 273,702	$ 790,401	$ 30,664,600
Additions	-	-	27,816	358	1,722,467	1,750,641
Disposals	-	(997)	(89,487)	(9,142)	-	(99,626)
Reclassification	-	41,215	494,916	11,102	(603,007)	(55,774)
Effects of foreign currency exchange differences	(85)	(60,043)	(167,186)	(1,519)	(18,884)	(247,717)
Balance at December 31 2023	$ 798,815	$ 4,991,085	$ 24,056,746	$ 274,501	$ 1,890,977	$ 32,012,124
Accumulated depreciation and impairment						
Balance at January 1, 2023	$ 110,887	$ 2,811,062	$ 17,541,670	$ 214,009	$ -	$ 20,677,628
Disposals	-	(237)	(82,534)	(8,754)	-	(91,525)
Depreciation expenses	8,824	170,730	860,909	16,635	-	1,057,098
Effects of foreign currency exchange differences	(118)	(32,298)	(103,730)	(1,065)	-	(137,211)
Balance at December 31, 2023	$ 119,593	$ 2,949,257	$ 18,216,315	$ 220,825	$ -	$ 21,505,990
Carrying amounts at December 31, 2023	$ 679,222	$ 2,041,828	$ 5,840,431	$ 53,676	$ 1,890,977	$ 10,506,134

In order to improve overall production efficiency and allocation of the non-synthetic rubber business unit, the Group, after careful evaluation, resolved that TSRC (Vietnam) Co., Ltd. would cease production at the end of 2024. The Group anticipated a reduction in the future economic benefits of the machinery and equipment used to produce this product, resulting in a recoverable amount less than the carrying amount, and therefore recognized an impairment loss of NT$244,197 thousand in 2024. This impairment loss is included under other gains and losses in the consolidated statement of comprehensive income.

No impairment losses were recognized or reversed in 2023.

The above items of property, plant and equipment are depreciated over their estimated useful lives of the assets as follows:

Land improvements	7-30 years
Buildings	3-60 years
Machinery equipment	3-50 years
Office and other equipment	3-8 years

Property, plant and equipment used by the Group and pledged as collateral for bank borrowings are set out in Note 30.

14. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2024	2023
Carrying amounts		
Land	$ 988,264	$ 978,169
Buildings	156,758	169,369
Machinery	379,378	461,603
Transportation equipment	35,145	18,876
	$ 1,559,545	$ 1,628,017

	2024	2023
Additions to right-of-use assets	$ 61,662	$ 879,396
Depreciation charge for right-of-use assets		
Land	$ 27,060	$ 26,590
Buildings	50,003	52,811
Machinery	20,176	19,585
Transportation equipment	10,684	10,336
	$ 107,923	$ 109,322
Transfer to operating costs and inventories	$ 77,952	$ 78,344

Except for the aforementioned addition, recognized depreciation and transferred to operating costs and inventories, the Group did not have significant subleases or impairments of right-of-use assets during the years ended December 31, 2024 and 2023.

The amount of right-of-use assets pledged as collateral for borrowings in Note 30.

b. Lease liabilities

	December 31	
	2024	2023
Carrying amounts		
Current	$ 163,994	$ 144,672
Non-current	$ 442,737	$ 535,336

Range of discount rates for lease liabilities was as follows:

	December 31	
	2024	2023
Buildings	1.21%-6.45%	1.21%-6.45%
Machinery	1.86%-3.10%	1.31%-3.10%
Transportation equipment	1.21%-6.94%	1.21%-6.55%

c. Other lease information

Lease arrangements under operating leases for the leasing out of investment properties are set out in Note 15.

	2024	2023
Expenses relating to short-term leases	$ 937	$ 1,210
Expenses relating to low-value assets leases	$ 29,772	$ 20,971
Total cash outflow for leases	$ 214,509	$ 202,330

The Group's leases of certain buildings, office equipment and transportation equipment qualify as short-term leases. The Group has elected to apply the recognition exemption, and thus, did not recognize right-of-use assets and lease liabilities for these leases.

15. INVESTMENT PROPERTIES

	Completed Investment Property
Cost	
Balance at January 1, 2024 and December 31, 2024	$ 1,815,468
Accumulated depreciation and impairment	
Balance at January 1, 2024	$ 292,771
Depreciation expense	14,725
Balance at December 31, 2024	$ 307,496
Carrying amount at December 31, 2024	$ 1,507,972
Cost	
Balance at January 1, 2023 and December 31, 2023	$ 1,815,468
Accumulated depreciation and impairment	
Balance at January 1, 2023	$ 278,045
Depreciation expense	14,726
Balance at December 31, 2023	$ 292,771
Carrying amount at December 31, 2023	$ 1,522,697

The abovementioned investment properties were leased out for 3 to 10 years. The lessees do not have bargain purchase options to acquire the investment properties at the expiration of the lease periods.

The maturity analysis of lease payments receivable under operating leases of investment properties was as follows:

	December 31	
	2024	2023
Not later than 1 year	$ 70,809	$ 55,310
Later than 1 year and not later than 5 years	250,793	84,592
Later than 5 years	7,956	30,687
	$ 329,558	$ 170,589

Investment properties were depreciated by applying the straight-line method:

Buildings	50 years

The fair value of the Group's investment properties as of December 31, 2024, and December 31, 2023, was $3,383,413 thousand. The fair value of the investment properties was based on the valuation carried out by independent valuers, and the input values used in the fair value measurement are classified as Level 3. The valuation was carried out based on market value.

All of the Group's investment properties were held under freehold interests. The investment properties are not pledged as collateral for bank borrowings.

16. INTANGIBLE ASSETS

	Industrial Technology and Know-How	Computer Software	Patent and Trademark	Customer Relationship	Total
Cost					
Balance at January 1, 2024	$ 1,045,911	$ 310,790	$ 604,920	$ 1,103,387	$ 3,065,008
Reclassification	-	19,839	-	-	19,839
Effects of foreign currency exchange differences	58,139	2,772	35,566	73,451	169,928
Balance at December 31, 2024	$ 1,104,050	$ 333,401	$ 640,486	$ 1,176,838	$ 3,254,775
Accumulated depreciation and impairment					
Balance at January 1, 2024	$ 818,774	$ 291,586	$ 427,922	$ 787,268	$ 2,325,550
Amortization expenses	66,891	16,358	18,090	37,041	138,380
Recognize the impairment loss	-	81	-	-	81
Effects of foreign currency exchange differences	47,352	2,671	24,460	53,195	127,678
Balance at December 31, 2024	$ 933,017	$ 310,696	$ 470,472	$ 877,504	$ 2,591,689
Carrying amounts at December 31, 2024	$ 171,033	$ 22,705	$ 170,014	$ 299,334	$ 663,086

(Continued)

	Industrial Technology and Know-How	Computer Software	Patent and Trademark	Customer Relationship	Total
Cost					
Balance at January 1, 2023	$ 1,049,728	$ 306,213	$ 604,390	$ 1,102,417	$ 3,062,748
Reclassification	-	6,016	-	-	6,016
Effects of foreign currency exchange differences	(3,817)	(1,439)	530	970	(3,756)
Balance at December 31, 2023	$ 1,045,911	$ 310,790	$ 604,920	$ 1,103,387	$ 3,065,008
Accumulated depreciation and impairment					
Balance at January 1, 2023	$ 758,335	$ 275,348	$ 410,112	$ 751,140	$ 2,194,935
Amortization expenses	65,273	17,620	17,689	35,955	136,537
Effects of foreign currency exchange differences	(4,834)	(1,382)	121	173	(5,922)
Balance at December 31, 2023	$ 818,774	$ 291,586	$ 427,922	$ 787,268	$ 2,325,550
Carrying amounts at December 31, 2023	$ 227,137	$ 19,204	$ 176,998	$ 316,119	$ 739,458

(Concluded)

Except for amortization recognized, the Group did not have significant addition, disposal, or impairment of other intangible assets during the years ended December 31, 2024 and 2023. Other intangible assets are amortized on a straight-line basis over their estimated useful lives, as follows:

Industrial technology and know-how	10-20 years
Computer software	3 years
Patent	20 years
Trademark	Undetermined
Customer relationship	18 years

An analysis of depreciation by function:

	For the Year Ended December 31	
	2024	2023
Operating costs	$ 9,841	$ 11,267
Selling and marketing expenses	271	15
General and administrative expenses	124,678	121,384
Research and development expenses	3,590	3,871
	$ 138,380	$ 136,537

The Group has no intangible assets pledged as collateral.

17. BORROWINGS

a. Short-term borrowings

	December 31	
	2024	2023
Unsecured borrowings		
Line of credit borrowings	$ 4,727,801	$ 4,580,149

The range of weighted average effective interest rates on bank loans was 1.00%-5.98% and 0.85%-6.61% per annum as of December 31, 2024 and 2023, respectively.

b Short-term bills payable

	December 31	
	2024	2023
Commercial paper	$ 100,000	$ -
Less: Unamortized discounts on bills payable	(50)	-
	$ 99,950	$ -
Range of interest Rate	2.02%	-

c. Long-term borrowings

	December 31	
	2024	2023
Secured borrowings (Note 30)		
Bank loans (RMB) (1)	$ 2,617,208	$ 346,287
Unsecured borrowings		
Bank loans (NTD) (2)	3,600,153	3,841,827
Bank loans (USD) (3)	699,055	488,532
	6,916,416	4,676,646
Less: Current portion	(607,555)	(1,494,060)
Long-term borrowings	$ 6,308,861	$ 3,182,586

1) December 31, 2024: The loan will be repayable in 2032 with interest at 2.41%-2.85%.

