Taita Chemical Co., Ltd. and Subsidiaries

Consolidated Financial Statements and Independent Auditors' Review Report

For the Second Quarter of 2024 and 2023

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Independent Auditors' Review Report

To Taita Chemical Co., Ltd.:

Foreword

The consolidated balance sheets of Taita Chemical Co., Ltd. and its subsidiaries as of June 30, 2024, and 2023, the consolidated statements of comprehensive income for the periods from April 1 to June 30, 2024, and 2023, and from January 1 to June 30, 2024, and 2023, the consolidated statements of changes in equity for the periods from January 1 to June 30, 2024, and 2023, the consolidated statements of cash flows for the periods from January 1 to June 30, 2024, and 2023, and the notes to the consolidated financial statements (including a summary of significant accounting policies) have been reviewed. 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.

Scope

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. The balances of long-term equity investments accounted for using the equity method as of June 30, 2024, and 2023, were NT$318,813 thousand and NT$340,914 thousand, respectively, accounting for 3% and 4% of total consolidated assets. The related total comprehensive income for the periods from April 1 to June 30, 2024, and 2023, and from January 1 to June 30, 2024, and 2023, amounted to NT$3,530 thousand, NT$(12,739) thousand, NT$(11,158) thousand, and NT$(14,697) thousand, respectively, accounting for (10)%, 8%, 10%, and 10% of the total consolidated comprehensive income. The information regarding the investee companies as disclosed in the notes to the consolidated financial statements is based on the unreviewed financial statements of these investee companies for the same periods.

Reservations

Based on our review, except for the possible adjustments to the consolidated financial statements that might arise if the financial reports of the long-term equity investments accounted for using the equity method had been reviewed by CPAs as described in the Basis of Reservation section, we did not find any evidence that the aforementioned consolidated financial statements are not in conformity 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 Financial Supervisory Commission. Therefore, the consolidated financial position of Taita Chemical Co., Ltd. and its subsidiaries as of June 30, 2024, and 2023, as well as their consolidated financial performance for the periods from April 1 to June 30, 2024, and 2023, and from January 1 to June 30, 2024, and 2023, and their consolidated cash flows, have been properly presented.

Deloitte & Touche

CPA: Cheng-Chun Chiu

CPA: Hsiu-Chun Huang

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

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

August 6, 2024

Notice to Readers:

The consolidated financial statement (Chinese version) of our company is audited by the CPA Chiu, Cheng-Chun and CPA Huang, Hsiu-Chun of Deloitte Taiwan. For the convenience of reading, the statement has been translated from Chinese to English. If there is any difference regarding the context or interpretation in the English version, the Chinese version shall prevail.

Taita Chemical Co., Ltd. and Subsidiaries

Consolidated Balance Sheets
June 30, 2024, and December 31, 2023, and June 30, 2023
(In Thousands of New Taiwan Dollars)

Code	Assets	June 30, 2024 Amount	%	December 31, 2023 Amount	%	June 30, 2023 Amount	%
	Current assets						
1100	Cash and cash equivalents (Note 6)	$ 2,303,637	24	$ 2,211,329	25	$ 2,270,016	26
1110	Financial assets at fair value through profit or loss - current (Note 7)	173,857	2	161,178	2	103,804	1
1136	Financial assets at amortized cost - current (Notes 9 and 31)	195,128	2	13,000	-	3,000	-
1150	Notes receivable (Note 10)	245,592	2	208,635	2	215,900	3
1170	Accounts receivable (Note 10)	1,797,833	19	1,596,090	18	1,455,151	16
1180	Accounts receivable from related parties (Notes 10 and 30)	3,004	-	4,200	-	5,838	-
1200	Other receivables (Note 10)	102,445	1	105,403	1	100,671	1
1210	Other receivables from related parties (Notes 10 and 30)	9,454	-	4,932	-	16,213	-
1220	Current tax assets (Note 4)	13,059	-	1,571	-	401	-
130X	Inventories (Note 11)	1,203,052	13	1,101,680	13	1,149,209	13
1410	Prepayments and other current assets	151,139	2	107,305	1	177,812	2
11XX	Total current assets	6,198,200	65	5,515,323	62	5,498,015	62
	Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non-current (Note 8)	225,899	2	298,427	3	338,474	4
1550	Investments accounted for using the equity method (Note 13)	624,376	7	622,689	7	634,564	7
1600	Property, plant and equipment (Notes 14, 18, 30 and 31)	1,931,297	20	1,937,325	22	1,926,122	22
1755	Right-of-use assets (Notes 15, 18, 30 and 31)	263,550	3	257,252	3	260,791	3
1760	Investment properties, net (Note 16)	108,178	1	108,178	1	108,178	1
1780	Intangible assets (Note 17)	24	-	498	-	1,371	-
1840	Deferred tax assets (Note 4)	164,624	2	123,555	2	87,121	1
1990	Other non-current assets (Note 31)	28,289	-	28,106	-	27,733	-
15XX	Total non-current assets	3,346,237	35	3,376,030	38	3,384,354	38
1XXX	Total assets	$ 9,544,437	100	$ 8,891,353	100	$ 8,882,369	100

Code	Liabilities and equity	June 30, 2024 Amount	%	December 31, 2023 Amount	%	June 30, 2023 Amount	%
	Current liabilities						
2100	Short-term borrowings (Notes 14, 15, 18 and 31)	$ 1,130,000	12	$ 825,000	9	$ 220,000	2
2170	Accounts payable (Note 19)	1,098,700	11	746,874	8	672,451	8
2180	Accounts payable from related parties (Notes 19 and 30)	503	-	49	-	50	-
2200	Other payables (Note 20)	385,989	4	276,188	3	362,176	4
2220	Other payables from related parties (Note 30)	50,803	1	4,439	-	79,611	1
2230	Current tax liabilities (Note 4)	904	-	904	-	4,946	-
2280	Lease liabilities - current (Notes 15 and 30)	4,691	-	4,665	-	4,640	-
2365	Refund liabilities - current (Note 21)	1,566	-	1,314	-	1,087	-
2399	Other current liabilities	90,732	1	61,230	1	59,014	1
21XX	Total current liabilities	2,763,888	29	1,920,663	21	1,403,975	16
	Non-current liabilities						
2540	Long-term borrowings (Note 18)	-	-	-	-	270,000	3
2570	Deferred tax liabilities (Note 4)	235,976	3	188,416	2	195,991	2
2580	Lease liabilities - non-current (Notes 15 and 30)	26,743	-	29,094	1	31,433	1
2640	Net defined benefit liabilities - non-current (Notes 4 and 22)	91,673	1	100,640	1	117,073	1
2670	Other non-current liabilities	4,430	-	4,549	-	5,882	-
25XX	Total non-current liabilities	358,822	4	322,699	4	620,379	7
2XXX	Total liabilities	3,122,710	33	2,243,362	25	2,024,354	23
	Equity attributable to owners of the Company (Notes 13 and 23)						
	Share capital						
3110	Ordinary shares	3,975,868	42	3,975,868	45	3,975,868	45
3200	Capital surplus	3,200	-	3,201	-	3,157	-
	Retained earnings						
3310	Legal reserve	502,038	5	502,038	6	502,038	6
3320	Special reserve	308,061	3	308,061	3	308,061	3
3350	Unappropriated earnings	1,485,501	16	1,745,739	20	1,923,631	22
3300	Total retained earnings	2,295,600	24	2,555,838	29	2,733,730	31
3400	Other equity	147,059	1	113,084	1	145,260	1
3XXX	Total equity	6,421,727	67	6,647,991	75	6,858,015	77
	Total liabilities and equity	$ 9,544,437	100	$ 8,891,353	100	$ 8,882,369	100

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

(Please refer to the Audit Report by Deloitte & Touche on August 6, 2024)

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Taita Chemical Co., Ltd. and Subsidiaries

