Stock Code: 1309

TAITA CHEMICAL COMPANY, LTD.
AND SUBSIDIARIES

Consolidated Financial Statements and
Independent Auditors' Review Report
For the First Quarter of 2024 and 2023

Address：12F, No. 37, Jihu Road, Neihu District, Taipei City
Tel： (02)8751-6888

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Independent Auditors' Review Report

To Taita Chemical Company, Ltd.:

Foreword

We have audited the Consolidated Balance Sheets of Taita Chemical Company, Ltd. and its subsidiaries (the Group) as of the years ended March 31, 2024 and 2023, and the Consolidated Comprehensive Income Statements, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows, and Notes to the consolidated financial statements (including the Summary of Significant Accounting Policies) for the period from January 1 to March 31, 2024 and 2023. It is the responsibility of the management to prepare and ensure fair presentation of consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the version of IAS 34 - "Interim Financial Reporting" approved and published by the Financial Supervisory Commission. Our responsibility as auditor is to form a conclusion based on our review.

Applicability

Except for the issues discussed in the "Basis of reservation" paragraph, we, the auditors, have performed the review in accordance with Standards on Review Engagements No. 2410 - "Financial Statement Review." The procedures executed in our review of financial statements include inquiry (mainly with employees responsible for financial and accounting affairs), analysis and other review-related processes. The scope of financial statement review is significantly smaller than a financial statement audit, therefore we may not be able to detect all material issues through the steps we have taken, and are therefore unable to provide an audit opinion.

Basis of reservation

As mentioned in Note 13 of the consolidated financial report, among the investee companies included in the consolidated financial report above, the financial reports for the same period of some long-term equity investments evaluated using the equity method were not reviewed by CPAs. As of March 31, 2024 and 2023, the above long-term equity investment balances assessed using the equity method were NT$315,284 thousand and NT$353,653 thousand, respectively accounting for 3% and 4% of the total consolidated assets; For the periods from January 1 to March 31, 2024 and 2023, the relevant total comprehensive income were NT$(14,688) thousand and NT$(1,958) thousand, respectively accounting for 21% and (30)% of the total consolidated comprehensive income; Furthermore, information relating to the reinvested enterprises mentioned above stated in the matters disclosed in the consolidated financial report notes is calculated and disclosed based on the financial reports of the investee companies that have not been reviewed by CPAs for the same period.

Reservations

Based on our review, except that the financial statements of non-material subsidiaries stated in the basis for the qualified conclusion and relevant information may result in adjustments to the consolidated financial statements if reviewed by CPAs, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Taita Chemical Company, Ltd. and its subsidiaries as of March 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows from January 1 to March 31, 2024 and 2023, 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.

Deloitte & Touche

CPA Cheng-Chun Chiu

CPA Hsiu-Chun Huang

Financial Supervision Commission Approval Number
Jin-Guan-Zheng-Liu-Zhi No. 0930160267

Securities and Futures Commission Approval Number
Tai-Cai-Zheng-Liu-Zhi No. 0920123784

May 7, 2024

Notice to Readers

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

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

TAITA CHEMICAL COMPANY, LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

March 31, 2024 and December 31 and March 31, 2023

(In Thousands of New Taiwan Dollars)

Code	Assets	March 31, 2024 Amount	%	December 31, 2023 Amount	%	March 31, 2023 Amount	%
	CURRENT ASSETS (Note 4)						
1100	Cash and cash equivalents (Note 6)	$ 2,005,209	22	$ 2,211,329	25	$ 2,519,204	27
1110	Financial assets at FVTPL - current (Note 7)	218,229	2	161,178	2	176,361	2
1136	Financial assets at amortized cost - current (Notes 9 and 31)	148,306	2	13,000	-	3,000	-
1150	Notes receivable (Note 10)	283,991	3	208,635	2	177,841	2
1170	Accounts receivable (Note 10)	1,748,297	19	1,596,090	18	1,460,654	16
1180	Accounts receivable - related parties (Notes 10 and 30)	-	-	4,200	-	-	-
1200	Other receivables (Note 10)	151,162	2	105,403	1	134,963	2
1210	Other receivables - related parties (Notes 10 and 30)	1,793	-	4,932	-	2,483	-
1220	Current tax assets (Note 4)	1,768	-	1,571	-	9,669	-
130X	Inventories (Note 11)	1,024,170	11	1,101,680	13	1,315,885	14
1410	Prepayments and other current assets	310,299	3	107,305	1	133,173	1
11XX	Total current assets	5,893,224	64	5,515,323	62	5,933,233	64
	NON-CURRENT ASSETS						
1517	Financial assets at fair value through other comprehensive income (FVTOCI) - non-current (Note 8)	242,520	2	298,427	3	400,425	4
1550	Investments accounted for using the equity method (Note 13)	619,876	7	622,689	7	656,290	7
1600	Property, plant and equipment (Notes 14, 18, 30 and 31)	1,931,477	21	1,937,325	22	1,939,465	21
1755	Right-of-use assets (Notes 15, 18, 30 and 31)	263,838	3	257,252	3	66,743	1
1760	Investment properties, net (Note 16)	108,178	1	108,178	1	108,178	1
1780	Intangible assets (Note 17)	61	-	498	-	1,825	-
1840	Deferred tax assets (Note 4)	156,851	2	123,555	2	80,461	1
1990	Other non-current assets (Note 31)	28,262	-	28,106	-	65,033	1
15XX	Total non-current assets	3,351,063	36	3,376,030	38	3,318,420	36
1XXX	Total Assets	$ 9,244,287	100	$ 8,891,353	100	$ 9,251,653	100
Code	Liabilities and Equity						
	CURRENT LIABILITIES (Note 4)						
2100	Short-term borrowings (Notes 14, 15, 18 and 31)	$ 1,150,000	12	$ 825,000	9	$ 150,000	2
2170	Accounts payable (Note 19)	818,930	9	746,874	8	958,167	10
2180	Accounts payable - related parties (Notes 19 and 30)	595	-	49	-	27	-
2200	Other payables (Note 20)	247,754	3	276,188	3	219,174	2
2220	Other payables - related parties (Note 30)	4,274	-	4,439	-	4,947	-
2230	Current tax liabilities (Note 4)	1,547	-	904	-	143,957	2
2280	Lease liability - current (Notes 15 and 30)	4,678	-	4,665	-	4,627	-
2365	Refund liabilities - current (Note 21)	1,381	-	1,314	-	1,294	-
2399	Other current liabilities	90,280	1	61,230	1	84,055	1
21XX	Total current liabilities	2,319,439	25	1,920,663	21	1,566,248	17
	NON-CURRENT LIABILITIES						
2540	Long-term borrowings (Note 18)	-	-	-	-	100,000	1
2570	Deferred tax liabilities (Note 4)	219,257	3	188,416	2	212,193	2
2580	Lease liability - non-current (Notes 15 and 30)	27,920	-	29,094	1	32,598	1
2640	Net defined benefit liabilities - non-current (Notes 4 and 22)	95,950	1	100,640	1	120,153	1
2670	Other non-current liabilities	4,678	-	4,549	-	5,721	-
25XX	Total non-current liabilities	347,805	4	322,699	4	470,665	5
2XXX	Total Liabilities	2,667,244	29	2,243,362	25	2,036,913	22
	Equity attributable to owners of the Company (Notes 13 and 23)						
	Share capital						
3110	Ordinary shares	3,975,868	43	3,975,868	45	3,975,868	43
3200	Capital surplus	3,201	-	3,201	-	3,026	-
	Retained Earnings						
3310	Legal reserve	502,038	5	502,038	6	457,804	5
3320	Special reserve	308,061	3	308,061	3	308,061	3
3350	Unappropriated earnings	1,644,186	18	1,745,739	20	2,183,113	24
3300	Total retained earnings	2,454,285	26	2,555,838	29	2,948,978	32
3400	Other equity	143,689	2	113,084	1	286,868	3
3XXX	Total equity	6,577,043	71	6,647,991	75	7,214,740	78
	Total Liabilities and Equity	$ 9,244,287	100	$ 8,891,353	100	$ 9,251,653	100

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

(Please refer to the Audit Report by Deloitte & Touche on May 7, 2024)

Chairman: Yi-Gui Wu　　　Manager: Pei-Chi Wu　　　Accounting Supervisor: Chia-Ling Wu

TAITA CHEMICAL COMPANY, LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

January 1 to March 31, 2024 and 2023

In Thousands of New Taiwan Dollars, Except for Loss Per Share

Code		January 1 to March 31, 2024 Amount	%	January 1 to March 31, 2023 Amount	%
4100	OPERATING REVENUE (Notes 21 and 24)	$ 3,790,749	100	$ 3,575,071	100
5110	COST OF GOODS SOLD (Notes 11, 22, 25 and 30)	3,758,525	99	3,475,106	97
5900	GROSS PROFIT	32,224	1	99,965	3
	OPERATING EXPENSES (Notes 10, 22, 25 and 30)				
6100	Selling and marketing expenses	173,502	5	162,229	5
6200	Administrative expenses	43,141	1	47,252	1
6300	Research and development expenses	4,805	-	3,733	-
6450	Expected credit loss (gain) reversed on accounts receivable	11	-	(385)	-
6000	Total operating expenses	221,459	6	212,829	6
6900	Net loss from operations	(189,235)	(5)	(112,864)	(3)
	Non-operating income and expenses (Notes 7, 13, 16, 25 and 30)				
7100	Interest income	10,122	-	11,390	-
7190	Other income	8,224	-	19,956	-
7020	Other gains and losses	52,304	1	(6,885)	-
7060	Share of profit or loss of associates accounted for using the equity method	(2,086)	-	(312)	-
7510	Finance costs	(6,171)	-	(2,909)	-
7000	Total non-operating income and expenses	62,393	1	21,240	-
7900	Net loss before income tax	(126,842)	(4)	(91,624)	(3)
7950	Income tax gain (Notes 4 and 26)	(25,289)	(1)	(19,919)	(1)
8200	Net loss for the period	(101,553)	(3)	(71,705)	(2)
	OTHER COMPREHENSIVE INCOME (LOSS) (Notes 8, 13, 23 and 26)				
8310	Items that will not be reclassified subsequently to profit or loss:				
8316	Unrealized gain (loss) on investments in equity instruments at FVTOCI	($ 55,907)	(2)	$ 66,483	2
8320	Share of other comprehensive income (loss) of associates accounted for using the equity method - unrealized gain (loss) on investments in equity instruments at FVTOCI	(12,401)	-	117	-
		(68,308)	(2)	66,600	2
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating the financial statements of foreign operations	119,913	3	14,699	-
8371	Share of other comprehensive income (loss) of associates accounted for using the equity method - exchange differences on translating the financial statements of foreign operations	3,340	-	(82)	-
8399	Income tax relating to items that may be reclassified subsequently to profit or loss	(24,340)	-	(2,913)	-
		98,913	3	11,704	-
8300	Other comprehensive (loss) income for the period, net of income tax	30,605	1	78,304	2
8500	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	($ 70,948)	(2)	$ 6,599	-
	Loss per share (Note 27)				
9710	Basic (loss) earnings per share	($ 0.26)		($ 0.18)	
9810	Diluted (loss) earnings per share	($ 0.26)		($ 0.18)	

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

(Please refer to the Audit Report by Deloitte & Touche on May 7, 2024)

Chairman: Yi-Gui Wu Manager: Pei-Chi Wu Accounting Supervisor: Chia-Ling Wu

TAITA CHEMICAL COMPANY, LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

January 1 to March 31, 2024 and 2023

(In Thousands of New Taiwan Dollars)