   December 31, 2023: The loan will be repayable in 2032 with interest at 2.85%.

2) December 31, 2024: The loan will be repayable in 2025-2029 with interest at 1.33%-2.40%.

   December 31, 2023: The loan will be repayable in 2024-2028 with interest at 1.05%-2.16%.

3) December 31, 2024: The loan will be repayable in 2024-2028 with interest at 5.88%-6.20%.

   December 31, 2023: The loan will be repayable in 2025-2028 with interest at 6.86%-7.11%.

18. PROVISIONS

	December 31	
	2024	2023
Non-current		
Demolition and relocation costs	$ 255,971	$ 241,016

	Demolition and Relocation Costs
Balance at January 1, 2024	$ 241,016
Provisions for liabilities recognized in the current period	6,781
Effects of foreign currency exchange differences	8,174
Balance at December 31, 2024	$ 255,971

Please refer to Notes 32 for further descriptions of guarantees, demolition and relocation costs.

19. RETIREMENT BENEFIT PLANS

a. Defined benefit plans

According to the Labor Pension Act, the Corporation's pension plan is a government-managed defined contribution plan, under which 6% of each employee's monthly salary is contributed to the individual account with the Bureau of Labor Insurance. Consolidated subsidiaries also contribute to pension management institutions in accordance with local laws and regulations. Under these regulations, the amounts recognized as expenses for the years ended December 31, 2024 and 2023 were $137,913 thousand and $132,240 thousand, respectively.

b. Defined benefit plans

The Corporation's pension plan under the Labor Standards Act of Taiwan is a government-managed defined benefit plan. Employee retirement benefits are paid based on years of service and the average salary of the six months prior to the approved retirement date. The Corporation contributes 2% of the total monthly salaries of employees to a dedicated account at Bank of Taiwan under the name of the Labor Retirement Reserve Fund Supervision Committee. Before the end of each year, if the estimated balance of the dedicated account is insufficient to pay the retirement benefits of employees expected to meet the retirement conditions in the following year, the Corporation will make a one-time appropriation of the difference before the end of March of the following year. The dedicated account is managed by the Bureau of Labor Funds, Ministry of Labor, and the Corporation has no right to influence the investment management strategy.

The amounts in the consolidated balance sheets in respect of the Group's defined benefit plans were as follows:

	December 31	
	2024	2023
Present value of defined benefit obligation	$ 463,179	$ 507,991
Fair value of plan assets	(467,191)	(478,771)
Net defined benefit liabilities (assets) (recognize other non-current assets and liabilities)	$ (4,012)	$ 29,220

The changes in the net defined benefit liability (asset) are as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities (Assets)
Balance at January 1, 2023	$ 555,084	$ (538,877)	$ 16,207
Service cost			
Current service cost and interest	3,650	-	3,650
Net interest expense (income)	8,091	(7,880)	211
Recognized in profit or loss	11,741	(7,880)	3,861
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(3,371)	(3,371)
Actuarial (gain) loss			
Changes in financial assumptions	3,965	-	3,965
Experience adjustments	12,724	-	12,724
Recognized in other comprehensive income	16,689	(3,371)	13,318
Contributions from plan participants	-	(4,166)	(4,166)
Benefits paid	(75,523)	75,523	-
Balance at December 31, 2023	507,991	(478,771)	29,220
Service cost			
Current service cost and interest	2,399	-	2,399
Net interest expense (income)	6,740	(6,366)	374
Recognized in profit or loss	9,139	(6,366)	2,773
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(45,033)	(45,033)
Actuarial (gain) loss			
Changes in financial assumptions	(6,977)	-	(6,977)
Experience adjustments	22,179	-	22,179
Recognized in other comprehensive income	15,202	(45,033)	(29,831)
Contributions from plan participants	-	(6,174)	(6,174)
Benefits paid	(69,153)	69,153	-
Balance at December 31, 2024	$ 463,179	$ (467,191)	$ (4,012)

Through the defined benefit plans under the Labor Standards Act, the Corporation is exposed to the following risks:

1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.

2) Interest risk: A decrease in the government or corporate bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plans' debt investments.

3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salaries of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	December 31	
	2024	2023
Discount rate(s)	1.625%	1.375%
Expected rate(s) of salary increase	1.500%	1.500%

If possible reasonable change in each of the significant actuarial assumptions occur and all other assumptions remain constant, the present value of the defined benefit obligation will increase (decrease) as follows:

	December 31	
	2024	2023
Discount rate(s)		
0.25% increase	$ (6,810)	$ (7,872)
0.25% decrease	$ 6,977	$ 8,069
Expected rate(s) of salary increase		
0.25% increase	$ 6,689	$ 7,731
0.25% decrease	$ (6,569)	$ (7,583)

The sensitivity analysis presented above may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2024	2023
Expected contributions to the plans for the next year	$ 3,990	$ 2,200
Average duration of the defined benefit obligation	8.36 years	8.62 years

20. EQUITY

a. Share capital - ordinary shares

	December 31	
	2024	2023
Shares of authorized shares (in thousands of shares)	1,200,000	1,200,000
Shares authorized, par value $10 (in thousands of NT dollars)	$ 12,000,000	$ 12,000,000
Shares issued and fully paid (in thousands of shares)	825,710	825,710
Shares issued and fully paid (in thousands of NT dollars)	$ 8,257,099	$ 8,257,099

b. Capital surplus

	December 31	
	2024	2023
May be used to offset a deficit, distributed, as cash dividends, or transferred to share capital*		
Issuance of ordinary shares	$ 849	$ 849
The difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	2,691	126,547
May only be used to offset a deficit		
Overdue unclaimed dividends	53,679	52,437
	$ 57,219	$ 179,833

* Such capital surplus may be used to offset a deficit; in addition, when the Group has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of Group's capital surplus and to once a year).

c. Retained earnings and dividend policy

In accordance with the Corporation's articles of incorporation, when allocating the earnings for each fiscal year, the Corporation may, after offsetting losses from previous years, paying taxes and setting aside any statutory and appropriated retained earnings of 10% by ordinary resolution, allocate the remaining balance dividends, retained earnings or other purposes. The allocation shall be proposed by the board of directors for a resolution at the shareholders' general meeting. However, dividends, employee bonuses, capital surplus, and legal reserve distributed wholly or partially in cash may be passed by the board of directors with more than two-thirds of the directors' attendance and resolved by more than half of the directors thereafter and shall be reported during the shareholders' general meeting. For the policies on the distribution of employees' compensation and remuneration of directors after the amendment, refer to "employees' compensation and remuneration of directors" in Note 22-h.

In accordance with the Corporation's articles of incorporation, for the distribution based on the above paragraph, the cash dividend shall not be less than 20% of the total approval. The above-mentioned distribution of surplus shall be drawn up by the board of directors and shall be submitted to the shareholders' meeting for approval.

An appropriation of earnings to a legal reserve shall be made until the legal reserve equals the Group's paid-in capital. The legal reserve may be used to offset any deficits. If the Group has no deficit and the legal reserve has exceeded 25% of the Group's paid-in capital, the excess may be transferred to capital.

The allocation shall be proposed by the board of directors for a resolution at the shareholders' general meeting. However, dividends, employee bonuses, capital surplus, and legal reserve distributed wholly or partially in cash may be passed by the board of directors with more than two-thirds of the directors' attendance and resolved by more than half of the directors thereafter and shall be reported during the shareholders' general meeting.

The appropriations of earnings for 2023 and 2022 as follows:

	For the Year Ended December 31	
	2023	2022
Legal reserve	$ 66,670	$ 183,475
Cash dividends	$ 338,541	$ 891,767
Cash dividends per share (NT$)	$ 0.41	$ 1.08

The aforementioned cash dividends were resolved for distribution by the board of directors on March 7, 2024 and March 9, 2023, respectively, and the remaining earnings appropriation items were resolved at the Annual General Meeting of Shareholders on June 7, 2024 and May 31, 2023, respectively.

The Corporation's board of directors held a meeting on March 7, 2024 and approved to distribute cash of $123,856 (representing NT$0.15 per share) by using capital surplus. The related information can be accessed through the Market Observation Post System website.

