

USI CORPORATION AND
SUBSIDIARIES

Consolidated Financial Statements and
Independent Auditors' Review Report
For the Six Months Ended June 30, 2022 and 2021

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Independent Auditors' Review Report

TO USI Corporation

Introduction

We have reviewed the consolidated balance sheets of USI Corporation and its subsidiaries (the Group) for the six months ended June 30, 2022 and 2021, and the Consolidated Statements of Comprehensive Income for the three months ended June 30, 2022 and 2021 and for the six months ended June 30, 2022 and 2021, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows and Notes to the Consolidated Financial Statements (including the Summary of Significant Accounting Policies) for the months from January 1 to June 30 of 2022 and 2021. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Statement of Auditing Standards No. 65 “Review of Financial Information Performed by the Independent Auditor of the Entity”. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As mentioned in Notes 12 and 13 to the consolidated financial statements, the financial statements of some non-essential subsidiaries and joint ventures using the equity method for the same period

included in the above consolidated financial statements have not been reviewed by us. The total assets and the balance of investment by equity method as of June 30, 2022 and June 30, 2021 were NT\$27,444,125 thousand and NT\$29,769,160 thousand, respectively, accounting for 33.08% and 36.20% of the total consolidated assets, respectively. The total liabilities were NT\$3,498,180 thousand and NT\$3,242,958 thousand, accounting for 11.22% and 10.68% of the total consolidated liabilities, respectively; The total comprehensive income and the share of the income from joint venture recognized at the equity method for the periods from April 1 to June 30, and from January 1 to June 30, 2022 and 2021, were a loss of NT\$1,705,884 thousand and a gain of NT\$80,582 thousand, a loss of NT\$2,672,963 thousand and a gain of NT\$234,688 thousand, accounting for 388.08%, 3.17%, (188.14)% and 4.52% of the total comprehensive income, respectively. In addition, the information related to the aforesaid subsidiary and joint venture in other notes and schedules to the consolidated financial statements has not been reviewed by us.

Qualified Conclusion

According to the results of the auditor's review, except that the financial statements of some of the non-significant subsidiaries and joint ventures adopting the equity method mentioned in the basic paragraph of the reserved conclusions may affect the adjustment of the consolidated financial statements if they are reviewed by the auditor, we were not aware that the above consolidated financial statements have not been prepared in all material respects in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IAS 34-Interim Financial Reporting as endorsed and promulgated by the Financial Supervisory Commission, making it impossible to properly express the consolidated financial position of the Group as of June 30, 2022 and 2021, and the consolidated financial performance from April 1 to June 30, 2022 and 2021, and the consolidated financial performance and consolidated cash flow for the periods from January 1 to June 30, 2022 and 2021.

The engagement partners on the review resulting in this independent auditors' report are Pi-Yu Chuang (Financial Supervisory Commission, Approval No. 1070323246) and Cheng-Hung Kuo (Securities and Futures Bureau, Approval No. 0920123784).