		Equity attributable to owners of the Company (Notes 13 and 23)												
											Other equity			
		Share capital		Capital surplus			Retained Earnings							
Code		Number of shares (in thousands)	Amount	Long-term equity investments	Other capital surplus	Total	Legal reserve	Special reserve	Unappropriated earnings	Total	Exchange differences on translating the financial statements of foreign operations	Unrealized gain (loss) on financial assets at FVTOCI	Total	Total equity
A1	Balance as of January 1, 2023	$ 397,587	$ 3,975,868	$ 660	$ 439	$ 1,099	$ 457,804	$ 308,061	$ 2,254,818	$ 3,020,683	($ 110,541)	$ 319,105	$ 208,564	$ 7,206,214
T1	Changes in capital surplus	-	-	1,927	-	1,927	-	-	-	-	-	-	-	1,927
D1	Net loss for the period from January 1 to March 31, 2023	-	-	-	-	-	-	-	(71,705)	(71,705)	-	-	-	(71,705)
D3	Other comprehensive income (loss) for the period from January 1 to March 31, 2023, net of income tax	-	-	-	-	-	-	-	-	-	11,704	66,600	78,304	78,304
D5	Total comprehensive income (loss) for the period from January 1 to March 31, 2023	-	-	-	-	-	-	-	(71,705)	(71,705)	11,704	66,600	78,304	6,599
Z1	Balance as of March 31, 2023	$ 397,587	$ 3,975,868	$ 2,587	$ 439	$ 3,026	$ 457,804	$ 308,061	$ 2,183,113	$ 2,948,978	($ 98,837)	$ 385,705	$ 286,868	$ 7,214,740
A1	Balance as of January 1, 2024	$ 397,587	$ 3,975,868	$ 2,762	$ 439	$ 3,201	$ 502,038	$ 308,061	$ 1,745,739	$ 2,555,838	($ 153,014)	$ 266,098	$ 113,084	$ 6,647,991
D1	Net loss for the period from January 1 to March 31, 2024	-	-	-	-	-	-	-	(101,553)	(101,553)	-	-	-	(101,553)
D3	Other comprehensive income (loss) for the period from January 1 to March 31, 2024, net of income tax	-	-	-	-	-	-	-	-	-	98,913	(68,308)	30,605	30,605
D5	Total comprehensive income (loss) for the period from January 1 to March 31, 2024	-	-	-	-	-	-	-	(101,553)	(101,553)	98,913	(68,308)	30,605	(70,948)
Z1	Balance as of March 31, 2024	$ 397,587	$ 3,975,868	$ 2,762	$ 439	$ 3,201	$ 502,038	$ 308,061	$ 1,644,186	$ 2,454,285	($ 54,101)	$ 197,790	$ 143,689	$ 6,577,043

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

(Please refer to the Audit Report by Deloitte & Touche on May 7, 2024)

Chairman: Yi-Gui Wu Manager: Pei-Chi Wu Accounting Supervisor: Chia-Ling Wu

TAITA CHEMICAL COMPANY, LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

January 1 to March 31, 2024 and 2023

(In Thousands of New Taiwan Dollars)

Code		January 1 to March 31, 2024	January 1 to March 31, 2023
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Net loss before income tax for the period	($ 126,842)	($ 91,624)
A20010	Income (expenses) items		
A20100	Depreciation expense	55,217	52,448
A20200	Amortization expense	437	454
A20300	Expected credit loss (gain) reversed on accounts receivable	11	(385)
A20400	Net loss (gain) on financial assets and liabilities at FVTPL	626	(1,125)
A20900	Finance costs	6,171	2,909
A21200	Interest income	(10,122)	(11,390)
A22300	Share of profit or loss of associates accounted for using the equity method	2,086	312
A22500	(Gain) loss on disposal of property, plant and equipment	(7)	12
A23800	Provision (reversal) for write-downs of inventories and obsolescence losses	4,531	(12,333)
A29900	Provision for refund liabilities	1,841	1,916
A30000	Changes in operating assets and liabilities		
A31115	Financial assets at FVTPL	(57,677)	239,817
A31130	Notes receivable	(66,886)	(20,345)
A31150	Accounts receivable	(129,602)	25,108
A31160	Accounts receivable - related parties	4,200	-
A31180	Other receivables	(38,465)	(41,125)
A31190	Other receivables - related parties	3,145	680
A31200	Inventories	80,589	(333,652)
A31230	Prepayments and other current assets	(198,976)	97,801
A32150	ACCOUNTS PAYABLE	69,809	312,094
A32160	Accounts payable - related parties	546	(630)
A32180	Other payables	(17,204)	(64,154)
A32190	Other payables - related parties	(165)	(147)
A32230	Other current liabilities	28,670	(42,127)
A32240	Net defined benefit liabilities	(4,690)	(7,563)
A33000	Net cash (outflow) inflow generated from operations	($ 392,757)	$ 106,951
A33100	Interest received	4,313	5,457
A33300	Interest paid	(6,657)	(2,975)
A33500	Income tax paid	(165)	(1,693)
AAAA	Net cash (outflow) inflow generated from operating activities	(395,266)	107,740
	CASH FLOWS FROM INVESTING ACTIVITIES		
B00040	Acquisition of financial assets at amortized cost	(132,822)	-
B00050	Disposal of financial assets at amortized cost	-	2,000
B01800	Acquisition of associates	(8,334)	(10,931)
B02700	Acquisition of property, plant and equipment	(47,386)	(42,738)
B02800	Proceeds from disposal of property, plant and equipment	90	-
B03700	Increase in refundable deposits	(128)	(7,526)
B03800	Decrease in refundable deposits	86	-
BBBB	Net cash used in investing activities	(188,494)	(59,195)
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00100	Increase in short-term borrowings	325,000	-
C01700	Repayment of long-term borrowings	-	(200,000)
C03100	Decrease in refundable deposits received	-	(422)
C04020	Repayment of the principal portion of lease liabilities	(1,161)	(1,149)
C04500	Cash dividends	(37)	(61)
CCCC	Net cash inflow (outflow) used in financing activities	323,802	(201,632)
DDDD	EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	53,838	10,203
EEEE	DECREASE IN CASH AND CASH EQUIVALENTS FOR THE PERIOD	(206,120)	(142,884)
E00100	BALANCE OF CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	2,211,329	2,662,088
E00200	BALANCE OF CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 2,005,209	$ 2,519,204

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

(Please refer to the Audit Report by Deloitte & Touche on May 7, 2024)

Chairman: Yi-Gui Wu   Manager: Pei-Chi Wu   Accounting Supervisor: Chia-Ling Wu

TAITA CHEMICAL COMPANY, LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

January 1 to March 31, 2024 and 2023

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Taita Chemical Company, Ltd. ("the Company") was founded in April 1960, mainly engaged in the manufacturing and sales of polystyrene (PS), acrylonitrile-butadiene-styrene copolymer (ABS) resin, acrylonitrile-styrene copolymer (San) resin, glass wool insulation products, plastic raw materials, and other processed products. The ordinary shares of the Company has been listed on the Taiwan Stock Exchange since 1986. The Company's parent company is USI Corporation, which held indirectly 36.79% of the ordinary shares of the Company as of March 31, 2024. USI Corporation has operational control over the Company.

The consolidated financial statements of the Company and its subsidiaries (collectively referred to as "the Group") are presented in the Company's functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were released after approval by the Board of Directors on May 7, 2024.

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

a. Initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRS Accounting Standard") endorsed and issued into effect by the Financial Supervisory Commission (FSC).

The initial application of IFRSs endorsed and issued into effect by the FSC would not have any material impact on the Group's accounting policies.

b. IFRS Accounting Standard that has been issued by the International Accounting Standards Board (IASB) but not yet endorsed by the FSC

New/Amended/Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture"	Undetermined
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendment to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 2)

Note 1. Unless stated otherwise, the above New/Revised/Amended Standards and Interpretations are effective for annual periods beginning on or after their respective effective dates.

Note 2. Applicable for the annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendment, the comparative period shall not be restated and the effect shall be recognized in the exchange differences of foreign operations under retained earnings or equity (as appropriate) and the related affected assets and liabilities on the date of initial application.

IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 will replace IAS 1 “Presentation of Financial Statements”. The main changes to the standard include:

- The income statement should classify income and expense items into operating, investment, financing, income tax and discontinued unit categories.
- The income statement should present operating profit or loss, profit or loss before financing and income tax, and subtotals and totals of profit or loss.
- It should provide guidance to enhance aggregation and segmentation requirements: The Group is required to identify assets, liabilities, equity, revenue, expenses, and cash flows arising from individual transactions or other events, and classify and aggregate the items on the basis of common characteristics to enable each line item presented in the primary financial statements has at least one similar characteristic. Items with different characteristics should be subdivided in the major financial statements and the notes thereto. The Group may classify the items as “others” only when a more informative name is not available.

- Addition of disclosure of management-defined performance measures: When the Group engages in public communications outside financial statements and communicates with users of the financial statements about management's views on a particular aspect of the Group's overall financial performance, the Group should disclose information about management-defined performance measures in a separate note to the financial statements, including a description of the measure, how it is calculated, a reconciliation of the measure to the subtotals or totals prescribed by IFRSs, as well as the effect of the related reconciling items on income tax and non-controlling interests.

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

4. <u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u>

a. Statement of compliance

The interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. This consolidated financial report does not include all disclosures required by IFRSs for a complete annual financial report.

b. Basis of preparation

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

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

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities on measurement day.

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., prices) or indirectly (i.e., derived from prices).

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 Company and the entities controlled by the Company (i.e., its subsidiaries). When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation.

Please refer to Note 12, Tables 4 and 5 for detailed information on subsidiaries, percentages of ownership and main businesses.

d. Others Significant Accounting Policies

In addition to the following explanations, please refer to the Summary of Significant Accounting Policies in the 2023 Annual Consolidated Financial Report.

1) Classification standard of current and non-current assets and liabilities

Current assets include:

a) Assets held primarily for the purpose of trading;

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

c) Cash and cash equivalents (not including the asset restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period).

Current liabilities include:

a) Liabilities held primarily for the purpose of trading;

b) Liabilities are due to be settled within 12 months after the balance sheet date, and

c) Liabilities for which the Company does not have an actual right on the balance sheet date to defer settlement for at least 12 months after the balance sheet date.

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

2) Defined-benefit 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 curtailments, settlements, or other significant one-time events.

3) Income tax expenses

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

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY

For the explanation of primary sources of uncertainties in material accounting judgments, estimates, and assumptions, please refer to the Summary of Significant Accounting Policies in the 2023 Annual Consolidated Financial Report.

6. CASH AND CASH EQUIVALENTS

	March 31, 2024	December 31, 2023	March 31, 2023
Cash on hand and petty cash	$ 335	$ 331	$ 371
Checking accounts and demand deposits	1,484,004	658,841	748,022
Cash equivalents			
Time deposits	505,902	1,552,157	1,770,811
Reserve repurchase agreements collateralized by bonds	14,968	-	-
	$ 2,005,209	$ 2,211,329	$ 2,519,204

The range of interest rates for time deposits and reserve repurchase agreements collateralized by bonds on the balance sheet date is as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Time deposits	1.65%～5.38%	1.05%～5.49%	2.00%～4.97%
Reserve repurchase agreements collateralized by bonds	1.39%	-	-

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2024	December 31, 2023	March 31, 2023
Financial assets mandatorily at FVTPL			
Non-derivative financial assets			
－Domestic listed (OTC) shares	$ 104,984	$ 93,886	$ 30,400
－Overseas unlisted (OTC) shares	-	-	-
－Fund beneficiary certificates	45,002	-	80,111
－Beneficiary securities	68,243	67,292	65,850

	March 31, 2024	December 31, 2023	March 31, 2023
	$ 218,229	$ 161,178	$ 176,361

The net loss and net profit arising from financial assets at FVTPL of the Group from January 1 to March 31, 2024 and 2023 were $626 thousand and $1,125 thousand, respectively.

