

  
**Taiwan Styrene Monomer Corporation**  
**2024 Annual General Shareholders' Meeting Minutes**  
**(Translations)**

**Meeting Type:** Physical Meeting

**Time and Date:** 9:30 a.m., May 31, 2024

**Location:** 10F., No.11, Zhongshan S. Rd., Zhongzheng Dist., Taipei City, Taiwan  
(CHANG YUNG-FA FOUNDATION International Convention Center)

**Total outstanding shares:** The shareholders present in person and by proxy represented 344,060,230 shares (including votes casted electronically 73,392,210 votes) or 65.17% of the total 527,869,764 shares outstanding.

**Attendees:** Wen-Yuan Lin, Chairman

Jeff Chen, Director

Chi-Tai Chen, Director

Din-Rei Hsu, Director

Chin-Chen Chien, Independent Director and Convener of the Audit Committee

Jui-Mu Huang, Independent Director

Tzu-Meng Liu, Independent Director

Yung-Sheng Wang, CPA of KPMG

T.K. Chung, President of Taiwan Styrene Monomer Corporation

Paul Chen, Chief Financial Officer of Taiwan Styrene Monomer Corporation

**Chairman:** Wen-Yuan Lin

**Recorder:** Po-Chun Ku

**I. Call Meeting to Order:**

The aggregate shareholding of the attending shareholders constituted a quorum.

The Chairman called the meeting to order.

**II. Chairman's Remarks:** (Omitted)

**III. Report Items**

**1. 2023 Business Report**

(Please refer to Attachment 1)

**2. 2022 Audit Committee's Review Report**

(Please refer to Attachment 2)

**3. Report on the Handling of the Company's Proposal for Cash Capital Increase by Private Placement of Common Stock**

(Please refer to meeting handbook)

## IV. Adopting Items

### 1. To Adopt 2023 Business Report and Financial Statements (Proposed by the Board of Directors)

#### Explanatory Notes :

- (1) The 2023 Business Report and Financial Statements have been examined by the Audit Committee and approved by the Board of Directors. The 2023 Financial Statements were audited by independent auditors Lin Wu and Yung-Sheng Wang of KPMG Taiwan.
- (2) The 2023 Business report, CPA's Audit Report and Financial Statements, please refer to Attachment 1 and 3.

**Resolution : This proposal was approved and adopted.**

#### Voting Results:

**Shares represented at the time of voting: 344,060,230**

Voting Results (including votes casted electronically)		% of the total represented share present
Votes in favor:	338,226,077 votes	98.30%
Votes against:	691,342 votes	0.20%
Votes Invalid:	0 votes	0.00%
Votes abstained:	5,142,811 votes	1.49%

### 2. To Approve the Appropriation of Profit or Loss of 2023 (Proposed by the Board of Directors)

#### Explanatory Notes :

- (1) The Company's profit or loss appropriation of 2023 will be handled in accordance with the Company's articles of association, the net loss after tax of the period is NT\$462,184,373. The profit or loss appropriation table of 2023 is prepared, and no dividends will be distributed this year.
- (2) The Profit or Loss Appropriation Table of 2023, please refer to Attachment 4.

**Resolution : This proposal was approved and adopted.**

#### Voting Results:

**Shares represented at the time of voting: 344,060,230**

Voting Results (including votes casted electronically)		% of the total represented share present
Votes in favor:	338,512,985 votes	98.38%
Votes against:	729,291 votes	0.21%
Votes Invalid:	0 votes	0.00%
Votes abstained:	4,817,954 votes	1.40%

## **V. Election Matters**

### **1. To Amend the Rules of Procedures for Shareholders' Meetings**

**(Proposed by the Board of Directors)**

#### **Explanatory Notes :**

In accordance with applicable laws, that amended the "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders' Meetings," some articles of the Company's "Rules of Procedure for Shareholders Meetings" have been amended. Please refer to Attachment 5 for the comparison table.

**Resolution : This proposal was approved and adopted.**

#### **Voting Results:**

**Shares represented at the time of voting: 344,060,230**

Voting Results (including votes casted electronically)		% of the total represented share present
Votes in favor:	338,512,877 votes	98.38%
Votes against:	719,055 votes	0.20%
Votes Invalid:	0 votes	0.00%
Votes abstained:	4,828,298 votes	1.40%

## **VI. Election Matters**

### **1. Election of the 16<sup>th</sup> Board of Directors (including Independent Directors)**

**(Proposed by the Board of Directors)**

#### **Explanatory Notes :**

- (1) The term of the 15<sup>th</sup> Board of Directors will expire on Oct. 13, 2024. To convene the Annual Shareholders' Meeting to elect the 16<sup>th</sup> Term of Directors (including Independent Directors).
- (2) The Directors shall be elected by adopting candidates nomination system as specified in Article 192-1 of the Company Act, Shareholders shall elect the directors from the nominees listed in the roster of director candidates, please refer to Attachment 6. Independent and non-independent directors shall be elected at the same time but on separate ballots.
- (3) The term of the 15<sup>th</sup> Board of Directors shall end on the day of the Shareholders' Meeting, and the term of the 16<sup>th</sup> Board of Directors shall start on the day of election and be 3 years. Starting from May 31, 2024 to May 30, 2027.
- (4) For "Procedure for the Election of Directors", please refer to meeting handbook.

## Voting Results :

The list of Board Members newly elected of the Company on 2024 Annual Shareholders' Meeting:

Elected	Shareholder No. or ID No.	Name	Shares held Amount
Director	209209	Taiwan Styrene Investment Inc. Representative:Wen-Yuan Lin	345,588,475 votes
Director	347219	Taiwan Chemical Green Energy Co., Ltd. Representative:Joseph Wang	337,116,831 votes
Director	347219	Taiwan Chemical Green Energy Co., Ltd. Representative:Tiffany Wang	336,989,112 votes
Director	257384	Chun Yu Works & Co., Ltd. Representative:Chi-Tai Chen	336,907,300 votes
Director	302069	Chuanpu Investment Holdings Co., Ltd. Representative:Jeff Chen	336,829,624 votes
Director	262001	An Ching Development Co., Ltd. Representative:Din-Rei Hsu	336,742,386 votes
Director	204782	Kai Chiang Co. Ltd. Representative:Joanne Sun	336,649,886 votes
Independent Director	S1007*****	Chin-Chen Chien	336,569,445 votes
Independent Director	K1209*****	Jui-Mu Huang	336,519,770 votes
Independent Director	D1211*****	Tzu-Meng Liu	336,429,982 votes
Independent Director	A2256*****	Pei-Ju Chung	336,350,750 votes

## VII. Other Proposals

### 1. To Release Non-competition Restrictions on New Directors and Their Representatives

(Proposed by the Board of Directors)

#### Explanatory Notes :

- (1) According to Article 209 of the Company Act, "A director who does anything for himself or on behalf of another person that is within the scope of the Company's business, shall explain to the meeting of shareholders the

essential contents of such an act and secure its approval".

- (2) In the course of investing in or operating other business activities which are the same or similar to the business scope of the Company and do not affect the business of the Company or cause any damage to the interests of the Company, the directors have proposed to be released from their non-compete restrictions in accordance with Article 209 of the Company Act so as to facilitate the progress of business operation, please refer to Attachment 7.

**Resolution : This proposal was approved and adopted.**

**Voting Results:**

**Shares represented at the time of voting: 344,060,230**

Voting Results (including votes casted electronically)		% of the total represented share present
Votes in favor:	338,098,884 votes	98.26%
Votes against:	1,110,733 votes	0.32%
Votes Invalid:	0 votes	0.00%
Votes abstained:	4,850,613 votes	1.40%

**VIII. Extemporary Motions:**

**Summary of the Essential Points of the Proceedings**

Shareholder (Account No. 245033) inquired about the operating status of the Company. The above inquiries were responded by the Chairman.

**IX. Meeting Adjourned:** May 31, 2024 (Fri.) at 09:59 a.m.

(This 2024 AGM Minutes outlines main points of the meeting. The summary of shareholder's speech is documented in the Chinese version of AGM Minutes. In case of inconsistencies between the Chinese and English version, the Chinese version shall prevail. In addition, video recording of the meeting shall prevail as actual record of meeting procedure and contents.)

**Chairman:** Wen-Yuan Lin



**Recorder:** Po-Chun Ku



Please note this document is prepared in accordance with the Chinese version and is for reference only. In the event of any discrepancy between the English version and the Chinese version, the Chinese version shall prevail.

## Taiwan Styrene Monomer Corporation

## 2023 Business Report

**1. Results of operations based on the business plan**

During the fiscal year, the Company produced 269,265 tons and sold 267,475 tons of styrene monomer, with sales revenue NT\$8,741,565 thousand. The total sales revenue reaches NT\$9,319,242 thousand after including the sales revenue of by-product. For fiscal year of 2023, net loss after tax is NT\$462,184 thousand.