Consolidated Statements of Comprehensive Income
For the periods from April 1 to June 30, 2024 and 2023, and from January 1 to June 30, 2024 and 2023
(In Thousands of New Taiwan Dollars, Except for Loss Per Share)

Code		April 1 to June 30, 2024 Amount	%	April 1 to June 30, 2023 Amount	%	January 1 to June 30, 2024 Amount	%	January 1 to June 30, 2023 Amount	%
4100	Sales revenue (Notes 21, 24 and 30)	$ 4,943,005	100	$ 3,587,679	100	$ 8,733,754	100	$ 7,162,750	100
5110	Cost of goods sold (Notes 11, 22, 25 and 30)	4,736,396	96	3,464,754	96	8,494,921	97	6,939,860	97
5900	Gross profit	206,609	4	122,925	4	238,833	3	222,890	3
	Operating expenses (Notes 10, 22, 25 and 30)								
6100	Selling and marketing expenses	258,252	5	155,405	4	431,754	5	317,634	4
6200	Administrative expenses	39,817	1	48,867	2	82,958	1	96,119	1
6300	Research and development expenses	3,655	-	3,815	-	8,460	-	7,548	-
6450	Expected credit impairment loss (reversal gain)	2,026	-	110	-	2,037	-	(275)	-
6000	Total operating expenses	303,750	6	208,197	6	525,209	6	421,026	5
6900	Net loss from operations	(97,141)	(2)	(85,272)	(2)	(286,376)	(3)	(198,136)	(2)
	Non-operating income and expenses (Notes 7, 13, 16, 25 and 30)								
7100	Interest income	12,697	-	11,785	-	22,819	-	23,175	-
7010	Other income	12,813	-	42,049	1	21,037	-	62,005	1
7020	Other gains and losses	25,798	1	20,294	1	78,102	1	13,409	-
7060	Share of profit or loss of associates accounted for using the equity method	12,083	-	(4,565)	-	9,997	-	(4,877)	-
7510	Finance costs	(13,233)	-	(2,835)	-	(19,404)	-	(5,744)	-
7000	Total non-operating income and expenses	50,158	1	66,728	2	112,551	1	87,968	1
7900	Net loss before income tax	(46,983)	(1)	(18,544)	-	(173,825)	(2)	(110,168)	(1)
7950	Income tax gain (Notes 4 and 26)	(7,574)	-	(2,089)	-	(32,863)	-	(22,008)	-
8200	Net loss for the period	(39,409)	(1)	(16,455)	-	(140,962)	(2)	(88,160)	(1)
	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	(16,621)	-	(61,951)	(2)	(72,528)	(1)	4,532	-
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	(4,183)	-	(10,769)	-	(16,584)	-	(10,652)	-
		(20,804)	-	(72,720)	(2)	(89,112)	(1)	(6,120)	-
8360	Items that may be reclassified subsequently to profit or loss:								
8361	Exchange differences on translating the financial statements of foreign operations	29,497	-	(82,778)	(2)	149,410	2	(68,079)	(1)
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	631	-	(3,068)	-	3,971	-	(3,150)	-
8399	Income tax relating to items that may be reclassified subsequently to profit or loss	(5,954)	-	16,958	-	(30,294)	-	14,045	-
		24,174	-	(68,888)	(2)	123,087	2	(57,184)	(1)
8300	Other comprehensive (loss) income for the period, net after income tax	3,370	-	(141,608)	(4)	33,975	1	(63,304)	(1)
8500	Total comprehensive income for the period	($ 36,039)	(1)	($ 158,063)	(4)	($ 106,987)	(1)	($ 151,464)	(2)
	Loss per share (Note 27)								
9710	Basic	($ 0.10)		($ 0.04)		($ 0.35)		($ 0.22)	
9810	Diluted	($ 0.10)		($ 0.04)		($ 0.35)		($ 0.22)	

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

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Taita Chemical Co., Ltd. and Subsidiaries

Consolidated Statements of Changes in Equity
January 1 to June 30, 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		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
	Appropriation of 2022 earnings													
B1	Legal reserve	-	-	-	-	-	44,234	-	(44,234)	-	-	-	-	-
B5	Cash dividends to shareholders	-	-	-	-	-	-	-	(198,793)	(198,793)	-	-	-	(198,793)
C17	Changes in other capital surplus	-	-	2,058	-	2,058	-	-	-	-	-	-	-	2,058
D1	Net loss for the period from January 1 to June 30, 2023	-	-	-	-	-	-	-	(88,160)	(88,160)	-	-	-	(88,160)
D3	Other comprehensive income (loss) for the period from January 1 to June 30, 2023, net after income tax	-	-	-	-	-	-	-	-	-	(57,184)	(6,120)	(63,304)	(63,304)
D5	Total comprehensive income (loss) for the period from January 1 to June 30, 2023	-	-	-	-	-	-	-	(88,160)	(88,160)	(57,184)	(6,120)	(63,304)	(151,464)
Z1	Balance as of June 30, 2023	397,587	$ 3,975,868	$ 2,718	$ 439	$ 3,157	$ 502,038	$ 308,061	$ 1,923,631	$ 2,733,730	($ 167,725)	$ 312,985	$ 145,260	$ 6,858,015
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
	Appropriation of 2023 earnings													
B5	Cash dividends to shareholders	-	-	-	-	-	-	-	(119,276)	(119,276)	-	-	-	(119,276)
C17	Changes in other capital surplus	-	-	(1)	-	(1)	-	-	-	-	-	-	-	(1)
D1	Net loss for the period from January 1 to June 30, 2024	-	-	-	-	-	-	-	(140,962)	(140,962)	-	-	-	(140,962)
D3	Other comprehensive income (loss) for the period from January 1 to June 30, 2024, net after income tax	-	-	-	-	-	-	-	-	-	123,087	(89,112)	33,975	33,975
D5	Total comprehensive income (loss) for the period from January 1 to June 30, 2024	-	-	-	-	-	-	-	(140,962)	(140,962)	123,087	(89,112)	33,975	(106,987)
Z1	Balance as of June 30, 2024	397,587	$ 3,975,868	$ 2,761	$ 439	$ 3,200	$ 502,038	$ 308,061	$ 1,485,501	$ 2,295,600	($ 29,927)	$ 176,986	$ 147,059	$ 6,421,727

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

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Taita Chemical Co., Ltd. and Subsidiaries

Consolidated Statements of Cash Flows
January 1 to June 30, 2024 and 2023
(In Thousands of New Taiwan Dollars)

Code		January 1 to June 30, 2024	January 1 to June 30, 2023
	Cash flows from operating activities		
A10000	Net loss before income tax for the period	($ 173,825)	($ 110,168)
A20010	Income (expenses) items		
A20100	Depreciation expenses	108,964	105,427
A20200	Amortization expenses	474	908
A20300	Expected credit impairment loss (reversal gain)	2,037	(275)
A20400	Net gain on fair value change of financial assets and liabilities at fair value through profit or loss	(5,928)	(3,268)
A20900	Finance costs	19,404	5,744
A21200	Interest income	(22,819)	(23,175)
A21300	Dividend income	(5,574)	(10,954)
A22300	Share of profit or loss of associates accounted for using the equity method	(9,997)	4,877
A22500	(Gain) loss on disposal of property, plant and equipment	698	(27)
A23800	Provision (reversal) for write-downs of inventories and obsolescence losses	(9,710)	1,766
A29900	Provision for refund liabilities	4,289	4,114
A30000	Changes in operating assets and liabilities		
A31115	Financial assets at fair value through profit or loss	(6,751)	314,517
A31130	Notes receivable	(26,109)	(63,019)
A31150	Accounts receivable	(177,488)	15,314
A31160	Accounts receivable from related parties	1,196	(5,838)
A31180	Other receivables	(25,578)	(2,992)
A31190	Other receivables from related parties	4,803	979
A31200	Inventories	(84,116)	(207,154)
A31230	Prepayments and other current assets	(36,149)	51,630
A32150	Accounts payable	349,034	27,918
A32160	Accounts payable from related parties	454	(607)
A32180	Other payables	52,069	(47,030)
A32190	Other payables from related parties	1,377	(461)
A32230	Other current liabilities	29,084	(48,883)
A32240	Net defined benefit liabilities	(8,967)	(10,643)
A33000	Net cash outflow from operating activities	(19,128)	(1,300)