8. Financial assets at FVTOCI - non-current

	March 31, 2024	December 31, 2023	March 31, 2023
Investments in equity instruments			
Domestic investments			
Listed (OTC) ordinary shares			
－USI Corporation	$ 242,514	$ 298,421	$ 400,412
Unlisted (OTC) ordinary shares			
－Harbinger Venture Capital Corp.	6	6	7
Subtotal	242,520	298,427	400,419
Overseas investments			
Unlisted (OTC) ordinary shares			
－Budworth Investment Ltd	-	-	6
	$ 242,520	$ 298,427	$ 400,425

The Group invests in the ordinary shares of the aforementioned companies for medium- and long-term strategic objectives and expects to make profits through long-term investments. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as it believes 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.

9. Financial assets at amortized cost - current

	March 31, 2024	December 31, 2023	March 31, 2023
Fixed-term deposits with original maturity over 3 months	$ 145,306	$ 10,000	$ -
Pledged certificates of deposit	3,000	3,000	3,000
	$ 148,306	$ 13,000	$ 3,000

The range of market interest rates for the fixed-term deposits with original maturity over 3 months and the pledged certificates of deposit on the balance sheet date is as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Fixed-term deposits with original maturity over 3 months	1.25%～2.30%	1.25%	-
Pledged certificates of deposit (Note 31)	1.53%	1.53%	1.16%

Please refer to Note31 for the information related to financial assets at amortized cost pledged as security.

10. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	March 31, 2024	December 31, 2023	March 31, 2023
Notes receivable (a)			
Operating	$ 283,991	$ 208,635	$ 177,841
Accounts receivable (a)			
Measured at amortized cost			
Gross carrying amount	$ 1,751,435	$ 1,599,125	$ 1,517,951
Less: allowance for loss	(3,138)	(3,035)	(57,297)
	$ 1,748,297	$ 1,596,090	$ 1,460,654
Accounts receivable - related parties (a) (Note 30)	$ -	$ 4,200	$ -
Other receivables (b)			
Business tax refund receivable	$ 109,395	$ 70,889	$ 108,464
Interest receivable	41,244	33,968	25,954
Others	523	546	545
	$ 151,162	$ 105,403	$ 134,963
Other receivables - related parties (Note 30)	$ 1,793	$ 4,932	$ 2,483

a. Notes and accounts receivable

The credit period of the Group for the sales of the merchandise is from 30 to 180 days, and the notes and accounts receivable are not interest-bearing. In order to mitigate credit risk, the management of the Group has assigned a dedicated team to be responsible for the determination of the credit line, credit approval, and other procedures of the supervisory control to ensure that appropriate action has been taken to reclaim past due receivables, and the Group has insured some of the receivables against credit insurance or obtained adequate guarantees if necessary to mitigate the risk of financial losses due to delinquency. In addition, the Group reviews the recoverable amount of each individual receivable on the balance sheet date to ensure that adequate allowances are made for possible irrecoverable amounts. Prior to accepting a new client, the credit quality of the prospect is assessed through the internal credit rating system and the credit facilities of the prospect will be set, and the history of the transactions and the financial position of the individual client are regularly reviewed, according to which the management of the Group believes that the credit risk of the Group has been significantly reduced.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses (ECLs). The expected credit loss on trade receivables is estimated using a provision matrix by reference to the past default experience of the debtor and an analysis of the debtor’s current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of the forward looking information such as GDP forecasts.

The Group writes off a trade receivable when there is information indicating that the debtor is experiencing 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 due receivables. Where recoveries are made, they are recognized in profit or loss.

The following table details the loss allowance of notes receivable and accounts receivable based on the Group's allowance matrix:

	March 31, 2024				
	Credit Rating A	Credit Rating B	Credit Rating C	Others	Total
Gross carrying amount	$ 7,634	$ 564,080	$ 86,919	$ 1,376,793	$ 2,035,426
Loss allowance (Lifetime ECLs)	-	-	-	(3,138)	(3,138)
Amortized cost	$ 7,634	$ 564,080	$ 86,919	$ 1,373,655	$ 2,032,288

	December 31, 2023				
	Credit Rating A	Credit Rating B	Credit Rating C	Others	Total
Gross carrying amount	$ 11,218	$ 533,152	$ 8,181	$ 1,179,409	$ 1,811,960
Loss allowance (Lifetime ECLs)	-	-	-	(3,035)	(3,035)
Amortized cost	$ 11,218	$ 533,152	$ 88,181	$ 1,176,374	$ 1,808,925

	March 31, 2023				
	Credit Rating A	Credit Rating B	Credit Rating C	Others	Total
Gross carrying amount	$ 5,277	$ 434,715	$ 72,509	$ 1,183,291	$ 1,695,792
Loss allowance (Lifetime ECLs)	-	-	(176)	(57,121)	(57,297)
Amortized cost	$ 5,277	$ 434,715	$ 72,333	$ 1,126,170	$ 1,638,495

Changes in the allowance for impairment loss recognized on accounts receivable were as follows:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Balance at the beginning of the period	$ 3,035	$ 57,662
Expected credit loss (gain) reversed on accounts receivable	11	(385)
Foreign exchange translation gains and losses	92	20

	January 1 to March 31, 2024	January 1 to March 31, 2023
Balance at the end of the period	$ 3,138	$ 57,297

The aging of receivables (including related parties) was as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Not overdue	$ 1,978,492	$ 1,761,104	$ 1,622,715
Up to 60 Days	50,399	48,008	16,021
Over 61 days	6,535	2,848	57,056
Total	$ 2,035,426	$ 1,811,960	$ 1,695,792

The above aging schedule was based on the number of days past due from the end of the credit term.

b. Other receivables

Other receivables of the Group as of March 31, 2024 and December 31 and March 31, 2023 have been assessed for impairment losses on the basis of expected credit losses.

11. Inventories

	March 31, 2024	December 31, 2023	March 31, 2023
Finished goods	$ 574,761	$ 535,351	$ 525,166
Work in progress	118,490	153,301	120,581
Raw materials	297,510	377,658	627,902
Supplies	33,409	35,370	42,236
	$ 1,024,170	$ 1,101,680	$ 1,315,885

The cost of inventories recognized as cost of goods sold from January 1 to March 31, 2024 and 2023 was $3,758,525 thousand and $3,475,106 thousand, respectively.

The cost of goods sold included write-down of $4,531 thousand, which resulted from inventory closeout, from January 1 to March 31, 2024.

The cost of goods sold included reversal of inventory write-down of $12,333 thousand, which resulted from inventory closeout, from January 1 to March 31, 2023.

12. SUBSIDIARY

Subsidiaries included in the consolidated financial statements

The consolidated financial statements are prepared by the following subjects:

Investor	Name of Subsidiary	Nature of Activities	Proportion of Ownership March 31, 2024	December 31, 2023	March 31, 2023	Remark
The Company	TAITA (BVI) Holding Co., Ltd.（TAITA (BVI)）	Reinvestment	100%	100%	100%	-
TAITA（BVI）	Taita Chemical (Zhongshan) Co., Ltd. ("TAITA (ZS)")	Production and sales of polystyrene derivatives	100%	100%	100%	1.
	Taita Chemical (Tianjin) Co., Ltd. (TTC (TJ))	Production and sales of polystyrene derivatives	100%	100%	100%	2.
	Zhangzhou Taita Chemical Company, Limited (TTCZZ)	Production and sales of polystyrene derivatives	100%	100%	100%	3.

1) Till March 31, 2024, the amount of investment in Delta Zhongshan was USD 43,000 thousand dollars, and the company's surplus was transferred to the capital increase of USD 3,250 thousand in 2007. Till March 31, 2024, the company's paid-in capital was USD 46,250 thousand. Delta Zhongshan held a meeting of the Board of Directors on October 14, 2021, and resolved to adopt a profit distribution plan from 2007 to 2020 with a total amount of RMB 306,950 thousand, which was allocated on March 8, 2022.
2) Till March 31, 2024, the amount of investment in Delta Tianjin was USD 26,000 thousand, and the company's surplus in 2012 was transferred to the capital increase of USD 1,350 thousand. Till March 31, 2024, the company's paid-in capital was USD 27,350 thousand. Due to the curtailing demand in the local market, the management of the Company decided to suspend the production of Delta Tianjin from April 2019.
3) On December 3, 2020, the Board of Directors of the Company resolved to establish Zhangzhou Delta with an investment of RMB 314,000 thousand through Taita (BVI). Zhangzhou Delta Industry was founded and registered on June 28, 2021, and Taita (BVI) invested RMB 306,950 thousand (USD 48,580 thousand) in Zhangzhou Delta Industry on March 8, 2022.

The financial statements of the subsidiaries included in this consolidated financial report are calculated based on the financial statements of the subsidiaries for the same period reviewed by CPAs.

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	March 31, 2024	December 31, 2023	March 31, 2023
Investments in associates that are not individually material			
Listed (OTC) company			
China General Plastics Corporation (CGPC)	$ 189,381	$ 189,901	$ 191,820
Acme Electronics Corporation (ACME)	43,967	41,468	44,911
Unlisted (OTC) company			
China General Terminal & Distribution Corporation (CGTD)	315,284	329,972	353,653
ACME Electronics (Cayman) Corp.（ACME (Cayman)）	71,244	61,348	65,906
	$ 619,876	$ 622,689	$ 656,290

Summarized information of associates that is not individually material

	January 1 to March 31, 2024	January 1 to March 31, 2023
The Group's share of:		
Net loss from continuing operations for the period	($ 2,086)	($ 312)
Other comprehensive income (loss)	(9,061)	35
Total comprehensive income	($ 11,147)	($ 277)

The Group’s ownership interest and percentage of voting right in associate at the end of the reporting period were as follows:

Company Name	March 31, 2024	December 31, 2023	March 31, 2023
CGPC	1.98%	1.98%	1.98%
ACME	2.34%	2.34%	2.34%
CGTD	33.33%	33.33%	33.33%
ACME（Cayman）	4.42%	4.42%	5.39%

For the nature of activities, principal places of business and countries of incorporation of the associates, please refer to Table 4 “Information on Investees”.

The board of directors of ACME resolved to issue 30,000,000 new shares with a par value of NT$10 per share for a cash capital increase on June 14, 2022. Among them, 15% is reserved for subscription by qualified employees of ACME and its affiliated companies. The relevant issue price is NT$20 per share, and the capital increase base date is January 16, 2023. The Group subscribed 547,000 shares according to the original shareholding ratio, with an investment amount of NT$10,931 thousand, and the shareholding ratio decreased from 2.43% to 2.34%.

The board of directors of ACME (Cayman) resolved to issue 11,054 thousand new shares with a par value of US$0.1 per share for a cash capital increase at a premium of US$0.81 per share on April 24, 2023. The Group did not participate in the aforementioned capital increase. The shareholding ratio decreased from 5.39% to 4.42% after the capital increase.

The board of directors of ACME (Cayman) resolved to issue 6,000 thousand new shares with a par value of US$0.1 per share for a cash capital increase at a premium of US$1 per share on February 6, 2024. The Group participated in the aforementioned capital increase of ACME (Cayman) in the amount of $8,334 thousand based on the original shareholding ratio of 4.42%.

The Group with its affiliates jointly held more than 20% of the shareholdings of CGPC, ACME, ACME (Cayman) had significant influence over each entity. Therefore, the Group adopted the equity method to evaluate the above investments.