**2. Budget Execution**

Unit: NT\$ Thousand

Item	Actual amount of 2023	Budget amount of 2023
Net sales	9,319,242	15,478,497
Gross profit	(504,683)	268,652
Operating profit	(648,121)	71,873
Income before tax	(595,903)	119,239
Net income	(462,184)	106,895

**3. Profitability Analysis**

Analyzed items	Year ended December 31, 2023
Earnings (Loss) per share after tax (in NT\$)	(0.88)
Net profit margin (%)	(4.96%)
Return on assets (ROA) (%)	(5.10%)
Return on equity (ROE) (%)	(6.90%)
Ratio of income before tax to paid-in capital (%)	(11.29%)

#### 4. Research and Development

The Company's core business is styrene monomer. We continue not only de-bottlenecking of the production lines and increase the production efficiency, but process carbon reduction, the new product application and value-added improvement.

1. The Company continues to develop materials applicable to electronic products and medical devices, extended the development of their applicable commercial fields, and has provided well-known domestic and international enterprises to conduct tests; the Company has already received positive responses.
2. The Company aims to vertically integrate specialized chemical material which has obtained patents from numerous countries.
3. The Company also cooperate with other companies in the development of commercialized professional coated machines of special chemical materials to commercialize and popularize by improving coating efficiency and quality.

#### 5. Management Principles and Prospects

Looking forward to this year (2024), due to the events that affected global politics and economy last year, such as geopolitical risks of the Russia-Ukraine War and the Israel-Kazakhstan conflict, deferred effect of interest rate hikes, the US-China technology dispute and real estate crisis of China are still threats to the global economy this year, and the risk of economic recession is still high. Therefore, the IMF predicts that global growth is expected to similar from 3.0% in 2023 to 3.1% in 2024.

Although the new production capacity of SM reached 3.7 million tons in China last year. It is estimated that the new production capacity of SM this year will be significantly reduced to only 0.6 million tons/year in 2024 in China. The demand for new SM downstream production capacity in China is estimated to reach approximately 3 million tons this year. Therefore, we expect the SM market will recover in H2. The SM operation strategy of the Company is to reduce capital expenses and CAPEX, short-time supply chain, and focus on domestic sales, and will maintain full production and full sales this year.

The Company's operating policy is to reduce expenses, CAPEX and control the volume of production, sales condition and inventory in time to reduce losses this year. It also strengthens the operating performance of subsidiaries to maintain positive cash flow.

Chairman:



General Manager:



Accounting Manager:



## Audit Committee's Review Report

The Board of Directors has prepared the Company's 2023 Business Report, Financial Statements, including Consolidated and Individual Financial Statement, and Proposal for Profits Distribution. The CPA firm of KPMG was retained to audit Taiwan Styrene Monomer Corporation's Financial Statements and has issued an audit report relating to Financial Statements. The Business Report, Financial Statements, and Proposal for Profits Distribution have been reviewed and determined to be correct and accurate by the Audit Committee members of Taiwan Styrene Monomer Corporation. According to the Securities and Exchange Act and the Company Act, we hereby submit this report. Please be advised accordingly.

To:

Taiwan Styrene Monomer Corporation

Chairman of Audit Committee:



March 13, 2024



## **Independent Auditors' Report**

To the Board of Directors of Taiwan Styrene Monomer Corporation:

### **Opinion**

We have audited the financial statements of Taiwan Styrene Monomer Corporation( “the Company” ), which comprise the balance sheets as of December 31, 2023 and 2022, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors(please refer to Other Matter paragraph), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### **Basis for Opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements of the current period. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

#### **1. Revenue recognition**

Regarding accounting policies on revenue recognition, please refer to note 4(o) “Revenue recognition” to the parent company only financial statements.

Description of the key audit matter:

The Company's sales revenue is recognized when a performance obligation is satisfied, which depends on the various trade terms agreed with customers. Therefore, the accuracy of revenue recognition is considered to be one of most significance in the audit.

How the matter was addressed in our audit:

Our principal audit procedures included assessing whether the accounting policies regarding to revenue recognition were in conformity with relevant accounting standards; obtaining understanding and testing the design and implement effectiveness of internal controls over revenue recognition; selecting samples and examining vouchers; selecting samples for a period of time before and after the balance sheet date and examining the transaction terms and relevant vouchers to assess whether sales revenue was recognized in an appropriate period; in addition, we also performed analytical procedures on primary customers and products to evaluate if there is any material abnormality.

## 2. Impairment of non-financial assets (Property, plant and equipment, Intangible assets, and Right-of-use assets)

Regarding accounting policies on impairment of non-financial assets, please refer to note 4(n) "Impairment of non-financial assets" to the parent company only financial statements.

Description of the key audit matter:

The prosperity of the industry where the Company is located is affected by market environment factors and the economy, resulting in unfavorable changes to the Company. Therefore, the assessment of non-financial asset impairment is important. Since the evaluation process of impairment depends on the subjective judgment and estimates of the management, it is with a high degree of uncertainty. Therefore, the impairment assessment of non-financial assets is one of the key matters in the audit.

How the matter was addressed in our audit:

Our principal audit procedures included understanding the relevant processes of management's assessment of impairment; evaluating the professional competence, suitability and objectivity of management's experts; for the recoverable amount determined by the management based on the independent evaluation report issued by a third party, we reviewed the reasonableness of the relevant assumptions, and involved an internal specialist with professional competence, suitability and objectivity to assist us in assessing and understanding the appropriateness of the work of the management's experts; in addition, we also inspect whether the book value of the Company's non-financial assets is consistent with the results of the evaluation report.

## Other Matter

We did not audit the financial statements of some equity-accounted investees of the Company (including those statements which were prepared using a difference financial reporting framework). Those statements were audited by other auditors, whose reports have been furnished to us. We have performed audit procedures on the conversion adjustments to the financial statements of those investees, which conform to those financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Our opinion, insofar as it relates to the amounts included for those investees and the amounts prior to the conversion adjustments, is based solely on the reports of other auditors. Investments accounted for using equity method on those investees constituting 19.39% and 13.50% of total assets at December 31, 2023 and 2022, and the related share of profit of subsidiaries, associates and joint ventures accounted for using equity method constituting 2.44% and (0.44)% of total loss before tax for the years then ended.

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

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements**

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Wu, Lin and Wang, Yung-Sheng.

KPMG

Taipei, Taiwan (Republic of China)  
March 13, 2024

#### **Notes to Readers**

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

The independent auditors' report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and parent company only financial statements, the Chinese version shall prevail.

(English Translation of Financial Statements Originally Issued in Chinese)

**TAIWAN STYRENE MONOMER CORPORATION**

**Balance Sheets**

**December 31, 2023 and 2022**

(Expressed in Thousands of New Taiwan Dollars)