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Code		January 1 to June 30, 2024	January 1 to June 30, 2023
A33100	Interest received	$ 53,509	$ 12,609
A33300	Interest paid	(19,132)	(5,762)
A33500	Income tax paid	(1,311)	(135,597)
AAAA	Net cash inflow (outflow) from operating activities	13,938	(130,050)
	Cash flows from investing activities		
B00040	Acquisition of financial assets measured at amortized cost	(178,344)	-
B00050	Disposal of financial assets measured at amortized cost	-	2,000
B01800	Acquisition of associates	(8,334)	(10,931)
B02700	Acquisition of property, plant and equipment	(102,718)	(85,652)
B02800	Proceeds from the disposal of property, plant and equipment	173	148
B03700	Increase in refundable deposits	(128)	(7,526)
B03800	Decrease in refundable deposits	88	36,801
B05350	Acquisition of right-to-use assets	-	(200,271)
B07600	Dividends received	-	377
BBBB	Net cash outflow from investing activities	(289,263)	(265,054)
	Cash flows from financing activities		
C00100	Increase in short-term borrowings	1,130,000	70,000
C00200	Decrease in short-term borrowings	(825,000)	-
C01600	Proceeds from long-term borrowings	-	270,000
C01700	Repayment of long-term borrowings	-	(300,000)
C03100	Decrease in refundable deposits received	(280)	(129)
C04020	Principal repayment of lease liabilities	(2,325)	(2,301)
C04500	Distribution of cash dividends	(110)	(96)
CCCC	Net cash inflow from financing activities	302,285	37,474
DDDD	Effect of exchange rate changes on cash and cash equivalents	65,348	(34,442)
EEEE	Net increase (decrease) in cash and cash equivalents for the period	92,308	(392,072)
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	$ 2,303,637	$ 2,270,016

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

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1. COMPANY HISTORY

Taita Chemical Co., 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 June 30, 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. DATE OF APPROVAL OF THE FINANCIAL STATEMENTS AND APPROVAL PROCEDUREs

The consolidated financial statements were released after approval by the Board of Directors on August 6, 2024.

3. APPLICATION OF THE NEWLY ISSUED AND/OR AMENDED 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 Standards approved by the Financial Supervisory Commission applicable for the year 2025

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

Note: 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.

<u>Amendments to IAS 21 "Lack of Exchangeability"</u>

The amendment specifies that a currency is considered exchangeable when an entity can exchange one currency for another through a transaction with an enforceable right and obligation established by the market or exchange mechanism within a normal administrative delay. When a currency is not exchangeable as of the measurement date, the Group should estimate the spot exchange rate to reflect the rate that market participants would use in an orderly transaction on the measurement date, considering the prevailing economic conditions. In such cases, the Group should also disclose information that enables financial statement users to assess how the lack of exchangeability affects or is expected to affect its operating results, financial position, and cash flows.

c. 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)
"Annual Improvements to IFRS Accounting Standards - Volume 11"	January 1, 2026
Amendments to IFRS 9 and IFRS 7, "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture"	To be determined
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

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

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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Compliance declaration

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. Preparation basis

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

Income tax expenses are the sum of current income taxes and deferred income taxes. 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. PRIMARY SOURCES OF UNCERTAINTIES IN MATERIAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

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

	June 30, 2024	December 31, 2023	June 30, 2023
Cash on hand and petty cash	$ 359	$ 331	$ 371
Checking accounts and demand deposits	1,542,919	658,841	589,657
Cash equivalents			
Time deposits	725,359	1,552,157	1,509,988
Reverse repurchase agreements collateralized by bonds	35,000	-	170,000
	$ 2,303,637	$ 2,211,329	$ 2,270,016

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

	June 30, 2024	December 31, 2023	June 30, 2023
Time deposits	1.65%～5.42%	1.05%～5.49%	2.10%～5.40%
Reverse repurchase agreements collateralized by bonds	1.42%	-	1.30%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2024	December 31, 2023	June 30, 2023
Financial assets mandatorily at FVTPL			
Non-derivative financial assets			
– Domestic listed (OTC) shares	$ 89,404	$ 93,886	$ 35,027
– Overseas unlisted (OTC) shares	-	-	-
– Beneficiary securities	67,094	67,292	68,777
– Fund beneficiary certificates	17,359	-	-
	$ 173,857	$ 161,178	$ 103,804

For the Group, from April 1 to June 30 in 2024 and 2023, and from January 1 to June 30 in 2024 and 2023, the net gains from financial assets measured at fair value through profit or loss amounted to NT$8,507 thousand, NT$4,046 thousand, NT$7,881 thousand, and NT$5,171 thousand, respectively.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON-CURRENT

	June 30, 2024	December 31, 2023	June 30, 2023
Investments in equity instruments			
Domestic investments			
Listed (OTC) ordinary shares			
– USI Corporation	$ 225,893	$ 298,421	$ 338,461
Unlisted (OTC) ordinary shares			
– Harbinger Venture Capital Corp.	6	6	7
Subtotal	225,899	298,427	338,468
Overseas investments			
Unlisted (OTC) ordinary shares			
– Budworth Investment Ltd	-	-	6
	$ 225,899	$ 298,427	$ 338,474

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

	June 30, 2024	December 31, 2023	June 30, 2023
Fixed-term deposits with original maturity over 3 months	$ 192,128	$ 10,000	$ -
Pledged certificates of deposit	3,000	3,000	3,000
	$ 195,128	$ 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:

	June 30, 2024	December 31, 2023	June 30, 2023
Fixed-term deposits with original maturity over 3 months	1.25%～2.15%	1.25%	-
Pledged certificates of deposit	1.53%	1.53%	1.16%

Please refer to Note 31 for the information related to financial assets at amortized cost pledged as security.

10. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE, AND OTHER RECEIVABLES

	June 30, 2024	December 31, 2023	June 30, 2023
Notes receivable (a)			
Operating	$ 245,592	$ 208,635	$ 215,900
Accounts receivable (a)			
Measured at amortized cost			
Total carrying amount	$ 1,803,020	$ 1,599,125	$ 1,512,458
Less: allowance for loss	(5,187)	(3,035)	(57,307)
	$ 1,797,833	$ 1,596,090	$ 1,455,151
Accounts receivable - related parties (a) (Note 30)	$ 3,004	$ 4,200	$ 5,838

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	June 30, 2024	December 31, 2023	June 30, 2023
Other receivables (b)			
Business tax refund receivable	$ 96,533	$ 70,889	$ 70,276
Interest receivable	5,124	33,968	29,807
Others	788	546	588
	$ 102,445	$ 105,403	$ 100,671
Other receivables from related parties (Note 30)	$ 9,454	$ 4,932	$ 16,213

a. Notes receivable 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:

June 30, 2024

	Credit rating A	Credit rating B	Credit rating C	Others	Total
Total carrying amount	$ 4,373	$ 729,839	$ 105,948	$ 1,211,456	$ 2,051,616
Loss allowance (lifetime ECLs)	-	-	-	(5,187)	(5,187)
Amortized cost	$ 4,373	$ 729,839	$ 105,948	$ 1,206,269	$ 2,046,429

December 31, 2023

	Credit rating A	Credit rating B	Credit rating C	Others	Total
Total carrying amount	$ 11,218	$ 533,152	$ 88,181	$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

June 30, 2023

	Credit rating A	Credit rating B	Credit rating C	Others	Total
Total carrying amount	$ 10,896	$ 552,867	$ 68,778	$1,101,655	$1,734,196
Loss allowance (lifetime ECLs)	-	-	(240)	(57,067)	(57,307)
Amortized cost	$ 10,896	$ 552,867	$ 68,538	$1,044,588	$1,676,889

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

	January 1 to June 30, 2024	January 1 to June 30, 2023
Balance at the beginning of the period	$ 3,035	$ 57,662
Expected credit impairment loss (reversal gain)	2,037	(275)
Foreign exchange translation gains and losses	115	(80)
Balance at the end of the period	$ 5,187	$ 57,307

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

	June 30, 2024	December 31, 2023	June 30, 2023
Not overdue	$ 2,001,571	$ 1,761,104	$ 1,641,469
Up to 60 days	45,215	48,008	33,644
Over 61 days	4,830	2,848	59,083
Total	$ 2,051,616	$ 1,811,960	$ 1,734,196

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 June 30, 2024 and December 31 and June 30, 2023 have been assessed for impairment losses on the basis of expected credit losses.