Fair values (Level 1) of investments in associates with available published price quotations are summarized as follows:

Company Name	March 31, 2024	December 31, 2023	March 31, 2023
CGPC	$ 209,594	$ 256,811	$ 302,875
ACME	$ 138,516	$ 125,288	$ 135,022

The profits and losses and the shares of other comprehensive profits and losses, under the equity method, entitled to the associates and the Group were recognized on the basis of the financial reports of the associates audited by the CPA during the same period, except that the financial reports of CGTD were not reviewed by the CPA. The management of the Group believes that the financial reports of CGTD weren't reviewed by the CPA and it would cause no significant impact.

14. Property, plant and equipment

	March 31, 2024	December 31, 2023	March 31, 2023
Carrying amount by function			
Freehold Land	$ 634,432	$ 634,432	$ 634,432
Buildings	263,660	262,385	288,348
Machinery and Equipment	880,077	893,180	912,984
Transportation equipment	2,693	2,909	4,228
Other Equipment	42,438	40,968	34,512
Construction in Progress	108,177	103,451	64,961
	$ 1,931,477	$ 1,937,325	$ 1,939,465

Depreciation charges are set aside on a straight-line over their estimated useful lives as follows:

Buildings	
Factories	20, 30, 35, 40 and 55 years
Offices and laboratories	26-35 Years
Storage rooms	20-25 Years
Storage tank rooms	8-20 Years
Others	2-9 Years
Machinery and Equipment	
Environmental protection equipment	15-20 Years
Monitoring equipment	11-15 Years
Storage tank and pipeline systems	10-15 Years
Production and packaging equipment	8-15 Years
Power systems	7-15 Years
Others	2-8 Years
Transportation equipment	5-15 Years
Other Equipment	2-15 Years

For property, plant and equipment pledged as collateral for financing, please refer to Notes 18 and 31.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	March 31, 2024	December 31, 2023	March 31, 2023
Carrying amount of right-of-use assets			
Land	$ 263,838	$ 257,252	$ 66,743

	January 1 to March 31, 2024	January 1 to March 31, 2023
Depreciation expense of right-of-use assets		
Land	$ 2,469	$ 1,458

Except for the recognition of depreciation expenses, there was no significant increase, sublease or impairment of the Group’s right-of-use assets from January 1 to March 31, 2024 and 2023. For land use rights pledged as collateral for financing, please refer to Notes 18 and 31.

b. Lease liabilities

	March 31, 2024	December 31, 2023	March 31, 2023
Carrying amount of right-of-use assets			
Current	$ 4,678	$ 4,665	$ 4,627
Non-current	$ 27,920	$ 29,094	$ 32,598

As of March 31, 2024, and December 31 and March 31, 2023, the discount rates for the lease liability are all 1.10%.

The Group leases land in Linyuan to build factories from related party. When rental period ends, the Group has no bargain purchase price option for the land leased. Transactions with related parties are set out in Note 30.

c. Other lease information

For lease arrangements under operating leases for leasing out of investment properties, please refer to Note 16.

	January 1 to March 31, 2024	January 1 to March 31, 2023
Expenses relating to short-term leases	$ 4,856	$ 4,137
Expenses relating to low-value asset leases	$ 5	$ 6
Total cash outflow for leases	$ 6,114	$ 5,396

The Group leases certain office equipment, machinery equipment, transportation equipment which qualify as short-term leases and certain other equipment which qualify as low-value asset 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.

16. Investment properties, net

	March 31, 2024	December 31, 2023	March 31, 2023
Land	$ 108,178	$ 108,178	$ 108,178

Management was unable to reliably measure the fair value of investment properties located in Qianzhen District, Xingbang Section and Linyuan Industrial Park, because the fair value for comparable properties is inactive and alternative reliable measurements of fair value are not available. Therefore, the Group concluded that the fair value of the investment properties is not reliably measurable.

The land of the former township factory of the Group is leased to CGTD, and the actual rental area is agreed upon, and the monthly rent is NT$1,496 thousand (please refer to Notes 25 and 30).

17. Intangible assets

	March 31, 2024	December 31, 2023	March 31, 2023
Carrying amount by function			
Information systems	$ 61	$ 98	$ 225
Plant design fee	-	400	1,600
	$ 61	$ 498	1,825

Intangible assets are amortized on a straight-line over their estimated useful lives as follows:

Information systems	3 years
Plant design fee	10 years

18. BORROWINGS

a. Short-term borrowings

	March 31, 2024	December 31, 2023	March 31, 2023
Unsecured borrowings			
Line of credit borrowings	$ 1,150,000	$ 825,000	$ 150,000

The annual interest rates of the loans of credit facilities were 1.6% to 1.75%, 1.66% to 1.70% and 1.60% respectively on March 31, 2024, and March 31 and December 31, 2023.

In addition, Delta Zhongshan provided property, plant, equipment, and the rights of land use as collateral (see Notes 14, 15 and 31).

b. Long-term borrowings

	March 31, 2024	December 31, 2023	March 31, 2023
Credit borrowings	$ -	$ -	$ 100,000

The annual interest rate of long-term loans of the Group is as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Credit borrowings	-	-	1.55%

The Group entered into medium and long-term credit contracts with banks to replenish the medium and long-term working capital. As of March 31, 2024, total lines of credit amounted to $2,300,000 thousand. The loan agreements will subsequently expire before August 2026 and these lines of credit may be used cyclically during the validity period.

Some of the Group's loan agreements stipulate that the current ratio and debt ratio as stated on the financial statements shall not be less than a specified percentage, and that if such a percentage fails to be met, the Group shall propose improvement measures to the banks concerned. Till March 31, 2024, the Group has not violated the aforementioned financial ratios.

19. ACCOUNTS PAYABLE

	March 31, 2024	December 31, 2023	March 31, 2023
Accounts payable (including related parties)			
Arising from operation (Note 30)	$ 819,525	$ 746,923	$ 958,194

The average credit period of the Group is between 30 and 45 days. The Group has financial risk management policies to ensure that all accounts payable are paid within the credit terms.

20. Other payables

	March 31, 2024	December 31, 2023	March 31, 2023
Payables for fares	$ 60,604	$ 59,743	$ 50,150
Payables for salaries and bonuses	59,918	77,436	52,276
Payables for utilities	28,855	30,949	30,633
Payables for purchases of equipment	17,142	29,824	10,195
Payables for professional service expenses	10,582	11,341	10,710
Others	70,653	66,895	65,210
	$ 247,754	$ 276,188	$ 219,174

21. Refund liabilities

	March 31, 2024	December 31, 2023	March 31, 2023
Sales returns and rebates	$ 1,381	$ 1,314	$ 1,294

	January 1 to March 31, 2024	January 1 to March 31, 2023
Balance at the beginning of the period	$ 1,314	$ 1,102
Provision for the current period	1,841	1,916
Returns and rebates for the current period	(1,774)	(1,724)
Balance at the end of the period	$ 1,381	$ 1,294

The refund provision is based on management's judgments and other known reasons for which estimated product returns and rebates may occur for the year ended. The provision is recognized as a reduction of operating income in the periods in which the related goods are sold.

22. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Company adopted a pension plan under the "Labor Pension Act" of ROC (the "LPA"), which is a defined contribution plan. Based on the LPA, the Company makes monthly contributions to employees' individual pension accounts in the Bureau of Labor Insurance at 6% of monthly salaries and wages.

The employees of the Group’s subsidiary, TTC (ZS) , in mainland China is the member of a state-managed retirement benefit plans operated by the government of mainland China. The subsidiary is required to contribute a specified percentage of payroll costs to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit plans is to make the specified contributions.

b. Defined benefit plans

The defined benefit plan adopted by the Company in accordance with the Labor Standards Law is operated by the government of the ROC. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. Since November 1986, the Company contributed a specific rate (currently 12%) of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee’s name. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the “Bureau”); the Company has no right to influence the investment policy and strategy.

The pension expenses related to the defined benefit plan recognized from January 1 to March 31, 2024 and 2023 were calculated based on the actuarially determined pension cost rate on December 31, 2023 and 2022, and the summary of the amount recognized in profit or loss by function is as follows:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Cost of goods sold	$ 622	$ 800
Selling and marketing expenses	35	31
Administrative expenses	9	28
Research and development expenses	20	23
	$ 686	$ 882

From January 1 to March 31, 2024 and 2023, the Company allocated NT$5,375 thousand and NT$8,445 thousand respectively to the Taiwan bank account designated by the Supervisory Committee of Labor Retirement Reserve.

23. Equity

a. Ordinary shares

	March 31, 2024	December 31, 2023	March 31, 2023
Number of shares authorized (in thousands)	400,000	400,000	400,000
Share capital authorized	$ 4,000,000	$ 4,000,000	$ 4,000,000
Number of shares issued and fully paid (in thousands)	397,587	397,587	397,587
Share capital issued	$ 3,975,868	$ 3,975,868	$ 3,975,868

The holders of issued ordinary shares with a par value of $10 are entitled to the right to one vote and to receive dividends.

b. Capital surplus

Capital surplus which arises from the consideration received from issuance of shares (including consideration from issuance of ordinary shares) and donations may be used to offset a deficit, in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company’s capital surplus and once a year).

Capital surplus arising from unpaid dividends due to overdue may be used to offset a deficit only. Capital surplus arising from investments in subsidiaries and associates accounted for using the equity method may not be used for any purpose.

c. Retained earnings and dividends policy

In accordance with the dividends policy as set forth in the Company's Articles of Incorporation, where there is a profit in a fiscal year, the profit after tax of the Company shall be first utilized for offsetting losses of previous years, setting aside as a legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of employees' compensation and remuneration of directors after the amendment, please refer to "employees' compensation and remuneration of directors" in Note 25 (h).

In addition, according to the provisions of the Company’s Articles, the industry that the Company operates in is in the maturity stage. Consequently, in order to take R&D needs and diversification into consideration, shareholders' dividends shall be no less than 10% of the distributable earnings in the current year, of which the cash dividends not be no less than 10% of the total dividends. However, dividends may be stopped if the distributable profit per share in the current fiscal year is less than NT$0.1.

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

The Company appropriated to and reversed from a special reserve in accordance with Jin-Guan-Zheng-Fa-Zhi No. 1090150022.

The appropriations of earnings for the years ended December 31, 2023 and 2022 as proposed at and approved in the Board of Directors meeting and shareholders' meeting on March 7, 2024 and May 30, 2023, respectively, were as follows:

	Appropriation of Earnings		Dividends Per Share (NT$)	
	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Legal reserve	$ -	$ 44,234		
Cash dividends	119,276	198,793	$ 0.3	$ 0.5

The appropriations of earnings for the year ended December 31, 2023 are subject to the resolution of the shareholders' meeting held on May 31, 2024.

d. Special reserve

The Company reserved a special reserve on the first-time adoption of IFRSs as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Special reserve	$ 308,061	$ 308,061	$ 308,061

The Company’s amount of unrealized revaluation gain and cumulative adjustments transferred into retained earnings were $279,270 thousand and $160,233 thousand, respectively. The increase in retained earnings arising from the first-time adoption of IFRSs was not sufficient for the special reserve appropriation; thus, the Company appropriated a special reserve in the amount of $308,061 thousand which was the net increase of retained earnings arising from the first-time adoption of IFRSs. As of March 31, 2024, there was no change in the special reserve.

e. Other equity

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

	January 1 to March 31, 2024	January 1 to March 31, 2023
Balance at the beginning of the period	($ 153,014)	($ 110,541)
Incurred during the period		
Exchange differences on translation of foreign operations	119,913	14,699
Share of associates accounted for using the equity method	3,340	(82)
Related income tax	(24,340)	(2,913)
Balance at the end of the period	($ 54,101)	($ 98,837)

Exchange differences on translating net assets of foreign operations are translated into the presentation currency, the New Taiwan dollar. The resulting currency translation differences are recognized in other comprehensive income as exchange differences on translating the financial statements of foreign operations in the respective period.