On March 6, 2025, the Board of Directors proposed the appropriation of earnings for the year ended December 31, 2024, as follows:

	For the Year Ended December 31, 2024
Legal reserve	$ 107,674
Cash dividends	$ 520,197
Cash dividends per share (NT$)	$ 0.63

The aforementioned cash dividends have been resolved for distribution by the board of directors, and the remaining matters are subject to resolution at the Annual General Meeting of Shareholders scheduled for June 3, 2025.

d. Other equity items

1) Exchange differences on translating the financial statements of foreign operations

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ 274,823	$ 251,770
Recognized for the year		
Exchange differences on translating the financial statements of foreign operations	930,282	16,735
Share from associates/joint ventures accounted for using the equity method	(113,596)	6,318
Balance at December 31	$ 1,091,509	$ 274,823

2) Unrealized gain on financial assets at FVTOCI

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ 1,970,137	$ 1,004,081
Recognized for the year		
Unrealized gain - equity instruments	(322,809)	966,056
Cumulative unrealized gain/(loss) of equity instruments transferred to retained earnings due to disposal	(183,865)	-
Balance at December 31	$ 1,463,463	$ 1,970,137

3) Gain/(loss) on hedging instruments

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ (42,669)	$ (45,789)
Recognized for the year		
Share from associates/joint ventures accounted for using the equity method	4,077	3,120
Balance at December 31	$ (38,592)	$ (42,669)

21. REVENUE

Disaggregation of Revenue

For the year ended December 31, 2024

	Synthetic Rubber	Non-synthetic Rubber	Total
Primary geographical markets			
Asia	$ 27,483,526	$ 756,152	$ 28,239,678
Americas	5,344,490	5,710	5,350,200
Europe	3,277,384	66	3,277,450
Others	341,337	-	341,337
	$ 36,446,737	$ 761,928	$ 37,208,665
Major product lines			
Synthetic rubber/elastomers	$ 35,555,707	$ -	$ 35,555,707
Applied materials	-	760,232	760,232
Others	891,030	1,696	892,726
	$ 36,446,737	$ 761,928	$ 37,208,665

For the year ended December 31, 2023

	Synthetic Rubber	Non-synthetic Rubber	Total
Primary geographical markets			
Asia	$ 22,069,315	$ 701,541	$ 22,770,856
Americas	4,706,024	7,557	4,713,581
Europe	3,431,528	319	3,431,847
Others	510,605	-	510,605
	$ 30,717,472	$ 709,417	$ 31,426,889
Major product lines			
Synthetic rubber/elastomers	$ 30,277,231	$ -	$ 30,277,231
Applied materials	-	705,747	705,747
Others	440,241	3,670	443,911
	$ 30,717,472	$ 709,417	$ 31,426,889

22. NET PROFIT

a. Other income and expenses

	For the Year Ended December 31	
	2024	2023
Rental income	$ 80,192	$ 73,481
Royalty income	83,433	123,006
Net service income	12,661	19,063
Depreciation of investment properties	(14,725)	(14,726)
Net other income	16,650	27,772
	$ 178,211	$ 228,596

b. Interest income

	For the Year Ended December 31	
	2024	2023
Bank deposits	$ 250,018	$ 232,025

c. Other income

	For the Year Ended December 31	
	2024	2023
Dividends	$ 174,325	$ 122,359

d. Other gains and losses

	For the Year Ended December 31	
	2024	2023
Gain (loss) on disposal of financial assets and financial liabilities	$ 56,748	$ 1,611
Net foreign exchange gain (loss)	(15,622)	53,650
Loss on disposal of property, plant and equipment	(59,838)	(6,198)
Allowance for impairment loss	(244,278)	-
Others	420	(639)
	$ (262,570)	$ 48,424

e. Finance costs

	For the Year Ended December 31	
	2024	2023
Interest on bank loans	$ 386,430	$ 335,887
Interest on lease liabilities	13,202	11,685
	$ 399,632	$ 347,572

f. Depreciation and amortization

	For the Year Ended December 31	
	2024	2023
An analysis of depreciation by function		
Operating costs	$ 930,138	$ 1,028,777
Operating expenses	134,060	137,643
	$ 1,064,198	$ 1,166,420
An analysis of amortization by function		
Operating costs	$ 9,841	$ 11,267
Operating expenses	128,539	125,270
	$ 138,380	$ 136,537

The depreciation did not include the depreciation of investment properties (included in other income and expenses), the amounts for the years ended December 31, 2024 and 2023 were $14,725 thousand and $14,726 thousand, respectively.

g. Employee benefits expense

	For the Year Ended December 31	
	2024	2023
Short-term benefits	$ 2,038,934	$ 1,948,753
Post-employment benefits		
Defined contribution plans	137,913	132,240
Defined benefit plans (Note 19)	2,773	3,861
	140,686	136,101
Other employee benefits	339,514	327,426
Total employee benefits expense	$ 2,519,134	$ 2,412,280
An analysis of employee benefits expense by function		
Operating costs	$ 1,529,190	$ 1,431,503
Operating expenses	989,944	980,777
	$ 2,519,134	$ 2,412,280

h. Employees' compensation and remuneration of directors

In accordance with the Corporation's articles of incorporation, if there is profit for the year, the Corporation should contribute more than 1% of its profit as employee remuneration and less than 1% as directors' remuneration. The accrued employees' compensation and remuneration of directors for the years ended December 31, 2024 and 2023 were as follows:

	For the Year Ended December 31	
	2024	2023
	Cash	Cash
Employees' compensation	$ 62,289	$ 69,010
Remuneration of directors	-	-

If there is a change in the amounts after the annual financial statements were authorized for issue, the differences are recorded as a change in the accounting estimate.

There was no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2023 and 2022.

Information on the employees' compensation and remuneration of directors resolved by the Corporation's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

23. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Year Ended December 31	
	2024	2023
Current tax		
In respect of the current year	$ 385,714	$ 456,034
Income tax on unappropriated earnings	3,940	27,524
Adjustments for prior year	(13,137)	(8,973)
	376,517	474,585
Deferred tax		
In respect of the current year	357,688	(17,429)
	357,688	(17,429)
	$ 734,205	$ 457,156

The reconciliation of accounting income and income tax expense is as follows:

	For the Year Ended December 31	
	2024	2023
Profit before tax from continuing operations	$ 1,782,858	$ 1,424,083
Income tax calculated based on the domestic tax rate where the Corporation locates	$ 356,572	$ 284,817
Effects of differences on tax rates in foreign jurisdictions	133,016	68,092
Tax-exempt income	(20,318)	(16,674)
Adjustments for prior year	(13,137)	(8,973)
Reduction of investments used	(22,031)	(27,764)
Occurrence of temporary differences	296,163	130,134
Income tax on unappropriated earnings	3,940	27,524
Income tax expense recognized in profit or loss	$ 734,205	$ 457,156

b. Income tax recognized in other comprehensive income

	For the Year Ended December 31	
	2024	2023
Deferred tax		
In respect of the current period		
Fair value changes of financial assets at FVTOCI	$ 103,625	$ 22,937
Remeasurement of defined benefit plans	(778)	-
	$ 102,847	$ 22,937

c. Current income tax assets and liabilities

	December 31	
	2024	2023
Current tax liabilities - current		
Income tax payable	$ 229,268	$ 357,994
Current tax liabilities - non-current		
Income tax payable	$ 28,831	$ 98,026

d. Deferred income tax assets and liabilities

The changes in deferred tax assets and liabilities are as follows:

For the year ended December 31, 2024

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
Deferred tax assets				
Temporary differences				
Inventory write-downs	$ 65,049	$ (7,239)	$ -	$ 57,810
Tax losses	259,720	85,664	-	345,384
Investment credits	64,436	(64,436)	-	-
Others	147,410	113,105	-	260,515
	$ 536,615	$ 127,094	$ -	$ 663,709
Deferred tax liabilities				
Temporary differences				
Recognized foreign investment income in equity method	$ 1,126,623	$ 441,665	$ -	$ 1,568,288
Permanent differences between accounting and tax for fixed assets	265,513	14,133	-	279,646
Land value increment tax	56,683	-	-	56,683
Financial assets measured at FVTPL	43,809	-	103,625	147,434
Others	124,549	28,984	(778)	152,755
	$ 1,617,177	$ 484,782	$ 102,847	$ 2,204,806

For the year ended December 31, 2023

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
Deferred tax assets				
Temporary differences				
Inventory write-downs	$ 63,836	$ 1,213	$ -	$ 65,049
Tax losses	93,788	165,932	-	259,720
Investment credits	66,397	(1,961)	-	64,436
Others	84,726	62,684	-	147,410
	$ 308,747	$ 227,868	$ -	$ 536,615
Deferred tax liabilities				
Temporary differences				
Recognized foreign investment income in equity method	$ 1,025,428	$ 101,195	$ -	$ 1,126,623
Permanent differences between accounting and tax for fixed assets	217,876	47,637	-	265,513
Land value increment tax	56,683	-	-	56,683
Financial assets measured at FVTPL	20,872	-	22,937	43,809
Others	62,942	61,607	-	124,549
	$ 1,383,801	$ 210,439	$ 22,937	$ 1,617,177

e. The aggregate amount of temporary differences associated with investments for which deferred tax liabilities have not been recognized

A portion of the investment income from subsidiaries controlled by the Group has been utilized for overseas reinvestment, and such investment income is not expected to be distributed in the foreseeable future. The amounts allocated for overseas reinvestment as of December 31, 2024 and 2023 were $8,685,615 thousand each year.

f. Income tax assessments

The income tax returns of the Corporation have been assessed by the authorities for all years through 2022.

g. Pillar Two income tax legislation

The government of Luxembourg and Vietnam, where TSRC (Lux.) Corporation S.A R.L. and TSRC (Vietnam) Co., Ltd. are incorporated, enacted the Pillar Two income tax legislation effective January 1, 2024. The Group has executed and passed the transitional country-by-country report safe harbor test for the current year, so there is no related current tax exposure. The Group is continuing to assess the impact of the Pillar Two income tax legislation on its future financial performance.