	<u>December 31, 2023</u>		<u>December 31, 2022</u>			<u>December 31, 2023</u>		<u>December 31, 2022</u>			
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>		
<b>Assets</b>					<b>Liabilities and Equity</b>						
<b>Current assets:</b>					<b>Current liabilities:</b>						
1100	Cash and cash equivalents (note 6(a))	\$ 165,508	2	317,578	4	2100	Short-term borrowings (notes 6(l) and 8)	\$ 1,000,000	11	700,000	8
1110	Current financial assets at fair value through profit or loss (note 6(b))	138,940	2	120,538	2	2130	Contract liabilities (note 6(s))	1,957	-	7,829	-
1170	Accounts receivable, net (note 6(c))	796,319	9	963,645	11	2170	Accounts payable	999,944	11	889,042	11
1200	Other receivables (note 7)	2,430	-	2,231	-	2200	Other payables (note 6(m))	91,121	1	89,910	1
1220	Current tax assets	6,333	-	-	-	2230	Current tax liabilities	-	-	4,771	-
130X	Inventories (note 6(d))	730,526	8	567,203	7	2280	Current lease liabilities (note 6(n))	5,083	-	4,414	-
1410	Prepayments (note 6(e))	183,490	2	200,164	2	2399	Other current liabilities	2,240	-	2,178	-
1460	Non-current assets(or disposal groups) held for sale, net	-	-	1,288	-		<b>Total current liabilities</b>	<b>2,100,345</b>	<b>23</b>	<b>1,698,144</b>	<b>20</b>
	<b>Total current assets</b>	<b>2,023,546</b>	<b>23</b>	<b>2,172,647</b>	<b>26</b>		<b>Non-Current liabilities:</b>				
	<b>Non-current assets:</b>					2570	Deferred tax liabilities (note 6(p))	173,509	2	174,028	2
1517	Non-current financial assets at fair value through other comprehensive income (note 6(f))	960,051	10	643,571	8	2580	Non-current lease liabilities (note 6(n))	10,647	-	11,372	-
1550	Investments accounted for using equity method (note 6(g))	3,503,366	38	2,803,908	33	2640	Net defined benefit liabilities, non-current (note 6(o))	44,686	-	50,106	1
1600	Property, plant and equipment (note 6(h))	2,342,152	25	2,508,198	30		<b>Total non-current liabilities</b>	<b>228,842</b>	<b>2</b>	<b>235,506</b>	<b>3</b>
1755	Right-of-use assets (note 6(i))	16,352	-	16,181	-		<b>Total liabilities</b>	<b>2,329,187</b>	<b>25</b>	<b>1,933,650</b>	<b>23</b>
1780	Intangible assets (note 6(j))	5,396	-	6,125	-		<b>Equity (note 6(q)):</b>				
1840	Deferred tax assets (note 6(p))	348,573	4	227,290	3	3100	Capital stock	5,278,698	57	5,278,698	63
1920	Refundable deposits	3,729	-	3,645	-	3200	Capital surplus	75,728	1	70,947	1
1915	Prepayments for equipment	13,944	-	-	-		Retained earnings:				
1995	Other non-current assets, others (note 6(k))	39,563	-	23,959	-	3310	Legal reserve	639,287	7	639,287	8
	<b>Total non-current assets</b>	<b>7,233,126</b>	<b>77</b>	<b>6,232,877</b>	<b>74</b>	3320	Special reserve	223,663	2	8,811	-
						3350	Unappropriated retained earnings	(45,013)	-	688,983	8
								<b>817,937</b>	<b>9</b>	<b>1,337,081</b>	<b>16</b>
						3400	Other equity	755,122	8	(214,852)	(3)
							<b>Total equity</b>	<b>6,927,485</b>	<b>75</b>	<b>6,471,874</b>	<b>77</b>
<b>Total assets</b>		<b>\$ 9,256,672</b>	<b>100</b>	<b>8,405,524</b>	<b>100</b>		<b>Total liabilities and equity</b>	<b>\$ 9,256,672</b>	<b>100</b>	<b>8,405,524</b>	<b>100</b>

(English Translation of Financial Statements Originally Issued in Chinese)

**TAIWAN STYRENE MONOMER CORPORATION**

**Statements of Comprehensive Income**

**For the years ended December 31, 2023 and 2022**

**(Expressed in Thousands of New Taiwan Dollars, Except for loss Per Share)**

	2023		2022	
	Amount	%	Amount	%
4000 <b>Operating revenue (note 6(s))</b>	\$ 9,319,242	100	12,711,672	100
5000 <b>Operating costs (notes 6(d), (h), (i), (j), (n), (o), (u) and 7)</b>	9,823,925	105	13,061,198	103
<b>Gross loss from operations</b>	(504,683)	(5)	(349,526)	(3)
<b>Operating expenses (notes 6(c), (h), (i), (j), (n), (o), (u) and 7):</b>				
6100 Selling expenses	57,429	1	65,622	1
6200 Administrative expenses	86,017	1	89,364	1
6300 Research and development expenses	-	-	1,817	-
6450 Expected credit impairment loss (gain)	(8)	-	2	-
	143,438	2	156,805	2
<b>Operating losses</b>	(648,121)	(7)	(506,331)	(5)
<b>Non-operating income and expenses (notes 6 (f), (g), (n), (t) and 7):</b>				
7100 Interest income	5,099	-	3,284	-
7010 Other income	17,471	-	45,556	-
7020 Other gains and losses	31,454	1	(34,460)	-
7050 Finance costs	(14,486)	-	(4,320)	-
7070 Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	12,680	-	33,141	-
	52,218	1	43,201	-
9900 <b>Loss before tax</b>	(595,903)	(6)	(463,130)	(5)
7950 Income tax benefits (note 6(p))	133,719	1	89,225	1
<b>Net loss</b>	(462,184)	(5)	(373,905)	(4)
8300 <b>Other comprehensive income (loss) :</b>				
8310 <b>Components of other comprehensive income (loss) that will not be reclassified to profit or loss</b>				
8311 Gains (losses) on remeasurements of defined benefit plans	6,370	-	14,771	-
8316 Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	316,768	3	(134,696)	(1)
8330 Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	697,527	7	(153,072)	(1)
8349 Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	1,274	-	2,954	-
Components of other comprehensive income (loss) that will not be reclassified to profit or loss	1,019,391	10	(275,951)	(2)
8360 <b>Components of other comprehensive income (loss) that will be reclassified to profit or loss</b>				
8361 Exchange differences on translation	-	-	1,334	-
8380 Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(824)	-	25,908	-
8399 Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
Components of other comprehensive income (loss) that will be reclassified to profit or loss	(824)	-	27,242	-
8300 <b>Other comprehensive income</b>	1,018,567	10	(248,709)	(2)
8500 <b>Comprehensive income</b>	<b>\$ 556,383</b>	<b>5</b>	<b>(622,614)</b>	<b>(6)</b>
<b>Loss per share (note 6(r))</b>				
Basic loss per share	<b>\$ (0.88)</b>		<b>(0.71)</b>	
Diluted loss per share	<b>\$ (0.88)</b>		<b>(0.71)</b>	

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

TAIWAN STYRENE MONOMER CORPORATION

Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Common stock	Capital surplus	Retained earnings			Total	Other equity interest		Total	Treasury shares	Total equity
			Legal reserve	Special reserve	Unappropriated retained earnings		Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income			
<b>Balance at January 1, 2022</b>	\$ 5,278,698	46,300	612,264	-	1,167,693	1,779,957	(34,634)	90,665	56,031	(13)	7,160,973
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	27,023	-	(27,023)	-	-	-	-	-	-
Special reserve appropriated	-	-	-	8,811	(8,811)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(79,156)	(79,156)	-	-	-	-	(79,156)
Overdue dividends not received by shareholders	-	24,585	-	-	-	-	-	-	-	-	24,585
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	504	504	-	(504)	(504)	-	-
Associates disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	9,393	9,393	-	(9,393)	(9,393)	-	-
Changes in ownership interests for using equity method	-	65	-	-	(11,989)	(11,989)	-	-	-	-	(11,924)
Treasury shares transactions	-	(3)	-	-	-	-	-	-	-	13	10
Net loss	-	-	-	-	(373,905)	(373,905)	-	-	-	-	(373,905)
Other comprehensive income	-	-	-	-	12,277	12,277	27,242	(288,228)	(260,986)	-	(248,709)
Total comprehensive income	-	-	-	-	(361,628)	(361,628)	27,242	(288,228)	(260,986)	-	(622,614)
Balance at December 31, 2022	5,278,698	70,947	639,287	8,811	688,983	1,337,081	(7,392)	(207,460)	(214,852)	-	6,471,874
Appropriation and distribution of retained earnings:											
Special reserve appropriated	-	-	-	214,852	(214,852)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(105,553)	(105,553)	-	-	-	-	(105,553)
Overdue dividends not received by shareholders	-	4,702	-	-	-	-	-	-	-	-	4,702
Changes in ownership interests for subsidiary	-	(7)	-	-	-	-	-	-	-	-	(7)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(1,771)	(1,771)	-	1,771	1,771	-	-
Associates disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	45,216	45,216	-	(45,216)	(45,216)	-	-
Changes in ownership interests for using equity method	-	86	-	-	-	-	-	-	-	-	86
Net loss	-	-	-	-	(462,184)	(462,184)	-	-	-	-	(462,184)
Other comprehensive income	-	-	-	-	5,148	5,148	(824)	1,014,243	1,013,419	-	1,018,567
Total comprehensive income	-	-	-	-	(457,036)	(457,036)	(824)	1,014,243	1,013,419	-	556,383
<b>Balance at December 31, 2023</b>	<b>\$ 5,278,698</b>	<b>75,728</b>	<b>639,287</b>	<b>223,663</b>	<b>(45,013)</b>	<b>817,937</b>	<b>(8,216)</b>	<b>763,338</b>	<b>755,122</b>	<b>-</b>	<b>6,927,485</b>