11. INVENTORIES

	June 30, 2024	December 31, 2023	June 30, 2023
Finished goods	$ 614,539	$ 535,351	$ 582,262
Work in process	156,372	153,301	165,430
Raw materials	398,310	377,658	366,356
Supplies	33,831	35,370	35,161
	$ 1,203,052	$ 1,101,680	$ 1,149,209

The cost of goods sold related to inventory for the periods from April 1 to June 30, 2024 and 2023, and from January 1 to June 30, 2024 and 2023, amounted to $4,736,396 thousand, $3,464,754 thousand, $8,494,921 thousand, and $6,939,860 thousand, respectively.

The cost of goods sold for the periods from April 1 to June 30, 2024, and from January 1 to June 30, 2024, included reversals of inventory write-downs to net realizable value amounting to $14,241 thousand and $9,710 thousand, respectively. The reversals were due to an increase in the market selling prices of the inventory.

The cost of goods sold for the periods from April 1 to June 30, 2023, and from January 1 to June 30, 2023, included write-downs of inventory to net realizable value amounting to $14,099 thousand and $1,766 thousand, respectively.

12. SUBSIDIARY

Subsidiaries included in the consolidated financial statements

The consolidated financial statements are prepared by the following subjects:

Investor company	Name of subsidiary	Nature of business	Proportion of ownership June 30, 2024	December 31, 2023	June 30, 2023	Description
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 June 30, 2024, the amount of investment in Taita 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 June 30, 2024, the company's paid-in capital was USD 46,250 thousand. Taita 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 June 30, 2024, the amount of investment in Taita 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 June 30, 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 Taita Tianjin from April 2019.

3) On December 3, 2020, the Board of Directors of the Company resolved to establish Zhangzhou Taita with an investment of RMB 314,000 thousand through Taita (BVI). Zhangzhou Taita was founded and registered on June 28, 2021, and Taita (BVI) invested RMB 306,950 thousand (USD 48,580 thousand) in Zhangzhou Taita 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

	June 30, 2024	December 31, 2023	June 30, 2023
Investments in associates that are not individually material			
Listed (OTC) company			
China General Plastics Corporation (CGPC)	$ 187,248	$ 189,901	$ 188,153
Acme Electronics Corporation (ACME)	46,166	41,468	42,272
Unlisted (OTC) company			
China General Terminal & Distribution Corporation (CGTD)	318,813	329,972	340,914
ACME Electronics (Cayman) Corp.（ACME (Cayman)）	72,149	61,348	63,225
	$ 624,376	$ 622,689	$ 634,564

Summarized information of associates that is not individually material

	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
The Group's share of:				
Net profit (loss) from continuing operations for the period	$ 12,083	($ 4,565)	$ 9,997	($ 4,877)
Other comprehensive income (loss)	(3,552)	(13,837)	(12,613)	(13,802)
Total comprehensive income	$ 8,531	($ 18,402)	($ 2,616)	($ 18,679)

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

Company name	June 30, 2024	December 31, 2023	June 30, 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%	4.42%

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 $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	June 30, 2024	December 31, 2023	June 30, 2023
CGPC	$ 188,865	$ 256,811	$ 266,024
ACME	$ 221,126	$ 125,288	$ 144,755

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

	June 30, 2024	December 31, 2023	June 30, 2023
Carrying amount by function			
Freehold land	$ 634,432	$ 634,432	$ 634,432
Buildings	255,291	262,385	278,860
Machinery and equipment	858,543	893,180	882,786
Transportation equipment	2,655	2,909	3,593
Other equipment	40,012	40,968	36,068
Construction in progress	140,364	103,451	90,383
	$ 1,931,297	$ 1,937,325	$ 1,926,122

Except for the recognition of depreciation expenses, the Group did not experience any significant additions, disposals, or impairments of property, plant and equipment during the periods from January 1 to June 30, 2024, and 2023.

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

	June 30, 2024	December 31, 2023	June 30, 2023
Carrying amount of right-of-use assets			
Land	$ 263,550	$ 257,252	$ 260,791

	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Increase in right-of-use assets			$ -	$ 200,271
Depreciation charge for right-of-use assets				
Land	$ 2,506	$ 2,121	$ 4,975	$ 3,579

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 June 30, 2024 and 2023. For land use rights pledged as collateral for financing, please refer to Notes 18 and 31.

b. Lease liabilities

	June 30, 2024	December 31, 2023	June 30, 2023
Lease liabilities carrying amount			
Current	$ 4,691	$ 4,665	$ 4,640
Non-current	$ 26,743	$ 29,094	$ 31,433

As of June 30, 2024, and December 31 and June 30, 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.

	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Expenses relating to short-term leases	$ 4,753	$ 4,264	$ 9,609	$ 8,401
Expenses relating to low-value asset leases	$ 6	$ 5	$ 11	$ 11
Total cash outflow for leases	$ 6,012	$ 5,523	$ 12,126	$ 10,919

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

	June 30, 2024	December 31, 2023	June 30, 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

	June 30, 2024	December 31, 2023	June 30, 2023
Carrying amount by function			
Information systems	$ 24	$ 98	$ 171
Plant design fee	-	400	1,200
	$ 24	$ 498	$ 1,371

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

	June 30, 2024	December 31, 2023	June 30, 2023
Unsecured borrowings			
Line of credit borrowings	$ 1,130,000	$ 825,000	$ 220,000

The interest rates for credit facility borrowings as of June 30, 2024, December 31, 2023, and June 30, 2023, were 1.75% to 1.83%, 1.66% to 1.70%, and 1.66% to 1.74%, respectively.

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

b. Long-term borrowings

	June 30, 2024	December 31, 2023	June 30, 2023
Credit borrowings	$ -	$ -	$ 270,000

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

	June 30, 2024	December 31, 2023	June 30, 2023
Credit borrowings	-	-	1.65%

To enhance mid- to long-term operating capital, the Group entered into mid- to long-term credit facility agreements with banks. As of June 30, 2024, the total credit facility amount was $2,200,000 thousand. The credit agreements will gradually expire by May 2027, and the total credit facility can be used on a revolving basis within the contract 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 June 30, 2024, the Group has not violated the aforementioned financial ratios.

