

TSRC Corporation and Subsidiaries

**Consolidated Financial Statements for the
Three Months Ended March 31, 2026 and 2025 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
TSRC Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of TSRC Corporation and its subsidiaries (collectively, the "Group") as of March 31, 2026 and 2025, and the related consolidated statements of comprehensive income, the consolidated statements of changes in equity and cash flows for the three months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as 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 Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As disclosed in Note 11 to the consolidated financial statements, the financial statements of some non-significant subsidiaries included in the consolidated financial statements referred to in the first paragraph were not reviewed. As of March 31, 2026 and 2025, combined total assets of these non-significant subsidiaries were NT\$3,811,542 thousand and NT\$3,853,642 thousand, both representing 8% of the consolidated total assets, and combined total liabilities of these subsidiaries were NT\$486,316 thousand and NT\$814,296 thousand, representing 2% and 3% of the consolidated total liabilities; for the three months ended March 31, 2026 and 2025, the amounts of combined comprehensive income of these subsidiaries were NT\$135,019 thousand and NT\$49,307 thousand, representing 16% and 6% of the consolidated total comprehensive income. Also, as stated in Note 12 of the consolidated financial statements, as of March 31, 2026 and 2025, the investments accounted for using the equity method were NT\$3,437,896 thousand and NT\$3,195,697 thousand. For the three months ended March 31, 2026 and 2025, the share of other comprehensive income of the associates was NT\$240,587 thousand and NT\$176,473 thousand of the consolidated comprehensive income, and these investment amounts as well as additional disclosures in Note 35 "Information on Investees" were based on the investees' unreviewed financial statements for the same reporting periods as those of the Group.

Qualified Conclusion

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries and investees accounted for using the equity method as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2026 and 2025, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

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

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 7, 2026

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 review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors’ review 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’ review report and consolidated financial statements shall prevail.

TSRC CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2026		December 31, 2025		March 31, 2025	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 6,501,177	15	\$ 6,686,122	16	\$ 6,056,143	13
Financial assets at fair value through profit or loss - current (Note 7)	18,399	-	222	-	142	-
Notes receivable, net (Note 8)	1,241,856	3	1,280,832	3	1,402,692	3
Accounts receivable, net (Notes 8 and 30)	3,946,474	9	3,178,240	8	4,295,592	10
Other receivables (Notes 8 and 30)	164,474	-	127,892	-	293,979	1
Current income tax assets	126,488	-	133,759	-	-	-
Inventories (Note 9)	7,949,807	18	7,838,195	18	8,247,035	18
Other current assets	657,782	1	487,901	1	619,381	1
Total current assets	<u>20,606,457</u>	<u>46</u>	<u>19,733,163</u>	<u>46</u>	<u>20,914,964</u>	<u>46</u>
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income - non-current (Note 10)	1,955,740	4	2,020,631	5	2,049,333	5
Investments accounted for under equity method (Note 12)	3,437,896	8	3,244,344	8	3,195,697	7
Property, plant and equipment (Notes 13, 31 and 32)	13,875,631	31	13,250,584	31	13,870,232	31
Right-of-use assets (Notes 14 and 31)	2,337,426	5	2,326,817	5	2,481,501	6
Investment property (Note 15)	1,489,566	3	1,493,247	3	1,504,291	3
Intangible assets (Note 16)	161,933	-	171,695	-	636,796	1
Deferred income tax assets	368,025	1	371,200	1	607,472	1
Other non-current assets (Notes 30 and 31)	613,548	2	647,250	1	190,416	-
Total non-current assets	<u>24,239,765</u>	<u>54</u>	<u>23,525,768</u>	<u>54</u>	<u>24,535,738</u>	<u>54</u>
TOTAL	<u>\$ 44,846,222</u>	<u>100</u>	<u>\$ 43,258,931</u>	<u>100</u>	<u>\$ 45,450,702</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Note 17)	\$ 5,243,271	12	\$ 4,745,654	11	\$ 5,133,632	11
Short-term bills payable (Note 17)	59,997	-	-	-	-	-
Financial liabilities at fair value through profit or loss - current (Note 7)	68	-	1,426	-	31,543	-
Accounts payable	2,223,217	5	1,969,812	5	2,241,304	5
Other payables (Note 30)	1,720,444	4	1,694,395	4	1,936,682	4
Current income tax liabilities	263,857	1	113,286	-	278,297	1
Provisions - current (Notes 18 and 33)	175,872	-	170,060	-	-	-
Lease liabilities - current (Note 14)	216,634	-	213,744	-	206,881	1
Current portion of long-term borrowings (Notes 17 and 31)	882,078	2	1,225,566	3	1,085,402	2
Other current liabilities	227,637	1	408,974	1	167,160	-
Total current liabilities	<u>11,013,075</u>	<u>25</u>	<u>10,542,917</u>	<u>24</u>	<u>11,080,901</u>	<u>24</u>
NON-CURRENT LIABILITIES						
Long-term bank borrowings (Notes 17 and 31)	6,369,581	14	5,954,401	14	6,688,865	15
Provisions - non-current (Notes 18 and 33)	54,906	-	68,360	-	261,258	-
Non-current income tax liabilities	84,794	-	91,306	-	11,533	-
Deferred income tax liabilities	2,357,570	5	2,206,635	5	2,301,406	5
Lease liabilities - non-current (Note 14)	1,170,740	3	1,186,364	3	1,312,151	3
Other non-current liabilities (Notes 25 and 33)	1,648,057	4	1,697,086	4	1,727,410	4
Total non-current liabilities	<u>11,685,648</u>	<u>26</u>	<u>11,204,152</u>	<u>26</u>	<u>12,302,623</u>	<u>27</u>
Total liabilities	<u>22,698,723</u>	<u>51</u>	<u>21,747,069</u>	<u>50</u>	<u>23,383,524</u>	<u>51</u>
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY (Note 20)						
Common stock	8,257,099	18	8,257,099	19	8,257,099	18
Capital surplus	57,766	-	57,766	-	57,219	-
Retained earnings						
Legal reserve	4,821,403	11	4,821,403	11	4,713,729	11
Unappropriated earnings	4,778,401	10	4,565,624	11	4,616,753	10
Total retained earnings	9,599,804	21	9,387,027	22	9,330,482	21
Other equity	2,573,493	6	2,253,334	5	2,921,339	6
Total equity attributable to shareholders of the Company	20,488,162	45	19,955,226	46	20,566,139	45
NON-CONTROLLING INTERESTS (Note 11)	<u>1,659,337</u>	<u>4</u>	<u>1,556,636</u>	<u>4</u>	<u>1,501,039</u>	<u>4</u>
Total equity	<u>22,147,499</u>	<u>49</u>	<u>21,511,862</u>	<u>50</u>	<u>22,067,178</u>	<u>49</u>
TOTAL	<u>\$ 44,846,222</u>	<u>100</u>	<u>\$ 43,258,931</u>	<u>100</u>	<u>\$ 45,450,702</u>	<u>100</u>

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

(With Deloitte & Touche review report dated May 7, 2026)

TSRC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2026		2025	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 21 and 30)	\$ 10,330,865	100	\$ 10,376,899	100
OPERATING COSTS (Notes 9, 22 and 30)	<u>9,065,134</u>	<u>88</u>	<u>9,185,583</u>	<u>88</u>
GROSS PROFIT	<u>1,265,731</u>	<u>12</u>	<u>1,191,316</u>	<u>12</u>
OPERATING EXPENSES (Note 8, 22 and 30)				
Selling expenses	356,148	4	344,780	3
General and administrative expenses	243,042	2	307,959	3
Research and development expenses	97,051	1	97,164	1
Expected credit loss (reversed) on trade receivables	<u>6,497</u>	<u>-</u>	<u>(5,670)</u>	<u>-</u>
Total operating expenses	<u>702,738</u>	<u>7</u>	<u>744,233</u>	<u>7</u>
OTHER INCOME AND EXPENSES, NET (Notes 22, 25 and 30)	<u>88,045</u>	<u>1</u>	<u>45,426</u>	<u>-</u>
OPERATING PROFIT	<u>651,038</u>	<u>6</u>	<u>492,509</u>	<u>5</u>
NON-OPERATING INCOME AND EXPENSES (Note 22)				
Interest income	33,629	-	53,718	-
Other gains and losses	10,619	-	14,409	-
Finance costs	(90,955)	(1)	(94,545)	(1)
Share of gain of associates and joint ventures accounted for under equity method	<u>240,587</u>	<u>3</u>	<u>176,473</u>	<u>2</u>
Total non-operating income	<u>193,880</u>	<u>2</u>	<u>150,055</u>	<u>1</u>
PROFIT BEFORE INCOME TAX	844,918	8	642,564	6
INCOME TAX EXPENSE (Note 23)	<u>343,164</u>	<u>3</u>	<u>268,294</u>	<u>2</u>
NET PROFIT FOR THE PERIOD	<u>501,754</u>	<u>5</u>	<u>374,270</u>	<u>4</u>
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	(65,926)	(1)	100,065	1
Income tax related to items that will not be reclassified subsequently to profit or loss (Note 23)	<u>13,671</u>	<u>-</u>	<u>(22,929)</u>	<u>-</u>
	<u>(52,255)</u>	<u>(1)</u>	<u>77,136</u>	<u>1</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	524,630	5	342,522	3
Share of the other comprehensive income of associates and joint ventures accounted for using equity method	<u>(115,550)</u>	<u>(1)</u>	<u>6,195</u>	<u>-</u>
	<u>409,080</u>	<u>4</u>	<u>348,717</u>	<u>3</u>
Other comprehensive income for the period, net of income tax	<u>356,825</u>	<u>3</u>	<u>425,853</u>	<u>4</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 858,579</u>	<u>8</u>	<u>\$ 800,123</u>	<u>8</u>
NET INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 435,719	4	\$ 329,884	3
Non-controlling interests	<u>66,035</u>	<u>1</u>	<u>44,386</u>	<u>1</u>
	<u>\$ 501,754</u>	<u>5</u>	<u>\$ 374,270</u>	<u>4</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 755,878	7	\$ 734,843	7
Non-controlling interests	<u>102,701</u>	<u>1</u>	<u>65,280</u>	<u>1</u>
	<u>\$ 858,579</u>	<u>8</u>	<u>\$ 800,123</u>	<u>8</u>
EARNINGS PER SHARE (Note 24)				
Basic	<u>\$ 0.53</u>		<u>\$ 0.40</u>	
Diluted	<u>\$ 0.53</u>		<u>\$ 0.40</u>	

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

(With Deloitte & Touche review report dated May 7, 2026)