## TAIWAN STYRENE MONOMER CORPORATION

## Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
<b>Cash flows from operating activities:</b>		
Loss before tax	\$ (595,903)	(463,130)
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit loss</b>		
Depreciation expense	252,446	251,711
Amortization expense	1,519	1,807
Expected credit impairment (gain) loss	(8)	2
Interest expense	14,486	4,320
Interest income	(5,099)	(3,284)
Dividend income	(11,514)	(19,616)
Share of gain of subsidiaries, associates and joint ventures accounted for using equity method	(12,680)	(33,141)
Reversal of impairment loss on financial assets	(14,856)	-
Impairment loss on non-financial assets	248	873
Gain on lease modification	(28)	(6)
Loss from decline (gain from recovery) in value of inventories	48,051	(114,209)
<b>Total adjustments to reconcile profit (loss)</b>	<u>272,565</u>	<u>88,457</u>
<b>Changes in operating assets and liabilities:</b>		
<b>Changes in operating assets:</b>		
Financial assets mandatorily measured at fair value through profit or loss	(18,402)	62,499
Accounts receivable	167,334	(53,798)
Other receivables	33	3,844
Inventories	(211,374)	371,982
Prepayments	3,432	(67,374)
<b>Total changes in operating assets</b>	<u>(58,977)</u>	<u>317,153</u>
<b>Changes in operating liabilities:</b>		
Contract liabilities	(5,872)	(5,001)
Accounts payable	110,902	(80,454)
Other payables	7,266	(26,444)
Other current liabilities	62	(396)
Net defined benefit liabilities	950	777
<b>Total changes in operating liabilities</b>	<u>113,308</u>	<u>(111,518)</u>
<b>Total changes in operating assets and liabilities</b>	<u>54,331</u>	<u>205,635</u>
Cash outflow generated from operations	(269,007)	(169,038)
Interest received	4,946	3,284
Dividends received	11,435	19,616
Interest paid	(14,203)	(3,939)
Dividends paid	-	(38)
Income taxes paid	(461)	(9,270)
<b>Net cash flows used in operating activities</b>	<u>(267,290)</u>	<u>(159,385)</u>
<b>Cash flows from investing activities:</b>		
Proceeds from disposal of financial assets at fair value through other comprehensive income	288	1,873
Proceeds from disposal of non-current assets classified as held for sale	1,288	-
Acquisition of property, plant and equipment	(82,739)	(73,445)
Increase in refundable deposits	(91)	(224)
Decrease in refundable deposits	7	-
Acquisition of intangible assets	(790)	-
Decrease (increase) in other non-current assets	(15,604)	61,442
Increase in prepayments for equipment	(950)	-
Dividends received	24,860	51,930
<b>Net cash flows from investing activities</b>	<u>(73,731)</u>	<u>41,576</u>
<b>Cash flows from financing activities:</b>		
Increase in short-term borrowings	4,802,000	2,550,000
Decrease in short-term borrowings	(4,502,000)	(2,085,759)
Payment of lease liabilities	(5,496)	(4,491)
Cash dividends paid	(105,553)	(79,156)
Proceeds from sale of treasury shares	-	10
<b>Net cash flows from financing activities</b>	<u>188,951</u>	<u>380,604</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(152,070)</u>	<u>262,795</u>
<b>Cash and cash equivalents at beginning of period</b>	<u>317,578</u>	<u>54,783</u>
<b>Cash and cash equivalents at end of period</b>	<u>\$ 165,508</u>	<u>317,578</u>



## **Independent Auditors' Report**

To the Board of Directors of Taiwan Styrene Monomer Corporation:

### **Opinion**

We have audited the consolidated financial statements of Taiwan Styrene Monomer Corporation and its subsidiaries ( "the Group" ), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ( "IFRSs" ), International Accounting Standards ( "IASs" ), Interpretations developed by the International Financial Reporting Interpretations Committee ( "IFRIC" ) or the former Standing Interpretations Committee ( "SIC" ) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### **Basis for Opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

#### **1. Revenue recognition**

Regarding accounting policies on revenue recognition, please refer to note 4(p) "Revenue recognition" to the consolidated financial statements.

Description of the key audit matter:

The Group's sales revenue is recognized when a performance obligation is satisfied, which depends on the various trade terms agreed with customers. Therefore, the accuracy of revenue recognition is considered to be one of most significance in the audit.

How the matter was addressed in our audit

Our principal audit procedures included assessing whether the accounting policies regarding to revenue recognition were in conformity with relevant accounting standards; obtaining understanding and testing the design and implement effectiveness of internal controls over revenue recognition; selecting samples and examining vouchers; selecting samples for a period of time before and after the balance sheet date and examining the transactions terms and relevant vouchers to assess whether sales revenue was recognized in an appropriate period; in addition, we also performed analytical procedures on primary customers and products to evaluate if there is any material abnormality.

2. Impairment of non-financial assets (Property, plant and equipment, Intangible assets, and Right-of-use assets)

Regarding accounting policies on impairment of non-financial assets, please refer to note 4(o) “Impairment of non-financial assets” to the consolidated financial statements.

Description of the key audit matter:

The prosperity of the industry where the Group is located is affected by market environment factors and the economy, resulting in unfavorable changes to the Group. Therefore, the assessment of non-financial asset impairment is important. Since the evaluation process of impairment depends on the subjective judgment and estimates of the management, it is with a high degree of uncertainty. Therefore, the impairment assessment of non-financial assets is one of the key matters in the audit.

How the matter was addressed in our audit:

Our principal audit procedures included understanding the relevant processes of management's assessment of impairment; evaluating the professional competence, suitability and objectivity of management's experts; for the recoverable amount determined by the management based on the independent evaluation report issued by a third party, we reviewed the reasonableness of the relevant assumptions, and involved an internal specialist with professional competence, suitability and objectivity to assist us in assessing and understanding the appropriateness of the work of the management's experts; in addition, we also inspect whether the book value of the Group's nonfinancial assets is consistent with the results of the evaluation report.

**Other Matter**

We did not audit the financial statements of some equity-accounted investees of the Group (including those statements which were prepared using a difference financial reporting framework) . Those statements were audited by other auditors, whose reports have been furnished to us. We have performed audit procedures on the conversion adjustments to the financial statements of those investees, which conform to those financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRS, IAS, IFRIC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our opinion, insofar as it relates to the amounts included for those investees and the amounts prior to the conversion adjustments, is based solely on the reports of other auditors. Investments accounted for using equity method on those investees constituting 18.78% and 13.22% of total assets at December 31, 2023 and 2022, and the related share of profit of subsidiaries, associates and joint ventures accounted for using equity method constituting 3.35% and 1.21% of total loss before tax for the years then ended.

Taiwan Styrene Monomer Corporation has prepared its parent-company-only financial statements as of and for the years ended December 31, 2023 and 2022, on which we have issued an unqualified opinion with other matters paragraph.

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

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

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Group's financial reporting process.

## **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.<sup>4</sup>

The engagement partners on the audit resulting in this independent auditors' report are Wu, Lin and Wang, Yung-Sheng.

KPMG

Taipei, Taiwan (Republic of China)

March 13, 2024

#### **Notes to Readers**

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

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**TAIWAN STYRENE MONOMER CORPORATION AND SUBSIDIARIES**  
**Consolidated Balance Sheets**  
**December 31, 2023 and 2022**  
(Expressed in Thousands of New Taiwan Dollars)