2) Unrealized gain (loss) on financial assets at FVTOCI

	January 1 to March 31, 2024	January 1 to March 31, 2023
Balance at the beginning of the period	$ 266,098	$ 319,105
Incurred during the period		
Unrealized gains (losses)		
Equity instruments	(55,907)	66,483
Share of associates accounted for using the equity method	(12,401)	117
Balance at the end of the period	$ 197,790	$ 385,705

24. REVENUE

	January 1 to March 31, 2024	January 1 to March 31, 2023
Revenue from contracts with customers		
Revenue from the sale of goods	$ 3,790,749	$ 3,575,071

Please refer to Note 36 for revenue of major products and operation results.

25. Profit before income tax

a. Interest income

	January 1 to March 31, 2024	January 1 to March 31, 2023
Bank deposits	$ 10,122	$ 11,334
Others	-	56
	$ 10,122	$ 11,390

b. Other income

	January 1 to March 31, 2024	January 1 to March 31, 2023
Rental income - operating lease (Notes 16 and 30)	$ 6,559	$ 9,044
Government subsidy	-	5,411
Others	1,665	5,501
	$ 8,224	$ 19,956

c. Other gains and losses

	January 1 to March 31, 2024	January 1 to March 31, 2023
(Loss) gain on financial assets at FVTPL (Note 7)	($ 626)	$ 1,125
Foreign exchange gain (loss), net	54,766	(5,985)
Gain (loss) on disposal of property, plant and equipment	7	(12)
Expenses from rental assets	(1,130)	(1,489)
Others	(713)	(524)
	$ 52,304	($ 6,885)

d. Foreign exchange gain (loss), net

	January 1 to March 31, 2024	January 1 to March 31, 2023
Gross foreign exchange gains	$ 73,548	$ 40,955
Foreign exchange losses	(18,782)	(46,940)
Net profit (loss)	$ 54,766	($ 5,985)

e. Finance costs

	January 1 to March 31, 2024	January 1 to March 31, 2023
Interest on bank loans	$ 6,079	$ 2,871
Interest on lease liabilities (Note 30)	92	104
Less: Capitalized interest (included in property under construction)	-	(66)
	$ 6,171	$ 2,909

Information about capitalized interest is as follows:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Capitalized interest	$ -	$ 66
Capitalization rate	-	1.50%～1.55%

f. Depreciation and amortization

	January 1 to March 31, 2024	January 1 to March 31, 2023
Property, plant and equipment	$ 52,748	$ 50,990
Right-of-use assets (Note 15)	2,469	1,458
Intangible assets	437	454
Total	$ 55,654	$ 52,902
Summary of depreciation by function		
Cost of goods sold	$ 51,881	$ 49,745
Operating expenses	2,971	2,040
Other gains and losses	365	663
	$ 55,217	$ 52,448
An analysis of amortization by function		
Cost of goods sold	$ 400	$ 400
Administrative expenses	37	54
	$ 437	$ 454

g. Employee benefits expense

	January 1 to March 31, 2024	January 1 to March 31, 2023
Post-employment benefits (Note 22)		
Defined contribution plans	$ 5,401	$ 5,311
Defined benefit plans	686	882
	6,087	6,193
Insurance expenses	9,345	9,577
Other employee benefits	119,704	121,658
Total employee benefits expenses	$ 135,136	$ 137,428
An analysis of employee benefits expense by function		
Cost of goods sold	$ 111,879	$ 107,918
Operating expenses	23,257	29,510
	$ 135,136	$ 137,428

h. Employees' compensation and remuneration of directors

According to Articles of Incorporation of the Company, the Company accrued employees’ compensation and remuneration of directors at the rates of no less than 1% and no higher than 1%, respectively. However, the Company’s accumulated deficits should be offset in advance. The employees’ compensation can be distributed in the form of shares or cash. When the employees of the Company’s subsidiaries meet specific requirements they are also entitled to receive compensation in shares or cash. These requirements are set by the board of directors.

From January 1 to March 31, 2024 and 2023, employees’ compensation was not estimated due to losses. The employees' compensation and remuneration of directors for the year ended December 31, 2022 were resolved to be paid in cash by the Company's board of directors on March 3, 2023, as follows:

	For the Year Ended December 31, 2022	
	Accrual Rate	Amount
Employees' compensation	1%	$ 5,524
Remuneration of Directors	-	$ -

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

For the year ended December 31, 2023, employees' compensation was not estimated and distributed due to losses. There was no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts the recognition the consolidated financial statements for the year ended December 31, 2022. Information on the employees' compensation and remuneration of directors resolved by the Company's board of directors is available at the "Market Observation Post System" website of the Taiwan Stock Exchange.

26. Income tax

a. Major components of income tax benefit recognized in profit or loss were as follows:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Current tax		
In respect of the current period	$ 631	$ 2,511
Adjustments for previous years	-	(1,762)
	631	749
Deferred tax		
In respect of the current period	(25,920)	(20,668)
Income tax benefit recognized in profit or loss	($ 25,289)	($ 19,919)

b. Income tax recognized in other comprehensive income

	January 1 to March 31, 2024	January 1 to March 31, 2023
Deferred tax		
Incurred during the period		
－Exchange differences on translating the financial statements of foreign operations	($ 24,340)	($ 2,913)

c. Income tax assessments

The Company's business income tax declaration case has been approved by the taxation and taxation authority for 2021.

d. Income tax related to subsidiaries were as follows:

1) Taita (BVI) is exempt from income tax for both January 1 to March 31, 2024 and 2023 as a result of applicable local government tax exemptions.

2) Taita Zhongshan, Taita Tianjin, and Zhangzhou Taita comply with the regulations of the local enterprise income tax law, and the applicable tax rate is 25%.

27. LOSS PER SHARE

Unit: NT$ Per Share

	January 1 to March 31, 2024	January 1 to March 31, 2023
Basic loss per share	($ 0.26)	($ 0.18)
Diluted loss per share	($ 0.26)	($ 0.18)

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

Net loss for the period

	January 1 to March 31, 2024	January 1 to March 31, 2023
Net loss used to calculate the basic and diluted loss per share	($ 101,553)	($ 71,705)

Number of Shares

Unit: thousands of shares

	January 1 to March 31, 2024	January 1 to March 31, 2023
Weighted average number of ordinary shares used in the computation of basic and diluted loss per share	397,587	397,587

If the Group offered to settle remuneration paid to employees in cash or shares, the Group assumed the entire amount of the remuneration would be settled in shares, and the resulting potential shares were 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. From January 1 to March 31, 2024 and 2023, the number of shares issued for employees' compensation had an anti-dilutive effect due to the losses, and was therefore excluded from the calculation of diluted loss per share.

28. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Group's overall management strategy remains unchanged from the past year.

The capital structure of the Group consists of its net debt and equity.

Key management personnel of the Group review the capital structure periodically. As part of this review, the key management personnel consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, and the amount of new debt issued or existing debt redeemed.

29. Financial instruments

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

The management of the Group considers that the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values. Otherwise, the fair values cannot be reliably measured.

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

1) Fair value hierarchy

	March 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Investments in equity instruments				
－Domestic listed (OTC) shares	$ 104,984	$ -	$ -	$ 104,984
－Overseas unlisted (OTC) shares	-	-	-	-
Fund beneficiary certificates	45,002	-	-	45,002
Beneficiary securities	68,243	-	-	68,243
Total	$ 218,229	$ -	$ -	$ 218,229
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME				
Investments in equity instruments				
－Domestic listed (OTC) shares	$ 242,514	$ -	$ -	$ 242,514
－Domestic unlisted (OTC) shares	-	-	6	6
－Overseas unlisted (OTC) shares	-	-	-	-
Total	$ 242,514	$ -	$ 6	$ 242,520

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Investments in equity instruments				
－Domestic listed (OTC) shares	$ 93,886	$ -	$ -	$ 93,886
－Overseas unlisted (OTC) shares	-	-	-	-
Beneficiary securities	67,292	-	-	67,292
Total	$ 161,178	$ -	$ -	$ 161,178
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME				
Investments in equity instruments				
－Domestic listed (OTC) shares	$ 298,421	$ -	$ -	$ 298,421
－Domestic unlisted (OTC) shares	-	-	6	6
－Overseas unlisted (OTC) shares	-	-	-	-
Total	$ 298,421	$ -	$ 6	$ 298,427

	March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Investments in equity instruments				
－Domestic listed (OTC) shares	$ 30,400	$ -	$ -	$ 30,400
－Overseas unlisted (OTC) shares	-	-	-	-
Fund beneficiary certificates	80,111	-	-	80,111
Beneficiary securities	65,850	-	-	65,850
Total	$ 176,361	$ -	$ -	$ 176,361
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME				
Investments in equity instruments				
－Domestic listed (OTC) shares	$ 400,412	$ -	$ -	$ 400,412
－Domestic unlisted (OTC) shares	-	-	7	7
－Overseas unlisted (OTC) shares	-	-	6	6
Total	$ 400,412	$ -	$ 13	$ 400,425

From January 1 to March 31, 2024 and 2023, there was no transfer between Level 1 and Level 2 financial assets at fair value measurements.

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

Financial assets at FVTOCI - equity instruments

Financial assets	January 1 to March 31, 2024	January 1 to March 31, 2023
Balance at the beginning and end of the period	$ 6	$ 13

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

Categories of financial instruments	Valuation Techniques and Inputs
Derivatives - foreign exchange forward 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

To determine the fair value for Level 3 financial instruments, the Group’s investment department conducts independent fair value verification using external resources so as to better reflect the market conditions, as well as periodically reviewing the valuation results in order to guarantee the rationality of the measurement. The fair value of the unlisted equity investment held by the Group domestically and abroad is evaluated by the asset-based approach, and its fair value is determined by referring to the latest net value of the investment company and its observable financial and operating conditions; the unobservable input value used on March 31, 2024, and March 31 and December 31, 2023, is a liquidity discount of 15%.

c. Categories of financial instruments

	March 31, 2024	December 31, 2023	March 31, 2023
Financial assets			
Financial assets measured at fair value through profit or loss — mandatorily classified as at fair value through profit or loss	$ 218,229	$ 161,178	$ 176,361
Financial assets at amortized cost (Note 1)	4,257,625	4,100,806	4,254,714
Financial assets at FVTOCI - investments in equity instruments	242,520	298,427	400,425
Financial liabilities			
Measured at amortized cost (Note 2)	2,157,802	1,773,561	1,376,159

Note 1. The balance includes cash and cash equivalents, fixed-term deposits with original maturity over 3 months, pledge certificates of deposit, notes receivable and accounts receivable (including related parties), other receivables (including related parties, excluding business tax refunds receivable) and deposits and other financial assets measured at amortized cost.

Note 2. The balance includes financial liabilities at amortized cost, which includes short-term and long-term loans, short-term bills payable, accounts payable (including related parties), and other payables (including related parties and excluding payables for salary and taxes).

d. Financial Risk Management Objectives and Policies

The Group's conduct of risk controlling and hedging strategy is influenced by the operational environment. The Group monitors and manages the financial risk by business nature and risk dispersion. These risks include market risk (including foreign currency risk, interest rate risk and other price risks), credit risk and liquidity risk.

1) Market risk

The main financial risks the Group is exposed to in the business activities are foreign exchange risk, interest rate risk, and other price risk.

There has been no change to the Group's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

The Group conducted foreign currency sales and purchases, which exposed the Group to foreign currency risk. In order to avoid the impact of foreign currency exchange rate changes, which lead to deductions in foreign currency denominated assets and fluctuations in their future cash flows, the Group used foreign exchange forward contracts to eliminate foreign currency exposure and thus mitigate the impact of the risk. The use of foreign exchange forward contracts was governed by the Group’s policies approved by the board of directors. Compliance with policies and exposure limits was reviewed by internal auditors on a continuous basis. The Group does not undergo the transaction of the forward foreign exchange contracts for speculative purposes.