TSRC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of Parent					Total Other Equity Interest			Total Equity Attributable to Owners of Parent	Non-controlling Interests	Total Equity	
	Common Stock	Capital Surplus	Legal Reserve	Retained Earnings		Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gains on Financial Assets Measured at Fair Value Through Other Comprehensive Income	Loss on Hedging Instruments				Total
				Unappropriated Retained Earnings	Total							
BALANCE AT JANUARY 1, 2025	\$ 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
Appropriation and distribution of retained earnings:												
Cash dividends	-	-	-	(520,197)	(520,197)	-	-	-	-	(520,197)	-	(520,197)
Net profit for three months ended March 31, 2025	-	-	-	329,884	329,884	-	-	-	-	329,884	44,386	374,270
Other comprehensive income (loss) for three months ended March 31, 2025	-	-	-	-	-	328,345	77,136	(522)	404,959	404,959	20,894	425,853
Total comprehensive income (loss) for three months ended March 31, 2025	-	-	-	329,884	329,884	328,345	77,136	(522)	404,959	734,843	65,280	800,123
BALANCE AT MARCH 31, 2025	\$ 8,257,099	\$ 57,219	\$ 4,713,729	\$ 4,616,753	\$ 9,330,482	\$ 1,419,854	\$ 1,540,599	\$ (39,114)	\$ 2,921,339	\$ 20,566,139	\$ 1,501,039	\$ 22,067,178
BALANCE AT JANUARY 1, 2026	\$ 8,257,099	\$ 57,766	\$ 4,821,403	\$ 4,565,624	\$ 9,387,027	\$ 738,141	\$ 1,541,196	\$ (26,003)	\$ 2,253,334	\$ 19,955,226	\$ 1,556,636	\$ 21,511,862
Appropriation and distribution of retained earnings:												
Cash dividends	-	-	-	(222,942)	(222,942)	-	-	-	-	(222,942)	-	(222,942)
Net profit for three months ended March 31, 2026	-	-	-	435,719	435,719	-	-	-	-	435,719	66,035	501,754
Other comprehensive income (loss) for three months ended March 31, 2026	-	-	-	-	-	371,953	(52,255)	461	320,159	320,159	36,666	356,825
Total comprehensive income for three months ended March 31, 2026	-	-	-	435,719	435,719	371,953	(52,255)	461	320,159	755,878	102,701	858,579
BALANCE AT MARCH 31, 2026	\$ 8,257,099	\$ 57,766	\$ 4,821,403	\$ 4,778,401	\$ 9,599,804	\$ 1,110,094	\$ 1,488,941	\$ (25,542)	\$ 2,573,493	\$ 20,488,162	\$ 1,659,337	\$ 22,147,499

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

(With Deloitte & Touche review report dated May 7, 2026)

TSRC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Consolidated net income before tax	\$ 844,918	\$ 642,564
Adjustments to reconcile profit and loss:		
Depreciation	301,492	246,053
Amortization	11,849	34,616
Expected credit loss (reversal) on trade receivables	6,497	(5,670)
Interest expense	90,955	94,545
Interest income	(33,629)	(53,718)
Share of profit of associates and joint ventures accounted for under the equity method	(240,587)	(176,473)
Loss on disposal of property, plant and equipment	436	156
Transfer to operating costs and inventories	30,551	37,841
Changes in operating assets and liabilities:		
Financial assets at fair value through profit or loss	(18,177)	17,502
Notes receivable	38,976	(8,179)
Accounts receivable	(774,745)	(271,787)
Other receivables	(45,060)	(36,495)
Inventories	(111,612)	(663,713)
Other current assets	(169,881)	(117,703)
Financial liabilities at fair value through profit or loss	(1,358)	31,326
Accounts payable	253,405	(453,283)
Accounts payable - related parties	-	(73,628)
Other payables	(230,376)	(263,255)
Provisions	(14,210)	-
Other current liabilities	(181,337)	(199,086)
Net defined benefit liability	(949)	(632)
Other non-current liabilities	(25,517)	18,977
Cash flow used in operating activities	(268,359)	(1,200,042)
Interest income received	42,107	62,934
Interest paid	(92,221)	(103,658)
Income taxes paid	(24,053)	(106,655)
Net cash flow used in operating activities	<u>(342,526)</u>	<u>(1,347,421)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments of property, plant and equipment	(592,285)	(493,602)
Proceeds from disposal of property, plant and equipment	45	118
Decrease in other non-current assets	34,651	29,863
Compensation for relocation/Government grant	-	335,228
Net cash flow used in investing activities	<u>(557,589)</u>	<u>(128,393)</u>

(Continued)

TSRC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2026	2025
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	\$ 7,301,618	\$ 7,501,684
Decrease in short-term borrowings	(6,909,598)	(7,160,664)
Increase in short-term commercial paper payable	60,000	340,000
Decrease in short-term commercial paper payable	-	(440,000)
Proceeds from long-term borrowings	831,485	1,197,891
Repayments of long-term borrowings	(854,668)	(407,398)
Repayments of lease liabilities	(59,119)	(58,197)
Cash dividends paid	<u>(197)</u>	<u>(154)</u>
Net cash flow generated from financing activities	<u>369,521</u>	<u>973,162</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		
	<u>345,649</u>	<u>223,529</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(184,945)</u>	<u>(279,123)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		
	<u>6,686,122</u>	<u>6,335,266</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 6,501,177</u>	<u>\$ 6,056,143</u>

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

(With Deloitte & Touche review report dated May 7, 2026)

(Concluded)

TSRC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025 (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.

The consolidated financial statements are presented in New Taiwan dollars, which is Company’s functional currency.

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 May 7, 2026.

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 Financial Supervisory Commission (FSC)

Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”

The initial application of the Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” did not have a material impact on the Corporation’s accounting policies.

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

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
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 18 “Presentation and Disclosures in Financial Statements”	January 1, 2027 (Note 2)

Note 1: Unless stated otherwise, the above IFRSs are effective for annual reporting periods beginning on or after their respective effective dates

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

IFRS 18 “Presentation and Disclosure in Financial Statements”

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

- Enhance the comparability of the statement of profit or loss: In the statement of profit or loss, income and expenses are classified into five categories: Operating, investing, financing, income tax, or discontinued operations to improve the structure of the statement of profit or loss, and all entities are required to provide newly defined subtotals. By enhancing the structure of the statement of profit or loss and introducing newly defined subtotals, investors will have a consistent starting point when analyzing financial performance across companies, making comparisons easier.
- Management Performance Measures (MPMs): Introducing a definition for management performance measures, and requiring companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconciling it to an amount determined under IFRS Accounting Standards.
- Enhancement of the Aggregation of Financial Statement Information: Providing guidance on the consolidation or disaggregation of financial data disclosed within the primary financial statements or their accompanying notes.

In addition, the following consequential amendments have been made to IAS 7 “Statement of Cash Flows”:

- The Group shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.
- Interest and dividends received by the Group shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. However, if, after assessment, the Group has a specific main operating activity, it shall determine how to classify dividends received, interest received and interest paid in the statement of cash flows by referring to how it classifies dividend income, interest income and interest expense in the statement of profit or loss. The total of each of these cash flows shall be classified in a single category in the statement of cash flows.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of other 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

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

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, biological assets excluding bearer plants which are measured at fair value less costs to sell, 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. 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 the detailed information on subsidiaries (including the percentages of ownership and main businesses).

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2025.

1) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Refer to the consolidated financial statements for the year ended December 31, 2025 for information on the material accounting judgements and key sources of estimation uncertainty.

6. CASH AND CASH EQUIVALENTS

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand	\$ 472	\$ 462	\$ 463
Checking accounts and demand deposits	680,296	615,276	958,513
Cash equivalents			
Time deposits	<u>5,820,409</u>	<u>6,070,384</u>	<u>5,097,167</u>
	<u>\$ 6,501,177</u>	<u>\$ 6,686,122</u>	<u>\$ 6,056,143</u>

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Financial assets at fair value through profit or loss (FVTPL) - current</u>			
Financial assets mandatorily classified as at FVTPL			
Derivative financial assets (not under hedge accounting)			
Foreign exchange forward contracts/ Cross-currency swap contracts	<u>\$ 18,399</u>	<u>\$ 222</u>	<u>\$ 142</u>
<u>Financial liabilities at FVTPL - current</u>			
Financial liabilities held for trading			
Derivative financial liabilities (not under hedge accounting)			
Foreign exchange forward contracts/ Cross-currency swap contracts	<u>\$ 68</u>	<u>\$ 1,426</u>	<u>\$ 31,543</u>

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)
<u>March 31, 2026</u>			
Sell (forward contracts)	EUR/USD	2026.4.28-2026.06.29	EUR650/USD759
Sell (forward contracts)	CNH/USD	2026.04.08	CNH3,000/USD432
Swap contracts	EUR/USD	2026.4.28-2026.06.18	EUR26,055/USD30,505
<u>December 31, 2025</u>			
Sell (forward contracts)	EUR/USD	2026.01.13-2026.3.19	EUR4,784/USD5,637
Swap contracts	EUR/USD	2026.01.16-2026.2.26	EUR13,200/USD15,464
<u>March 31, 2025</u>			
Sell (forward contracts)	EUR/USD	2025.04.14-2025.05.28	EUR2,158/USD2,302
Swap contracts	EUR/USD	2025.04.14-2025.06.27	EUR22,780/USD23,817
Swap contracts	JPY/USD	2025.04.30-2025.05.28	JPY9,500/USD64

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

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Notes receivable</u>			
At amortized cost			
Gross carrying amount	<u>\$ 1,241,856</u>	<u>\$ 1,280,832</u>	<u>\$ 1,402,692</u>
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 3,954,396	\$ 3,179,651	\$ 4,296,431
Less: Allowance for impairment loss	<u>(7,922)</u>	<u>(1,411)</u>	<u>(839)</u>
	<u>\$ 3,946,474</u>	<u>\$ 3,178,240</u>	<u>\$ 4,295,592</u>
<u>Other receivables</u>			
Other receivables from related parties	\$ 25,505	\$ 19,607	\$ 35,923
Others	<u>138,969</u>	<u>108,285</u>	<u>258,056</u>
	<u>\$ 164,474</u>	<u>\$ 127,892</u>	<u>\$ 293,979</u>

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.

March 31, 2026

	Not Past Due	Past Due Less than 30 Days	Past Due 31 to 60 Days	Past Due 90+ Days	Total
Expected credit loss rate	0.00%	3.94%	31.05%	-	
Gross carrying amount	\$ 5,094,274	\$ 88,300	\$ 13,678	\$ -	\$ 5,196,252
Loss allowance (Lifetime ECLs)	<u>(196)</u>	<u>(3,479)</u>	<u>(4,247)</u>	<u>-</u>	<u>(7,922)</u>
Amortized cost	<u>\$ 5,094,078</u>	<u>\$ 84,821</u>	<u>\$ 9,431</u>	<u>\$ -</u>	<u>\$ 5,188,330</u>

December 31, 2025

	Not Past Due	Past Due Less than 30 Days	Past Due 31 to 60 Days	Past Due 90+ Days	Total
Expected credit loss rate	0.00%	0.28%	5.11%	-	
Gross carrying amount	\$ 4,245,153	\$ 200,843	\$ 14,487	\$ -	\$ 4,460,483
Loss allowance (Lifetime ECLs)	<u>(118)</u>	<u>(553)</u>	<u>(740)</u>	<u>-</u>	<u>(1,411)</u>
Amortized cost	<u>\$ 4,245,035</u>	<u>\$ 200,290</u>	<u>\$ 13,747</u>	<u>\$ -</u>	<u>\$ 4,459,072</u>

March 31, 2025

	Not Past Due	Past Due Less than 30 Days	Past Due 31 to 60 Days	Past Due 90+ Days	Total
Expected credit loss rate	0.00%	0.11%	8.30%	-	
Gross carrying amount	\$ 5,587,431	\$ 103,511	\$ 8,181	\$ -	\$ 5,699,123
Loss allowance (Lifetime ECLs)	<u>(50)</u>	<u>(111)</u>	<u>(678)</u>	<u>-</u>	<u>(839)</u>
Amortized cost	<u>\$ 5,587,381</u>	<u>\$ 103,400</u>	<u>\$ 7,503</u>	<u>\$ -</u>	<u>\$ 5,698,284</u>

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

	For the Three Months Ended March 31	
	2026	2025
Balance at January 1	\$ 1,411	\$ 6,459
Impairment losses reversed recognized for the period	6,497	(5,670)
Foreign exchange gains and losses	<u>14</u>	<u>50</u>
Balance at March 31	<u>\$ 7,922</u>	<u>\$ 839</u>

9. INVENTORIES

	March 31, 2026	December 31, 2025	March 31, 2025
Finished goods	\$ 5,140,123	\$ 5,404,385	\$ 5,390,041
Work in progress	385,138	352,358	376,946
Raw materials	<u>2,424,546</u>	<u>2,081,452</u>	<u>2,480,048</u>
	<u>\$ 7,949,807</u>	<u>\$ 7,838,195</u>	<u>\$ 8,247,035</u>

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

	For the Three Months Ended March 31	
	2026	2025
Cost of inventories sold	\$ 9,036,679	\$ 9,089,235
Inventory write-downs (reversed)	(68,219)	30,113
Income from sale of scrap	(7,630)	(14,382)
Inventory short and over	5,680	141
Unallocated production overhead	<u>98,624</u>	<u>80,476</u>
	<u>\$ 9,065,134</u>	<u>\$ 9,185,583</u>

The reversal of inventory write-downs for the three months ended March 31, 2026 resulted from the sale or consumption of the inventories in the current year and an improvement in net realizable value.