Notice to Readers

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

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

August 4, 2022

USI Corporation and Subsidiaries

Consolidated Balance Sheets

June 30, 2022, and December 31, 2021 and June 30, 2021

Unit: In Thousands of New Taiwan Dollars

Code	Assets	June 30, 2022 (Reviewed)		December 31, 2021 (Audited)		June 30, 2021 (Reviewed)	
		Amount	%	Amount	%	Amount	%
Current assets							
1100	Cash and cash equivalents (Note 6)	\$ 11,650,381	14	\$ 10,365,353	12	\$ 10,076,508	12
1110	Financial assets at fair value through profit or loss (FVTPL) - current (Notes 7 and 35)	4,095,051	5	5,742,266	7	5,940,782	7
1120	Financial assets at fair value through other comprehensive income (FVTOCI) - current (Notes 8)	102,161	-	145,921	-	208,884	-
1136	Financial assets at amortized cost - current (Notes 9 and 35)	363,373	1	349,137	1	348,043	1
1150	Notes receivable, net (Note 10)	637,869	1	875,745	1	590,051	1
1170	Accounts receivable, net (Note 10)	7,081,297	9	8,515,477	10	8,103,029	10
1200	Other receivables (Notes 10 and 34)	351,565	-	511,725	1	362,561	1
1220	Current tax assets (Notes 4 and 28)	9,316	-	8,931	-	18,059	-
130X	Inventories (Note 11)	9,338,542	11	7,599,843	9	6,038,762	7
1410	Prepayments	1,062,595	1	1,009,420	1	1,137,780	1
1470	Other current assets (Note 14)	240,367	-	243,222	-	11,357	-
11XX	Total current assets	<u>34,932,517</u>	<u>42</u>	<u>35,367,040</u>	<u>42</u>	<u>32,835,816</u>	<u>40</u>
NON-CURRENT ASSETS							
1517	Financial assets at fair value through other comprehensive income (FVTOCI) - non-current (Notes 8)	2,290,486	3	2,286,817	3	2,674,958	3
1535	Financial assets at amortized cost - non-current (Notes 9, 35 and 36)	358,915	-	382,501	-	396,908	-
1550	Investments accounted for using the equity method (Notes 13)	17,057,321	21	19,335,554	23	19,908,120	24
1600	Property, plant and equipment (Notes 14 and 35)	25,165,639	30	24,471,011	29	23,602,188	29
1755	Right-of-use assets (Notes 15 and 35)	714,169	1	727,341	1	670,209	1
1760	Investment properties, net (Notes 16 and 35)	633,629	1	711,345	1	728,692	1
1805	Goodwill (Note 17)	270,211	-	270,211	-	269,026	-
1821	Other intangible assets, net (Note 17)	41,222	-	43,983	-	9,100	-
1840	Deferred tax assets (Notes 4 and 28)	867,882	1	651,568	1	611,695	1
1990	Other non-current assets (Note 35)	628,513	1	577,842	-	535,498	1
15XX	Total non-current assets	<u>48,027,987</u>	<u>58</u>	<u>49,458,173</u>	<u>58</u>	<u>49,406,394</u>	<u>60</u>
1XXX	Total Assets	<u>\$ 82,960,504</u>	<u>100</u>	<u>\$ 84,825,213</u>	<u>100</u>	<u>\$ 82,242,210</u>	<u>100</u>
Liabilities and Equity							
CURRENT LIABILITIES							
2100	Short-term borrowings (Notes 18 and 35)	\$ 1,639,241	2	\$ 2,498,041	3	\$ 2,602,029	3