For the Group's monetary assets and liabilities, denominated in non-functional currencies on the balance sheet date (including the monetary items and nonfunctional currencies written off in the consolidated financial statements), please refer to Note 34.

Sensitivity analysis

The sensitivity analysis of foreign currency risk mainly focuses on the computation of foreign currency monetary items at the end of the financial reporting period (U.S. dollar denominated items). When the functional currency of the consolidated entity appreciates/depreciates by 3% against USD, the Group's net loss before tax will increase/decrease by NT$30,022 thousand and NT$24,093 thousand from January 1 to March 31, 2024 and 2023.

In management’s opinion, this sensitivity analysis is unrepresentative of the Group’s inherent foreign exchange risk because the exposure at the end of the reporting period did not reflect the exposure during the period.

b) Interest rate risk

The Group was exposed to the fair value risk of interest rate fluctuations for the fixed interest rate bearing financial assets and financial liabilities; the Group was exposed to the cash flow risk of interest rate fluctuations for the floating interest rate bearing financial assets and financial liabilities. The Group's management regularly monitors the fluctuations in market rates and then adjusted its balance of fixed rate and floating rate bearing financial instruments to make the Group's interest rates more closely approach market rates in response to the interest rate risk.

The carrying amount of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Fair value interest rate risk			
－Financial assets	$ 1,585,156	$ 1,579,097	$ 1,835,844
－Financial liabilities	1,182,598	758,759	137,225
Cash flow interest rate risk			
－Financial assets	573,361	650,236	742,386
－Financial liabilities	-	100,000	150,000

Sensitivity analysis

The sensitivity analysis below was determined based on the Group’s exposure to interest rate risk of cash flow for both financial assets and liabilities at the end of the reporting period. The fixed-rate financial assets and liabilities held by the Group are not included in the analysis as they are all measured at amortized cost. A 0.5% increase/decrease of market interest was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rate. If interest rates had been 0.5% higher/lower and all other variables were held constant, the Group's net loss before tax from January 1 to March 31, 2024 and 2023 would have decreased/increased by NT$717 thousand and NT$740 thousand, respectively.

c) Other price risks

The Group was exposed to the equity price risk through its investments in domestic and foreign listed and unlisted (OTC) shares, beneficiary securities, fund beneficiary certificates and other securities investments. The Group manages this exposure by maintaining a portfolio of investments with different risks. In addition, the Group has appointed a special team to monitor the price risk.

Sensitivity analysis

Sensitivity analysis is based on the price of equity securities at the balance sheet date. However, in the financial assets of the Group measured at fair value through profit or loss, the risk of the price volatility of the monetary market funds is very low, so it is not included in the analysis.

If the equity price increases/decreases by 5%, the net loss before tax from January 1 to March 31, 2024 and 2023 will decrease/increase by NT$8,661 thousand and NT$4,813 thousand respectively due to the increase/decrease in fair value of financial assets (excluding monetary market fund investments) measured at fair value through profit or loss. The other comprehensive profits and losses before tax from January 1 to March 31, 2024 and 2023 will increase/decrease by NT$12,126 thousand and NT$20,021 thousand respectively due to the increase/decrease in fair value of financial assets measured at fair value through other comprehensive profits or losses.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations and result in financial loss to the Group. The Group adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

The counterparties of the Group's accounts receivable included numerous clients distributed over a variety of areas and were not centered on a single client or location. Furthermore, the Group mitigates credit concentration risk by obtaining letters of credit issued by financial institutions prior to shipment for the sales transactions to the aforementioned specific customers and continuously assesses the financial condition of its customers, and then the Group’s credit risk was limited. On the balance sheet date, the Group's maximum exposure to credit risk is approximately the carrying amounts respective recognized financial assets as stated in the balance sheet.

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.

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

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table was 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 table includes both interest and principal cash flows.

	March 31, 2024			
	Weighted Average Interest Rate (%)	On Demand or Less than 1 Year	1-5 Years	More than 5 years
Non-derivative financial liabilities				
Non-interest bearing liabilities		$ 1,007,802	$ -	$ -
Lease liabilities	1.10	5,013	20,052	8,773
Fixed interest rate liabilities	1.65	1,151,146	-	-
		$ 2,163,961	$ 20,052	$ 8,773

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years
Lease liabilities	$ 5,013	$ 20,052	$ 8,773

	December 31, 2023			
	Weighted Average Interest Rate (%)	On Demand or Less than 1 Year	1-5 Years	More than 5 years
Non-derivative financial liabilities				
Non-interest bearing liabilities		$ 948,561	$ -	$ -
Lease liabilities	1.10	5,013	20,052	10,026
Floating interest rate liabilities	1.69	100,019	-	-
Fixed interest rate liabilities	1.68	726,708	-	-
		$ 1,780,301	$ 20,052	$ 10,026

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years
Lease liabilities	$ 5,013	$ 20,052	$ 10,026

	March 31, 2023			
	Weighted Average Interest Rate (%)	On Demand or Less than 1 Year	1-5 Years	More than 5 years
Non-derivative financial liabilities				
Non-interest bearing liabilities		$ 1,126,159	$ -	$ -
Lease liabilities	1.10	5,013	20,052	13,786
Floating interest rate liabilities	1.60	151,284	-	-
Fixed interest rate liabilities	1.55	1,367	100,000	-
		$ 1,283,823	$ 120,052	$ 13,786

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years
Lease liabilities	$ 5,013	$ 20,052	$ 13,786

b) Financing facilities

The Group relies on bank loans as a significant source of liquidity. As of the balance sheet date, the unused loan amounts of banks of the Group were as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Bank loan facilities −Amount unused	$ 4,869,802	$ 4,886,618	$ 6,434,816

30. RELATED PARTY TRANSACTIONS

The Company's ultimate parent is USI Corporation, which held 36.79% of the ordinary shares of the Company as of March 31, 2024, and March 31, December 31, 2023.

Balances and transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed below.

a. Name of the related party and their relationship

Name of the related party	Relationship with the Group
USI Corporation (“USI”)	Ultimate parent company
China General Plastics Corporation	Associate
China General Plastics (ZhongShan) Co.,Ltd.	Associate
CGPC Consumer Products Corporation	Associate
CGPC Polymer Corporation	Associate
Taiwan VCM Corporation (TVCM)	Associate
Global Green Technology Corporation	Associate
China General Terminal & Distribution Corporation (CGTD)	Associate
Asia Polymer Corporation (APC)	Fellow company
USI Trading (Shanghai) Co., Ltd.	Fellow company
Swanson Plastics Corporation	Fellow company
Swanson Plastics (Kunshan) Co., Ltd.	Fellow company
USI Management Consulting Corp (UM)	Fellow company
Delmind Inc.	related party in substance

b. Purchase

Related Party Category/Name	January 1 to March 31, 2024	January 1 to March 31, 2023
Associate	$ 1,547	$ 540
Fellow company	49	102
Ultimate parent company	-	1,703
	$ 1,596	$ 2,345

The Group’s credit period of purchase of goods from related parties was from 30 days after acceptance. The purchase of goods between the Group and its related parties had no material differences from those of general purchase transactions.

c. Receivables from related parties (excluding loans to related parties)

Related Party Category/Name	March 31, 2024	December 31, 2023	March 31, 2023
Ultimate parent company	$ -	$ 4,200	$ -

The outstanding accounts receivable from related parties were unsecured. No impairment loss was recognized.

d. Payables to related parties (excluding loans from related parties)

Related Party Category/Name	March 31, 2024	December 31, 2023	March 31, 2023
Associate	$ 595	$ -	$ -
Fellow company	-	49	27
	$ 595	$ 49	$ 27

The outstanding accounts payable from related parties are not overdue and not guaranteed.

e. Other transactions with related parties

1) Rental income (classified as other income, notes 16 and 25)

Related Party Category/Name	January 1 to March 31, 2024	January 1 to March 31, 2023
Associate		
CGTD	$ 4,488	$ 4,728
TVCM	1,824	1,824
	6,312	6,552
Fellow company	65	66
	$ 6,377	$ 6,618

2) Rental expenses (classified as cost of goods sold, selling and marketing expenses and general and administrative expenses)

Related Party Category/Name	January 1 to March 31, 2024	January 1 to March 31, 2023
Ultimate parent company		
USI	$ 1,229	$ 1,261
Fellow company		
APC	669	408
Associate	361	361
	$ 2,259	$ 2,030

The Group leased offices and parking spaces in Neihu from USI and APC. The rentals were set according to the actual rental area and paid on a monthly basis.

3) Lease arrangements

Related Party Category/Name	March 31, 2024	December 31, 2023	March 31, 2023
Lease liabilities - current			
Fellow company			
APC	$ 4,678	$ 4,665	$ 4,627
Lease liabilities - non-current			
Fellow company			
APC	$ 27,920	$ 29,094	$ 32,598

Related Party Category/Name	January 1 to March 31, 2024	January 1 to March 31, 2023
Total lease expenses		
Fellow company		
APC	$ 1,253	$ 1,253
Interest expense		

Related Party Category/Name	January 1 to March 31, 2024	January 1 to March 31, 2023
Fellow company		
APC	$ 92	$ 104

The Group leased land in Linyuan from APC. The rental was paid on a monthly basis.

4) Storage tank operating expenses (classified as cost of goods sold)

Related Party Category/Name	January 1 to March 31, 2024	January 1 to March 31, 2023
Associate		
CGTD	$ 2,105	$ 3,404

The Group appointed CGTD to handle the storage tank operating procedures of styrene monomer and butadiene, such as transportation, storage and loading. The storage tank operating expenses were paid on a monthly basis.

5) Management service income (classified as other revenue)

Related Party Category/Name	January 1 to March 31, 2024	January 1 to March 31, 2023
Ultimate parent company		
USI	$ 1,048	$ 1,028

6) Management service income (classified as administrative expenses)

Related Party Category/Name	January 1 to March 31, 2024	January 1 to March 31, 2023
Fellow company		
UM	$ 20,940	$ 18,278

The management service expenses paid to UM mainly consist of the services including human resources and equipment and are paid on time based on the actual expenses incurred and costs incurred.

7) Other expenses (classified as cost of goods sold)

Related Party Category/Name	January 1 to March 31, 2024	January 1 to March 31, 2023
Associate	$ 198	$ 840

8) Acquisition of property, plant and equipment

	The proceeds	
Related Party Category/Name	January 1 to March 31, 2024	January 1 to March 31, 2023
related party in substance	$ 480	$ -
Ultimate parent company	-	1,520
	$ 480	$ 1,520

9) Other receivables

Related Party Category/Name	March 31, 2024	December 31, 2023	March 31, 2023
Ultimate parent company	$ 1,102	$ 1,585	$ 1,139
Associate	591	3,176	1,208
Fellow company	100	171	136
	$ 1,793	$ 4,932	$ 2,483

Other receivables mainly include overheads receivable, management service expenses, and office rental.