		<u>December 31, 2023</u>		<u>December 31, 2022</u>				<u>December 31, 2023</u>		<u>December 31, 2022</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>			<u>Amount</u>	<u>%</u>		
<b>Assets</b>						<b>Liabilities and Equity</b>					
<b>Current assets:</b>						<b>Current liabilities:</b>					
1100	Cash and cash equivalents (note 6(a))	\$ 604,092	7	765,147	9	2100	Short-term borrowings (notes 6(p) and 8)	\$ 1,107,500	11	807,500	9
1110	Current financial assets at fair value through profit or loss (note 6(b))	274,305	3	223,712	4	2130	Contract liabilities (note 6(x))	40,880	1	48,542	-
1170	Accounts receivable, net (note 6(c))	821,164	8	975,107	11	2170	Accounts payable	1,011,679	10	895,858	10
1200	Other receivables (note 7)	2,451	-	2,323	-	2200	Other payables (note 6(q))	115,710	1	113,638	1
1220	Current tax assets	6,453	-	12	-	2230	Current tax liabilities	1,873	-	7,669	-
130X	Inventories (note 6(d))	731,690	8	568,790	6	2280	Current lease liabilities (note 6(s))	7,066	-	6,393	-
1410	Prepayments (note 6(e))	198,347	2	215,534	2	2320	Long-term liabilities, current portion (notes 6(r) and 8)	8,460	-	8,307	-
1460	Non-current assets (or disposal groups) held for sale (note 6(f))	-	-	5,474	-	2399	Other current liabilities	2,716	-	2,718	-
1470	Other current assets	1,726	-	267	-		<b>Total current liabilities</b>	<b>2,295,884</b>	<b>23</b>	<b>1,890,625</b>	<b>20</b>
1476	Other current financial assets (notes 6(g) and 8)	46,206	-	36,415	-		<b>Non-Current liabilities:</b>				
	<b>Total current assets</b>	<b>2,686,434</b>	<b>28</b>	<b>2,792,781</b>	<b>32</b>	2540	Long-term borrowings (notes 6(r) and 8)	52,045	1	60,476	1
	<b>Non-current assets:</b>					2570	Deferred tax liabilities (note 6(u))	174,806	2	175,293	2
1510	Non-current financial assets at fair value through profit or loss (note 6(b))	7,136	-	7,576	-	2581	Non-current lease liabilities (note 6(s))	12,050	-	13,242	-
1517	Non-current financial assets at fair value through other comprehensive income (note 6(h))	1,217,382	12	888,543	10	2640	Net defined benefit liability, non-current (note 6(t))	44,686	-	50,106	1
1550	Investments accounted for using equity method (note 6(i))	1,850,830	19	1,195,812	13	2600	Other non-current liabilities	660	-	660	-
1600	Property, plant and equipment (notes 6(j) and 8)	3,480,076	36	3,650,870	41		<b>Total non-current liabilities</b>	<b>284,247</b>	<b>3</b>	<b>299,777</b>	<b>4</b>
1755	Right-of-use assets (note 6(k))	19,713	-	20,833	-		<b>Total liabilities</b>	<b>2,580,131</b>	<b>26</b>	<b>2,190,402</b>	<b>24</b>
1760	Investment property, net (note 6(l))	56,296	1	56,669	1		<b>Equity attributable to owners of parent (note 6(v)):</b>				
1780	Intangible assets (note 6(m))	5,396	-	6,125	-	3100	Capital stock	5,278,698	54	5,278,698	59
1840	Deferred tax assets (note 6(u))	350,095	4	230,610	3	3200	Capital surplus	75,728	1	70,947	1
1915	Prepayments for equipment	13,944	-	-	-		Retained earnings:				
1970	Other long-term investments, net (note 6(n))	25,998	-	28,728	-	3310	Legal reserve	639,287	6	639,287	7
1920	Refundable deposits	3,853	-	3,818	-	3320	Special reserve	223,663	2	8,811	-
1990	Other non-current assets (note 6(o))	46,051	-	30,283	-	3350	Unappropriated retained earnings	(45,013)	-	688,983	8
	<b>Total non-current assets</b>	<b>7,076,770</b>	<b>72</b>	<b>6,119,867</b>	<b>68</b>			<b>817,937</b>	<b>8</b>	<b>1,337,081</b>	<b>15</b>
						3400	Other equity	755,122	8	(214,852)	(2)
							<b>Total equity attributable to owners of parent</b>	<b>6,927,485</b>	<b>71</b>	<b>6,471,874</b>	<b>73</b>
						36XX	<b>Non-controlling interests</b>	<b>255,588</b>	<b>3</b>	<b>250,372</b>	<b>3</b>
							<b>Total equity</b>	<b>7,183,073</b>	<b>74</b>	<b>6,722,246</b>	<b>76</b>
							<b>Total liabilities and equity</b>	<b>\$ 9,763,204</b>	<b>100</b>	<b>8,912,648</b>	<b>100</b>
	<b>Total assets</b>	<b>\$ 9,763,204</b>	<b>100</b>	<b>8,912,648</b>	<b>100</b>						

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**TAIWAN STYRENE MONOMER CORPORATION AND SUBSIDIARIES**  
**Consolidated Statements of Comprehensive Income**  
**For the years ended December 31, 2023 and 2022**  
(Expressed in Thousands of New Taiwan Dollars, Except for loss Per Share)

		2023		2022	
		Amount	%	Amount	%
4000	<b>Operating revenue (notes 6(i) and (x))</b>	\$ 9,541,182	100	12,853,960	100
5000	<b>Operating costs (notes 6(d), (j), (k), (l), (m), (s) and (t))</b>	9,952,545	104	13,180,825	103
	<b>Gross loss from operations</b>	<u>(411,363)</u>	<u>(4)</u>	<u>(326,865)</u>	<u>(3)</u>
	<b>Operating expenses (notes 6(c), (j), (k), (l), (m), (s) and (t)):</b>				
6100	Selling expenses	62,325	1	70,935	-
6200	Administrative expenses	136,312	1	137,151	1
6300	Research and development expenses	431	-	2,327	-
6450	Expected credit impairment loss (gain)	81	-	(91)	-
		<u>199,149</u>	<u>2</u>	<u>210,322</u>	<u>1</u>
	<b>Operating loss</b>	<u>(610,512)</u>	<u>(6)</u>	<u>(537,187)</u>	<u>(4)</u>
	<b>Non-operating income and expenses (notes 6(i), (s) and (y)):</b>				
7100	Interest income	7,876	-	6,847	-
7010	Other income	22,383	-	53,383	-
7020	Other gains and losses	30,304	-	104,438	1
7050	Finance costs	(18,169)	-	(7,538)	-
7060	Shares of profit (loss) of associates and joint ventures accounted for using equity method	(14,943)	-	1,508	-
		<u>27,451</u>	<u>-</u>	<u>158,638</u>	<u>1</u>
9900	<b>Loss before tax</b>	<u>(583,061)</u>	<u>(6)</u>	<u>(378,549)</u>	<u>(3)</u>
7950	Income tax benefits (note 6(u))	122,402	(1)	46,421	-
	<b>Net loss</b>	<u>(460,659)</u>	<u>(5)</u>	<u>(332,128)</u>	<u>(3)</u>
8300	<b>Other comprehensive income (loss):</b>				
8310	<b>Components of other comprehensive income (loss) that will not be reclassified to profit or loss</b>				
8311	Gains (losses) on remeasurements of defined benefit plans	6,455	-	15,517	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	329,321	3	(145,295)	(1)
8320	Shares of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	684,923	7	(142,934)	(1)
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss (note 6(u))	1,291	-	3,103	-
	<b>Components of other comprehensive income (loss) that will not be reclassified to profit or loss</b>	<u>1,019,408</u>	<u>10</u>	<u>(275,815)</u>	<u>(2)</u>
8360	<b>Components of other comprehensive income (loss) that will be reclassified to profit or loss</b>				
8361	Exchange differences on translation	(1,173)	-	21,632	-
8370	Shares of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(98)	-	3,916	-
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	<b>Components of other comprehensive income (loss) that will be reclassified to profit or loss</b>	<u>(1,271)</u>	<u>-</u>	<u>25,548</u>	<u>-</u>
8300	<b>Other comprehensive income</b>	<u>1,018,137</u>	<u>10</u>	<u>(250,267)</u>	<u>(2)</u>
8500	<b>Comprehensive income</b>	<u>\$ 557,478</u>	<u>5</u>	<u>(582,395)</u>	<u>(5)</u>
	<b>Profit (loss) attributable to:</b>				
8610	Owners of parent	\$ (462,184)	(5)	(373,905)	(3)
8620	Non-controlling interests	1,525	-	41,777	-
		<u>\$ (460,659)</u>	<u>(5)</u>	<u>(332,128)</u>	<u>(3)</u>
	<b>Comprehensive income attributable to:</b>				
8710	Owners of parent	\$ 556,383	5	(622,614)	(5)
8720	Non-controlling interests	1,095	-	40,219	-
		<u>\$ 557,478</u>	<u>5</u>	<u>(582,395)</u>	<u>(5)</u>
	<b>Loss per share (note 6(w))</b>				
	Basic loss per share	<u>\$ (0.88)</u>		<u>(0.71)</u>	
	Diluted loss per share	<u>\$ (0.88)</u>		<u>(0.71)</u>	

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**TAIWAN STYRENE MONOMER CORPORATION AND SUBSIDIARIES**  
**Consolidated Statements of Changes in Equity**  
**For the years ended December 31, 2023 and 2022**  
**(Expressed in Thousands of New Taiwan Dollars)**