24. EARNINGS PER SHARE

	For the Year Ended December 31	
	2024	2023
Basic earnings per share	$ 1.04	$ 0.82
Diluted earnings per share	$ 1.04	$ 0.82

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share were as follows:

Net Profit for the Year

	For the Year Ended December 31	
	2024	2023
Earnings used in the computation of basic and diluted earnings per share	$ 862,265	$ 680,018

Weighted Average Number of Ordinary Shares Outstanding

(In Thousands of Shares)

	For the Year Ended December 31	
	2024	2023
Weighted average number of ordinary shares outstanding in computation of basic earnings per share	825,710	825,710
Effects to potentially dilutive ordinary shares		
Employees' compensation	3,441	3,674
Weighted average number of ordinary shares outstanding in computation of diluted earnings per share	829,151	829,384

The Corporation may settle the compensation of employees in cash or shares; therefore, the Group assumes that the entire amount of the compensation will be settled in shares, and the resulting potentially shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

25. CASH FLOW INFORMATION

Changes In Liabilities Arising from Financing Activities

For the nine months ended December 31, 2024

			Non-cash Changes			
	January 1, 2024	Cash Flow	Foreign Exchange Movement	Amortization of Commercial Paper Discount	Others	December 31, 2024
Short-term borrowings (including short-term bills payable)	$ 4,580,149	$ 79,711	$ 167,941	$ (50)	$ -	$ 4,827,751
Long-term borrowings (including current portion)	4,676,646	2,172,575	67,195	-	-	6,916,416
Lease liabilities	680,008	(170,598)	22,457	13,202	61,662	606,731
	$ 9,936,803	$ 2,081,688	$ 257,593	$ 13,152	$ 61,662	$ 12,350,898

For the nine months ended December 31, 2023

	January 1, 2023	Cash Flow	Non-cash Changes			December 31, 2023
			Foreign Exchange Movement	Amortization of Commercial Paper Discount	Others	
Short-term borrowings (including short-term bills payable)	$ 6,329,036	$ (1,797,651)	$ 48,468	$ 296	$ -	$ 4,580,149
Long-term borrowings (including current portion)	2,854,417	1,824,510	(2,281)	-	-	4,676,646
Other long-term borrowings (including current portion)	349,767	(350,000)	-	233	-	-
Lease liabilities	579,487	(168,464)	(37,949)	11,685	295,249	680,008
	$ 10,112,707	$ (491,605)	$ 8,238	$ 12,214	$ 295,249	$ 9,936,803

26. EXPLANATORY COMMENTS ABOUT THE SEASONALITY OR CYCLICALITY OF INTERIM OPERATION

The Group’s operations were not affected by seasonality or cyclicality factors.

27. CAPITAL MANAGEMENT

The objective of the consolidated corporation’s capital management policy is to safeguard the consolidated corporation’s ability to continue as a going concern, thereby providing sustained returns to shareholders and benefits to other stakeholders. To ensure these objectives are met, the consolidated corporation’s management regularly reviews its capital structure. This review considers macroeconomic conditions, funding costs, and the adequacy of cash flows from operating activities. Adjustments to the capital structure are made through measures such as dividend distributions, issuance of new shares, share buybacks, adjusting debt levels (increasing or decreasing borrowings), and issuing or redeeming bonds.

28. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not measured at fair value

The Corporation’s management believes that the carrying amounts of financial assets not measured at fair value approximate their fair values.

b. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	$ -	$ 17,644	$ -	$ 17,644

(Continued)

	Level 1	Level 2	Level 3	Total
Financial assets at FVOCI				
Investments in equity instruments				
Listed shares (domestic)	$ 1,083,601	$ -	$ -	$ 1,083,601
Unlisted shares (domestic and overseas)	-	-	864,901	864,901
	$ 1,083,601	$ -	$ 864,901	$ 1,948,502
Financial liabilities at FVTPL				
Derivatives financial liabilities	$ -	$ 217	$ -	$ 217

(Concluded)

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVOCI				
Investments in equity instruments				
Listed shares (domestic)	$ 1,263,392	$ -	$ -	$ 1,263,392
Unlisted shares (domestic and overseas)	-	-	1,148,549	1,148,549
	$ 1,263,392	$ -	$ 1,148,549	$ 2,411,941
Financial liabilities at FVTPL				
Derivatives financial liabilities	$ -	$ 18,531	$ -	$ 18,531

There were no transfers between Levels 1 and 2 in the current and prior periods.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the year ended December 31, 2024

Financial Assets	Financial Assets at FVTOCI — Equity Instruments
Balance at January 1, 2024	$ 1,148,549
Recognized in other comprehensive income (included in unrealized gain/(loss) on financial assets at FVTOCI)	(35,487)
Disposal	(248,161)
Balance at December 31, 2024	$ 864,901

For the year ended December 31, 2023

Financial Assets	Financial Assets at FVTOCI Equity Instruments
Balance at January 1, 2023	$ 796,059
Recognized in other comprehensive income (included in unrealized gain/(loss) on financial assets at FVTOCI)	352,490
Balance at December 31, 2023	$ 1,148,549

3) Valuation techniques and inputs applied for Level 2 fair value measurement

Financial Instruments	Valuation Techniques and Inputs
Derivatives - foreign exchange forward contracts and cross-currency swap contracts	Discounted cash flow. Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

4) Valuation techniques and inputs applied for Level 3 fair value measurement

The fair values of domestic and overseas unlisted equity investments were determined using the market approach.

The market approach refers to the comparable market transaction price and related information to estimate the fair value of the investment target.

a) Quantified information of significant unobservable input was as follows:

Item	Valuation Technique	Significant Unobservable Inputs	Inter-Relationship between Significant Unobservable Inputs and Fair Value Measurement
Financial assets at fair value through other comprehensive income-equity investments without an active market	Comparative listed corporation	• Multipliers of price-to-earnings ratios as of December 31, 2024 and 2023, were all 14.29 and 10.90-18.41. • Market liquidity discount rate as of 20%	• The estimated fair value would have been higher if the price-to-earnings ratios had been higher. • The estimated fair value would have been higher if the market liquidity discount had been lower.

b) Fair value measurements in Level 3 - sensitivity analysis of reasonably possible alternative assumptions

For fair value measurements in Level 3, changing one or more of the assumptions would have the following effects on profit or loss and other comprehensive income:

	Input	Move Up or Down	Other Comprehensive Income Favourable	Other Comprehensive Income Unfavourable
December 31, 2024				
Financial assets fair value through other comprehensive income				
Equity investments without an active market	Liquidity discount at 20%	1%	$ 10,811	$ (10,811)
December 31, 2023				
Financial assets fair value through other comprehensive income				
Equity investments without an active market	Liquidity discount at 20%	1%	14,355	(14,355)

The favorable and unfavorable effects represent the changes in fair value, and the fair value is based on various unobservable inputs calculated using a valuation technique. The analysis above only reflects the effects of changes in a single input, and it does not include the interrelationships with another input.

c. Categories of financial instruments

	December 31 2024	December 31 2023
Financial assets		
FVTPL		
Mandatorily classified as at FVTPL	$ 17,644	$ -
Financial assets at amortized cost (1)	12,123,486	10,064,529
Financial assets at FVTOCI		
Equity instruments	1,948,502	2,411,941
Financial liabilities at FVTPL		
Held for trading	217	18,531
Financial liabilities at amortized cost (2)	16,476,513	12,925,762

1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, notes receivable, trade receivables, other receivables and refundable deposits.

2) The balances include financial liabilities at amortized cost, which comprise short-term borrowings, short-term bills payable, trade payables, other payables, long-term borrowings and deposits received.

d. Financial risk management objectives and policies

The Group’s risk management strategy for derivative financial instrument transactions is primarily focused on ensuring the corporation’s stable and secure operations.

The Group's finance department is responsible for establishing and managing the risk management framework and policies, and reports on their operations to the management, audit committee, and board of directors, under their supervision.

The development of the Group's risk management policy aims to identify and analyze the risks the Group faces, establish appropriate risk control systems and procedures, and oversee their implementation. The risk management policies and systems are regularly reviewed to reflect changes in market conditions and the Group's operations. The Group fosters a disciplined and constructive control environment through training, management meetings, management guidelines, and operational procedures, ensuring that relevant employees understand their roles and responsibilities.

The Group's audit committee oversees how the finance department monitors compliance with the Group's risk management policies and procedures, and reviews the appropriateness of the Group's risk management framework in addressing the risks it faces. Internal audit personnel assist the audit committee in its supervisory role. These personnel conduct regular and ad hoc reviews of risk management controls and procedures and report the findings to the audit committee.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below), interest rates (see (b) below) and other price risk (see (c) below).

a) Foreign currency risk

The Group had foreign currency denominated sales, purchases and loan transactions, which exposed the Group to foreign currency risk. Exchange rate exposures were managed within approved policy parameters utilizing foreign exchange forward contracts and cross-currency swap contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) and of the derivatives exposed to foreign currency risk at the end of the reporting period are set out in Note 33.

Sensitivity analysis

The Group was mainly exposed to the USD, RMB, JPY and EUR.