19. ACCOUNTS PAYABLE

	June 30, 2024	December 31, 2023	June 30, 2023
Accounts payable (including related parties)			
Arising from operation (Note 30)	$ 1,099,203	$ 746,923	$ 672,501

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

	June 30, 2024	December 31, 2023	June 30, 2023
Payables for fares	$ 105,153	$ 59,743	$ 42,532
Payables for dividends	81,259	7,080	127,750
Payables for salaries or bonuses	62,676	77,436	69,993
Payables for utilities	38,684	30,949	33,718
Payables for taxes	12,217	1,553	11,478
Payables for professional service expenses	11,295	11,341	11,265
Payables for purchases of equipment	11,261	29,824	13,269
Others	63,444	58,262	52,171
	$ 385,989	$ 276,188	$ 362,176

21. REFUND LIABILITIES - CURRENT

	June 30, 2024	December 31, 2023	June 30, 2023
Sales returns and rebates	$ 1,566	$ 1,314	$ 1,087

	January 1 to June 30, 2024	January 1 to June 30, 2023
Balance at the beginning of the period	$ 1,314	$ 1,102
Provision for the current period	4,289	4,114
Returns and rebates for the current period	(4,037)	(4,129)
Balance at the end of the period	$ 1,566	$ 1,087

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 Act 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.

For the periods from April 1 to June 30 in 2024 and 2023, and from January 1 to June 30 in 2024 and 2023, the recognized costs related to defined benefit pension plans are calculated based on the pension cost rate determined by actuarial valuations as of December 31, 2023 and December 31, 2022. The amounts recognized in profit or loss are summarized by function as follows:

	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Cost of goods sold	$ 619	$ 803	$ 1,241	$ 1,603
Selling and marketing expenses	35	33	70	64
Administrative expenses	10	22	19	50
Research and development expenses	21	25	41	48
	$ 685	$ 883	$ 1,371	$ 1,765

From January 1 to June 30, 2024 and 2023, the Company allocated $10,338 thousand and $12,407 thousand respectively to the Taiwan bank account designated by the Supervisory Committee of Labor Retirement Reserve.

23. EQUITY

a. Ordinary shares

	June 30, 2024	December 31, 2023	June 30, 2023
Number of shares authorized (in thousands)	400,000	400,000	400,000
Shares 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
Shares 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.

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 (8).

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 $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 Company held its annual shareholders' meetings on May 31, 2024, and May 30, 2023, where the resolutions for the distribution of earnings for the fiscal years 2023 and 2022 were approved as follows:

	Appropriation of earnings		Dividends per share (NT$)	
	2023	2022	2023	2022
Legal reserve	$ -	$ 44,234		
Cash dividends	119,276	198,793	$ 0.3	$ 0.5

c. Special reserve

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

	June 30, 2024	December 31, 2023	June 30, 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 June 30, 2024, there was no change in the special reserve.

d. Other equity items

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

	January 1 to June 30, 2024	January 1 to June 30, 2023
Balance at the beginning of the period	($ 153,014)	($ 110,541)
Incurred this period		
Exchange differences on translation of foreign operations	149,410	(68,079)
Share of associates accounted for using the equity method	3,971	(3,150)
Related income tax	(30,294)	14,045
Balance at the end of the period	($ 29,927)	($ 167,725)

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 June 30, 2024	January 1 to June 30, 2023
Balance at the beginning of the period	$ 266,098	$ 319,105
Incurred this period		
Unrealized gains (losses)		
Equity instruments	(72,528)	4,532
Share of associates accounted for using the equity method	(16,584)	(10,652)
Balance at the end of the period	$ 176,986	$ 312,985

24. REVENUE

	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Revenue from contracts with customers				
Revenue from the sale of goods	$ 4,943,005	$ 3,587,679	$ 8,733,754	$ 7,162,750

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

25. PROFIT BEFORE INCOME TAX

a. Interest income

	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Cash and cash equivalents	$ 11,030	$ 10,194	$ 21,152	$ 21,513
Financial assets at fair value through profit or loss (Note 7)	1,667	1,526	1,667	1,526
Others	-	65	-	136
	$ 12,697	$ 11,785	$ 22,819	$ 23,175

b. Other income

	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Government subsidy	$ -	$ 20,508	$ -	$ 25,919
Rental income - operating lease (Notes 16 and 30)	6,580	8,925	13,139	17,969
Dividend income				

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	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Financial assets at fair value through profit or loss (Note 7)	286	377	286	377
Financial assets at fair value through other comprehensive income	5,288	10,577	5,288	10,577
Others	659	1,662	2,324	7,163
	$ 12,813	$ 42,049	$ 21,037	$ 62,005

c. Other gains and losses

	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Gain on financial assets at FVTPL (Note 7)	$ 6,554	$ 2,143	$ 5,928	$ 3,268
Foreign exchange gain (loss), net	25,125	19,576	79,891	13,591
Gain (loss) on disposal of property, plant and equipment	(705)	39	(698)	27
Expenses from rental assets	(1,119)	(1,327)	(2,249)	(2,816)
Others	(4,057)	(137)	(4,770)	(661)
	$ 25,798	$ 20,294	$ 78,102	$ 13,409

d. Gain or loss on foreign exchange

	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Total foreign exchange gains	$ 33,857	$ 35,208	$ 107,405	$ 76,163
Total foreign exchange losses	(8,732)	(15,632)	(27,514)	(62,572)
Net profit	$ 25,125	$ 19,576	$ 79,891	$ 13,591

e. Finance costs

	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Interest on bank loans	$ 13,144	$ 2,786	$ 19,223	$ 5,657
Interest on lease liabilities (Note 30)	89	102	181	206
Less: capitalized interest (included in property under construction)	-	(53)	-	(119)
	$ 13,233	$ 2,835	$ 19,404	$ 5,744

Information about capitalized interest is as follows:

	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Capitalized interest	$ -	$ 53	$ -	$ 119
Capitalization rate	-	1.65%	-	1.50%~1.65%

f. Depreciation and amortization

	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Property, plant and equipment	$ 51,241	$ 50,858	$ 103,989	$ 101,848
Right-of-use assets (Note 15)	2,506	2,121	4,975	3,579
Intangible assets	37	454	474	908
Total	$ 53,784	$ 53,433	$ 109,438	$ 106,335
Summary of depreciation by function				
Cost of goods sold	$ 50,353	$ 49,800	$ 102,234	$ 99,545
Operating expenses	3,033	2,615	6,004	4,655
Other gains and losses	361	564	726	1,227
	$ 53,747	$ 52,979	$ 108,964	$ 105,427
An analysis of amortization by function				
Cost of goods sold	$ -	$ 401	$ 400	$ 801
Administrative expenses	37	53	74	107
	$ 37	$ 454	$ 474	$ 908

g. Employee benefits expense

	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Post-employment benefits (Note 22)				
Defined contribution plans	$ 5,575	$ 5,309	$ 10,976	$ 10,620
Defined benefit plans	685	883	1,371	1,765
	6,260	6,192	12,347	12,385
Insurance expenses	8,672	8,549	18,017	18,126
Other employee benefits	117,596	118,614	237,300	240,272
Total employee benefits expenses	$ 132,528	$ 133,355	$ 267,664	$ 270,783
An analysis of employee benefits expense by function				
Operating cost	$ 110,011	$ 106,966	$ 221,890	$ 214,884
Operating expenses	22,517	26,389	45,774	55,899
	$ 132,528	$ 133,355	$ 267,664	$ 270,783

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 June 30, 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:

	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:

	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Current tax				
In respect of the current period	($ 631)	$ 4,158	$ -	$ 6,669
Adjustments for previous years	-	-	-	(1,762)
	(631)	4,158	-	4,907
Deferred tax				
In respect of the current period	(6,961)	(7,432)	(32,881)	(28,100)
Adjustments for previous years	18	1,185	18	1,185
	(6,943)	(6,247)	(32,863)	(26,915)
Income tax benefit recognized in profit or loss	($ 7,574)	($ 2,089)	($ 32,863)	($ 22,008)

b. Income tax recognized in other comprehensive income

	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Deferred tax				
Incurred this period				
– Exchange differences on translating the financial statements of foreign operations	($ 5,954)	$ 16,958	($ 30,294)	$ 14,045

c. Income tax assessments

The Company’s business income tax declaration case has been approved by the taxation and taxation authority for 2022.

d. Income tax related to subsidiaries were as follows:

1) Taita (BVI) is exempt from income tax for both January 1 to June 30, 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

	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Basic loss per share	($ 0.10)	($ 0.04)	($ 0.35)	($ 0.22)
Diluted loss per share	($ 0.10)	($ 0.04)	($ 0.35)	($ 0.22)

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

	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Net loss used to calculate the basic and diluted loss per share	($ 39,409)	($ 16,455)	($ 140,962)	($ 88,160)

Number of shares

Unit: thousands of shares

	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Weighted average number of ordinary shares used in the computation of basic and diluted loss per share	397,587	397,587	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. For the periods from April 1 to June 30 in 2024 and 2023, and from January 1 to June 30 in 2024 and 2023, since the company incurred a loss, the potential shares from employee compensation have a dilutive effect and are therefore not included in the calculation of diluted loss per share.