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in Equity Instruments at FVTOCI

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Non-current</u>			
Investments in equity instruments			
Domestic listed and emerging market shares	\$ 1,175,926	\$ 1,173,497	\$ 1,069,024
Domestic and foreign unlisted shares	<u>779,814</u>	<u>847,134</u>	<u>980,309</u>
	<u>\$ 1,955,740</u>	<u>\$ 2,020,631</u>	<u>\$ 2,049,333</u>

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.

11. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements

Investor	Investee	Nature of Activities	Proportion of Ownership			Remark
			March 31, 2026	December 31, 2025	March 31, 2025	
The Corporation	Trimurti Holding Corporation	Investment	100.00	100.00	100.00	-
The Corporation	Hardison International Corporation	Investment	100.00	100.00	100.00	(4)
The Corporation and Hardison International Corporation	Dymas Corporation	Investment	100.00	100.00	100.00	(1) and (4)
The Corporation and Dymas Corporation	TSRC (Vietnam) Co., Ltd.	Production and processing of rubber color masterbatch, thermoplastic elastomer and plastic compound products	100.00	100.00	100.00	(2) and (4)
Trimurti Holding Corporation	Polybus Corporation Pte Ltd	International commerce and investment corporation	100.00	100.00	100.00	-
Trimurti Holding Corporation	TSRC (Hong Kong) Limited	Investment	100.00	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	100.00	(4)
TSRC (Hong Kong) Limited	TSRC (Lux.) Corporation S.A R.L.	International commerce and investment corporation	100.00	100.00	100.00	-
TSRC (Lux.) Corporation S.A R.L.	TSRC (USA) Investment	Investment	100.00	100.00	100.00	-
TSRC (USA) Investment Corporation	TSRC Specialty Materials LLC	Production and sale of TPE	100.00	100.00	100.00	-
Polybus Corporation Pte Ltd	Shen Hua Chemical Industries Co., Ltd.	Production and sale of ESBR	90.92	90.92	88.00	(3)
Polybus Corporation Pte Ltd	TSRC-UBE (Nantong) Industries Ltd.	Production and sale of BR	55.00	55.00	55.00	(4)
Polybus Corporation Pte Ltd	TSRC (Nantong) Industries Ltd.	Production and sale of thermoplastic elastomer	100.00	100.00	100.00	(5)
Hardison International Corporation	Triton International Holdings Corporation	Investment	100.00	100.00	100.00	(4)

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 100.00% directly and indirectly owned equity.
- 2) In March 2025, Dymas Corporation acquired 45.69% shares of TSRC (Vietnam) Co., Ltd., which issued ordinary shares for cash, and as a result, TSRC Corporation's direct ownership decreased from 100% to 54.31%, total directly and indirectly owns of equity are 100%.
- 3) In April 2025, the non-controlling interests of Shen Hua Chemical Industrial Co., Ltd. did not recognize the company's cash capital increase in proportion to their ownership. As a result, Polybus Corporation Pte Ltd's ownership interest increased from 88.00% to 90.92%.
- 4) The company is not a major subsidiary; its financial statements have not been reviewed.
- 5) As of March 31, 2025, the company was not a major subsidiary; its financial statements have been reviewed.

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		
		March 31, 2026	December 31, 2025	March 31, 2025
Shen Hua Chemical Industries Co., Ltd.	China	9.08%	9.08%	12.00%
TSRC-UBE (Nantong) Industries Ltd.	China	45.00%	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.

	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	\$ 7,329,644	\$ 7,084,628	\$ 4,686,605
Non-current assets	7,077,463	6,509,591	6,384,871
Current liabilities	(1,740,054)	(1,734,842)	(1,397,177)
Non-current liabilities	<u>(4,807,392)</u>	<u>(4,619,416)</u>	<u>(4,697,438)</u>
Equity	<u>\$ 7,859,661</u>	<u>\$ 7,239,961</u>	<u>\$ 4,976,861</u>
Equity attributable to			
Owners of Shen Hua Chemical Industries Co., Ltd.	\$ 7,130,499	\$ 6,558,533	\$ 4,376,549
Non-controlling interests of Shen Hua Chemical Industries Co., Ltd.	<u>729,162</u>	<u>681,428</u>	<u>600,312</u>
	<u>\$ 7,859,661</u>	<u>\$ 7,239,961</u>	<u>\$ 4,976,861</u>
		For the Three Months Ended March 31	
		2026	2025
Revenue		<u>\$ 3,735,692</u>	<u>\$ 3,380,540</u>
Net profit for the year		\$ 404,940	\$ 216,528
Other comprehensive income		<u>120,760</u>	<u>23,142</u>
Total comprehensive income for the year		<u>\$ 525,700</u>	<u>\$ 239,670</u>
Profit attributable to			
Owners of Shen Hua Chemical Industries Co., Ltd.		\$ 368,170	\$ 187,486
Non-controlling interests of Shen Hua Chemical Industries Co., Ltd.		<u>36,770</u>	<u>29,042</u>
		<u>\$ 404,940</u>	<u>\$ 216,528</u>

(Continued)

	For the Three Months Ended March 31	
	2026	2025
Total comprehensive income attributable to:		
Owners of Shen Hua Chemical Industries Co., Ltd.	\$ 477,966	\$ 207,851
Non-controlling interests of Shen Hua Chemical Industries Co., Ltd.	<u>47,734</u>	<u>31,819</u>
	<u>\$ 525,700</u>	<u>\$ 239,670</u>
Cash inflow (outflow) from		
Operating activities	\$ (36,702)	\$ (230,965)
Investing activities	(433,064)	(91,457)
Financing activities	(16,047)	120,701
Effects of exchange rate changes on cash and cash equivalents	<u>1,480</u>	<u>18,183</u>
Net cash outflow	<u>\$ (484,333)</u>	<u>\$ (183,538)</u>
Dividends paid to non-controlling interest of:		
Shen Hua Chemical Industries Co., Ltd.	<u>\$ -</u>	<u>\$ -</u>
		(Concluded)

TSRC-UBE (Nantong) Industries Ltd.

	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	\$ 1,703,133	\$ 1,535,113	\$ 1,599,668
Non-current assets	759,841	739,997	746,325
Current liabilities	(342,266)	(275,483)	(281,298)
Non-current liabilities	<u>(53,652)</u>	<u>(54,721)</u>	<u>(63,080)</u>
Equity	<u>\$ 2,067,056</u>	<u>\$ 1,944,906</u>	<u>\$ 2,001,615</u>
Equity attributable to			
Owners of TSRC-UBE (Nantong) Industries Ltd.	\$ 1,136,881	\$ 1,069,698	\$ 1,100,888
Non-controlling interests of TSRC-UBE (Nantong) Industries Ltd.	<u>930,175</u>	<u>875,208</u>	<u>900,727</u>
	<u>\$ 2,067,056</u>	<u>\$ 1,944,906</u>	<u>\$ 2,001,615</u>

	For the Three Months Ended March 31	
	2026	2025
Revenue	<u>\$ 914,485</u>	<u>\$ 1,078,353</u>
Net profit for the year	\$ 65,034	\$ 34,098
Other comprehensive income	<u>57,116</u>	<u>40,260</u>
Total comprehensive income for the year	<u>\$ 122,150</u>	<u>\$ 74,358</u>
Profit attributable to		
Owners of TSRC-UBE (Nantong) Industries Ltd.	\$ 35,769	\$ 18,754
Non-controlling interests of TSRC-UBE (Nantong) Industries Ltd.	<u>29,265</u>	<u>15,344</u>
	<u>\$ 65,034</u>	<u>\$ 34,098</u>
Total comprehensive income attributable to:		
Owners of TSRC-UBE (Nantong) Industries Ltd.	\$ 67,183	\$ 40,897
Non-controlling interests of TSRC-UBE (Nantong) Industries Ltd.	<u>54,967</u>	<u>33,461</u>
	<u>\$ 122,150</u>	<u>\$ 74,358</u>
Cash inflow (outflow) from		
Operating activities	\$ (12,997)	\$ (196,332)
Investing activities	(12,506)	(7,952)
Financing activities	35,343	(12,211)
Effects of exchange rate changes on cash and cash equivalents	<u>495</u>	<u>6,667</u>
Net cash outflow	<u>\$ 10,335</u>	<u>\$ (209,828)</u>
Dividends paid to non-controlling interest of: TSRC-UBE (Nantong) Industries Ltd.	<u>\$ -</u>	<u>\$ -</u>

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	March 31, 2026	December 31, 2025	March 31 31, 2025
Investments in associates	\$ 889,538	\$ 814,250	\$ 764,294
Investments in joint ventures	<u>2,548,358</u>	<u>2,430,094</u>	<u>2,431,403</u>
	<u>\$ 3,437,896</u>	<u>\$ 3,244,344</u>	<u>\$ 3,195,697</u>

Investments in Associates

	March 31, 2026	December 31, 2025	March 31, 2025
Material associate			
ARLANXEO-TSRC (Nantong) Chemicals Industries Co., Ltd.	\$ <u>889,538</u>	\$ <u>814,250</u>	\$ <u>764,294</u>

a. Material associate

Name of Associate	Nature of Activities	Principal Place of Business	Proportion of Ownership and Voting Rights		
			March 31, 2026	December 31, 2025	March 31, 2025
ARLANXEO-TSRC (Nantong) Chemicals Industries Co., Ltd.	Strategic alliance of production and sale NBR	China	50.00%	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.

	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	\$ 1,682,433	\$ 1,588,523	\$ 1,391,782
Non-current assets	2,924,005	2,884,063	3,091,280
Current liabilities	(1,185,729)	(1,057,236)	(1,125,157)
Non-current liabilities	<u>(1,641,632)</u>	<u>(1,786,849)</u>	<u>(1,829,316)</u>
Equity	<u>\$ 1,779,077</u>	<u>\$ 1,628,501</u>	<u>\$ 1,528,589</u>
Proportion of the Group's ownership	50.00%	50.00%	50.00%
Equity attributable to the Group	<u>\$ 889,538</u>	<u>\$ 814,250</u>	<u>\$ 764,294</u>
Carrying amount	<u>\$ 889,538</u>	<u>\$ 814,250</u>	<u>\$ 764,294</u>

	For the Three Months Ended March 31	
	2026	2025
Revenue	<u>\$ 676,214</u>	<u>\$ 570,701</u>
Net profit for the period	\$ 102,125	\$ 8,372
Other comprehensive income	<u>18,404</u>	<u>11,067</u>
Total comprehensive income for the period	<u>\$ 120,529</u>	<u>\$ 19,439</u>

Investments in Joint Ventures

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Investments in joint ventures</u>			
Material joint venture			
Indian Synthetic Rubber Private Limited	\$ 2,536,233	\$ 2,417,558	\$ 2,394,780
Joint ventures that are not individually material	<u>12,125</u>	<u>12,536</u>	<u>36,623</u>
	<u>\$ 2,548,358</u>	<u>\$ 2,430,094</u>	<u>\$ 2,431,403</u>

a. Material joint venture

Name of Associate	Nature of Activities	Principal Place of Business	Proportion of Ownership and Voting Rights		
			March 31, 2026	December 31, 2025	March 31, 2025
Indian Synthetic Rubber Private Limited	Strategic alliance of production and sales of synthetic rubber products	India	50.00%	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.