The following table details the Group's sensitivity to a 1% increase and a 1% decrease in the functional currency against the relevant foreign currencies. The sensitivity rate of 1% is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items, and their adjusted translation at the end of the reporting period for a 1% change in foreign currency rates. A positive number indicates an increase (decrease) in pre-tax profit when the functional currency strengthened by 1% against the relevant foreign currency. Conversely, a negative number below indicates a decrease in pre-tax profit when the functional currency weakened by 1% against the relevant foreign currency.

	USD Impact	
	For the Year Ended December 31	
	2024	**2023**
Profit or loss*	$ 668	$ 2,590

	RMB Impact	
	For the Year Ended December 31	
	2024	**2023**
Profit or loss*	$ (828)	$ (1,007)

	JPY Impact	
	For the Year Ended December 31	
	2024	**2023**
Profit or loss*	$ -	$ (74)

	EUR Impact	
	For the Year Ended December 31	
	2024	**2023**
Profit or loss*	$ (52)	$ (364)

* This was mainly attributable to the exposure on outstanding USD, RMB, JPY and EUR bank deposits, receivables, borrowings and payables which were not hedged at the end of the reporting period.

There have been no significant changes in the sensitivity analysis of the Group to exchange rate of USD, RMB, JPY and EUR compared to the previous period.

b) Interest rate risk

The carrying amounts of the Group's financial liabilities with exposure to interest rates for the years ended December 31, 2024 and 2023 were $11,644,217 thousand and $9,256,795 thousand, respectively.

Sensitivity analysis

The sensitivity analyses below were determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the reporting period was outstanding for the whole year. A sensitivity rate of 1% increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 1% higher/lower and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2024 and 2023 would have decreased/increased by $116,442 thousand and $92,568 thousand, respectively.

The Group's sensitivity to changes in interest rates is mainly due to borrowing at floating rates.

c) Other price risk

The Group was exposed to price risk through its investments in listed equity securities. The Group has appointed a special team to monitor the price risk and make plans to manage the price risk.

Regarding the sensitivity to changes in Level 3 fair value measurement, please refer to the note (b) above, Fair value of financial instruments is measured at fair value on a recurring basis.

The Group's sensitivity to equity securities investments has not changed significantly compared to the previous year.

2) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk which would cause a financial loss to the Group due to the failure of the counterparties to discharge their obligation and due to the financial guarantees provided by the Group, could arise from:

a) The carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets; and

b) The amount of contingent liabilities in relation to financial guarantees issued by the Group.

The credit risk on liquid funds and derivatives was limited because the counterparties are reputable banks.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As of December 31, 2024 and 2023, the Group had available unutilized short-term bank loan facilities of $17,026,695 thousand and $17,296,248 thousand, respectively.

a) Liquidity and interest rate risk tables for non-derivative financial liabilities

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed repayment periods. The tables had been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The tables included both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

December 31, 2024

	On Demand or Less than 1 Year	**1-2 Years**	**2-5 Years**	**5+ Years**
Non-derivative financial liabilities				
Short-term borrowings (including short-term bills payable)	$ 4,959,362	$ -	$ -	$ -
Accounts payable (including related parties)	2,768,215	-	-	-
Other payables	1,877,034	-	-	-
Long-term borrowings (including current portion)	702,526	1,487,228	2,377,052	3,188,582
Lease liabilities	177,588	172,439	278,574	4,190
Deposits received	-	69,835	14,142	3,120
	$ 10,484,725	$ 1,729,503	$ 2,669,768	$ 3,195,892

December 31, 2023

	On Demand or Less than 1 Year	1-2 Years	2-5 Years	5+ Years
Non-derivative financial liabilities				
Short-term borrowings (including short-term bills payable)	$ 4,605,027	$ -	$ -	$ -
Accounts payable (including related parties)	2,150,898	-	-	-
Other payables	1,472,539	-	-	-
Long-term borrowings (including current portion)	1,583,722	642,590	2,333,144	435,029
Lease liabilities	156,622	127,064	390,119	36,314
Deposits received	11,247	31,163	-	3,120
	$ 9,980,055	$ 800,817	$ 2,723,263	$ 474,463

The amounts included above for variable interest rate instruments for non-derivative financial liabilities were subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.

b) Liquidity and interest rate risk table for derivative financial liabilities

The following table details the Group's liquidity analysis for its derivative financial instruments. The table was based on the undiscounted gross inflows and outflows on those derivatives that require gross settlement.

December 31, 2024

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Foreign exchange forward contracts/cross-currency swap contracts					
Outflows	$ -	$ (217)	$ -	$ -	$ -
Inflow	$ 17,644	$ -	$ -	$ -	$ -

December 31, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Foreign exchange forward contracts/cross-currency swap contracts					
Outflows	$ -	$ 18,531	$ -	$ -	$ -

29. TRANSACTIONS WITH RELATED PARTIES

a. Parent corporation and ultimate controlling party

Montrion Corporation is the ultimate controlling party of the Corporation. It indirectly controls Han-De Construction Co., Ltd. and Wei-Dar Development Co., Ltd., who held more than half of the members of the directors of the Corporation through their shares.

b. Related party name and category

Balances and transactions between the Corporation and its subsidiaries, which are related parties of the Corporation, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties were disclosed below.

Name of Related Party	Relationship with the Group
Indian Synthetic Rubber Private Limited	Joint venture
Nantong Qix Storage Co., Ltd	Joint venture
ARLANXEO-TSRC (Nantong) Chemical Industries Co., Ltd.	Associate
Evergreen Steel Corporation	Other related parties
Marubeni Corporation	Corporate director of one of the group entity
Metropolis Property Management Corporation	Other related parties
WFV Corporation	Other related parties
Continental Consulting Limited Company	Other related parties
UBE (Shanghai) Ltd.	Subsidiary of the Group's other related party
Marubeni Petrochemicals Investment B.V.	Substantive related party

c. Operating revenue

		For the Year Ended December 31	
Line Items	**Related Parties Categories/Name**	**2024**	**2023**
Sales	Associate	$ 79,857	$ 4,346

d. Purchases of goods

	For the Year Ended December 31	
Related Parties Categories/Name	**2024**	**2023**
Corporate director of one of the group entity	$ 1,187,114	$ 266,957

e. Receivables from related parties

		For the Year Ended December 31	
Line Items	**Related Parties Categories/Name**	**2024**	**2023**
Other receivables from related parties	Associate		
	ARLANXEO-TSRC (Nantong) Chemical Industries Co., Ltd.	$ 30,223	$ 32,853
	Joint venture		
	Indian Synthetic Rubber Private Limited.	-	13,110
	Others	221	421
		$ 30,444	$ 46,384

The outstanding accounts receivable from related parties are unsecured. No allowance for credit losses was provided for accounts receivable from related parties for the years ended December 31, 2024 and 2023.

f. Payables to related parties

Line Items	Related Parties Categories/Name	For the Year Ended December 31 2024	2023
Trade payables to related parties	Corporate director of one of the group entity		
	Marubeni Corporation	$ 73,628	$ 59,179
Other payables to related parties	Associate	$ 8	$ 16
	Subsidiary of the Group's other related party	911	880
	Other related parties	435	483
		$ 1,354	$ 1,379

The outstanding payables to related parties are unsecured.

g. Property transaction

On September 1, 2023, the Board of the Director of the Group decided to acquire 22.56% shares of Shen Hua Chemical Industries Co., Ltd. for $637,659 thousand (USD 20,500 thousand) from the substantial related party, Marubeni Petrochemicals Investment B.V. The acquisition was completed on November 9, 2023. The difference of $126,547 thousand between the actual transaction price and the carrying amount of the equity value of Shen Hua Chemical Co., Ltd. is recognized as capital surplus. The financial statement translation difference for foreign operations is adjusted by $125,998 thousand following the equity acquisition ratio.

h. Other transactions with related parties

Line Items	Related Parties Categories/Name	For the Year Ended December 31 2024	2023
Service income and expense (included in other income and expense)	Associate		
	ARLANXEO-TSRC (Nantong) Chemical Industries Co., Ltd.	$ 172,015	$ 166,144
	Joint venture		
	Indian Synthetic Rubber Private Limited	10,848	61,738
	Others	2,732	6,108
	Other related parties	(13,941)	(12,619)
		$ 171,654	$ 221,371
Rental revenue (included in other income and expense)	Associates	$ 2,505	$ 2,472
	Other related parties	4,587	4,587
		$ 7,092	$ 7,059

The transactions with related parties were made at prices and terms comparable to those that would be obtained in similar transactions with non-related parties.

The aforementioned monthly rentals collected were based on prevailing market rates.

i Remuneration of key management personnel

Related Party Category/Name	For the Year Ended December 31	
	2024	2023
Short-term employee benefits	$ 149,777	$ 159,934
Post-employment benefits	2,207	1,798
	$ 151,984	$ 161,732

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

j. Disposal of financial assets

Related Party Category/Name	Line Item	Number of Shares (In Thousands)	Underlying Assets	Proceeds	Gain on Disposal (Note)
Other party	Financial assets at fair value through other comprehensive income - non-current	5,657,000	Hsin-Yung Enterprise Corporation	$ 248,161	$ 183,865

Note: Reclassified to retained earnings.

30. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were mortgaged as collateral for bank guarantees related to electricity usage and long-term borrowings:

	December 31	
	2024	2023
Restricted savings deposits (included in other non-current assets)	$ 1,222	$ 1,204
Property, plant and equipment	598,435	84,825
Land-use right (included in right-of-use assets)	599,188	591,604
	$ 1,198,845	$ 677,633

31. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of December 31, 2024 were as follows:

a. As of December 31, 2024 and 2023, unused letters of credit for purchases of raw materials and machinery and equipment amounted to approximately $1,134,991 thousand and $1,318,231 thousand, respectively.

b. Total amounts and the cumulative payments of the Group's signed construction and design contracts with several vendors are as follows:

	For the Year Ended December 31	
	2024	2023
Total amounts of construction in progress contracts	$ 4,995,774	$ 4,994,319
Cumulative payments	$ 4,658,856	$ 2,151,622

32. OTHER MATTERS

a. To comply with the policy, Shen Hua Chemical Industries Co., Ltd. signed a relocation compensation contract with Nantong Management Office and Nantong Nengda on December 4, 2021. It also signed an investment agreement for its new factories with Nantong Management Office at the compensated amount of RMB479,677 thousand. Following the agreement schedule, Shen Hua Chemical Industries Co., Ltd. will return the right-of-use of the land after moving and demolishing its immovable assets in 2024. As for the movable assets, they will be transported to the new factories for further operation.

	For the Year Ended December 31	
	2024	2023
Cumulative compensation received	$ 1,081,538	$ 942,185
Land-use right price for new location/prepaid land-use right price for new location	$ 624,154	$ 603,678
Provision for demolish and relocation	$ 255,971	$ 241,016

b. On February 15, 2023, the president of the ROC announced the amendments to the "Climate Change Response Act", which added the provision of carbon fee collection. Subsequently, the Ministry of Environment announced the "Regulations Governing the Collection of Carbon Fees", "Regulations for Administration of Voluntary Reduction Plans" and "Designated Greenhouse Gas Reduction Goal for Entities Subject to Carbon Fees" on August 29, 2024 and the carbon fee rate on October 21, 2024. The fees will be levied starting from January 1, 2025.

Based on the emissions of the Group in 2024, the Group expects that it will be the entity subject to carbon fees. The Group will recognize the provision of the carbon fees based on its actual emissions in 2025 and will pay them in May 2026.

33. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group entities' significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Group and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 78,830	32.7810 (USD:NTD)	$ 2,584,126
EUR	8,448	34.1316 (EUR:NTD)	288,344
JPY	399,376	0.2098 (JPY:NTD)	83,789
RMB	18,689	4.4778 (RMB:NTD)	83,686

(Continued)

	Foreign Currency	Exchange Rate	Carrying Amount
Non-monetary items			
Equity instruments			
THB	$ 898,784	0.9623 (THB:NTD)	$ 864,901
<u>Financial liabilities</u>			
Monetary items			
USD	80,868	32.7810 (USD:NTD)	2,650,934
EUR	8,295	34.1316 (EUR:NTD)	283,122
JPY	399,161	0.2098 (JPY:NTD)	83,744
RMB	189	4.4778 (RMB:NTD)	846

(Concluded)

<u>December 31, 2023</u>

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	$ 69,654	30.7350 (USD:NTD)	$ 2,140,816
EUR	13,832	34.0114 (EUR:NTD)	470,446
JPY	263,139	0.2173 (JPY:NTD)	57,180
RMB	23,258	4.3309 (RMB:NTD)	100,728
Non-monetary items			
Equity instruments			
THB	755,122	0.9017 (THB:NTD)	680,894
<u>Financial liabilities</u>			
Monetary items			
USD	78,082	30.7350 (USD:NTD)	2,399,850
EUR	12,761	34.0114 (EUR:NTD)	434,019
JPY	229,265	0.2173 (JPY:NTD)	49,819

Please refer to the consolidated statements of income for the aggregate of realized and unrealized foreign currency exchange gains and losses for the years ended December 31, 2024 and 2023. Due to various kinds of foreign currency transactions and functional currencies of the Corporation's subsidiaries, it is not possible to disclose exchange gains and losses separately for material impacts of foreign currency.

34. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

1) Financing provided to others: Table 1.

2) Endorsements/guarantees provided: Table 2.

3) Marketable securities held (excluding investments in subsidiaries and associates): Table 3.

4) Marketable securities acquired or disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital: None.

5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital: None.

6) Disposal of individual real estate at prices of at least NT$300 million or 20% of the paid-in capital: None.

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 4.

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 5.

9) Trading in derivative instruments: Refer to Note 7.

10) Intercompany relationships and significant intercompany transactions: Table 6.

b. Information on investees (excluding investees in mainland China): Table 7.

c. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: Table 8.

2) Any of significant transactions with investee companies in mainland China, either directly or indirectly through a company in third area, and their prices, payment terms, and unrealized gains or losses: Table 6.

d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder: Table 9.

35. OPERATING SEGMENT INFORMATION

a. Segment revenues and results

The information of the Group's revenues and results by segment was as follows:

For the year ended December 31, 2024	Synthetic Rubber	Non-synthetic Rubber	Others	Total
Revenue				
Revenue from external customers	$ 36,446,737	$ 761,928	$ -	$ 37,208,665
Interest income	217,313	1,830	30,875	250,018
	$ 36,664,050	$ 763,758	$ 30,875	$ 37,458,683

(Continued)

	Synthetic Rubber	Non-synthetic Rubber	Others	Total
Finance costs	$ 365,989	$ 33,643	$ -	$ 399,632
Depreciation and amortization	$ 1,080,702	$ 121,876	$ 14,725	$ 1,217,303
Share of profit or loss of associates and joint ventures accounted for using the equity method	$ 659,966	$ -	$ (16,230)	$ 643,736
Segment profit or loss to be reported	$ 2,221,890	$ (438,899)	$ (133)	$ 1,782,858
Assets and liabilities to be reported by segment (Note)	$ -	$ -	$ -	$ -
For the year ended December 31, 2023				
Revenue				
Revenue from external customers	$ 30,717,472	$ 709,417	$ -	$ 31,426,889
Interest income	213,120	1,170	17,735	232,025
	$ 30,930,592	$ 710,587	$ 17,735	$ 31,658,914
Finance costs	$ 318,394	$ 29,178	$ -	$ 347,572
Depreciation and amortization	$ 1,186,857	$ 116,100	$ 14,726	$ 1,317,683
Share of profit or loss of associates and joint ventures accounted for using the equity method	$ 406,377	$ -	$ 14,554	$ 420,931
Segment profit or loss to be reported	$ 1,547,151	$ (181,978)	$ 58,910	$ 1,424,083
Assets and liabilities to be reported by segment (Note)	$ -	$ -	$ -	$ -

(Concluded)

Note: As the information on segment assets and liabilities was not provided to the chief operating decision maker, the information on segment assets and liabilities is not disclosed.

b. Information about major customers

For the years ended December 31, 2024 and 2023, there were no revenues from any single customer that accounted for more than 10% of the total consolidated company revenue.

TSRC CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing (Note 5)	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 2)	Note
													Item	Value			
1	TSRC (Shanghai) Industries Ltd.	TSRC (Nantong) Industries Ltd.	Entrusted loans	Yes	$ 74,033	$ 67,167	$ 67,167	2.48-2.68	2	$ -	Operational turnaround	$ -	-	$ -	$ 165,272	$ 330,543	Note 6
2	Polybus Corporation Pte Ltd.	TSRC Specialty Materials LLC	Other receivables from related parties	Yes	327,810	327,810	-	5.36	2	-	Operational turnaround	-	-	-	5,364,545	10,729,089	Note 6
		TSRC (Vietnam) Co., Ltd.	Other receivables from related parties	Yes	121,290	121,290	-	5.36	2	-	Operational turnaround	-	-	-	5,364,545	10,729,089	Note 6
3	TSRC (Hong Kong) Ltd.	TSRC (Vietnam) Co., Ltd.	Other receivables from related parties	Yes	166,561	104,899	42,615	5.35-5.53	2	-	Operational turnaround	-	-	-	1,300,537	2,601,073	Note 6

Note 1: The loan limit extended per party should not be over 10% of the total equity. However, if the counterparty is a subsidiary 100% owned, directly or indirectly by TSRC, the loan limit extended per party should not be over 50% of the total equity of the most recent financial statements audited or reviewed by a CPA.

Note 2: The maximum loan extended to all parties should not be over 40% of the total equity. However, if the counterparty is a subsidiary 100% owned, directly or indirectly by TSRC, the loan limit should not be over 100% of total equity of the most recent financial statements audited or reviewed by a CPA.

Note 3: The fund of loan and the loan to the other party are 100% owned by TSRC.

Note 4: The total amount of loans and individual limits comply with the regulations set forth by the company's lending policy for funds.

Note 5: Loans to other parties are numbered is as follows:

a. If its ordinary business relationship, the number is "1".
b. If it needs short-term financial funds, the number is "2".

Note 6: The amount was eliminated upon consolidation.