2110	Short-term notes payable (Note 18)	50,000	-	279,635	-	563,606	1
2120	Financial liabilities at fair value through profit or loss at FVTPL - current (Note 7)	11,377	-	3,380	-	6,383	-
2170	Trade payables (Note 20)	4,147,951	5	3,528,998	4	4,017,891	5
2216	Dividends payable	5,062,351	6	20,551	-	1,878,649	2
2219	Other payables (Note 21)	2,244,991	3	2,874,267	3	2,665,669	3
2230	Current tax liabilities (Notes 4 and 28)	1,006,498	1	2,618,632	3	1,350,032	2
2280	Lease liability - current (Note 15)	68,648	-	73,065	-	56,080	-
2320	Current portion of long-term borrowings (Notes 18, 19 and 35)	2,189,699	3	3,059,116	4	2,999,528	4
2365	Refund liabilities - current (Note 21)	25,802	-	28,630	-	25,898	-
2399	Other current liabilities (Note 26)	738,157	1	565,262	1	522,205	-
21XX	Total current liabilities	<u>17,184,715</u>	<u>21</u>	<u>15,549,577</u>	<u>18</u>	<u>16,687,970</u>	<u>20</u>
NON-CURRENT LIABILITIES							
2530	Bonds payable (Note 19)	5,990,998	7	5,989,773	7	5,991,926	7
2540	Long-term borrowings (Notes 18 and 35)	4,922,997	6	4,453,323	5	4,420,000	5
2550	Provisions - non-current (Notes 22 and 36)	136,375	-	136,375	-	136,375	-
2570	Deferred tax liabilities (Notes 4 and 28)	1,429,113	2	1,417,922	2	1,483,953	2
2580	Lease liabilities - non-current (Note 15)	370,270	1	387,502	1	378,510	1
2640	Net defined benefit liabilities - non-current (Notes 4 and 23)	1,047,128	1	1,151,009	1	1,209,361	2
2670	Other non-current liabilities (Note 24)	102,103	-	94,771	-	66,142	-
25XX	Total non-current liabilities	<u>13,998,984</u>	<u>17</u>	<u>13,630,675</u>	<u>16</u>	<u>13,686,267</u>	<u>17</u>
2XXX	Total Liabilities	<u>31,183,699</u>	<u>38</u>	<u>29,180,252</u>	<u>34</u>	<u>30,374,237</u>	<u>37</u>
Equity attributable to owners of the Company (Notes 8, 12, 25 and 28)							
3100	Share capital	11,887,635	14	11,887,635	14	11,887,635	15
3200	Capital surplus	450,510	1	366,185	-	363,757	1
Retained Earnings							
3310	Legal reserve	3,872,190	5	3,343,086	4	3,343,086	4
3320	Special reserve	375,127	-	375,127	-	375,127	-
3350	Unappropriated earnings	7,615,155	9	9,881,214	12	7,144,641	9
3300	Total retained earnings	11,862,472	14	13,599,427	16	10,862,854	13
3490	Other equity	83,443	-	84,358	-	187,105	-
3500	Treasury share	(475,606)	(1)	(475,606)	-	(475,606)	(1)
31XX	Total equity attributable to owners of the Company	<u>23,808,454</u>	<u>28</u>	<u>25,461,999</u>	<u>30</u>	<u>22,825,745</u>	<u>28</u>
36XX	Non-controlling Interests	27,968,351	34	30,182,962	36	29,042,228	35
3XXX	Total equity	<u>51,776,805</u>	<u>62</u>	<u>55,644,961</u>	<u>66</u>	<u>51,867,973</u>	<u>63</u>
Total Liabilities and Equity		<u>\$ 82,960,504</u>	<u>100</u>	<u>\$ 84,825,213</u>	<u>100</u>	<u>\$ 82,242,210</u>	<u>100</u>