	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	\$ 4,119,871	\$ 3,850,264	\$ 2,730,588
Non-current assets	2,424,262	2,492,681	4,635,671
Current liabilities	(1,049,476)	(1,079,094)	(1,708,215)
Non-current liabilities	<u>(291,737)</u>	<u>(299,970)</u>	<u>(732,071)</u>
Equity	<u>\$ 5,202,920</u>	<u>\$ 4,963,881</u>	<u>\$ 4,925,973</u>
Proportion of the Group's ownership	50.00%	50.00%	50.00%
Equity attributable to the Group	<u>\$ 2,601,460</u>	<u>\$ 2,481,941</u>	<u>\$ 2,462,987</u>
Carrying amount	<u>\$ 2,536,233</u>	<u>\$ 2,417,558</u>	<u>\$ 2,394,780</u>

	For the Three Months Ended March 31	
	2026	2025
Revenue	<u>\$ 1,928,531</u>	<u>\$ 1,892,775</u>
Net profit for the period	\$ 380,576	\$ 353,534
Other comprehensive income	<u>(250,177)</u>	<u>490</u>
Total comprehensive income for the period	<u>\$ 130,399</u>	<u>\$ 354,024</u>

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

	For the Three Months Ended March 31	
	2026	2025
The Group's share of:		
Net loss for the period	\$ (764)	\$ (4,480)
Other comprehensive income	<u>673</u>	<u>832</u>
Total comprehensive loss for the period	<u>\$ (91)</u>	<u>\$ (3,648)</u>

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
<u>Cost</u>						
Balance at January 1, 2026	\$ 803,337	\$ 5,917,526	\$ 27,399,370	\$ 286,308	\$ 449,728	\$ 34,856,269
Additions	-	-	-	-	627,228	627,228
Disposals	-	-	(35,332)	-	-	(35,332)
Reclassification	-	25,503	(580)	-	(67,889)	(42,966)
Effects of foreign currency exchange differences	<u>1,769</u>	<u>131,695</u>	<u>432,575</u>	<u>4,072</u>	<u>15,924</u>	<u>586,035</u>
Balance at March 31, 2026	<u>\$ 805,106</u>	<u>\$ 6,074,724</u>	<u>\$ 27,796,033</u>	<u>\$ 290,380</u>	<u>\$ 1,024,991</u>	<u>\$ 35,991,234</u>
<u>Accumulated depreciation and impairment</u>						
Balance at January 1, 2026	\$ 135,311	\$ 2,535,907	\$ 18,699,931	\$ 234,536	\$ -	\$ 21,605,685
Disposals	-	-	(34,851)	-	-	(34,851)
Reclassification	-	-	(18,560)	-	-	(18,560)
Depreciation expenses	1,411	43,283	222,479	3,350	-	270,523
Effects of foreign currency exchange differences	<u>1,021</u>	<u>42,155</u>	<u>246,733</u>	<u>2,897</u>	<u>-</u>	<u>292,806</u>
Balance at March 31, 2026	<u>\$ 137,743</u>	<u>\$ 2,621,345</u>	<u>\$ 19,115,732</u>	<u>\$ 240,783</u>	<u>\$ -</u>	<u>\$ 22,115,603</u>
Carrying amounts at March 31, 2026	<u>\$ 667,363</u>	<u>\$ 3,453,379</u>	<u>\$ 8,680,301</u>	<u>\$ 49,597</u>	<u>\$ 1,024,991</u>	<u>\$ 13,875,631</u>
Carrying amounts at December 31, 2025 and January 1, 2026	<u>\$ 668,026</u>	<u>\$ 3,381,619</u>	<u>\$ 8,699,439</u>	<u>\$ 51,772</u>	<u>\$ 449,728</u>	<u>\$ 13,250,584</u>
<u>Cost</u>						
Balance at January 1, 2025	\$ 806,595	\$ 5,130,987	\$ 25,279,737	\$ 288,255	\$ 4,994,930	\$ 36,500,504
Additions	-	-	148	174	305,303	305,625
Disposals	-	-	(1,415)	(2,119)	-	(3,534)
Reclassification	-	8,032	108,660	9,786	(129,115)	(2,637)
Effects of foreign currency exchange differences	<u>1,301</u>	<u>77,589</u>	<u>270,324</u>	<u>3,177</u>	<u>101,145</u>	<u>453,536</u>
Balance at March 31, 2025	<u>\$ 807,896</u>	<u>\$ 5,216,608</u>	<u>\$ 25,657,454</u>	<u>\$ 299,273</u>	<u>\$ 5,272,263</u>	<u>\$ 37,253,494</u>

(Continued)

	Freehold Land and Land Improvements	Buildings	Machinery Equipment	Office and Other Equipment	Construction in Progress and Equipment under Installation	Total
Accumulated depreciation and impairment						
Balance at January 1, 2025	\$ 130,302	\$ 3,153,482	\$ 19,401,551	\$ 246,656	\$ -	\$ 22,931,991
Disposals	-	-	(1,359)	(1,901)	-	(3,260)
Reclassification	-	-	2,391	(2,391)	-	-
Depreciation expenses	1,839	32,152	177,355	3,293	-	214,639
Effects of foreign currency exchange differences	695	43,265	193,502	2,430	-	239,892
Balance at March 31, 2025	<u>\$ 132,836</u>	<u>\$ 3,228,899</u>	<u>\$ 19,773,440</u>	<u>\$ 248,087</u>	<u>\$ -</u>	<u>\$ 23,383,262</u>
Carrying amounts at March 31, 2025	<u>\$ 675,060</u>	<u>\$ 1,987,709</u>	<u>\$ 5,884,014</u>	<u>\$ 51,186</u>	<u>\$ 5,272,263</u>	<u>\$ 13,870,232</u>

(Concluded)

The Group reclassified the residual value of scrapped equipment from the old plant to other non-current liabilities and, upon completion of the acceptance of the new plant and equipment, treated the residual value of the scrapped equipment as a deduction from the relocation compensation, recognizing the related government grant income under other income and expenses, net.

No impairment losses were recognized or reversed for the three months ended March 31, 2026 and 2025.

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 31.

14. LEASE ARRANGEMENTS

a. Right-of-use assets

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Carrying amounts</u>			
Land	\$ 981,400	\$ 961,501	\$ 1,000,973
Buildings	88,185	99,930	144,407
Machinery	1,237,976	1,239,800	1,303,364
Transportation equipment	<u>29,865</u>	<u>25,586</u>	<u>32,757</u>
	<u>\$ 2,337,426</u>	<u>\$ 2,326,817</u>	<u>\$ 2,481,501</u>

	For the Three Months Ended March 31	
	2026	2025
Additions to right-of-use assets	<u>\$ 6,481</u>	<u>\$ 948,170</u>
Depreciation charge for right-of-use assets		
Land	\$ 6,887	\$ 6,862
Buildings	12,495	12,626
Machinery	4,969	5,164
Transportation equipment	<u>2,937</u>	<u>3,081</u>
	<u>\$ 27,288</u>	<u>\$ 27,733</u>
Transfer to operating costs and inventories	<u>\$ 30,551</u>	<u>\$ 37,841</u>

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 three months ended March 31, 2026 and 2025.

The amount of right-of-use assets pledged as collateral for borrowings in Note 31.

b. Lease liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Carrying amounts</u>			
Current	<u>\$ 216,634</u>	<u>\$ 213,744</u>	<u>\$ 206,881</u>
Non-current	<u>\$ 1,170,740</u>	<u>\$ 1,186,364</u>	<u>\$ 1,312,151</u>

Range of discount rates for lease liabilities was as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Buildings	1.21%-6.45%	1.21%-6.45%	1.21%-6.45%
Machinery	1.86%-3.10%	1.86%-3.10%	1.86%-3.10%
Transportation equipment	1.31%-6.94%	1.31%-6.94%	1.31%-6.94%

c. Other lease information

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

	For the Three Months Ended March 31	
	2026	2025
Expenses relating to short-term leases	<u>\$ 267</u>	<u>\$ 316</u>
Expenses relating to low-value assets leases	<u>\$ 2,795</u>	<u>\$ 3,643</u>
Total cash outflow for leases	<u>\$ 68,179</u>	<u>\$ 67,673</u>

The Group's leases of certain buildings and transportation equipment which 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
<u>Cost</u>	
Balance at January 1, 2026 and March 31, 2026	<u>\$ 1,815,468</u>
<u>Accumulated depreciation and impairment</u>	
Balance at January 1, 2026	\$ 322,221
Depreciation expense	<u>3,681</u>
Balance at March 31, 2026	<u>\$ 325,902</u>
Carrying amount at December 31, 2025 and January 1, 2026	<u>\$ 1,493,247</u>
Carrying amount at March 31, 2026	<u>\$ 1,489,566</u>
<u>Cost</u>	
Balance at January 1, 2025 and March 31, 2025	<u>\$ 1,815,468</u>
<u>Accumulated depreciation and impairment</u>	
Balance at January 1, 2025	\$ 307,496
Depreciation expense	<u>3,681</u>
Balance at March 31, 2025	<u>\$ 311,177</u>
Carrying amount at March 31, 2025	<u>\$ 1,504,291</u>

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:

	March 31, 2026	December 31, 2025	March 31, 2025
Not later than 1 year	\$ 74,464	\$ 69,187	\$ 70,248
Later than 1 year and not later than 5 years	180,955	192,558	237,378
Later than 5 years	<u>-</u>	<u>-</u>	<u>4,546</u>
	<u>\$ 255,419</u>	<u>\$ 261,745</u>	<u>\$ 312,172</u>

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, 2025 and 2024, were \$3,589,532 thousand and \$3,383,413 thousand, respectively. 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.

16. INTANGIBLE ASSETS

	March 31, 2026	December 31, 2025	March 31, 2025
Industrial technology and know-how	\$ 130,755	\$ 136,905	\$ 154,842
Computer software	24,048	26,146	21,334
Patent and trademark	7,130	8,644	167,197
Customer relationship	<u>-</u>	<u>-</u>	<u>293,423</u>
	<u>\$ 161,933</u>	<u>\$ 171,695</u>	<u>\$ 636,796</u>

The Synthetic Rubber Business Division of the Group experienced intensified market competition and increased production capacity within the industry, resulting in a decline in revenue and gross margin for certain synthetic rubber products and indications of impairment. The Group anticipates that, as of April 2011, the fair value of the assets acquired and recognized in connection with the acquisition of TSRC Specialty Materials LLC (formerly Dexco Polymers L.P. and Dexco Polymers Operating LLC) for the production of such products was lower than their carrying amount, leading to an impairment loss. The discount rate applied in determining the fair value was 10.3%, which was estimated based on the industry's weighted average cost of capital. The projected cash flows were estimated by the Group based on both internal and external historical information, as well as forecasts regarding future industry trends.

During the year ended December 31, 2025, the Group recognized an impairment loss of NT\$386,437 thousand on intangible assets, including industrial technology and know-how, patent and trademark, and customer relationship, which was recorded under other gains and losses. The recoverable amounts of the industrial technology and know-how, patent and trademark related to the impairment were determined based on their value in use.

Except for amortization recognized, the Group did not have significant addition, disposal, or impairment of other intangible assets during the three months ended March 31, 2026 and 2025.