TSRC CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China	Note
		Name	Relationship (Note 1)											
0	TSRC Corporation	TSRC (USA) Investment Corporation	d	$ 12,210,896 (Note 2)	$ 1,639,050	$ 1,639,050	$ 86,050	$ -	8.05	$ 30,527,240 (Note 3)	Y	N	N	
		TSRC (Vietnam) Co., Ltd.	d	12,210,896 (Note 2)	602,028	563,833	449,100	-	2.77	30,527,240 (Note 3)	Y	N	N	

Note 1: Relationship between endorser/guarantor and endorsee/guarantee are categorized as follows:

a. A company that the Corporation has business relationship with.
b. The Corporation owns directly or indirectly over 50% ownership of the investee company.
c. The Company that owns directly or indirectly hold over 50% ownership of the Corporation.
d. In between companies that were held over 90% of voting shares directly or indirectly by an entity.
e. The Corporation is required to provide guarantees or endorsements for the construction project based on the construction contract.
f. Shareholder of the investee provides endorsements/guarantees to the company in proportion to their shareholding percentages.
g. According to Consumer Protection Act, companies in the same industry enter into collateral performance guarantees for pre-construction home sales agreements.

Note 2: The limit for endorsement of a single enterprise is 60% of the net value of the Corporation’s latest financial statements, which is calculated to be $12,210,896 thousand.

Note 3: The maximum limit is 150% of total equity, which is calculated to be $30,527,240 thousand.

TABLE 3

TSRC CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD (EXCLUDING INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES)
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2024			
				Shares	Carrying Amount	Percentage of Ownership	Fair Value
TSRC Corporation	Shares						
	Evergreen Steel Corporation	-	Financial assets at FVTOCI	12,148,000	$ 1,083,601	2.91	$ 1,083,601
	Thai Synthetic Rubbers Co., Ltd.	-	Financial assets at FVTOCI	599,999	360,989	5.42	360,989
Dymas Corporation	Shares						
	Thai Synthetic Rubbers Co., Ltd.	-	Financial assets at FVTOCI	837,552	503,912	7.57	503,912

TSRC CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchases/ Sales	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
TSRC (Lux) Corporation S.A R.L.	TSRC Corporation	Parent and Subsidiary	Purchases	$ 223,104	10.46	Payment in 60 days after acceptance	$ -	-	$ (33,343)	(12.87)	Note
TSRC Corporation	TSRC (Lux) Corporation S.A R.L.	Parent and Subsidiary	Sales	(223,104)	(1.76)	Collect receivables in 60 days after confirming	-	-	33,343	1.95	Note
TSRC Specialty Materials LLC	TSRC Corporation	Parent and Subsidiary	Purchases	290,361	10.01	Payment in 95 days after acceptance	-	-	(103,560)	(26.59)	Note
TSRC Corporation	TSRC Specialty Materials LLC	Parent and Subsidiary	Sales	(290,361)	(2.29)	Collect receivables in 95 days after confirming	-	-	103,560	6.12	Note
TSRC-UBE (Nantong) Chemical Industries Ltd.	Marubeni Corporation	Director of the TSRC-UBE (Nantong) Industries Ltd.	Purchases	441,339	13.23	Payment in 30 days after acceptance	-	-	(29,028)	(9.05)	Note
TSRC (Nantong) Industries Ltd.	Marubeni Corporation	Director of the Related parties	Purchases	159,759	4.81	Payment in 30 days after acceptance	-		(11,055)	(5.58)	Note
Shen Hua Chemical Industries Co., Ltd.	Marubeni Corporation	Director of the Related parties	Purchases	532,796	6.19	Payment in 30 days after acceptance	-	-	(33,545)	(4.15)	Note
Polybus Corporation Pte Ltd	TSRC (Nantong) Industries Ltd.	Related parties	Purchases	272,347	31.85	Payment in 60 days after acceptance	-	-	(49,076)	(29.27)	Note
TSRC (Nantong) Industries Ltd.	Polybus Corporation Pte Ltd	Related parties	Sales	(272,347)	(5.06)	Collect receivables in 60 days after confirming	-	-	49,076	8.18	Note
Polybus Corporation Pte Ltd	Shen Hua Chemical Industries Co., Ltd.	Related parties	Purchases	513,894	60.09	Payment in 60 days after acceptance	-	-	(102,647)	(61.23)	Note
Shen Hua Chemical Industries Co., Ltd.	Polybus Corporation Pte Ltd	Related parties	Sales	(513,894)	(5.07)	Collect receivables in 60 days after confirming	-	-	102,647	12.53	Note
TSRC (Lux) Corporation S.A R.L.	TSRC Specialty Materials LLC	Related parties	Purchases	481,875	22.60	Payment in 60 days after acceptance	-	-	(53,235)	(20.80)	Note
TSRC Specialty Materials LLC	TSRC (Lux) Corporation S.A R.L.	Related parties	Sales	(481,875)	(10.40)	Collect receivables in 60 days after confirming	-	-	53,235	11.15	Note
TSRC (Lux) Corporation S.A R.L.	TSRC (Nantong) Industries Ltd.	Related parties	Purchases	1,426,679	66.90	Payment in 60 days after acceptance	-	-	(170,209)	(66.51)	Note
TSRC (Nantong) Industries Ltd.	TSRC (Lux) Corporation S.A R.L.	Related parties	Sales	(1,426,679)	(26.52)	Collect receivables in 60 days after confirming	-	-	170,209	28.37	Note

Note: The amount was eliminated upon consolidation.

TABLE 5

TSRC CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance		Turnover Rate	Overdue		Amounts Received in Subsequent Year	Allowance for Impairment Loss	Note
						Amount	Actions Taken			
TSRC Corporation	TSRC Specialty Materials LLC	Parent and subsidiary	Accounts receivable	$ 103,560	4.18 times for a year	$ -	-	$ 44,498 (Note 1)	$ -	Note 2
TSRC (Nantong) Industries Ltd.	TSRC (Lux) Corporation S.A R.L.	Related parties	Accounts receivable	$ 170,209	6.82 times for a year	$ -	-	$ 170,209 (Note 1)	$ -	Note 2
Shen Hua Chemical Industries Co., Ltd.	Polybus Corporation Pte Ltd	Related parties	Accounts receivable	$ 102,647	5.11 times for a year	$ -	-	$ 102,647 (Note 1)	$ -	Note 2

Note 1: Amounts received before March 6, 2025.

Note 2: The amount was eliminated upon consolidation.

TABLE 6

TSRC CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transactions Details			% to Total Sales or Assets
				Financial Statement Account	Amount (Note 4)	Payment Terms	
0	TSRC	TSRC (Nantong) Industries Ltd.	a	Other income and expenses	$ 48,176	The transaction is not significantly different from normal transactions, and the collection terms were about six months	0.13
		TSRC (Lux) Corporation S.A R.L	a	Sales	223,104	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.60
		Polybus Corporation Pte Ltd	a	Sales	68,716	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.18
		TSRC Specialty Materials LLC	a	Sales	290,361	The transaction is not significantly different from normal transactions, and the collection terms were about three months	0.78
		TSRC Specialty Materials LLC	a	Trade receivables from related parties	103,560	The transaction is not significantly different from normal transactions, and the collection terms were about three months	0.24
		TSRC (Nantong) Industries Ltd.	a	Other income and expenses	71,753	The transaction is not significantly different from normal transactions, and the collection terms were about one year	0.19
		TSRC (Nantong) Industries Ltd.	a	Sales	38,893	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.10
		Shen Hua Chemical Industries Co., Ltd.	a	Sales	49,977	The transaction is not significantly different from normal transactions, and the collection terms were about one months	0.13
		TSRC-UBE (Nantong) Industries Ltd.	a	Sales	46,853	The transaction is not significantly different from normal transactions, and the collection terms were about one months	0.13
1	TSRC (Nantong) Industries Ltd.	TSRC (Shanghai) Industries Ltd.	c	Sales	75,946	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.20
		Polybus Corporation Pte Ltd	c	Sales	272,347	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.73
		Polybus Corporation Pte Ltd	c	Trade receivables from related parties	49,076	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.11

(Continued)

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transactions Details			% to Total Sales or Assets
				Financial Statement Account	Amount (Note 4)	Payment Terms	
		TSRC (Lux) Corporation S.A R.L	c	Sales	$ 1,426,679	The transaction is not significantly different from normal transactions, and the collection terms were about two months	3.83
		TSRC (Lux) Corporation S.A R.L	c	Trade receivables from related parties	170,209	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.39
		TSRC-UBE (Nantong) Industries Ltd.	c	Other income and expenses	289,885	The transaction is not significantly different from normal transactions, and the collection terms were about one month	0.78
2	TSRC Specialty Materials LLC	TSRC (Lux) Corporation S.A R.L	c	Sales	481,875	The transaction is not significantly different from normal transactions, and the collection terms were about two months	1.30
		TSRC (Lux) Corporation S.A R.L	c	Trade receivables from related parties	53,235	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.12
3	Shen Hua Chemical Industries Co., Ltd.	Polybus Corporation Pte Ltd	c	Sales	513,894	The transaction is not significantly different from normal transactions, and the collection terms were about two months	1.38
		Polybus Corporation Pte Ltd	c	Trade receivables from related parties	102,647	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.24
4	TSRC (Shanghai) Industries Ltd.	TSRC (Nantong) Industries Ltd.	c	Entrusted loan	67,167	The transaction is not significantly different from normal transactions, and the payment method is based on a one-year period starting from the date of the initial disbursement.	0.16
5	TSRC (Hong Kong) Limited	TSRC (Vietnam) Co., Ltd.	c	Other receivables from related parties	42,615	The transaction is not significantly different from normal transactions, and the payment method is based on a one-year period starting from the date of the initial disbursement.	0.10

Note 1: Business relationships between the parent and subsidiaries are numbered as follows:

a. Parent: 0.
b. Subsidiaries, sequentially numbered by Arabic numerals from 1.