	Equity attributable to owners of parent						Other equity interest		Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity	
	Ordinary shares	Capital surplus	Legal reserve	Retained earnings		Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total					
				Special reserve	Unappropriated retained earnings								Total
<b>Balance at January 1, 2022</b>	\$ 5,278,698	46,300	612,264	-	1,167,693	1,779,957	(34,634)	90,665	56,031	(13)	7,160,973	210,153	7,371,126
Appropriation and distribution of retained earnings:													
Legal reserve appropriated	-	-	27,023	-	(27,023)	-	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	8,811	(8,811)	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(79,156)	(79,156)	-	-	-	-	(79,156)	-	(79,156)
Overdue dividends not received by shareholders	-	24,585	-	-	-	-	-	-	-	-	24,585	-	24,585
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	504	504	-	(504)	(504)	-	-	-	-
Associates disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	9,393	9,393	-	(9,393)	(9,393)	-	-	-	-
Changes in ownership interests in associates	-	65	-	-	(11,989)	(11,989)	-	-	-	-	(11,924)	-	(11,924)
Treasury shares transactions	-	(3)	-	-	-	-	-	-	-	13	10	-	10
Net loss	-	-	-	-	(373,905)	(373,905)	-	-	-	-	(373,905)	41,777	(332,128)
Other comprehensive income	-	-	-	-	12,277	12,277	27,242	(288,228)	(260,986)	-	(248,709)	(1,558)	(250,267)
Total comprehensive income	-	-	-	-	(361,628)	(361,628)	27,242	(288,228)	(260,986)	-	(622,614)	40,219	(582,395)
Balance at December 31, 2022	5,278,698	70,947	639,287	8,811	688,983	1,337,081	(7,392)	(207,460)	(214,852)	-	6,471,874	250,372	6,722,246
Appropriation and distribution of retained earnings:													
Special reserve appropriated	-	-	-	214,852	(214,852)	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(105,553)	(105,553)	-	-	-	-	(105,553)	-	(105,553)
Overdue dividends not received by shareholders	-	4,702	-	-	-	-	-	-	-	-	4,702	-	4,702
Changes in ownership interests in subsidiaries	-	(7)	-	-	-	-	-	-	-	-	(7)	4,121	4,114
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(1,771)	(1,771)	-	1,771	1,771	-	-	-	-
Associates disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	45,216	45,216	-	(45,216)	(45,216)	-	-	-	-
Changes in ownership interests in associates	-	86	-	-	-	-	-	-	-	-	86	-	86
Net loss	-	-	-	-	(462,184)	(462,184)	-	-	-	-	(462,184)	1,525	(460,659)
Other comprehensive income	-	-	-	-	5,148	5,148	(824)	1,014,243	1,013,419	-	1,018,567	(430)	1,018,137
Total comprehensive income	-	-	-	-	(457,036)	(457,036)	(824)	1,014,243	1,013,419	-	556,383	1,095	557,478
<b>Balance at December 31, 2023</b>	<b>\$ 5,278,698</b>	<b>75,728</b>	<b>639,287</b>	<b>223,663</b>	<b>(45,013)</b>	<b>817,937</b>	<b>(8,216)</b>	<b>763,338</b>	<b>755,122</b>	<b>-</b>	<b>6,927,485</b>	<b>255,588</b>	<b>7,183,073</b>

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**TAIWAN STYRENE MONOMER CORPORATION AND SUBSIDIARIES**

**Consolidated Statements of Cash Flows**  
**For the years ended December 31, 2023 and 2022**  
**(Expressed in Thousands of New Taiwan Dollars)**

	2023	2022
<b>Cash flows used in operating activities:</b>		
Loss before tax	\$ (583,061)	(378,549)
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit</b>		
Depreciation expense	277,635	276,441
Amortization expense	1,519	1,807
Expected credit impairment loss (gain)	81	(91)
Interest expense	18,169	7,538
Interest income	(7,876)	(6,847)
Dividend income	(14,239)	(22,034)
Share of loss of associates and joint ventures accounted for using equity method	19,923	5,137
Gain (loss) on disposal of property, plant and equipment	97	(233)
Gain on disposal of non-current assets held for sale	-	(133,202)
Loss on disposal of investments	198	-
Reversal of impairment loss on financial assets	(14,856)	-
Impairment loss on non-financial assets	248	873
Gain on lease modification	(29)	(6)
Loss from decline (gain from recovery) in value of inventories	48,051	(114,209)
<b>Total adjustments to reconcile profit (loss)</b>	<b>328,921</b>	<b>15,174</b>
<b>Changes in operating assets and liabilities:</b>		
<b>Changes in operating assets:</b>		
Financial assets mandatorily measured at fair value through profit or loss	(50,153)	92,397
Accounts receivable	153,862	(57,057)
Other receivables	36	2,327
Inventories	(210,951)	372,060
Prepayments	(11,739)	(5,409)
Other current assets	(1,459)	(259)
Other financial assets	(9,791)	123,051
<b>Total changes in operating assets</b>	<b>(130,195)</b>	<b>527,110</b>
<b>Changes in operating liabilities:</b>		
Current contract liabilities	(7,662)	(2,481)
Notes payable	-	(2)
Accounts payable	115,821	(81,858)
Other payables	8,115	(27,049)
Provisions	-	(349)
Other current liabilities	(2)	(38,161)
Net defined benefit liabilities	950	777
<b>Total changes in operating liabilities</b>	<b>117,222</b>	<b>(149,123)</b>
<b>Total changes in operating assets and liabilities</b>	<b>(12,973)</b>	<b>377,987</b>



(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**TAIWAN STYRENE MONOMER CORPORATION AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows (Continued)**  
**For the years ended December 31, 2023 and 2022**  
**(Expressed in Thousands of New Taiwan Dollars)**

	<b>2023</b>	<b>2022</b>
Cash inflow (outflow) generated from operations	\$ (267,113)	14,612
Interest received	7,791	8,047
Dividends received	14,160	22,034
Interest paid	(17,874)	(7,120)
Dividends paid	-	(38)
Income taxes paid	(11,098)	(46,415)
<b>Net cash flows used in operating activities</b>	<b>(274,134)</b>	<b>(8,880)</b>
<b>Cash flows from (used in) investing activities:</b>		
Proceeds from disposal of financial assets at fair value through other comprehensive income	288	1,873
Proceeds from disposal of non-current assets classified as held for sale	5,474	202,912
Acquisition of property, plant and equipment	(99,724)	(81,626)
Proceeds from disposal of property, plant and equipment	20	293
Increase in refundable deposits	(121)	(231)
Decrease in refundable deposits	86	-
Acquisition of intangible assets	(790)	-
Increase in prepayments for equipment	(950)	-
Decrease in other long-term investment	2,291	1,848
Dividends received	24,860	45,291
<b>Net cash flows from (used in) investing activities</b>	<b>(68,566)</b>	<b>170,360</b>
<b>Cash flows from financing activities:</b>		
Increase in short-term borrowings	5,017,000	2,805,000
Decrease in short-term borrowings	(4,717,000)	(2,350,759)
Repayments of long-term borrowings	(8,278)	(8,252)
Payment of lease liabilities	(7,867)	(7,020)
Decrease in other non-current liabilities	-	(56)
Cash dividends paid	(105,553)	(79,156)
Proceeds from disposal of treasury shares	-	10
Change in non-controlling interests	4,080	-
<b>Net cash flows from financing activities</b>	<b>182,382</b>	<b>359,767</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(737)</b>	<b>(9,224)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(161,055)</b>	<b>512,023</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>765,147</b>	<b>253,124</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 604,092</b>	<b>765,147</b>

**Taiwan Styrene Monomer Corporation**  
**2023 Profit or Loss Appropriation Table**



Unit: NT\$

<b>Undistributed earnings at the beginning of period</b>	<b>368,556,896</b>
<b>Add : Net loss of the period</b>	<b>(462,184,373)</b>
Other comprehensive income (actuarial gains and losses of defined benefit plans)	5,148,062
Reversal of cash dividend	20,941
The amount of items other than net income that is included in this year's undistributed earnings	43,445,536
<b>Total of earnings available for distribution</b>	<b>(45,012,938)</b>
Add: Reversal allocated as special reserve pursuant to law	214,851,968
<b>Undistributed earnings at the end of period</b>	<b>169,839,030</b>

Chairman: 

General Manager: 

Accounting Manager: 

**Taiwan Styrene Monomer Corporation**

**Comparison Table of Amendments to the Rules of Procedure for Shareholders' Meetings**

Amended Provisions	Provisions before Amendment	Remarks
<p>Article 3 (Convening shareholders' meetings and shareholders' meeting notices) Unless otherwise provided by law or regulation, this Corporation's shareholders' meetings shall be convened by the board of directors.</p> <p><u>Unless otherwise provided by the "Regulations Governing the Administration of Shareholder Services of Public Companies", the Company convening a shareholders' meeting via videoconference shall be stated in the Article of Incorporation, and motions shall be resolved by the board of directors, and the videoconference shall be attended by at least two-thirds of the board of directors. A resolution is passed with the consent of a majority of the attending directors.</u></p> <p>Changes to how this Corporation convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.</p> <p>(Omitted below)</p>	<p>Article 3 (Convening shareholders' meetings and shareholders' meeting notices) Unless otherwise provided by law or regulation, this Corporation's shareholders' meetings shall be convened by the board of directors.</p> <p>Changes to how this Corporation convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.</p> <p>(Omitted below)</p>	<p>Amended to accordance with regulations</p>