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

17. BORROWINGS

a. Short-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Unsecured borrowings</u>			
Line of credit borrowings	<u>\$ 5,243,271</u>	<u>\$ 4,745,654</u>	<u>\$ 5,133,632</u>
Range of interest rate	1.48%-5.18%	1.28%-5.43%	1.23%-5.78%

b. Short-term bills payable

	March 31, 2026	December 31, 2025	March 31, 2025
Commercial paper	\$ 60,000	\$ -	\$ -
Less: Unamortized discounts on bills payable	<u>(3)</u>	<u>-</u>	<u>-</u>
	<u>\$ 59,997</u>	<u>\$ -</u>	<u>\$ -</u>
Range of interest rate	1.91%	-	-

c. Long-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Secured borrowings (Note 31)</u>			
Bank loans (RMB) (1)	\$ 2,895,159	\$ 2,813,765	\$ 2,749,751
<u>Unsecured borrowings</u>			
Bank loans (NTD) (2)	3,557,608	3,590,941	3,943,446
Bank loans (USD) (3)	<u>798,892</u>	<u>775,261</u>	<u>1,081,070</u>
	7,251,659	7,179,967	7,774,267
Less: Current portion	<u>(882,078)</u>	<u>(1,225,566)</u>	<u>(1,085,402)</u>
Long-term borrowings	<u>\$ 6,369,581</u>	<u>\$ 5,954,401</u>	<u>\$ 6,688,865</u>
	March 31, 2026	December 31, 2025	March 31, 2025
(1)			
Loan maturity date	2032	2032	2032
Range of interest Rate	2.15%-2.41%	2.15%-2.41%	2.41%-2.85%
(2)			
Loan maturity date	2026-2031	2026-2029	2025-2029
Range of interest Rate	2.05%-2.38%	2.05%-2.40%	1.33%-2.40%
(3)			
Loan maturity date	2026-2028	2026-2027	2025-2028
Range of interest Rate	5.00%-5.47%	5.00%-5.64%	5.81%-6.03%

18. PROVISIONS

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Current</u>			
Demolition and relocation costs	\$ 163,291	\$ 158,700	\$ -
Carbon fees	<u>12,581</u>	<u>11,360</u>	<u>-</u>
	<u>\$ 175,872</u>	<u>\$ 170,060</u>	<u>\$ -</u>
<u>Non-current</u>			
Demolition and relocation costs	<u>\$ 54,906</u>	<u>\$ 68,360</u>	<u>\$ 261,258</u>
	Carbon Fees	Demolition and Relocation Costs	Total
Balance on January 1, 2026	\$ 11,360	\$ 227,060	\$ 238,420
Recognized	1,221	-	1,221
Paid	-	(15,431)	(15,431)
Effect of foreign currency exchange differences	<u>-</u>	<u>6,568</u>	<u>6,568</u>
Balance on March 31, 2026	<u>\$ 12,581</u>	<u>\$ 218,197</u>	<u>\$ 230,778</u>

Starting from 2025, the Group recognizes a carbon fee provision in accordance with the Regulations Governing the Collection of Carbon Fees and related regulations of the ROC. On December 18, 2025, the Group obtained approval for the self-determined reduction plan from the competent authority. The Group expects to submit the implementation progress report of the self-determined reduction plan for the current year before April 30, 2026; therefore, the carbon fee provision was calculated based on the preferential rate.

Please refer to Note 33 for further descriptions of guarantees, demolition and relocation costs.

19. RETIREMENT BENEFIT PLANS

For the three months ended March 31, 2026 and 2025, the pension expenses of defined benefit plans were \$246 thousand and \$429 thousand, respectively, and these were calculated based on the pension cost rate determined by the actuarial calculation on December 31, 2025 and 2024, respectively.

20. EQUITY

a. Share capital - ordinary shares

	March 31, 2026	December 31, 2025	March 31, 2025
Shares of authorized shares (in thousands of shares)	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>
Shares authorized, par value \$10 (in thousands of N.T. dollars)	<u>\$ 12,000,000</u>	<u>\$ 12,000,000</u>	<u>\$ 12,000,000</u>
Shares issued and fully paid (in thousands of shares)	<u>825,710</u>	<u>825,710</u>	<u>825,710</u>
Shares issued and fully paid (in thousands of N.T. dollars)	<u>\$ 8,257,099</u>	<u>\$ 8,257,099</u>	<u>\$ 8,257,099</u>

b. Capital surplus

	March 31, 2026	December 31, 2025	March 31, 2025
May be used to offset a deficit, distributed, as cash dividends, or transferred to share capital*			
Issuance of ordinary shares	\$ 849	\$ 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	2,691	2,691
<u>May only be used to offset a deficit</u>			
Overdue unclaimed dividends	<u>54,226</u>	<u>54,226</u>	<u>53,679</u>
	<u>\$ 57,766</u>	<u>\$ 57,766</u>	<u>\$ 57,219</u>

* 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 distribution based on the above paragraph, the cash dividend shall not be less than 20% of the total approval.

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 2025 and 2024 had been approved in the board of directors and shareholders' meetings on March 5, 2026 and June 3, 2025, respectively, as follows:

	For the Year Ended December 31	
	2025	2024
Legal reserve	<u>\$ 38,643</u>	<u>\$ 107,674</u>
Cash dividends	<u>\$ 222,942</u>	<u>\$ 520,197</u>
Cash dividends per share (NT\$)	<u>\$ 0.27</u>	<u>\$ 0.63</u>

The cash dividends for the year 2025 have been resolved for distribution by the board of directors, while the remaining earnings appropriation items are subject to approval by the shareholders at the Annual General meeting to be held on May 29, 2026.

d. Other equity items

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

	For the Three Months Ended	
	March 31	
	2026	2025
Balance at January 1	<u>\$ 738,141</u>	<u>\$ 1,091,509</u>
Recognized for the period		
Exchange differences on translating the financial statements of foreign operations	487,964	321,628
Share from associates/joint ventures accounted for using the equity method	<u>(116,011)</u>	<u>6,717</u>
Other comprehensive income recognized for the period	<u>371,953</u>	<u>328,345</u>
Balance at March 31	<u>\$ 1,110,094</u>	<u>\$ 1,419,854</u>

2) Unrealized gain on financial assets at FVTOCI

	For the Three Months Ended	
	March 31	
	2026	2025
Balance at January 1	<u>\$ 1,541,196</u>	<u>\$ 1,463,463</u>
Recognized for the period		
Unrealized gain - equity instruments	<u>(52,255)</u>	<u>77,136</u>
Balance at March 31	<u>\$ 1,488,941</u>	<u>\$ 1,540,599</u>

3) Gain/(loss) on hedging instruments

	For the Three Months Ended March 31	
	2026	2025
Balance at January 1	\$ (26,003)	\$ (38,592)
Recognized for the period		
Share from associates/joint ventures accounted for using the equity method	<u>461</u>	<u>(522)</u>
Balance at March 31	<u>\$ (25,542)</u>	<u>\$ (39,114)</u>

21. REVENUE

Disaggregation of Revenue

For the three months ended March 31, 2026

	Synthetic Rubber	Non-synthetic Rubber	Total
<u>Primary geographical markets</u>			
Asia	\$ 7,606,435	\$ 202,363	\$ 7,808,798
Americas	1,359,521	2,673	1,362,194
Europe	922,544	22	922,566
Others	<u>237,307</u>	<u>-</u>	<u>237,307</u>
	<u>\$ 10,125,807</u>	<u>\$ 205,058</u>	<u>\$ 10,330,865</u>

Major product lines

Synthetic rubber/elastomers	\$ 10,062,533	\$ -	\$ 10,062,533
Applied materials	-	205,058	205,058
Others	<u>63,274</u>	<u>-</u>	<u>63,274</u>
	<u>\$ 10,125,807</u>	<u>\$ 205,058</u>	<u>\$ 10,330,865</u>

For the three months ended March 31, 2025

	Synthetic Rubber	Non-synthetic Rubber	Total
<u>Primary geographical markets</u>			
Asia	\$ 7,694,930	\$ 162,802	\$ 7,857,732
Americas	1,508,077	4,056	1,512,133
Europe	887,165	23	887,188
Others	<u>119,846</u>	<u>-</u>	<u>119,846</u>
	<u>\$ 10,210,018</u>	<u>\$ 166,881</u>	<u>\$ 10,376,899</u>

(Continued)

	Synthetic Rubber	Non-synthetic Rubber	Total
<u>Major product lines</u>			
Synthetic rubber/elastomers	\$ 10,050,790	\$ -	\$ 10,050,790
Applied materials	-	166,863	166,863
Others	<u>159,228</u>	<u>18</u>	<u>159,246</u>
	<u>\$ 10,210,018</u>	<u>\$ 166,881</u>	<u>\$ 10,376,899</u> (Concluded)

22. NET PROFIT

a. Other income and expenses

	For the Three Months Ended March 31	
	2026	2025
Rental income	\$ 21,439	\$ 18,762
Royalty income	4,976	20,979
Net service income	653	2,378
Depreciation of investment properties	(3,681)	(3,681)
Government relocation compensation income	22,838	-
Net other income	<u>41,820</u>	<u>6,988</u>
	<u>\$ 88,045</u>	<u>\$ 45,426</u>

b. Interest income

	For the Three Months Ended March 31	
	2026	2025
Bank deposits	<u>\$ 33,629</u>	<u>\$ 53,718</u>

c. Other gains and losses

	For the Three Months Ended March 31	
	2026	2025
(Loss) gain on disposal of financial assets and financial liabilities	\$ 24,637	\$ (31,872)
Net foreign exchange gain (loss)	(13,163)	46,851
Loss on disposal of property, plant and equipment	(436)	(156)
Others	<u>(419)</u>	<u>(414)</u>
	<u>\$ 10,619</u>	<u>\$ 14,409</u>

d. Finance costs

	For the Three Months Ended March 31	
	2026	2025
Interest on bank loans	\$ 84,957	\$ 89,028
Interest on lease liabilities	<u>5,998</u>	<u>5,517</u>
	<u>\$ 90,955</u>	<u>\$ 94,545</u>

e. Depreciation and amortization

	For the Three Months Ended March 31	
	2026	2025
An analysis of depreciation by function		
Operating costs	\$ 264,695	\$ 213,028
Operating expenses	<u>33,116</u>	<u>29,344</u>
	<u>\$ 297,811</u>	<u>\$ 242,372</u>
An analysis of amortization by function		
Operating costs	\$ 1,887	\$ 1,450
Operating expenses	<u>9,962</u>	<u>33,166</u>
	<u>\$ 11,849</u>	<u>\$ 34,616</u>

The depreciation did not include the depreciation of investment properties (included in other income and expenses), the amounts for the three months ended March 31, 2026 and 2025 were both \$3,681 thousand.

f. Employee benefits expense

	For the Three Months Ended March 31	
	2026	2025
Short-term benefits	\$ 567,547	\$ 561,557
Post-employment benefits		
Defined contribution plans	38,497	35,928
Defined benefit plans (Note 19)	<u>246</u>	<u>429</u>
	<u>38,743</u>	<u>36,357</u>
Other employee benefits	<u>66,949</u>	<u>81,754</u>
Total employee benefits expense	<u>\$ 673,239</u>	<u>\$ 679,668</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 412,306	\$ 413,969
Operating expenses	<u>260,933</u>	<u>265,699</u>
	<u>\$ 673,239</u>	<u>\$ 679,668</u>

g. 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. Pursuant to the amendments to the Securities and Exchange Act in August 2024, the Corporation's shareholders resolved at the 2025 annual general meeting to amend the Articles of Incorporation to stipulate that no less than 0.6% of the annual profit shall be reserved from the employee compensation appropriation for distribution to rank-and-file employees. The accrued employees' compensation and remuneration of directors for the three months ended March 31, 2026 and 2025 were as follows:

Amount

	For the Three Months Ended March 31	
	2026	2025
Employees' compensation	\$ 3,400	\$ 10,000
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.