10) Other payables

Related Party Category/Name	March 31, 2024	December 31, 2023	March 31, 2023
Associate	$ 2,071	$ 2,721	$ 3,500
Fellow company	1,022	939	757
Ultimate parent company	701	779	690
related party in substance	480	-	-
	$ 4,274	$ 4,439	$ 4,947

Other payables included storage tank operating expense payables, rental expense payable and the allocation of service department costs payables.

f. Compensation of key management personnel

Remuneration to directors and the key management personnel was as follows:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Salaries and others	$ 2,696	$ 3,768
Retirement benefits	27	54
	$ 2,723	$ 3,822

The compensation 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

The following assets of the Group have been provided as collateral for the issuance of bills of exchange, letters of credit, procurement of fuel, customs clearance operations and borrowings (Notes 9, 14, 15 and 18):

	March 31, 2024	December 31, 2023	March 31, 2023
Pledged certificates of deposit			
－Classified as financial assets at amortized cost - current	$ 3,000	3,000	$ 3,000
－Classified as other non-current assets	16,940	16,940	16,734
Property, plant and equipment, net	-	-	15,412
Land use rights			
－Classified as right-of-use assets	-	-	19,997
	$ 19,940	$ 19,940	$ 55,143

The Group provided certain property and land use rights (with carrying amounts of NT$17,041 thousand and NT$19,534 thousand, respectively, as of March 31, 2024) as collaterals for financing. The period of the aforementioned financing expired on December 31, 2023, and the Group intends to continue to apply for the guaranteed financing from the financial institutions. However, as of the date the consolidated financial statements were authorized for issue, the related procedures have not been completed.

32. SIGNIFICANT CONTINGENT LIABILITY AND UNRECOGNIZED CONTRACTUAL COMMITMENTS

In addition to those disclosed in other notes, significant contingent liability and unrecognized contractual commitments of the Group were as follows:

a. As of December 31, 2024 and 2023, the Group's balance of unused letters of credit issued by the Group was NT$155,636 thousand, NT$120,000 thousand and NT$134,833 thousand, respectively.

b. Explanation for the gas explosion in Kaohsiung:

Regarding the gas explosion of the propylene pipeline of Lee Chang Yung Chemical Industry Corporation (“Lee Chang Yung Chemical”) on the night of July 31, 2014 operated by the invested company by the equity method, China General Terminal & Distribution Corporation (“CGTD”), the criminal case of the gas explosion incident was dismissed by the Supreme Court on September 15, 2021 and all three employees of CGTD were acquitted.

On February 12, 2016, CGTD entered into an agreement with the Kaohsiung City Government to provide the Kaohsiung City Government with a pledge right set of a bank deposit certificate of NT$231,585 thousand (including interests) as the guarantee for the loss caused by the gas explosion. Kaohsiung City Government has also filed civil lawsuits against LCY, CGTD and CPC Corporation. Taiwan Power Company applied for provisional attachment against CGTD's property on August 27 and November 26, 2015.CGTD had deposited cash of NT$99,207 thousand to the court to avoid provisional attachment. Taiwan Water Corporation also applied for provisional attachment against CGTD's property on February 3 and March 2, 2017. As of April 26, 2024, the provisionally attached property of CGTD was worth NT$15,860 thousand.

For the victims of the gas explosion, CGTD, LCY and the Kaohsiung City Government signed a tripartite agreement for severe injuries on July 17, 2015 agreeing to negotiate the compensation first with the 32 severely injured victims, agreeing to negotiate compensation in advance for all the heirs and claimants of the 32 victims (hereinafter referred to as the families of the victims), paying the families of the victims NT$12,000 thousand for each victim, with a total settlement of NT$384,000 thousand. LCY paid the compensation first and also represented the three parties in the settlement negotiation and the signing of settlement agreements with the family of the deceased. In addition, according to the tripartite agreement, CGTD has paid NT$157,347 thousand to LCY on August 10, 2022 according to the proportion of fault liability, 30%, in the first-instance judgments of this case. Follow-up still awaits the determination of the civil lawsuit, and then make up for it according to the determined liability proportion.

For the severely injured, CGTD, LCY and the Kaohsiung City Government signed a tripartite agreement for severe injuries on October 25, 2017 agreeing to negotiate the compensation first with the 65 severely injured victims. The compensation was paid by CGTD and the Kaohsiung City Government, and CGTD was in charge of negotiating the compensation with the seriously injured victims' families and signing the settlement agreement on behalf of the three parties with the 64 seriously injured victims' families.

As of April 26, 2024, the victims and victims' families had written letters or filed civil lawsuits (including criminal lawsuits) against LCY, CGTD, and CPC for compensation claims. To reduce the lawsuit costs, CGTD came to a compromise and reduced the original claim of NT$46,677 thousand and settled for a compensation amount of

NT$4,519 thousand instead. Along with the case still under litigation and the above-mentioned compensation, the accumulated amount of compensation is NT$3,831,319 thousand. The first-instance judgments of some of the above-mentioned civil cases (with a total amount of compensation of approximately NT$1,467,861 thousand) have been gradually announced, starting from June 22, 2018. The proportion of fault liability of the Kaohsiung City Government, LCY and CGTD is 4 : 3 : 3 in most judgments. The total amount of compensation that CGTD, LCY and the other defendants should pay is around NT$401,979 thousand. (In particular, CGTD was exempted from paying NT$6,194 thousand according to the court's judgment.) For the civil cases that have been sentenced but not settled, CGTD has filed an appeal and has started the second trial procedure one after another. The remaining cases are still pending in the Court of First Instance (the amount claimed is approximately NT$1,860,633 thousand). CGTD and its insurance company signed a settlement agreement, covering the proportion of the liability for negligence determined in the first-instance judgment, the estimated amount of the settlement with the victims and the severely injured, and the amount of compensation in civil cases (including cases that have been settled); after the maximum insurance claims is deducted, the estimated amount that should be borne by CGTD and has been recognized is NT$136,375 thousand. However, the actual amount of the aforementioned relevant settlements and compensation will not be confirmed until the proportion of the liabilities that should be borne by CGTD is determined in the civil case judgment in the future.

33. Other Matters

On February 15, 2023, the President announced the amendments to the “Climate Change Response Act”, which added relevant regulations on the carbon fee. Subsequently, the Ministry of the Environment formulated the “Draft on Regulations for Charging of Carbon Fee” in accordance with the aforesaid regulations on December 29, 2023. The regulations stipulate that power and large-scale manufacturing industries in line with the announcement made by the Ministry of the Environment with respect to the sources of emissions to be inventoried, registered and assured, and the total annual greenhouse gas emissions from direct emissions from all factories as well as indirect emissions from the use of electricity reaching 25,000 metric tons CO_2e shall pay a carbon fee starting from 2024. As of the date the consolidated financial statements were authorized, the specific implementation methods of the carbon fee, including the rate of the first levy, the starting date of the levy, and other major sub-laws, had not yet been clarified. As a result, the Group did not yet have a basis for a reasonable estimate of the carbon fee.

34. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following represents the aggregated values of foreign currencies other than the functional currencies of the Group entities, and the disclosed exchange rates refer to the rates at which these foreign currencies were translated into their respective functional currencies. Significant financial assets and liabilities denominated in foreign currencies were as follows:

	March 31, 2024			
	Foreign currency	Exchange Rate (In Single Dollars)	Functional Currencies	NT$
Foreign currency assets				
Monetary items				
USD	$ 58,904	32.0000(USD:NTD)	$ 1,884,922	$ 1,884,922
AUD	860	20.8200(AUD:NTD)	17,914	17,914
HKD	1,436	4.0890(HKD:NTD)	5,872	5,872
EUR	147	34.4600(EUR:NTD)	5,071	5,071
RMB	930	4.5102(RMB:NTD)	4,194	4,194
RMB	288	0.1409(RMB:USD)	41	1,298
Foreign currency liabilities				
Monetary items				
USD	18,503	32.0000(USD:NTD)	592,096	592,096
USD	9,128	7.0950(USD:RMB)	64,765	292,102

	December 31, 2023			
	Foreign currency	Exchange Rate (In Single Dollars)	Functional Currencies	NT$
Foreign currency assets				
Monetary items				
USD	$ 51,835	30.7050(USD:NTD)	$ 1,591,587	$ 1,591,587
AUD	666	20.9800(AUD:NTD)	13,964	13,964
RMB	583	4.3352(RMB:NTD)	2,529	2,529
HKD	585	3.9290(HKD:NTD)	2,299	2,299
RMB	288	0.1412(RMB:USD)	41	1,248
Foreign currency liabilities				
Monetary items				
USD	18,287	30.7050(USD:NTD)	561,489	561,489
USD	9,128	7.0827(USD:RMB)	64,652	280,280

	March 31, 2023					
	Foreign currency	Exchange Rate (In Single Dollars)		Functional Currencies		NT$
Foreign currency assets						
Monetary items						
USD	$ 58,966	30.4500(USD:NTD)	$	1,795,522	$	1,795,522
HKD	922	3.8790(HKD:NTD)		3,578		3,578
EUR	49	33.1500(EUR:NTD)		1,618		1,618
RMB	288	0.1455(RMB:USD)		42		1,274
Foreign currency liabilities						
Monetary items						
USD	23,410	30.4500(USD:NTD)		712,821		712,821
USD	9,183	6.8717(USD:RMB)		63,102		279,616

The net profits and losses (realized and unrealized) on foreign currency exchange of the Group in the three months ended March 31, 2024 and 2023 were respectively net gains of NT$54,766 thousand and net losses of NT$5,985 thousand. Due to the wide variety of foreign currency transactions, it is not possible to disclose the profits and losses on foreign currency exchange in currencies according to the significant impact.

35. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions:

1) Financing provided to others. (None)

2) Endorsements/guarantees provided. (Table 1)

3) Marketable securities held (excluding investment in subsidiaries and associates). (Table 2)

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

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

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

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital. (None)

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital. (Table 3)

9) Trading in derivative instruments. (None)

10) Others: The Business Relationships and Significant Transactions and Amounts between Parent and Subsidiaries and between Subsidiaries. (Table 6)

b. Information About Investees. (Table 4)

c. Information on Investments in Mainland China:

1) Information on the investee company in mainland China, including the company names, major business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, 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. (Table 5)

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period. (None)

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period. (None)

c) The amount of property transactions and the amount of the resultant gains or losses. (None)

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes. (Table 1)

e) The highest balance during the period, the end of period balance, the interest rate range, and total current period interest with respect to the financing of funds. (None)

f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services. (None)

d. Information on major shareholders: Name, number of shares held, and shareholding percentage of shareholders with shareholding percentage exceeding 5%. (Table 7)

36. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. According to IFRS 8 “Operating Segments”, the Group should disclose the segment information of styrenic products and glasswool products (including cubic printing products).

Segment revenue and results

The following was an analysis of the Group’s revenue and results from continuing operations by reportable segments:

	Segment revenue		Segment loss	
	January 1 to March 31, 2024	January 1 to March 31, 2023	January 1 to March 31, 2024	January 1 to March 31, 2023
Plastic Raw Materials	$ 3,659,747	$ 3,441,799	($ 200,797)	($ 128,618)
Glasswool products (including cubic printing products)	131,002	133,272	11,562	15,754
Total amount from continuing operations	$ 3,790,749	$ 3,575,071	(189,235)	(112,864)
Interest income			10,122	11,390
Other income			8,224	19,956
Other gains and losses			52,304	(6,885)
Share of profit or loss of associates accounted for using the equity method			(2,086)	(312)
Finance costs			(6,171)	(2,909)
Net loss before tax from continuing operations			($ 126,842)	($ 91,624)

The revenue reported above is generated from the transactions with external clients. There were no transactions between the segments in the three months ended March 31, 2024 and 2023.

The losses of the segments refer to the profits earned by the segments, excluding interest income, other income, other gains and losses, finance costs, the shares of profits and losses of the associates under the equity method, etc. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

Since the Group's individual segment assets were not included in the segment information provided chief operating decision-maker, the measured amount of operating segment assets was not disclosed herein.