Amended Provisions	Provisions before Amendment	Remarks
<p>Article 6-1 (Where the video shareholders’ meetings are convened, matters to be specified on the meeting notice) Where the Company convenes the video shareholders’ meetings, the meeting notice shall specify the following matters: I. (Omitted) II.(Omitted) III. Where the Company convenes the video shareholders’ meetings, the proper alternatives provided for the shareholders having difficulties attending in the manner of a video conference shall be specified. <u>Except for the circumstances specified in Paragraph 6 of Article 44-9 of the “Regulations Governing the Administration of Shareholder Services of Public Companies”, the connection equipment and necessary assistance shall at least be provided to shareholders, and the period during which shareholders may make applications to the Company and other relevant precautions shall be specified.</u></p>	<p>Article 6-1 (Where the video shareholders’ meetings are convened, matters to be specified on the meeting notice) Where the Company convenes the video shareholders’ meetings, the meeting notice shall specify the following matters: I. (Omitted) II.(Omitted) III. Where the Company convenes the video shareholders’ meetings, the proper alternatives provided for the shareholders having difficulties attending in the manner of a video conference shall be specified.</p>	<p>Added this article to accordance with the regulations</p>
<p>Article 22 (Handling digital gaps) Where the Company convenes the video shareholders’ meetings, the proper alternatives shall be provided for the shareholders having difficulties attending in the manner of video conference. <u>Except for the circumstances specified in Paragraph 6 of Article 44-9 of the “Regulations Governing the Administration of Shareholder Services of Public Companies”, the connection equipment and necessary assistance shall at least be provided to shareholders, and the</u></p>	<p>Article 22 (Handling digital gaps) Where the Company convenes the video shareholders’ meetings, the proper alternatives shall be provided for the shareholders having difficulties attending in the manner of video conference.</p>	<p>Added this article to accordance with the regulations.</p>

Amended Provisions	Provisions before Amendment	Remarks
<u>period during which shareholders may make applications to the Company and other relevant precautions shall be specified.</u>		
<p>Article <u>23</u>:  These Rules shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be affected in the same manner. The Rules were established on May 27, 2020. The 1st amendment was made on June 22, 2022.  <u>The 2nd amendment was made on May 31, 2024.</u></p>	<p>Article 23:  These Rules shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be affected in the same manner. The Rules were established on May 27, 2020. The 1st amendment was made on June 22, 2022.</p>	<p>Added times of amendment and dates.</p>

## Taiwan Styrene Monomer Corporation

### Candidates for Director Election (including Independent Directors)

◆ Shareholder nomination (Nominee: Taiwan Styrene Monomer Investment Ltd.)

No.	Candidate	Name	Education and Work Experience	Current Positions	Shareholding (shares)
1	Director	Taiwan Styrene Monomer Investment Ltd. Representative: Wen-Yuan Lin	<p>Master's degree, Dept. of Civil Engineering, University of Hawaii</p> <p>Deputy Head Commissioner, State-owned Enterprise Commission, Ministry of Economic Affairs, R.O.C.</p> <p>Chairman of China Steel Corporation</p> <p>Chairman of Taiwan Cogeneration Corporation</p> <p>Chairman of Yangminshan Tien Lai Resort &amp; Spa Co., Ltd</p> <p>Chairman of Taiwan Power Company</p> <p>Chairman of Eastern Broadcasting Co., Ltd.</p> <p>Managing Director of Bank of Kaohsiung</p> <p>Director of Nanhe Enterprise Co., Ltd.</p>	<p>Chairman of Taiwan Styrene Monomer Corporation</p> <p>Chairman of Eastern Broadcasting Co., Ltd.</p> <p>Chairman of Overseas Investment &amp; Development Corp.</p> <p>Director of Yangminshan Tien Lai Resort &amp; Spa Co., Ltd</p> <p>Director of Gloria Material Technology Corp.</p> <p>Director of United Renewable Energy Co., Ltd.</p> <p>Independent Director of TRK Corporation</p> <p>Independent Director of Locus Cell Co., Ltd.</p>	10,000,000

No.	Candidate	Name	Education and Work Experience	Current Positions	Shareholding (shares)
2	Director	Taiwan Chemical Green Energy Co., Ltd. Representative: Joseph Wang	Department of Law, NCHU Director of KMC Chain Industrial Co., Ltd. Independent Director of Aeon Motor Co., Ltd.	Director of Taiwan Styrene Monomer Corporation Chairman of Kings Asset Management Co., Ltd. Chairman of Taiwan Steel Group United Co., Ltd. Chairman of Taiwan Network Holding Co., Ltd. Chairman of Gloria Material Technology Corp. Chairman of S-Tech Corp. Chairman of TSG Hawks Baseball Team Co., Ltd. Chairman of TSG Sport Marketing Co., Ltd. Chairman of Ho Yang Investment Corp. Chairman of Rong Yang Investmen Co., Ltd. Chairman of Na Neng Co., Ltd. Chairman of Jade Colorful Co. Chairman of East Win Administration Consultant Co., Ltd. Chairman of Dong Ying Enterprise Co., Ltd. Director of Taiwan Steel University of Science and Technology Director of Soft-World International Corporation Director of D-Link Corporation Director of Chun Yu Works & Co., Ltd. Director of Chun Bang precision Co., Ltd. Director of Chun Yu Bio-Tech Corp. Director of Chun Yu Investment Co., Ltd. Director of UFC Gym Taiwan Ltd.	10,000

No.	Candidate	Name	Education and Work Experience	Current Positions	Shareholding (shares)
				<p>Director of ShangHai Chun Zu Machinery Industry Co., Ltd.</p> <p>Supervisor of Chun Yu (DongGuan) Metal Products Co., Ltd.</p> <p>Supervisor of ShangHai Uchee Hardware Products Co., Ltd.</p> <p>Chairman of GuangZhou Goldway Special Metal Co., Ltd.</p> <p>Chairman of TianJin Goldway Special Metal Co., Ltd.</p> <p>Chairman of XiAn Goldway Special Metal Corp., Ltd.</p> <p>Chairman of ZheJiang JiaXing Goldway Special Metal Co., Ltd.</p> <p>Chairman of JiaXing ShiangYang Metal Material Technology Co., Ltd.</p> <p>Chairman of G-Yao Enterprises Ltd.</p> <p>Chairman of All Win Enterprises Ltd.</p> <p>Chairman of Faith Enterprises Ltd.</p> <p>Chairman of Alloy Tool Steel Inc.</p> <p>Chairman of Gloria Material Technology Japan Co., Ltd.</p>	



No.	Candidate	Name	Education and Work Experience	Current Positions	Shareholding (shares)
3	Director	Taiwan Chemical Green Energy Co., Ltd. Representative: Tiffany Wang	Kuochi Senior Vocational School of Commerce and Technology Director and President of East Win Administration Consultant Co., Ltd.	Director and President of East Win Administration Consultant Co., Ltd.	10,000
4	Director	Chun Yu Works & Co., Ltd. Representative: Chi-Tai Chen	National Tainan Commercial Vocational Senior High School Department of Commerce Chairman of Pai Chia Yuan Investment Co., Ltd. Chairman of Chun Yu Works & Co., Ltd. Chairman of Chun Zu Machinery Industry Co., Ltd Chairman of Chun Bang Precision Co., Ltd. Chairman of Chun Yu Bio-Tech Corp. Chairman of Chun Yu Investment Co., Ltd.	Director of Taiwan Styrene Monomer Corporation Chairman of Chun Zu Machinery Industry Co., Ltd. Chairman of Chun Bang Precision Co., Ltd. Chairman of Jing Kom Investment Co., Ltd. Chairman of Chun Yu Investment Co., Ltd. Chairman of Chun Yu Bio-Tech Corp. Chairman of Li Chiao Investment Co., Ltd. Chairman of Pai Chia Yuan Investment Co., Ltd. Director of Chun Yu Works & Co., Ltd. Director of OFCO Industrial Corp. Director of Quin Tian Steel Co., Ltd. Supervisor of TSG Sport Marketing Co., Ltd. Supervisor of Tong Horng Metal Industrial Co., Ltd. Supervisor of TSG Hawks Baseball Co., Ltd.	11,678,000

No.	Candidate	Name	Education and Work Experience	Current Positions	Shareholding (shares)
5	Director	Chuanpu Investment Holding Co., Ltd. Representative: Jeff Chen	EMBA , Guanghua School of Management, Peking University Bachelor of Mechanical Engineering, UC Berkeley Research Fellow, Harvard Business School	Director of Taiwan Styrene Monomer Corporation Chairman of Chuan Pu Investment Holding Co., Ltd. Chairman of Yu Chuan Cultural Investment Co., Ltd. Chairman of Nu Qing Co., Ltd. Chairman of Yao Qi Industrial Co., Ltd. Chairman of Yao Tai Industrial Co., Ltd. Chairman of Yao Quan Industrial Co., Ltd. Chairman of Yao Li Industrial Co., Ltd. Chairman of Ying Da Agriculture and Animal Husbandry Co., Ltd. Director of Harn Shiuan Co., Ltd. Director of Adimmune Corporation Director of Senhwa Biosciences, Inc. Director of Jing Sheng Investment Holdings Co., Ltd. Director of JHB ENVIROTECH INC. Director of Bank of Kaohsiung Director of Wenteng Investment Co., Ltd. Director of Xian Gjing Investment Co., Ltd. Director of Tian Pu Enterprise Co., Ltd. Director of Tian Run Co., Ltd. Director of Jiu Teng Co., Ltd. Director of Run Cheng Co., Ltd. Director of Li Run Co., Ltd.	2,871,000