The appropriations of employees' compensation and remuneration of directors for 2025 and 2024 that were resolved by the Corporation's board of directors, respectively, were as follows:

	For the Year Ended December 31	
	2025	2024
	Cash	Cash
Employees' compensation	\$ 30,160	\$ 62,289
Remuneration of directors	-	-

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, 2025 and 2024.

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 Three Months Ended March 31	
	2026	2025
Current tax		
In respect of the current period	\$ 174,406	\$ 134,627
Adjustments for prior year	977	3,759
Deferred tax		
In respect of the current period	<u>167,781</u>	<u>129,908</u>
Income tax expense recognized in profit or loss	<u>\$ 343,164</u>	<u>\$ 268,294</u>

b. Income tax recognized in other comprehensive income

	For the Three Months Ended March 31	
	2026	2025
<u>Deferred tax</u>		
In respect of the current period		
Fair value changes of financial assets at FVTOCI	<u>\$ 13,671</u>	<u>\$ (22,929)</u>

c. Income tax assessments

The income tax returns of the Company have been assessed by the authorities for all years through 2024.

d. Pillar Two income tax legislation

Montrion Corporation is the ultimate controlling party of the Corporation. The government of Luxembourg and Vietnam, where entities included in the Group's consolidated financial statements are incorporated, have enacted the Pillar Two income tax legislation effective January 1, 2024; while the Pillar Two income tax legislation in Singapore and Hong Kong has been enacted and substantively enacted, respectively, effective January 1, 2025.

Based on the assessment performed, the Pillar Two income tax legislation did not have a material impact on the Group's income tax expense for the period from January 1 to March 31, 2026 and 2025. 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 March 31	
	2026	2025
Basic earnings per share	<u>\$ 0.53</u>	<u>\$ 0.40</u>
Diluted earnings per share	<u>\$ 0.53</u>	<u>\$ 0.40</u>

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 Three Months Ended March 31	
	2026	2025
Earnings used in the computation of basic and diluted earnings per share	<u>\$ 435,719</u>	<u>\$ 329,884</u>

Weighted Average Number of Ordinary Shares Outstanding

(In Thousands of Shares)

	For the Three Months Ended March 31	
	2026	2025
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	<u>935</u>	<u>1,200</u>
Weighted average number of ordinary shares outstanding in computation of diluted earnings per share	<u>826,645</u>	<u>826,910</u>

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. GOVERNMENT GRANTS

As of March 31, 2026, the Group had received RMB407,725 thousand out of the total relocation compensation of RMB479,677 thousand from Shen Hua Chemical Industries Co., Ltd. The amount received was recognized as other non-current liabilities and is subsequently recognized as income over the useful life of the related assets. For the three months ended March 31, 2026, other income and expenses, net, of \$22,838 thousand were recognized.

26. CASH FLOW INFORMATION

Changes In Liabilities Arising from Financing Activities

For the three months ended March 31, 2026

	January 1, 2026	Cash Flow	Non-cash Changes			March 31, 2026
			Foreign Exchange Movement	Amortization of Commercial Paper Discount	Others	
Short-term borrowings (including short-term bills payable)	\$ 4,745,654	\$ 452,020	\$ 105,597	\$ (3)	\$ -	\$ 5,303,268
Long-term borrowings (including current portion)	7,179,967	(23,183)	94,875	-	-	7,251,659
Lease liabilities	<u>1,400,108</u>	<u>(59,119)</u>	<u>33,906</u>	<u>5,998</u>	<u>6,481</u>	<u>1,387,374</u>
	<u>\$ 13,325,729</u>	<u>\$ 369,718</u>	<u>\$ 234,378</u>	<u>\$ 5,995</u>	<u>\$ 6,481</u>	<u>\$ 13,942,301</u>

For the three months ended March 31, 2025

	January 1, 2025	Cash Flow	Non-cash Changes			March 31, 2025
			Foreign Exchange Movement	Amortization of Commercial Paper Discount	Others	
Short-term borrowings (including short-term bills payable)	\$ 4,827,751	\$ 241,020	\$ 64,861	\$ -	\$ -	\$ 5,133,632
Long-term borrowings (including current portion)	6,916,416	790,493	67,358	-	-	7,774,267
Lease liabilities	<u>606,731</u>	<u>(58,197)</u>	<u>16,811</u>	<u>5,517</u>	<u>948,170</u>	<u>1,519,032</u>
	<u>\$ 12,350,898</u>	<u>\$ 973,316</u>	<u>\$ 149,030</u>	<u>\$ 5,517</u>	<u>\$ 948,170</u>	<u>\$ 14,426,931</u>

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

The Group's operations were not affected by seasonality or cyclicity factors.

28. 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.

29. 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

March 31, 2026

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	<u>\$ -</u>	<u>\$ 18,399</u>	<u>\$ -</u>	<u>\$ 18,399</u>
Financial assets at FVOCI				
Investments in equity instruments				
Listed shares (domestic)	\$ 1,175,926	\$ -	\$ -	\$ 1,175,926
Unlisted shares (domestic and overseas)	<u>-</u>	<u>-</u>	<u>779,814</u>	<u>779,814</u>
	<u>\$ 1,175,926</u>	<u>\$ -</u>	<u>\$ 779,814</u>	<u>\$ 1,955,740</u>
Financial liabilities at FVTPL				
Derivatives financial liabilities	<u>\$ -</u>	<u>\$ 68</u>	<u>\$ -</u>	<u>\$ 68</u>

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	<u>\$ -</u>	<u>\$ 222</u>	<u>\$ -</u>	<u>\$ 222</u>
Financial assets at FVOCI				
Investments in equity instruments				
Listed shares (domestic)	\$ 1,173,497	\$ -	\$ -	\$ 1,173,497
Unlisted shares (domestic and overseas)	<u>-</u>	<u>-</u>	<u>847,134</u>	<u>847,134</u>
	<u>\$ 1,173,497</u>	<u>\$ -</u>	<u>\$ 847,134</u>	<u>\$ 2,020,631</u>
Financial liabilities at FVTPL				
Derivatives financial liabilities	<u>\$ -</u>	<u>\$ 1,426</u>	<u>\$ -</u>	<u>\$ 1,426</u>

March 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	\$ <u> -</u>	\$ <u> 142</u>	\$ <u> -</u>	\$ <u> 142</u>
Financial assets at FVOCI				
Investments in equity instruments				
Listed shares (domestic)	\$ 1,069,024	\$ -	\$ -	\$ 1,069,024
Unlisted shares (domestic and overseas)	<u> -</u>	<u> -</u>	<u> 980,309</u>	<u> 980,309</u>
	<u>\$ 1,069,024</u>	<u>\$ -</u>	<u>\$ 980,309</u>	<u>\$ 2,049,333</u>
Financial liabilities at FVTPL				
Derivatives financial liabilities	\$ <u> -</u>	\$ <u> 31,543</u>	\$ <u> -</u>	\$ <u> 31,543</u>

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 three months ended March 31, 2026

Financial Assets	Financial Assets at FVTOCI Equity Instruments
Balance at January 1, 2026	\$ 847,134
Recognized in other comprehensive income (included in unrealized gain/(loss) on financial assets at FVTOCI)	<u> (67,320)</u>
Balance at March 31, 2026	<u>\$ 779,814</u>

For the three months ended March 31, 2025

Financial Assets	Financial Assets at FVTOCI Equity Instruments
Balance at January 1, 2025	\$ 864,901
Recognized in other comprehensive income (included in unrealized gain/(loss) on financial assets at FVTOCI)	<u> 115,408</u>
Balance at March 31, 2025	<u>\$ 980,309</u>

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

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
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:

<u>Item</u>	<u>Valuation Technique</u>	<u>Significant Unobservable Inputs</u>	<u>Inter-Relationship between Significant Unobservable Inputs and Fair Value Measurement</u>
Financial assets at fair value through other comprehensive income-equity investments without an active market	Comparative listed corporation	<ul style="list-style-type: none"> ● Multipliers of price-to-earnings ratios as of March 31, 2026, December 31, 2025 and March 31, 2025 was all 10.43, 9.38 and 14.48, respectively. ● Market liquidity discount rate as of 20% 	<ul style="list-style-type: none"> ● 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:

	<u>Input</u>	<u>Move Up or Down</u>	<u>Other Comprehensive Income</u>	
			<u>Favourable</u>	<u>Unfavourable</u>
<u>March 31, 2026</u>				
Financial assets fair value through other comprehensive income				
Equity investments without an active market	Liquidity discount at 20%	1%	\$ 9,748	\$ (9,748)

(Continued)

	Input	Move Up or Down	Other Comprehensive Income	
			Favourable	Unfavourable
<u>December 31, 2025</u>				
Financial assets fair value through other comprehensive income				
Equity investments without an active market	Liquidity discount at 20%	1%	\$ 10,589	\$(10,589)
<u>March 31, 2025</u>				
Financial assets fair value through other comprehensive income				
Equity investments without an active market	Liquidity discount at 20%	1%	12,254	(12,254)
(Concluded)				

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

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Financial assets</u>			
FVTPL			
Mandatorily classified as at FVTPL	\$ 18,399	\$ 222	\$ 142
Financial assets at amortized cost (1)	11,973,950	11,372,964	12,148,175
Financial assets at FVTOCI			
Equity instruments	1,955,740	2,020,631	2,049,333
<u>Financial liabilities</u>			
Financial liabilities at FVTPL			
Held for trading	68	1,426	31,543
Financial liabilities at amortized cost (2)	16,609,522	15,728,675	17,192,081

- 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, notes payables, trade payables, other payables, long-term borrowings and deposits received.

d. Financial risk management objectives and policies

The objectives and policies of the Group's financial risk management are the same as those note disclosure of the consolidated financial statements for the year ended December 31, 2025.

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 34.

Sensitivity analysis

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

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 Three Months Ended	
	March 31	
	2026	2025
Profit or loss*	\$ (787)	\$ 129
	EUR Impact	
	For the Three Months Ended	
	March 31	
	2026	2025
Profit or loss*	\$ (578)	\$ (483)
	JPY Impact	
	For the Three Months Ended	
	March 31	
	2026	2025
Profit or loss*	\$ (115)	\$ (4)

RMB Impact	
For the Three Months Ended	
March 31	
2026	2025

Profit or loss*	\$ (761)	\$ (381)
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* This was mainly attributable to the exposure on outstanding USD, EUR, JPY and RMB 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, EUR, JPY and RMB 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 three months ended March 31, 2026 and 2025 were \$12,494,930 thousand and \$12,907,899 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 three months ended March 31, 2026 and 2025 would have decreased/increased by \$31,237 thousand and \$32,270 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 March 31, 2026, December 31, 2025 and March 31, 2025, the Group had available unutilized short-term bank loan facilities of \$18,112,067 thousand, \$18,001,435 thousand and \$18,376,280 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.

March 31, 2026

<u>Non-derivative financial liabilities</u>	On Demand or Less than 1 Year	1-2 Years	3-5 Years	5+ Years
Short-term borrowings (including short-term bills payable)	\$ 5,331,125	\$ -	\$ -	\$ -
Accounts payable (including related parties)	2,223,217	-	-	-
Other payables (including related parties)	1,720,444	-	-	-
Long-term borrowings (including current portion)	959,965	2,531,584	3,269,484	1,002,086
Lease liabilities	238,383	201,135	294,578	863,991
Deposits received	-	93,703	17,231	-
	<u>\$ 10,473,134</u>	<u>\$ 2,826,422</u>	<u>\$ 3,581,293</u>	<u>\$ 1,866,077</u>

December 31, 2025

	On Demand or Less than 1 Year	1-2 Years	3-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>				
Short-term borrowings	\$ 4,765,336	\$ -	\$ -	\$ -
Accounts payable (including related parties)	1,969,812	-	-	-
Other payables (including related parties)	1,694,395	-	-	-
Long-term borrowings (including current portion)	1,447,790	2,225,121	3,205,093	1,012,006
Lease liabilities	226,347	212,123	324,060	827,739
Deposits received	<u>-</u>	<u>121,585</u>	<u>14,142</u>	<u>3,120</u>
	<u>\$ 10,103,680</u>	<u>\$ 2,558,829</u>	<u>\$ 3,543,295</u>	<u>\$ 1,842,865</u>

March 31, 2025

	On Demand or Less than 1 Year	1-2 Years	3-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>				
Short-term borrowings	\$ 5,303,153	\$ -	\$ -	\$ -
Accounts payable (including related parties)	2,241,304	-	-	-
Other payables (including related parties)	1,936,682	-	-	-
Long-term borrowings (including current portion)	1,362,195	1,299,842	2,638,045	3,329,570
Lease liabilities	217,214	214,169	367,069	741,286
Deposits received	<u>-</u>	<u>88,934</u>	<u>14,412</u>	<u>3,120</u>
	<u>\$ 11,060,548</u>	<u>\$ 1,602,945</u>	<u>\$ 3,019,526</u>	<u>\$ 4,073,976</u>

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.