Note 2: Relationships between counterparties are categorized as follows:

a. Parent to subsidiary.
b. Subsidiary to parent.
c. One subsidiary to another subsidiary.

Note 3: For balance sheet items, over 0.1% of total consolidated assets, and for profit or loss items, over 0.1% of total consolidated revenue were selected for disclosure.

Note 4: The amount was eliminated upon consolidation.

(Concluded)

TSRC CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEES (EXCLUDING INVESTMENTS IN MAINLAND CHINA)
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2024			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				December 31, 2024	December 31, 2023	Shares	%	Carrying Amount			
TSRC	Trimurti Holding Corporation	Tortola B.V.I.	Investment	$ 1,005,495	$ 1,005,495	86,920,000	100.00	$ 18,775,588	$ 1,172,144	$ 1,172,144	Subsidiary (Note 3)
	Hardison International Corporation	Tortola B.V.I.	Investment	109,442	109,442	3,896,305	100.00	718,726	32,788	32,788	Subsidiary (Note 3)
	Dymas Corporation	Tortola B.V.I.	Investment	38,376	38,376	1,161,004	19.48	163,552	64,782	12,619	Subsidiary (Notes 2 and 3)
	TSRC (Vietnam) Co., Ltd.	Binh Duong Province, Vietnam	Production and processing of rubber color masterbatch, thermoplastic elastomer and plastic compound products	387,585	387,585	-	100.00	(228,756)	(345,910)	(345,910)	Subsidiary (Note 3)
Trimurti Holding Corporation	Polybus Corporation Pte Ltd	Singapore	International commerce and investment corporation	2,806,086 (US$ 85,601)	2,806,086 (US$ 85,601)	133,728,000	100.00	10,729,089	711,088	711,088	Subsidiary (Note 3)
	TSRC (Hong Kong) Limited	Hong Kong	Investment	3,404,307 (US$ 103,850)	3,404,307 (US$ 103,850)	103,850,000	100.00	2,601,073	(341,770)	(341,770)	Subsidiary (Note 3)
	Indian Synthetic Rubber Private Limited	,New Delhi, India	Production and sale of synthetic rubber products	966,154 (US$ 29,473)	966,154 (US$ 29,473)	222,861,375	50.00	2,183,541	1,319,794	659,897	Joint ventures
TSRC (Hong Kong) Limited	TSRC (Lux.) Corporation S.A R.L.	Luxembourg	International commerce and investment	2,555,420 (EUR 74,870)	2,555,420 (EUR 74,870)	74,869,617	100.00	2,095,031	(388,559)	(388,559)	Subsidiary (Note 3)
TSRC (Lux.) Corporation S.A R.L.	TSRC (USA) Investment Corporation	Delaware, U.S.A.	Investment	3,148,615 (US$ 96,050)	3,148,615 (US$ 96,050)	130	100.00	2,160,775	(392,008)	(392,008)	Subsidiary (Note 3)
TSRC (USA) Investment Corporation	TSRC Specialty Materials LLC	Texas, U.S.A.	Production and sale of TPE	7,166,484 (US$ 218,617)	7,166,484 (US$ 218,617)	-	100.00	1,494,333	(280,990)	(280,990)	Subsidiary (Note 3)
Hardison International Corporation	Triton International Holdings Corporation	Tortola B.V.I.	Investment	1,639 (US$ 50)	1,639 (US$ 50)	50,000	100.00	40,531	(19,309)	(19,309)	Subsidiary (Note 3)
	Dymas Corporation	Tortola B.V.I.	Investment	157,316 (US$ 4,799)	157,316 (US$ 4,799)	4,798,566	80.52	676,039	64,782	52,162	Subsidiary (Notes 2 and 3)
Dymas Corporation	Asia Pacific Energy Development Co., Ltd.	Cayman Islands	Consulting for electric power facilities management and electrical system design	- (US$ -)	369,934 (US$ 11,285)	-	-	-	7,981	3,015	Associate

Note 1: Amounts in foreign currencies were translated based on the exchange rate at the reporting date (US$1 to NT$32.7810; EUR1 to NT$34.1316).

Note 2: TSRC directly owns 19.48% of Dymas's equity and indirectly owns 80.52% via Hardison International Corporation, total directly and indirectly owns of equity are 100%.

Note 3: The amount was eliminated upon consolidation.

TSRC CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Investee Company in Mainland China	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2024	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Income (Loss) (Note 4)	Carrying Amount as of December 31, 2024	Accumulated Repatriation of Investment Income as of December 31, 2024	Note
					Outward	Inward							
Shen Hua Chemical Industries Co., Ltd.	Production and sale of synthetic rubber products	$ 2,732,296 (US$ 83,350)	b. 1)	$ -	$ -	$ -	$ -	$ 469,018	88.00	$ 403,774 b	$ 4,110,981	$ 4,786,340	Note 3
Changzhou Asia Pacific Co-generation Co., Ltd.	Power generation and sale of electricity and steam	757,241 (US$ 23,100)	b. 3)	125,617 (US$ 3,832)	-	-	125,617 (US$ 3,832)	-	-	- b	-	358,308	Note 7
TSRC (Shanghai) Industries Ltd.	Production and sale of compounding materials	180,296 (US$ 5,500)	b. 2)	128,502 (US$ 3,920)	-	-	128,502 (US$ 3,920)	43,629	100.00	43,629 b	330,543	-	Note 3
Nantong Qix Storage Co., Ltd.	Storehouse for chemicals	98,343 (US$ 3,000)	b. 4)	49,172 (US$ 1,500)	-	-	49,172 (US$ 1,500)	(38,489)	50.00	(19,245) b	40,331	74,060	-
TSRC-UBE (Nantong) Chemical Industrial Co., Ltd.	Production and sale of synthetic rubber products	1,311,240 (US$ 40,000)	b. 1)	32,781 (US$ 1,000)	-	-	32,781 (US$ 1,000)	269,208	55.00	148,064 b	1,059,991	208,813	Note 3
TSRC (Nantong) Industries Ltd.	Production and sale of TPE	3,446,103 (US$ 105,125)	b, 1)	217,928 (US$ 6,648)	-	-	217,928 (US$ 6,648)	188,507	100.00	188,507 b	4,049,432	440,864	Note 3
ARLANXEO-TSRC (Nantong) Chemical Industries Co., Ltd.	Production and sale of NBR	1,468,589 (US$ 44,800)	b. 1)	-	-	-	-	137	50.00	69 a	744,672	-	-

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
$554,000 (US$16,900)	$8,035,344 (US$245,122) (Note 6)	No upper limit on the amount of investment (Note 5)

Note 1: The methods of making investments include the following:

a. Direct investment in mainland China.

b. Through the establishment of third-region companies, then investing in China.

1) Through the establishment of Polybus Corporation Pte Ltd, then investing in China.
2) Through the establishment of TSRC (Hong Kong) Limited, then investing in China.
3) Through the establishment of Asia Pacific Energy Development Co., Ltd., then investing in China.
4) Through the establishment of Triton International Holdings Corporation, then investing in China.

c. Other methods.

Note 2: Amounts in foreign currencies were translated based on the exchange rate at the reporting date (US$1 to NT$32.7810)

Note 3: The amount was eliminated upon consolidation.

(Continued)

Note 4: Investment income (loss) and book value column:

a. The financial statements have been audited and certified by an international accounting firm with a partnership with Certified Public Accountant firms in the Republic of China.
b. The financial statements that have been audited by CPA of parent company.

Note 5: In accordance with the “Regulations on Permission for Investment or Technical Cooperation in Mainland China” and the “Principles for Examination of Applications for Investment or Technical Cooperation in Mainland China” amended and ratified by the Executive Yuan on August 22, 2008, the Company met the criteria for operational headquarters under the Statute for Industrial Innovation and obtained approval from the Industrial Development Bureau, Ministry of Economic Affairs, on August 6, 2024. As it has an operational headquarters status, the Company is not subject to the limitation as to the amount of investment in China during the period from July 18, 2024 to July 17, 2027.

Note 6: This amount includes capital increase out of earnings, approved by the Investment Commission, MOEA.

Note 7: The company invested in Changzhou Asia Pacific Co-generation Co., Ltd., with 100% equity held through Asia Pacific Energy Development Co., Ltd., in November 2023, and it has been approved by the Investment Commission, MOEA in April 2024, and await to remit the remittances back to Taiwan.

(Concluded)

TABLE 9

TSRC CORPORATION AND SUBSIDIARIES

INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2024

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Panama Banco Industrial Company	69,524,417	8.41
Han-De Construction Co., Ltd.	63,093,108	7.64
Wei Dah Development Co., Ltd.	53,708,923	6.50

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preferred shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If a shareholder delivers the shareholdings to the trust, the above information will be disclosed by the individual truster who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, please refer to Market Observation Post System.