28. CAPITAL RISK 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

June 30, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Investments in equity instruments				
– Domestic listed (OTC) shares	$ 89,404	$ -	$ -	$ 89,404
– Overseas unlisted (OTC) shares	-	-	-	-
Beneficiary securities	67,094	-	-	67,094
Fund beneficiary certificates	17,359	-	-	17,359
Total	$ 173,857	$ -	$ -	$ 173,857

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	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income				
Investments in equity instruments				
– Domestic listed (OTC) shares	$ 225,893	$ -	$ -	$ 225,893
– Domestic unlisted (OTC) shares	-	-	6	6
– Overseas unlisted (OTC) shares	-	-	-	-
Total	$ 225,893	$ -	$ 6	$ 225,899

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
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

June 30, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Investments in equity instruments				
– Domestic listed (OTC) shares	$ 35,027	$ -	$ -	$ 35,027

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	Level 1	Level 2	Level 3	Total
– Overseas unlisted (OTC) shares	-	-	-	-
Beneficiary securities	68,777	-	-	68,777
Total	$ 103,804	$ -	$ -	$ 103,804
Financial assets at fair value through other comprehensive income				
Investments in equity instruments				
– Domestic listed (OTC) shares	$ 338,461	$ -	$ -	$ 338,461
– Domestic unlisted (OTC) shares	-	-	7	7
– Overseas unlisted (OTC) shares	-	-	6	6
Total	$ 338,461	$ -	$ 13	$ 338,474

From January 1 to June 30, 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 June 30, 2024	January 1 to June 30, 2023
Balance at the beginning and end of the period	$ 6	$ 13

3) 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 June 30, 2024, and June 30 and December 31, 2023, is a liquidity discount of 15%.

c. Categories of financial instruments

	June 30, 2024	December 31, 2023	June 30, 2023
Financial assets			
Financial assets measured at fair value through profit or loss - mandatorily classified as at fair value through profit or loss	$ 173,857	$ 161,178	$ 103,804
Financial assets at amortized cost (Note 1)	4,588,849	4,100,806	4,024,246
Financial assets at FVTOCI - investments in equity instruments	225,899	298,427	338,474
Financial liabilities			
Measured at amortized cost (Note 2)	2,591,102	1,773,561	1,522,817

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 non-functional 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$23,165 thousand and NT$23,467 thousand from January 1 to June 30, 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:

	June 30, 2024	December 31, 2023	June 30, 2023
Fair value interest rate risk			
– Financial assets	$ 1,939,259	$ 1,579,097	$ 1,707,721
– Financial liabilities	811,434	758,759	376,073
Cash flow interest rate risk			
– Financial assets	562,501	650,236	583,158
– Financial liabilities	350,000	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 June 30, 2024 and 2023 would have decreased/increased by NT$531 thousand and NT$1,083 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 equity prices increase/decrease by 5%, the pre-tax net loss for the periods from January 1 to June 30 in 2024 and 2023 will decrease/increase by NT$8,693 thousand and NT$5,190 thousand, respectively, due to changes in the fair value of financial assets measured at fair value through profit or loss (excluding money market fund investments). Additionally, the pre-tax other comprehensive income for the same periods will increase/decrease by NT$11,295 thousand and NT$16,924 thousand, respectively, due to changes in the fair value of financial assets measured at fair value through other comprehensive income.

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.

June 30, 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		$ 1,461,102	$ -	$ -
Lease liabilities	1.10	5,013	20,052	7,520
Floating interest rate liabilities	1.80	352,747	-	-
Fixed interest rate liabilities	1.77	781,121	-	-
		$ 2,599,983	$ 20,052	$ 7,520

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	$ 7,520

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

June 30, 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		$ 1,032,817	$ -	$ -
Lease liabilities	1.10	5,013	20,052	12,533
Floating interest rate liabilities	1.74	150,742	-	-
Fixed interest rate liabilities	1.65	74,465	278,214	-
		$ 1,263,037	$ 298,266	$ 12,533

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	$ 12,533

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:

	June 30, 2024	December 31, 2023	June 30, 2023
Bank loan facilities			
– Amount unused	$ 4,470,018	$ 4,886,618	$ 6,054,680

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 June 30, 2024, and June 30, 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
Union Polymer International Investment Corporation	Parent company
China General Plastics Corporation (CGPC)	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
USIFE Investment Co., Ltd.	Fellow company
Delmind Inc.	Related party in substance

b. Sales of goods

Related party category/name	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Ultimate parent company	$ 5,289	$ 7,947	$ 5,289	$ 7,947

The Group's credit period of sales of goods to related parties was from 30 days after delivering the products. The sales of goods between the Group and its related parties had no material differences from those of general sales transactions.

c. Purchase

Related party category/name	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Associate	$ 1,015	$ 406	$ 2,562	$ 946
Fellow company	152	74	201	176
Ultimate parent company	-	-	-	1,703
	$ 1,167	$ 480	$ 2,763	$ 2,825

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.

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

Related party category/name	June 30, 2024	December 31, 2023	June 30, 2023
Ultimate parent company	$ 3,004	$ 4,200	$ 5,838

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

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

Related party category/name	June 30, 2024	December 31, 2023	June 30, 2023
Associate	$ 453	$ -	$ -
Fellow company	50	49	50
	$ 503	$ 49	$ 50

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

f. Other transactions with related parties

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

Related party category/name	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Associate				
CGTD	$ 4,488	$ 4,728	$ 8,976	$ 9,456
TVCM	1,823	1,823	3,647	3,647
	6,311	6,551	12,623	13,103
Fellow company	68	-	133	66
	$ 6,379	$ 6,551	$ 12,756	$ 13,169

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

Related party category/name	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Ultimate parent company				
USI	$ 1,229	$ 1,261	$ 2,458	$ 2,522
Fellow company				
APC	642	410	1,311	818
Associate	368	358	729	719
	$ 2,239	$ 2,029	$ 4,498	$ 4,059

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	June 30, 2024	December 31, 2023	June 30, 2023
Lease liabilities - current			
Fellow company			
APC	$ 4,691	$ 4,665	$ 4,640
Lease liabilities - non-current			
Fellow company			
APC	$ 26,743	$ 29,094	$ 31,433

Related party category/name	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Total lease expenses				
Fellow company				
APC	$ 1,253	$ 1,254	$ 2,506	$ 2,507
Interest expense				
Fellow company				
APC	$ 89	$ 102	$ 181	$ 206

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	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Associate				
CGTD	$ 2,561	$ 3,251	$ 4,666	$ 6,655

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	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Ultimate parent company				
USI	$ -	$ 1,019	$ 1,048	$ 2,047

6) Management service income (classified as administrative expenses)

Related party category/name	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Fellow company				
UM	$ 17,271	$ 17,860	$ 38,211	$ 36,138
Ultimate parent company				
USI	472	-	472	-
	$ 17,743	$ 17,860	$ 38,683	$ 36,138

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	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Associate	$ 244	$ 259	$ 442	$ 1,099

8) Acquisition of property, plant and equipment

Related party category/name	The proceeds April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Related party in substance	$ -	$ -	$ 480	$ -
Ultimate parent company	-	-	-	1,520
	$ -	$ -	$ 480	$ 1,520

9) Commission expenses (classified as selling and marketing expenses)

Related party category/name	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Fellow company	$ -	$ 47	$ -	$ 47

10) Other receivables

Related party category/name	June 30, 2024	December 31, 2023	June 30, 2023
Ultimate parent company	$ 5,289	$ 1,585	$ 11,665
Associate	4,091	3,176	4,518
Fellow company	74	171	30
	$ 9,454	$ 4,932	$ 16,213

Other receivables mainly consist of dividends receivable, management service expenses, rent, and reimbursed expenses.