March 31, 2026

	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	\$ (68)	\$ -	\$ -	\$ -	\$ -
Inflows	<u>\$ 10,874</u>	<u>\$ 7,525</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

December 31, 2025

	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	\$ (322)	\$ (1,104)	\$ -	\$ -	\$ -
Inflows	<u>\$ 51</u>	<u>\$ 171</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

March 31, 2025

	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	\$ -	\$ 31,543	\$ -	\$ -	\$ -
Inflows	<u>\$ 142</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

30. 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 share

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. Besides information disclosed elsewhere in the other note. Details of transactions between the Group and other related parties were disclosed below.

<u>Name of Related Party</u>	<u>Relationship with the Group</u>
Montrion Corporation	Parent company
Indian Synthetic Rubber Private Limited	Joint venture
Nantong Qix Storage Co., Ltd	Joint venture
ARLANXEO-TSRC (Nantong) Chemical Industries Co., Ltd.	Associate
Marubeni Corporation	Corporate director of one consolidate 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 other related parties of one consolidated entity

c. Operating revenue

Line Items	Related Parties Categories/Name	<u>For the Three Months Ended March 31</u>	
		2026	2025
Sales	Associate	\$ <u>-</u>	\$ <u>23,862</u>

d. Purchases of goods

Related Parties Categories/Name	<u>For the Three Months Ended March 31</u>	
	2026	2025
Corporate director of one of the group entity	\$ <u>-</u>	\$ <u>24,819</u>

e. Receivables from related parties

Line Items	Related Parties Categories/Name	March 31, 2026	December 31, 2025	March 31, 2025
Other non-current assets	Parent company	\$ 53,756	\$ 54,061	\$ -
Trade receivables	Associate	-	-	4,855
Other receivables	Associate			
	ARLANXEO-TSRC (Nantong) Chemical Industries Co., Ltd.	25,505	19,589	35,696
	Joint venture	<u>-</u>	<u>18</u>	<u>227</u>
		<u>\$ 79,261</u>	<u>\$ 73,668</u>	<u>\$ 40,778</u>

f. Payables to related parties

Line Items	Related Parties Categories/Name	March 31, 2026	December 31, 2025	March 31, 2025
Other payables	Associate	\$ 5,247	\$ 582	\$ 198
	Joint venture	802	-	776
	Subsidiary of the Group's other related party	906	895	905
	Other related parties	<u>1,747</u>	<u>1,349</u>	<u>397</u>
		<u>\$ 8,702</u>	<u>\$ 2,826</u>	<u>\$ 2,276</u>

g. Other transactions with related parties

Line Items	Related Parties Categories/Name	For the Three Months Ended March 31	
		2026	2025
Service income and expense (included in other income and expense)	Associate ARLANXEO-TSRC (Nantong) Chemical Industries Co., Ltd.	\$ 10,925	\$ 43,375
	Joint venture	14	3,196
	Subsidiary of the Group's other related party	(894)	(893)
	Other related parties	<u>(3,209)</u>	<u>(3,185)</u>
		<u>\$ 6,836</u>	<u>\$ 42,493</u>
Rental revenue (included in other income and expense)	Associates Other related parties	\$ 241	\$ 634
		<u>2,005</u>	<u>1,147</u>
		<u>\$ 2,246</u>	<u>\$ 1,781</u>

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.

The outstanding receivables from related parties are unsecured. For the three months ended March 31, 2026 and 2025, no impairment loss was recognized for receivables from related parties.

The outstanding payables to related parties are unsecured.

h. Remuneration of key management personnel

	For the Three Months Ended March 31	
	2026	2025
Short-term employee benefits	\$ 40,007	\$ 39,012
Post-employment benefits	<u>554</u>	<u>625</u>
	<u>\$ 40,561</u>	<u>\$ 39,637</u>

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

31. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

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

	March 31, 2026	December 31, 2025	March 31, 2025
Restricted savings deposits (included in other non-current assets)	\$ 1,153	\$ 1,136	\$ 1,234
Machinery etc. (included in property, plant and equipment)	752,894	755,928	610,797
Land-use right (included in right-of-use assets)	<u>603,055</u>	<u>589,234</u>	<u>608,380</u>
	<u>\$ 1,357,102</u>	<u>\$ 1,346,298</u>	<u>\$ 1,220,411</u>

32. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of March 31, 2026 were as follows:

- a. As of March 31, 2026, December 31, 2025 and March 31, 2025, unused letters of credit for purchases of raw materials and machinery and equipment amounted to approximately \$1,828,601 thousand, \$1,656,336 thousand and \$1,790,721 thousand, respectively.
- b. Total amounts and the cumulative payments of the Group's signed construction and design contracts with several vendors are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Total amounts of construction in progress contracts	<u>\$ 3,108,150</u>	<u>\$ 2,896,927</u>	<u>\$ 541,277</u>
Cumulative payments	<u>\$ 661,184</u>	<u>\$ 276,232</u>	<u>\$ 405,395</u>

33. OTHER MATTERS

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.

	March 31, 2026	December 31, 2025	March 31, 2025
Cumulative compensation received	<u>\$ 1,886,626</u>	<u>\$ 1,833,581</u>	<u>\$ 1,432,720</u>
Land-use right price for new location	<u>\$ 644,979</u>	<u>\$ 626,844</u>	<u>\$ 637,047</u>
Provision for demolish and relocation	<u>\$ 218,197</u>	<u>\$ 227,060</u>	<u>\$ 261,258</u>

34. 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:

March 31, 2026

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 89,841	31.9800 (USD:NTD)	\$ 2,873,115
EUR	11,249	36.6907 (EUR:NTD)	412,734
JPY	326,359	0.2003 (JPY:NTD)	65,370
RMB	19,760	4.6272 (RMB:NTD)	91,433
Non-monetary items			
Equity instruments			
THB	797,192	0.9782 (THB:NTD)	779,814
<u>Financial liabilities</u>			
Monetary items			
USD	87,381	31.9800 (USD:NTD)	2,794,444
EUR	9,673	36.6907 (EUR:NTD)	354,909
JPY	268,858	0.2003 (JPY:NTD)	53,852
RMB	3,315	4.6272 (RMB:NTD)	15,339

December 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 66,363	31.4380 (USD:NTD)	\$ 2,086,320
EUR	9,059	36.8988 (EUR:NTD)	334,266
JPY	418,510	0.2008 (JPY:NTD)	84,037
RMB	18,307	4.4971 (RMB:NTD)	82,328
Non-monetary items			
Equity instruments			
THB	1,135,355	0.9466 (THB:NTD)	1,074,728
<u>Financial liabilities</u>			
Monetary items			
USD	71,864	31.4380 (USD:NTD)	2,259,260
EUR	8,107	36.8988 (EUR:NTD)	299,139
JPY	377,662	0.2008 (JPY:NTD)	75,835
RMB	198	4.4971 (RMB:NTD)	890

March 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 84,572	33.1820 (USD:NTD)	\$ 2,806,268
EUR	12,661	35.9427 (EUR:NTD)	455,071
JPY	262,229	0.2225 (JPY:NTD)	58,346
RMB	8,676	4.5703 (RMB:NTD)	39,652
Non-monetary items			
Equity instruments			
THB	996,046	0.9842 (THB:NTD)	980,309
<u>Financial liabilities</u>			
Monetary items			
USD	84,960	33.1820 (USD:NTD)	2,819,143
EUR	11,318	35.9427 (EUR:NTD)	406,799
JPY	260,628	0.2225 (JPY:NTD)	57,990
RMB	329	4.5703 (RMB:NTD)	1,504

Please refer to Note 22 for the aggregate of realized and unrealized foreign currency exchange gains and losses for the three months ended March 31, 2026 and 2025. 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.

35. SEPARATELY DISCLOSED ITEMS

- a. Information about significant transactions and investees:
- 1) Financing provided to others: Table 1.
 - 2) Endorsements/guarantees provided: Table 2.
 - 3) Significant marketable securities held (excluding investments in subsidiaries and associates): Table 3.
 - 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 4.
 - 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 5.
 - 6) 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.

36. OPERATING SEGMENT INFORMATION

Segment Revenues and Results

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

	Synthetic Rubber	Non-synthetic Rubber	Others	Total
For the three months ended <u>March 31, 2026</u>				
Revenue from external customers	<u>\$ 10,125,807</u>	<u>\$ 205,058</u>	<u>\$ -</u>	<u>\$ 10,330,865</u>
Segment income	<u>\$ 874,001</u>	<u>\$ (151)</u>	<u>\$ (28,932)</u>	<u>\$ 844,918</u>
For the three months ended <u>March 31, 2025</u>				
Revenue from external customers	<u>\$ 10,210,018</u>	<u>\$ 166,881</u>	<u>\$ -</u>	<u>\$ 10,376,899</u>
Segment income	<u>\$ 714,937</u>	<u>\$ (34,151)</u>	<u>\$ (38,222)</u>	<u>\$ 642,564</u>

TSRC CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(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 2)	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	\$ 92,544	\$ 92,544	\$ -	2.10	2	\$ -	Operational turnaround	\$ -	-	\$ -	\$ 345,431	\$ 345,431	Note 3
2	Polybus Corporation Pte Ltd.	TSRC Specialty Materials LLC	Other receivables from related parties	Yes	319,800	319,800	-	4.76	2	-	Operational turnaround	-	-	-	5,425,190	5,425,190	Note 3
		TSRC (Vietnam) Co., Ltd.	Other receivables from related parties	Yes	220,662	220,662	185,484	4.67-4.99	2	-	Operational turnaround	-	-	-	5,425,190	5,425,190	Note 3
3	TSRC (USA) Investment Corporation	TSRC Specialty Materials LLC	Other receivables from related parties	Yes	1,051,502	1,051,502	991,380	5.15-5.83	2	-	Operational turnaround	-	-	-	2,242,024	2,242,024	Note 3

Note 1: The total amount of funds lent by the Company and its subsidiaries shall not exceed 40% of the lending entity's net worth, and the amount extended to any individual counterparty shall not exceed 10% of the lending entity's net worth. However, in the case of overseas subsidiaries in which the Company directly or indirectly holds 100% of the voting shares, or where such subsidiaries provide funds to the Company due to operational financing needs, the foregoing limits shall not apply; provided that the amount extended to any single counterparty and the aggregate amount shall not exceed the lending entity's net worth respectively.

Note 2: 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 3: The amount was eliminated upon consolidation.