No.	Candidate	Name	Education and Work Experience	Current Positions	Shareholding (shares)
6	Director	An Chin Development Inc. Representative: Din-Rei Hsu	Finance and Economic Law, PCCU Master of China–United States relations, PCCU Issuer and President of Scene Enterprise Co., Ltd. Supervisor of the News Center, Taipei TV Vice President and manager of ChuanlienCatv Co., Ltd. Editor-in-Chief of Quanlian Monthly Senior Editor and supervisor of Zilimedia Co., Ltd. Supervisor of Taiwan Styrene Monomer Corporation	Director of Taiwan Styrene Monomer Corporation Director of Scene Enterprise Co., Ltd. Director of Yuan Yao Development Co., Ltd. Director of Shang Hua Co., Ltd.	487,000
7	Director	Kai Jiang Co., Ltd. Representative: Joanne Sun	BA of University of California, Santa Cruz L.L.M. of Pace University Environmental Law J.D. of Vermont Law School Director of legal affairs, Taiwan Styrene Monomer Corporation Legal of MediaTek Inc.	Director of Taiwan Styrene Monomer Corporation	800,000
8	Independent Director	Chin-Chen Chien	PhD (Accounting), Rutgers University, USA Professor, Department of Accounting, NCKU	Independent Director of Taiwan Styrene Monomer Corporation Independent Director of Chun Yu Works & Co., Ltd. Independent Director of f Soft-World International Corporation	0

No.	Candidate	Name	Education and Work Experience	Current Positions	Shareholding (shares)
9	Independent Director	Jui-Mu Huang	Mechanical Engineering , Ming Chi Institute of Technology President of Chang Hwa Bank Senior Executive Vice President of Bank of Taiwan General Auditor of Bank of Taiwan	Independent Director of Taiwan Styrene Monomer Corporation Independent Director of United Fiber Optic Communication INC.	0
10	Independent Director	Tzu-Meng Liu	EMBA, NCKU Professor, Department of Accounting, CYCU Certified Public Accountant of PwC Partner of Audit Services Department of PwC Director of PwC Associate Professor and Adjunct Expert of NCKU Chairman and consultant of the Southern District Office of the Taiwan Provincial Institute of Accountants Chairman and executive director of Tainan Tax Agents Association Managing Director of the Accounting Cultural and Educational Foundation of NCKU Member of the Park Operation Fund Management Committee of the Ministry of Science and Technology of Executive Yuan Supervisor of the Foundation for the Protection of Environmental Rights Mediation member of the Mediation Committee of Tainan District Court 2016 Outstanding Tax Agent of the Ministry of	Independent Director of Taiwan Styrene Monomer Corporation Independent Director of Gloria Material Technology Corp. Independent Director of Finesse Technology Co., Ltd.	0

			Finance 2016 Outstanding Alumni of CYCU		
11	Independent Director	Pei-Ju Chung	Department of Finance Banking of USC ATS (Ability Training System) license Executive assistant of Parkview Hotels & Resorts	None	0

**Taiwan Styrene Monomer Corporation**

**List of Release the Directors and their representatives from non-competition restriction**

Title	Name	Name and Positions in the Concurrent Companies
Director Representative	Taiwan Styrene Monomer Investment Ltd. Representative: Wen-Yuan Lin	Chairman of Eastern Broadcasting Co., Ltd. Chairman of Overseas Investment & Development Corp. Director of Yangminshan Tien Lai Resort & Spa Co., Ltd Director of Gloria Material Technology Corp. Director of United Renewable Energy Co., Ltd. Independent Director of TRK Corporation Independent Director of Locus Cell Co., Ltd.
Director Representative	Taiwan Chemical Green Energy Co., Ltd. Representative: Joseph Wang	Chairman of Kings Asset Management Co., Ltd. Chairman of Taiwan Steel Group United Co., Ltd. Chairman of Taiwan Network Holding Co., Ltd. Chairman of Gloria Material Technology Corp. Chairman of S-Tech Corp. Chairman of TSG Hawks Baseball Team Co., Ltd. Chairman of TSG Sport Marketing Co., Ltd. Chairman of Ho Yang Investment Corp. Chairman of Rong Yang Investmen Co., Ltd. Chairman of Na Neng Co., Ltd. Chairman of Jade Colorful Co. Chairman of East Win Administration Consultant Co., Ltd. Chairman of Dong Ying Enterprise Co., Ltd. Director of Taiwan Steel University of Science and Technology Director of Soft-World International Corporation Director of D-Link Corporation Director of Chun Yu Works & Co., Ltd. Director of Chun Bang precision Co., Ltd. Director of Chun Yu Bio-Tech Corp. Director of Chun Yu Investment Co., Ltd. Director of UFC Gym Taiwan Ltd. Director of ShangHai Chun Zu Machinery Industry Co., Ltd.

Title	Name	Name and Positions in the Concurrent Companies
		<p>Supervisor of Chun Yu (DongGuan) Metal Products Co., Ltd.</p> <p>Supervisor of ShangHai Uchee Hardware Products Co., Ltd.</p> <p>Chairman of GuangZhou Goldway Special Metal Co., Ltd.</p> <p>Chairman of TianJin Goldway Special Metal Co., Ltd.</p> <p>Chairman of XiAn Goldway Special Metal Corp., Ltd.</p> <p>Chairman of ZheJiang JiaXing Goldway Special Metal Co., Ltd.</p> <p>Chairman of JiaXing ShiangYang Metal Material Technology Co., Ltd.</p> <p>Chairman of G-Yao Enterprises Ltd.</p> <p>Chairman of All Win Enterprises Ltd.</p> <p>Chairman of Faith Enterprises Ltd.</p> <p>Chairman of Alloy Tool Steel Inc.</p> <p>Chairman of Gloria Material Technology Japan Co., Ltd.</p>
Director Representative	Taiwan Chemical Green Energy Co., Ltd. Representative: Tiffany Wang	Director and President of East Win Administration Consultant Co., Ltd.
Director Representative	Chun Yu Works & Co., Ltd. Representative: Chi-Tai Chen	<p>Chairman of Chun Zu Machinery Industry Co., Ltd.</p> <p>Chairman of Chun Bang Precision Co., Ltd.</p> <p>Chairman of Jing Kom Investment Co., Ltd.</p> <p>Chairman of Chun Yu Investment Co., Ltd.</p> <p>Chairman of Chun Yu Bio-Tech Corp.</p> <p>Chairman of Li Chiao Investment Co., Ltd.</p> <p>Chairman of Pai Chia Yuan Investment Co., Ltd.</p> <p>Director of Chun Yu Works &amp; Co., Ltd.</p> <p>Director of OFCO Industrial Corp.</p> <p>Director of Quin Tian Steel Co., Ltd.</p> <p>Supervisor of TSG Sport Marketing Co., Ltd.</p> <p>Supervisor of Tong Horng Metal Industrial Co., Ltd.</p> <p>Supervisor of TSG Hawks Baseball Co., Ltd.</p>

Title	Name	Name and Positions in the Concurrent Companies
Director Representative	Chuanpu Investment Holding Co., Ltd. Representative: Jeff Chen	Chairman of Chuan Pu Investment Holding Co., Ltd. Chairman of Yu Chuan Cultural Investment Co., Ltd. Chairman of Nuqing Co., Ltd. Chairman of Yaoqi Industrial Co., Ltd. Chairman of Yaotai Industrial Co., Ltd. Chairman of Yaoquan Industrial Co., Ltd. Chairman of Yaoli Industrial Co., Ltd. Chairman of Yingda Agriculture and Animal Husbandry Co., Ltd. Director of Harn Shiuan Co., Ltd. Director of Adimmune Corporation Director of Senhwa Biosciences, Inc. Director of Jing Sheng Investment Holdings Co., Ltd. Director of JHB ENVIROTECH INC. Director of Bank of Kaohsiung Director of Wenteng Investment Co., Ltd. Director of Xian Gjing Investment Co., Ltd. Director of Tian Pu Enterprise Co., Ltd. Director of Tian Run Co., Ltd. Director of Jiu Teng Co., Ltd. Director of Run Cheng Co., Ltd. Director of Li Run Co., Ltd.
Director Representative	An Chin Development Inc. Representative: Din-Rei Hsu	Director of Scene Enterprise Co., Ltd. Director of Yuanyao Development Co., Ltd. Director of Shanghua Co., Ltd.
Independent Director	Chin-Chen Chien	Independent Director of Chun Yu Works & Co., Ltd. Independent Director of f Soft-World International Corporation
Independent Director	Jui-Mu Huang	Independent Director of United Fiber Optic Communication INC.
Independent Director	Tzu-Meng Liu	Independent Director of Gloria Material Technology Corp. Independent Director of Finesse Technology Co., Ltd.