11) Other payables

Related party category/name	June 30, 2024	December 31, 2023	June 30, 2023
Parent company			
Union Polymer International Investment Corporation	$ 43,879	$ -	$ 73,132
Associate	3,612	2,721	4,357
Fellow company	2,123	939	1,483
Ultimate parent company	1,189	779	639
	$ 50,803	$ 4,439	$ 79,611

Other payables primarily consist of dividends payable, tank operation fees, rent, and shared department expenses.

g. Compensation of key management personnel

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

	April 1 to June 30, 2024	April 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Salaries and others	$ 3,351	$ 4,230	$ 6,047	$ 7,998
Retirement benefits	9	54	36	108
	$ 3,360	$ 4,284	$ 6,083	$ 8,106

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):

	June 30, 2024	December 31, 2023	June 30, 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	-	-	14,528
Land use rights			
– Classified as right-of-use assets	-	-	19,252
	$ 19,940	$ 19,940	$ 53,514

The Group provided certain property and land use rights (with carrying amounts of NT$16,803 thousand and NT$19,513 thousand, respectively, as of June 30, 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 LIABILITIES 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 June 30, 2024, December 31, 2023, and June 30, 2023, the Group had outstanding but unused letters of credit amounting to NT$160,179 thousand, NT$120,000 thousand, and NT$78,836 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, 2015, 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$232,304 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 July 29, 2024, the provisionally attached property of CGTD was worth NT$6,401 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 July 29, 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$3,831,212 thousand. The first-instance judgments of some of the above-mentioned civil cases (with a total amount of compensation of approximately NT$1,467,830 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.) In civil cases where the first-instance judgment has been rendered but no settlement has been reached, CGTD has appealed to the second-instance court. Judgments have been issued progressively since July 10, 2024. As of July 29, 2024, in the second-instance judgment of the Kaohsiung City Government's compensation claim case (claim amounting to NT$400,930 thousand), CGTD and LCY were jointly found liable for 10% of the fault, with a joint compensation amount of approximately NT$19,789 thousand. In the second-instance judgment of the Taiwan Power Company compensation claim case (claim amounting to NT$99,544 thousand), CGTD and LCY were ordered to jointly compensate NT$85,601 thousand. CGTD is still considering whether to appeal to the third-instance court. Other cases are still under review in the first-instance court, with claims totaling approximately NT$1,860,557 thousand. CGTD has reached a settlement agreement with the insurance company. Based on the fault liability ratio of 4:3:3 determined by the first-instance judgment at the time, the estimated settlement amounts for the deceased and severely injured, as well as the compensation amounts for civil lawsuits (including cases that have already been settled), have been calculated. After deducting the insurance coverage limit, the estimated amount to be borne by CGTD itself has been recorded as NT$136,375 thousand. However, the actual amount of such settlement and compensation shall not be confirmed until the proportion of liability to be shared by CGTD is determined in accordance with the civil action.

33. OTHER MATTERS

On February 15, 2023, the President announced the amendment of the “Climate Change Response Act”, which added provisions for the collection of carbon fees. Subsequently, on April 29, 2024, the Ministry of Environment announced drafts of the “Carbon Fee Collection Method”, “Voluntary Reduction Plan Management Method”, and “Designated Targets for Greenhouse Gas Reduction for Carbon Fee Collection Subjects”. According to the draft of the Carbon Fee Collection Method, the subjects for carbon fee collection include power generation and large manufacturing industries whose emission sources meet the Ministry of Environment’s requirements for inspection, registration, and verification, and whose total annual greenhouse gas emissions from direct emissions and indirect emissions from electricity use reach 25,000 metric tons of carbon dioxide equivalent. As of the approval date of the consolidated financial statements, the specific implementation details regarding carbon fee collection, including the initial levy rate and the start date, among other key subsidiary regulations, remain unclear. The Group is still assessing the impact of the aforementioned regulations.

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:

June 30, 2024

	Foreign currency	Exchange rate (in single dollars)		Functional currency	NT$
Foreign currency assets					
Monetary items					
USD	$ 60,590	32.4500	(USD:NTD)	$ 1,966,140	$ 1,966,140
AUD	973	21.5200	(AUD:NTD)	20,932	20,932
EUR	384	34.7100	(EUR:NTD)	13,340	13,340
RMB	999	4.5532	(RMB:NTD)	4,547	4,547
HKD	682	4.1550	(HKD:NTD)	2,832	2,832
RMB	288	0.1403	(RMB:USD)	40	1,310
Foreign currency liabilities					
Monetary items					
USD	27,648	32.4500	(USD:NTD)	897,164	897,164
USD	9,146	7.1268	(USD:RMB)	65,185	296,800

December 31, 2023

	Foreign currency	Exchange rate (in single dollars)		Functional currency	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

June 30, 2023

	Foreign currency	Exchange rate (in single dollars)		Functional currency	NT$
Foreign currency assets					
Monetary items					
USD	$ 49,578	31.1400	(USD:NTD)	$ 1,543,849	$ 1,543,849
EUR	170	33.8100	(EUR:NTD)	5,743	5,743
HKD	855	3.9740	(HKD:NTD)	3,398	3,398
RMB	420	4.3096	(RMB:NTD)	1,811	1,811
RMB	288	0.1384	(RMB:USD)	40	1,240
Foreign currency liabilities					
Monetary items					
USD	15,275	31.1400	(USD:NTD)	475,665	475,665
USD	9,183	7.2258	(USD:RMB)	66,353	285,956

The Group's net foreign exchange gains (including realized and unrealized) for the periods from April 1 to June 30, 2024, and 2023, and from January 1 to June 30, 2024, and 2023, amounted to NT$25,125 thousand, NT$19,576 thousand, NT$79,891 thousand, and NT$13,591 thousand, respectively. Due to the wide variety of foreign currency transactions, it is not possible to disclose exchange gains and losses by each significantly affected foreign currency.

35. SUPPLEMENTARY DISCLOSURES

a. Information about significant transactions:

   1) Financing provided to others. (None)

   2) Endorsements/guarantees provided. (Table 1)

   3) Marketable securities held at the end of the period (excluding investments 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 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. DEPARTMENT 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 June 30, 2024	January 1 to June 30, 2023	January 1 to June 30, 2024	January 1 to June 30, 2023
Plastic raw materials	$ 8,462,792	$ 6,905,875	($ 320,710)	($ 227,431)
Glasswool products (including cubic printing products)	270,962	256,875	34,334	29,295
Total amount from continuing operations	$ 8,733,754	$ 7,162,750	(286,376)	(198,136)
Interest income			22,819	23,175
Other income			21,037	62,005
Other gains and losses			78,102	13,409
Share of profit or loss of associates accounted for using the equity method			9,997	(4,877)
Finance costs			(19,404)	(5,744)
Net loss before tax from continuing operations			($ 173,825)	($ 110,168)

The revenue reported above is generated from the transactions with external clients. There were no transactions between the segments in the six months ended June 30, 2024 and 2023.

The interests (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.