TSRC CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party (Note 2)	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	\$ 12,292,897	\$ 1,279,200	\$ 1,279,200	\$ 1,128,286	\$ -	6.24%	\$ 30,732,243	Y	-	-	

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

- A company that the Corporation has business relationship with.
- The Corporation owns directly or indirectly over 50% ownership of the investee company.
- The Company that owns directly or indirectly hold over 50% ownership of the Corporation.
- In between companies that were held over 90% of voting shares directly or indirectly by an entity.
- The Corporation is required to provide guarantees or endorsements for the construction project based on the construction contract.
- Shareholder of the investee provides endorsements/guarantees to the company in proportion to their shareholding percentages.
- 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.

Note 3: The maximum limit is 150% of total equity.

TSRC CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD (EXCLUDING INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES)

MARCH 31, 2026

(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2026			
				Shares	Carrying Amount	Percentage of Ownership	Fair Value
TSRC Corporation	<u>Shares</u> Evergreen Steel Corporation	-	Financial assets at FVTOCI	12,148,000	\$ 1,175,926	2.91	\$ 1,175,926
	Thai Synthetic Rubbers Co., Ltd.	-	Financial assets at FVTOCI	599,999	325,475	5.42	325,475
Dymas Corporation	<u>Shares</u> Thai Synthetic Rubbers Co., Ltd.	-	Financial assets at FVTOCI	837,552	454,339	7.57	454,339

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 THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars)**

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction (Note 1)		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 (Nantong) Industries Ltd.	Related parties	Purchase	\$ 422,754	77.11	Payment within 60 days after end of month	\$ -	-	\$ (267,038)	(78.89)	Note
TSRC (Nantong) Industries Ltd.	TSRC (Lux) Corporation S.A R.L.	Related parties	Sale	(422,754)	(26.07)	Collection within 60 days from end of month	-	-	267,038	31.57	Note

Note: The amount was eliminated upon consolidation.

TSRC CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL

MARCH 31, 2026

(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 (Nantong) Industries Ltd.	TSRC (Lux) Corporation S.A R.L.	Related parties	<u>\$ 267,038</u>	6.57 times for a year	<u>\$ -</u>	-	<u>\$ 98,340</u> (Note 2)	<u>\$ -</u>	Note 3
Polybus Corporation Pte Ltd	TSRC (Vietnam) Co., Ltd.	Related parties	<u>\$ 185,484</u>	Note 1	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ -</u>	Note 3
TSRC (USA) Investment Corporation	TSRC Specialty Materials LLC	Related parties	<u>\$ 991,380</u>	Note 1	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ -</u>	Note 3

Note 1: It mainly relates to other receivables and therefore is not applicable to the calculation of turnover.

Note 2: Amounts received before May 7, 2026.

Note 3: The amount was eliminated upon consolidation.

TSRC CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transactions Details			% to Total Sales or Assets (Note 3)
				Financial Statement Account	Amount (Note 4)	Payment Terms	
0	TSRC	TSRC (Lux) Corporation S.A R.L.	a	Sales	\$ 34,272	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.33
		TSRC (Lux) Corporation S.A R.L.	a	Other income and expenses	12,900	The transaction is not significantly different from normal transactions, and the collection terms were about six months	0.12
		Polybus Corporation Pte Ltd	a	Sales	14,987	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.15
		TSRC Specialty Materials LLC	a	Sales	56,837	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.55
		TSRC Specialty Materials LLC	a	Trade receivables from related parties	48,412	The transaction is not significantly different from normal transactions, and the collection terms were about two to three months	0.11
		TSRC (Nantong) Industries Ltd.	a	Other income and expenses	24,586	The transaction is not significantly different from normal transactions, and the collection terms were about one year	0.24
		TSRC (Nantong) Industries Ltd.	a	Other income and expenses	19,903	The transaction is not significantly different from normal transactions, and the collection terms were about six months	0.19
1	TSRC (Nantong) Industries Ltd.	TSRC Specialty Materials LLC	c	Sales	13,269	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.13
		TSRC (Shanghai) Industries Ltd.	c	Sales	18,471	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.18
		Polybus Corporation Pte Ltd	c	Sales	66,774	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.65
		TSRC (Lux) Corporation S.A R.L.	c	Sales	422,754	The transaction is not significantly different from normal transactions, and the collection terms were about two months	4.09
		TSRC (Lux) Corporation S.A R.L.	c	Trade receivables from related parties	267,038	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.60
		TSRC-UBE (Nantong) Industries Ltd.	c	Other income and expenses	69,018	The transaction is not significantly different from normal transactions, and the collection terms were about one month	0.67

(Continued)

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transactions Details			% to Total Sales or Assets (Note 3)
				Financial Statement Account	Amount (Note 4)	Payment Terms	
2	TSRC Specialty Materials LLC	TSRC (Lux) Corporation S.A R.L.	c	Sales	\$ 89,813	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.87
		TSRC (Lux) Corporation S.A R.L.	c	Trade receivables from related parties	58,124	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.13
3	Shen Hua Chemical Industries Co., Ltd	Polybus Corporation Pte Ltd	c	Sales	76,434	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.74
		Polybus Corporation Pte Ltd	c	Trade receivables from related parties	57,148	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.13
4	TSRC-UBE (Nantong) Chemical Industrial Co., Ltd.	Polybus Corporation Pte Ltd	c	Sales	19,687	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.19
5	TSRC (Vietnam) Co., Ltd.	TSRC (Shanghai) Industries Ltd.	c	Other receivables from related parties	45,869	The transaction is not significantly different from normal transactions, and the collection terms were about two months	0.10
6	Polybus Corporation Pte Ltd	TSRC (Vietnam) Co., Ltd.	c	Other receivables from related parties	185,484	The transaction is not significantly different from normal transactions, and the payment method is based on a one- to two-year period starting from the date of the initial disbursement	0.41
7	TSRC (USA) Investment Corporation	TSRC Specialty Materials LLC	c	Other receivables from related parties	991,380	The transaction is not significantly different from normal transactions, and the payment method is based on a one- to two-year period starting from the date of the initial disbursement	2.21

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 INVESTEEES (EXCLUDING INVESTMENTS IN MAINLAND CHINA)
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of March 31, 2026			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				March 31, 2026	December 31, 2025	Shares	%	Carrying Amount			
TSRC	Trimurti Holding Corporation	Tortola B.V.I.	Investment	\$ 1,005,495	\$ 1,005,495	99,520,000	100.00	\$ 19,514,349	\$ 624,959	\$ 624,959	Subsidiary (Note 4)
	Hardison International Corporation	Tortola B.V.I.	Investment	109,442	109,442	3,896,305	100.00	431,874	(3,541)	(3,541)	Subsidiary (Note 4)
	Dymas Corporation	Tortola B.V.I.	Investment	38,376	38,376	1,161,004	19.48	101,072	(3,238)	(631)	Subsidiary (Notes 2 and 4)
	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	-	54.31	20,807	(7,765)	(4,217)	Subsidiary (Notes 3 and 4)
Trimurti Holding Corporation	Polybus Corporation Pte Ltd	Singapore	International commerce and investment corporation	4,592,360 (US\$ 143,601)	4,592,360 (US\$ 143,601)	209,853,000	100.00	14,503,563	519,994	519,994	Subsidiary (Note 4)
	TSRC (Hong Kong) Limited	Hong Kong	Investment	3,321,123 (US\$ 103,850)	3,321,123 (US\$ 103,850)	103,850,000	100.00	1,364,095	(95,661)	(95,661)	Subsidiary (Note 4)
	Indian Synthetic Rubber Private Limited	New Delhi, India	Production and sale of synthetic rubber products	942,547 (US\$ 29,473)	942,547 (US\$ 29,473)	222,861,375	50.00	2,536,233	380,576	190,288	Joint ventures
TSRC (Hong Kong) Limited	TSRC (Lux.) Corporation S.A R.L.	Luxembourg	International commerce and investment	2,747,033 (EUR 74,870)	2,747,033 (EUR 74,870)	74,869,617	100.00	775,691	(114,265)	(114,265)	Subsidiary (Note 4)
TSRC (Lux.) Corporation S.A R.L.	TSRC (USA) Investment Corporation	Delaware, U.S.A.	Investment	3,071,679 (US\$ 96,050)	3,071,679 (US\$ 96,050)	130	100.00	942,973	(106,772)	(106,772)	Subsidiary (Note 4)
TSRC (USA) Investment Corporation	TSRC Specialty Materials LLC	Texas, U.S.A.	Production and sale of TPE	6,991,372 (US\$ 218,617)	6,991,372 (US\$ 218,617)	-	100.00	996,232	(98,568)	(98,568)	Subsidiary (Note 4)
Hardison International Corporation	Triton International Holdings Corporation	Tortola B.V.I.	Investment	1,599 (US\$ 50)	1,599 (US\$ 50)	50,000	100.00	12,160	(851)	(851)	Subsidiary (Note 4)
	Dymas Corporation	Tortola B.V.I.	Investment	153,472 (US\$ 4,799)	153,472 (US\$ 4,799)	4,798,566	80.52	417,778	(3,238)	(2,607)	Subsidiary (Note 2 and 4)
Dymas Corporation	TSRC (Vietnam) Co., Ltd.	Binh Duong Province, Vietnam	Production and processing of rubber color masterbatch, thermoplastic elastomer and plastic compound products	319,800 (US\$ 10,000)	319,800 (US\$ 10,000)	-	45.69	17,505	(7,765)	(3,548)	Subsidiary (Note 3 and 4)

Note 1: Amounts in foreign currencies were translated based on the exchange rate at the reporting date (US\$1 to NT\$31.9800; EUR1 to NT\$36.6907).

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

Note 3: TSRC directly owns 54.31% of Dymas' equity and indirectly owns 45.69% via Dymas Corporation, total directly and indirectly owns of equity are 100%.

Note 4: The amount was eliminated upon consolidation.

TSRC CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(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, 2026	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2026	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Income (Loss) (Note 4)	Carrying Amount as of March 31, 2026	Accumulated Repatriation of Investment Income as of March 31, 2026	Note
					Outward	Inward							
Shen Hua Chemical Industries Co., Ltd.	Production and sale of synthetic rubber products	\$ 4,520,373 (US\$ 141,350)	b. 1)	\$ -	\$ -	\$ -	\$ -	\$ 404,940	90.92	\$ 368,170 b	\$ 7,130,499	\$ 4,786,340	Note 3
TSRC (Shanghai) Industries Ltd.	Production and sale of compounding materials	175,890 (US\$ 5,500)	b. 2)	125,362 (US\$ 3,920)	-	-	125,362 (US\$ 3,920)	18,645	100.00	18,645 a	374,316	-	Note 3
Nantong Qix Storage Co., Ltd.	Storehouse for chemicals	95,940 (US\$ 3,000)	b. 3)	47,970 (US\$ 1,500)	-	-	47,970 (US\$ 1,500)	(1,527)	50.00	(764) a	12,125	74,060	-
TSRC-UBE (Nantong) Chemical Industrial Co., Ltd.	Production and sale of synthetic rubber products	1,279,200 (US\$ 4,000)	b. 1)	31,980 (US\$ 1,000)	-	-	31,980 (US\$ 1,000)	65,034	55.00	35,769 a	1,136,881	208,813	Note 3
TSRC (Nantong) Industries Ltd.	Production and sale of TPE	3,361,898 (US\$ 105,125)	b. 1)	212,603 (US\$ 6,648)	-	-	212,603 (US\$ 6,648)	85,163	100.00	85,163 b	4,534,638	440,864	Note 3
ARLANXEO-TSRC (Nantong) Chemical Industries Co., Ltd.	Production and sale of NBR	1,432,704 (US\$ 44,800)	b. 1)	-	-	-	-	102,125	50.00	51,063 a	889,538	-	-

Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2026	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$540,462 (US\$16,900)	\$9,693,842 (US\$303,122) (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 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\$31.9800)

Note 3: The amount was eliminated upon consolidation.

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

- a. Based on financial statements that have not been reviewed by CPA.
- b. Investment income (loss) was calculated based on financial statements that have been reviewed 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.