TAITA CHEMICAL COMPANY, LTD. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED

January 1 to March 31, 2024

Table 1

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorsement and guarantee Company Name	Endorsee/Guarantee		Limits on Endorsement/Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/Guaranteed During the Period (Note 1)	Outstanding Endorsement/Guarantee at the End of the Period (Note 1)	Actual Borrowing Amount	Amount Endorsed/Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements	Aggregate Endorsement/Guarantee Limit (Note 2)	Endorsement /Guarantee Made by Parent for Subsidiaries	Endorsement /Guarantee Made by Subsidiaries for Parent	Endorsement /Guarantee Made for Companies in Mainland China
		Company Name	Relationship										
0	Taita Chemical Company, Ltd.	TAITA (BVI) Holding Co., Ltd.	Subsidiaries that the Company holds 100% of common equity directly	$ 6,577,043	$ 96,000 (USD 3,000 thousand)	$ 96,000 (USD 3,000 thousand)	$ -	$ -	1.46%	$ 9,865,565	Yes	No	No
0	Taita Chemical Company, Ltd.	Taita Chemical (Zhongshan) Co., Ltd.	Subsidiaries that the Company's subsidiaries hold 100% of common equity directly	6,577,043	225,510 (RMB50,000 thousand)	225,510 (RMB50,000 thousand)	-	-	3.43%	9,865,565	Yes	No	Yes

Note 1. The calculation was based on the spot exchange rate of March 31, 2024.

Note 2. The total amount of guarantee that may be provided by the Company shall not exceed 150% of the Company's net worth stated on the latest financial statements; the total amount of guarantee provided by the Company to any single entity shall not exceed 100% of the Company's net worth stated on the latest financial statements.

The total of guarantee that may be provided by the Company and the subsidiaries shall not exceed 200% of the Company's net worth stated on the latest financial statements; the total amount of guarantee provided Latest Financial Statements and its subsidiaries to any individual entity shall not exceed 150% of the Company's net worth stated on the latest financial statements.

TAITA CHEMICAL COMPANY, LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

March 31, 2024

Table 2

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the period				Remark
				Number of shares/units	Carrying Amount	Percentage of Ownership	Fair Value	
Taita Chemical Company, Ltd. Company	Shares							
	USI Corporation	Ultimate parent company	Financial assets at FVTOCI - non-current	15,109,901	$ 242,514	1.27%	$ 242,514	Note 1
	Harbinger Venture Capital Corp.	−	〃	990	6	0.50%	6	Note 3
	Taiwan Cement Corporation	−	Financial assets at FVTPL - current	2,000,000	64,300	0.03%	64,300	Note 1
	China Steel Corporation	−	〃	350,000	8,365	-	8,365	Note 1
	Hon Hai Precision Industry Co., Ltd.	−	〃	100,000	15,000	-	15,000	Note 1
	Cathay Financial Holdings	−	〃	356,000	17,319	-	17,319	Note 1
	Fund beneficiary certificates							
	Mega Diamond Money Market Fund	−	Financial assets at FVTPL - current	3,477,293	45,002	-	45,002	Note 2
	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust	−	Financial assets at FVTPL - current	3,963,000	68,243	-	68,243	Note 1
TAITA (BVI) Holding Co., Ltd.	Shares							
	Budworth Investment Ltd.	−	Financial assets at FVTOCI - non-current	20,219	- (US$ - thousand)	2.22%	- (US$ - thousand)	Note 4
	Teratech Corporation	−	Financial assets at FVTPL - non-current	112,000	-	0.74%	-	Note 4
	Sohoware − Inc. - Preferred Shares	−	〃	100,000	-	-	-	Note 4

Note 1. The fair value was based on the Taiwan Stock Exchange closing price on the last trading day of March 2024.

Note 2. The fair value was based on the net assets value of each fund on the last trading day of March 2024.

Note 3. The fair value is evaluated by the asset method, and is determined by referring to the most recent net worth of the investee company and its observable financial and operating status.

Note 4. As of March 31, 2024, the fair value of equity investment was evaluated by the Group as 0.

TAITA CHEMICAL COMPANY, LTD. AND SUBSIDIARIES

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

March 31, 2024

Table 3

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
Taita Chemical Company, Ltd.	Taita Chemical (Tianjin) Co., Ltd.	Subsidiary	Other receivables $ 292,102 (USD 9,128 thousand) (Notes 1 and 3)	-	$ 292,102	Continuous Collection	$ -	$ -

Note 1. The other receivables of Taita Chemical Company, Ltd. are from selling raw materials to Taita Chemical (Tianjin) Co., Ltd., and transferred to other receivables since it had exceeded the normal credit term by a certain period.

Note 2. There was no amount received as of May 7, 2024.

Note 3. All the transactions were written off when preparing the consolidated financial statements.

TAITA CHEMICAL COMPANY, LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEES

January 1 to March 31, 2024

Table 4

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark
				Ending balance of the current period	Ending balance of the previous period	Number of Shares	Percentage	Carrying Amount			
Taita Chemical Company, Ltd.	TAITA (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment	$ 2,871,616 (USD 89,738 thousand)	$ 2,871,616 (USD 89,738 thousand)	89,738,000	100.00%	$ 3,151,505 (USD 98,485 thousand)	($ 7,562) (Loss USD 240 thousand)	($ 7,562) (Loss USD 240 thousand)	Subsidiary (Notes 1 and 3)
	China General Plastics Corporation	Taipei City	Production and marketing of PVC tape and other plastic products	65,365	65,365	11,516,174	1.98%	189,381	(31,667)	(629)	Investee accounted for equity the equity method (Note 1)
	China General Terminal & Distribution Corporation	Taipei City	Warehousing of petrochemical raw materials	41,082	41,082	25,053,468	33.33%	315,284	(7,623)	(2,541)	Investee accounted for equity the equity method (Note 2)
	Acme Electronics Corporation	Taipei City	Production and sales of manganese-zinc soft ferrite powder	55,702	55,702	4,991,556	2.34%	43,967	55,821	1,309	Investee accounted for equity the equity method (Note 1)
TAITA (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment	62,882 (USD 1,965 thousand)	54,401 (USD 1,700 thousand)	2,960,656	4.42%	71,244 (USD 2,226 thousand)	(5,088) (Loss USD 162 thousand)	-	Investee accounted for equity the equity method (Note 1)

Note 1. The calculation is based on the financial statements of the investee company during the same period which have been audited by CPAs.

Note 2. The calculation is based on the financial statements of the investee company during the same period which have not been audited by CPAs.

Note 3. All the transactions were written off when preparing the consolidated financial statements.

Note 4. Please refer to Table 5 for relevant information of mainland investee companies.

TAITA CHEMICAL COMPANY, LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA

January 1 to March 31, 2024

Table 5

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of the beginning of the Period	Investment Flows for the Period		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period	Net Income (Loss) of Investee (Note 6)	Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 6)	Carrying Amount as of the End of Period (Note 6)	Accumulated Repatriation of Investment Income as of the End of Period
					Outflow	Inflow						
Taita Chemical (Zhongshan) Co., Ltd. ("TAITA (ZS)")	Production and marketing of polystyrene derivatives	$ 1,480,000 (USD 46,250 thousand) (Note 1)	Reinvest in the mainland companies by establishing a company through investment in the third region	$ 1,376,000 (USD 43,000 thousand)	$ -	$ -	$ 1,376,000 (USD 43,000 thousand)	(3,539) (Loss USD 113 thousand)	100.00%	(3,539) (Loss USD113 thousand) (Note 7)	$ 1,817,140 (USD 56,786 thousand) (Note 7)	$ -
Taita Chemical (Tianjin) Co., Ltd. ("TAITA(TJ)") (Note 8)	Production and marketing of polystyrene derivatives	872,500 (USD 27,350 thousand) (Note 2)	Reinvest in the mainland companies by establishing a company through investment in the third region	832,000 (USD 26,000 thousand)	-	-	832,000 (USD 26,000 thousand)	(5,881) (Loss USD 187 thousand)	100.00%	(5,881) (Loss USD187 thousand) (Note 7)	(181,294) (USD -5,665 thousand) (Note 7)	-
Zhangzhou Taita Chemical Company, Limited (TTCZZ)	Production and marketing of polystyrene derivatives	1,554,546 (USD 48,580 thousand) (Note 3)	Reinvest in the mainland companies by establishing a company through investment in the third region	-	-	-	-	1,893 (Gain USD 60 thousand)	100.00%	1,893 (Gain USD 60 thousand) (Note 7)	1,416,408 (USD 44,263 thousand) (Note 7)	-
Acme Electronics (Kunshan) Co., Ltd. ("ACME (KS)")	Manufacturing and marketing of manganese-zinc soft ferrite core	983,200 (USD 30,725 thousand)	Reinvest in a mainland company by reinvesting in the existing company in the third region, ACME Electronics (Cayman) Corp.	43,328 (USD 1,354 thousand)	-	-	43,328 (USD 1,354 thousand)	(14,069) (Loss USD 447 thousand)	4.42%	(621) (Loss USD 20 thousand)	30,528 (USD 954 thousand)	-

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
$ 2,251,328 (US$ 70,354 thousand)	$ 4,026,154 (USD 125,817 thousand) (Note 4)	$ - (Note 5)

Note 1. Taita Zhongshan increased capital from surplus of US$3,250 thousand in 2007.

Note 2. Taita Tianjin increased capital from surplus of US$1,350 thousand in 2012.

Note 3. ZTC has registered for establishment in 2021, and TAITA (BVI) injected capital of ZTC amounted to US$48,580 thousand on March 8, 2022.

Note 4. It includes the capital increase transferred from surplus by TAITA (ZS) of US$ 3,250 thousand, capital increase transferred from surplus by TAITA (TJ) of US$1,350 thousand, capital increase transferred from surplus by ACME (KS) of US$802 thousand and capital injection from TAITA (BVI) to ZTC of US$50,000 thousand.

Note 5. As the Company has obtained the certificate of being qualified for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11120416710 on June 8, 2022, the upper limit on investment in mainland China is not applicable.

Note 6. Calculated based on the financial statements audited by CPAs of the parent company in Taiwan.

Note 7. All the transactions were written off when preparing the consolidated financial statements.

Note 8. The Company’s management has decided to suspend the production of TAITA (TJ) from April 2019, and please refer to Note 12 to the financial statements for details.

TAITA CHEMICAL COMPANY, LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS

January 1 to March 31, 2024

Table 6

(In Thousands of New Taiwan Dollars)

No.	Trading Company	Counterparty	Relationships with trader	Transactions Details			
				Financial Statement Account	Amount (Note 2)	Transaction Terms	Ratio to the Total Consolidated Operating Revenue or Total Asset (Note 1)
0	Taita Chemical Company, Ltd.	Taita Chemical (Tianjin) Co., Ltd.	The parent company to its subsidiary	Other receivables - related parties	$ 292,102	No significant difference with non-related parties	3.16%
1	TAITA (BVI) Holding Co., Ltd.	Taita Chemical (Tianjin) Co., Ltd.	The parent company to its subsidiary	Other payables - related parties	4,800	No significant difference with non-related parties	0.05%

Note 1. The amount of the transactions is calculated as the ratio of the total consolidated revenue or total assets. In the case of asset-liability accounts, the balance at the end of the period is calculated as the proportion of the total consolidated assets.

Note 2. All the transactions were written off when preparing the consolidated financial statements.

TAITA CHEMICAL COMPANY, LTD.

INFORMATION ON MAJOR SHAREHOLDERS

March 31, 2024

Table 7

Names of Major Shareholders	Shares	
	Number of Shares Held	Percentage of Ownership
Union Polymer International Investment Corporation	146,263,260	36.79%

Note: The table discloses shareholding information of shareholders whose shareholding percentage is more than 5%. The share capital reported in the Company's consolidated financial statements and the actual number shares that have completed the dematerialized registration and delivery may be different due to the difference in the basis of calculation.