TABLE 1

Taita Chemical Co., Ltd. and Subsidiaries

Endorsements/Guarantees Provided
January 1 to June 30, 2024
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 Co., Ltd.	TAITA (BVI) Holding Co., Ltd.	Subsidiaries that the Company holds 100% of common equity directly	$ 6,421,727	$ 97,350 (USD 3,000 thousand)	$ 97,350 (USD 3,000 thousand)	$	$ -	1.52%	$ 9,632,591	Yes	No	No
0	Taita Chemical Co., Ltd.	Taita Chemical (Zhongshan) Co., Ltd.	Subsidiaries that the Company's subsidiaries hold 100% of common equity directly	6,421,727	227,660 (RMB 50,000 thousand)	- (RMB - thousand)		-	-	9,632,591	Yes	No	Yes

Note 1: The calculation was based on the spot exchange rate of June 30, 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.

TABLE 2

Taita Chemical Co., Ltd. and Subsidiaries

Marketable Securities Held at the End of the Period
June 30, 2024
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				Note
				Number of shares/units	Carrying amount	Percentage of ownership	Fair value	
Taita Chemical Co., Ltd.	Shares							
	USI Corporation	Ultimate parent company	Financial assets at fair value through other comprehensive income - non-current	15,109,901	$ 225,893	1.27%	$ 225,893	Note 1
	Harbinger Venture Capital Corp.	—	〃	990	6	0.50%	6	Note 2
	Taiwan Cement Corporation	—	Financial assets at FVTPL - current	2,000,000	68,400	0.03%	68,400	Note 1
	Cathay Financial Holdings	—	〃	356,000	21,004	-	21,004	Note 1
	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust	—	Financial assets at FVTPL - current	3,963,000	67,094	-	67,094	Note 1
	Fund beneficiary certificates							
	Yuanta U.S. Government 20+ Year Bond Fund	—	Financial assets at FVTPL - current	580,000	17,359	-	17,359	Note 1
TAITA (BVI) Holding Co., Ltd.	Shares							
	Budworth Investment Ltd.	—	Financial assets at fair value through other comprehensive income - non-current	20,219	- (USD - thousand)	2.22%	- (USD - thousand)	Note 2
	Teratech Corporation	—	Financial assets at FVTPL - non-current	112,000	-	0.74%	-	Note 3
	Sohoware Inc. - Preferred Shares	—	〃	100,000	-	-	-	Note 3

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

Note 2: 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 3: As of June 30, 2024, the fair value of equity investment was evaluated by the Group as 0.

TABLE 3

Taita Chemical Co., Ltd. and Subsidiaries

Receivables from Related Parties Amounting to at Least NT$100 Million or 20% of the Paid-in Capital
June 30, 2024
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 Co., Ltd.	Taita Chemical (Tianjin) Co., Ltd.	Subsidiary	Other receivables $296,210 (USD 9,128 thousand) (Notes 1 and 3)	-	$ 296,210	Continuous collection	$ -	$ -

Note 1: The other receivables of Taita Chemical Co., 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 August 6, 2024.

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

TABLE 4

Taita Chemical Co., Ltd. and Subsidiaries

Information on Investees
January 1 to June 30, 2024
In Thousands of New Taiwan Dollars, Unless Stated Otherwise

Investor company	Investee company	Location	Main businesses and products	Original investment amount		End-of-period holdings			Net income (loss) of investee	Share of profit (loss)	Note
				Ending balance of the current period	Ending balance of the previous period	Number of shares	Percentage	Carrying amount			
Taita Chemical Co., Ltd.	TAITA (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment	$ 2,911,998 (USD 89,738 thousand)	$ 2,911,998 (USD 89,738 thousand)	89,738,000	100%	$ 3,189,659 (USD 98,295 thousand)	$ 822 (Gain USD 19 thousand)	$ 822 (Gain USD 19 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%	187,248	62,729	1,243	Investee accounted for using the equity method (Note 1)
	China General Terminal & Distribution Corporation	Kaohsiung City	Warehousing of petrochemical raw materials	41,082	41,082	25,053,468	33.33%	318,813	15,269	5,089	Investee accounted for using 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%	46,166	139,065	3,259	Investee accounted for using the equity method (Note 1)
TAITA (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment	63,767 (USD 1,965 thousand)	55,166 (USD 1,700 thousand)	2,960,656	4.42%	72,149 (USD 2,223 thousand)	9,170 (Gain USD 279 thousand)	-	Investee accounted for using 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 CO., LTD. AND SUBSIDIARIES

Information on Investments in Mainland China
January 1 to June 30, 2024
In Thousands of New Taiwan Dollars, Unless Stated Otherwise

Investee company in mainland China	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	$ 1,500,813 (USD 46,250 thousand) (Note 1)	Reinvest in the mainland companies by establishing a company through investment in the third region	$ 1,395,350 (USD 43,000 thousand)	$ -	$ -	$ 1,395,350 (USD 43,000 thousand)	$ 10,758 (Gain USD 329 thousand)	100.00%	$ 10,758 (Gain USD 329 thousand) (Note 7)	$ 1,848,766 (USD 56,973 thousand) (Note 7)	$ -
Taita Chemical (Tianjin) Co., Ltd. (TTC (TJ)) (Note 8)	Production and marketing of polystyrene derivatives	887,508 (USD 27,350 thousand) (Note 2)	Reinvest in the mainland companies by establishing a company through investment in the third region	843,700 (USD 26,000 thousand)	-	-	843,700 (USD 26,000 thousand)	(15,349) (Loss USD 480 thousand)	100.00%	(15,349) (Loss USD 480 thousand) (Note 7)	(192,492 (USD 5,932 thousand) (Note 7)	-
Zhangzhou Taita Chemical Company, Limited (TTCZZ)	Production and marketing of polystyrene derivatives	1,576,407 (USD 48,580 thousand) (Note 3)	Reinvest in the mainland companies by establishing a company through investment in the third region	-	-	-		4,578 (Gain USD 143 thousand)	100.00%	4,578 (Gain USD 143 thousand) (Note 7)	1,432,598 (USD 44,148 thousand) (Note 7)	-
Acme Electronics (Kunshan) Co., Ltd. (“ACME (KS)”)	Manufacturing and marketing of manganese-zinc soft ferrite core	997,026 (USD 30,725 thousand)	Reinvest in a mainland company by reinvesting in the existing company in the third region, ACME Electronics (Cayman) Corp.	43,938 (USD 1,354 thousand)	-	-	43,938 (USD 1,354 thousand)	(13,010) (Loss USD 415 thousand)	4.42%	(575) (Loss USD 18 thousand)	30,866 (USD 951 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
$ 2,282,988 (USD 70,354 thousand)	$ 4,082,772 (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.

TABLE 6

Taita Chemical Co., Ltd. and Subsidiaries

Intercompany relationships and significant intercompany transactions
January 1 to June 30, 2024
(In Thousands of New Taiwan Dollars)

No.	Trading company	Counterparty	Relationships with trader	Transactions details			
				Financial statement account	Amount (Note 2)	Transaction details	Ratio to the total consolidated operating revenue or total asset (Note 1)
0	Taita Chemical Co., Ltd.	Taita Chemical (Zhongshan) Co., Ltd.	The parent company to its subsidiary	Accounts receivable from related parties	$ 592	No significant difference with non-related parties	0.01%
		Taita Chemical (Zhongshan) Co., Ltd.	The parent company to its subsidiary	Sales revenue	588	No significant difference with non-related parties	0.01%
		Taita Chemical (Tianjin) Co., Ltd.	The parent company to its subsidiary	Other receivables from related parties	296,210	No significant difference with non-related parties	3.10%
1	TAITA (BVI) Holding Co., Ltd.	Taita Chemical (Tianjin) Co., Ltd.	The parent company to its subsidiary	Other payables from related parties	4,868	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.

TABLE 7

Taita Chemical Co., Ltd.

Information on substantial shareholders
June 30, 2024

Name of substantial 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.