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

USI Corporation and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Three Months Ended June 30, 2022 and 2021 And For the Six Months Ended June 30, 2022 and 2021
(Reviewed, Not Audited)

Unit: NT\$ thousand, except Earnings Per Share

Code		For the Three Months Ended June 30, 2022		For the Three Months Ended June 30, 2021		For the Six Months Ended June 30, 2022		For the Six Months Ended June 30, 2021	
		Amount	%	Amount	%	Amount	%	Amount	%
4100	OPERATING REVENUE (Note 26)	\$ 17,851,602	100	\$ 17,746,758	100	\$ 34,949,523	100	\$ 33,940,936	100
5110	COST OF GOODS SOLD (Notes 11, 14, 15, 17, 23, 27 and 34)	<u>14,821,696</u>	<u>83</u>	<u>13,455,770</u>	<u>76</u>	<u>28,790,293</u>	<u>82</u>	<u>25,193,506</u>	<u>75</u>
5900	GROSS PROFIT	<u>3,029,906</u>	<u>17</u>	<u>4,290,988</u>	<u>24</u>	<u>6,159,230</u>	<u>18</u>	<u>8,747,430</u>	<u>25</u>
	OPERATING EXPENSES (Notes 10, 14, 15, 17, 23, 27 and 34)								
6100	Selling and marketing expenses	935,851	5	716,153	4	1,920,578	5	1,519,931	4
6200	Administrative expenses	308,056	2	305,965	2	684,753	2	649,745	2
6300	Research and development expenses	<u>103,019</u>	<u>1</u>	<u>111,681</u>	-	<u>202,634</u>	<u>1</u>	<u>216,439</u>	<u>1</u>
6000	Total operating expenses	<u>1,346,926</u>	<u>8</u>	<u>1,133,799</u>	<u>6</u>	<u>2,807,965</u>	<u>8</u>	<u>2,386,115</u>	<u>7</u>
6900	NET PROFIT FROM OPERATIONS	<u>1,682,980</u>	<u>9</u>	<u>3,157,189</u>	<u>18</u>	<u>3,351,265</u>	<u>10</u>	<u>6,361,315</u>	<u>18</u>
	NON-OPERATING INCOME AND EXPENSES								
7100	Interest income (Note 27)	37,196	-	22,064	-	52,914	-	40,032	-
7010	Other income (Notes 24, 27 and 34)	389,339	2	176,126	1	696,587	2	227,330	1
7020	Other gains and losses (Notes 16, 27 and 39)	(39,382)	-	128,342	-	129,326	-	160,335	-
7050	Finance costs (Notes 18, 19 and 27)	(36,373)	-	(41,458)	-	(73,199)	-	(84,091)	-
7060	Share of loss of joint ventures accounted for using the equity method (Note 13)	(<u>1,624,259</u>)	(<u>9</u>)	(<u>22,792</u>)	-	(<u>2,759,439</u>)	(<u>8</u>)	(<u>20,805</u>)	-
7000	Total non-operating income and expenses	(<u>1,273,479</u>)	(<u>7</u>)	<u>262,282</u>	<u>1</u>	(<u>1,953,811</u>)	(<u>6</u>)	<u>322,801</u>	<u>1</u>
7900	Net profit before income tax	409,501	2	3,419,471	19	1,397,454	4	6,684,116	19
7950	Income tax expense (Notes 4 and 28)	<u>392,780</u>	<u>2</u>	<u>719,208</u>	<u>4</u>	<u>650,357</u>	<u>2</u>	<u>1,409,471</u>	<u>4</u>
8200	NET PROFIT FOR THE PERIOD	<u>16,721</u>	-	<u>2,700,263</u>	<u>15</u>	<u>747,097</u>	<u>2</u>	<u>5,274,645</u>	<u>15</u>
	OTHER COMPREHENSIVE INCOME (LOSS) Items that will not be reclassified subsequently to profit or loss:								
8316	Unrealized gain (loss) on equity instruments at FVTOCI (Note 25)	(163,976)	(1)	138,951	1	(40,292)	-	365,465	1
8349	Income tax relating to items that will not be reclassified (Notes 4, 25 and 28)	(<u>537</u>)	-	(<u>990</u>)	-	(<u>1,706</u>)	-	(<u>2,322</u>)	-
8310		(<u>164,513</u>)	(<u>1</u>)	<u>137,961</u>	<u>1</u>	(<u>41,998</u>)	-	<u>363,143</u>	<u>1</u>
	Items that may be reclassified subsequently to profit or loss:								
8361	Exchange differences on translating the financial statements of foreign operations (Note 25)	(331,717)	(2)	(335,582)	(2)	816,367	2	(499,503)	(1)
8399	Income tax relating to items that may be reclassified subsequently to profit or loss (Notes 4, 25 and 28)	<u>39,940</u>	<u>1</u>	<u>37,298</u>	-	(<u>100,718</u>)	-	<u>57,082</u>	-
8360		(<u>291,777</u>)	(<u>1</u>)	(<u>298,284</u>)	(<u>2</u>)	<u>715,649</u>	<u>2</u>	(<u>442,421</u>)	(<u>1</u>)
8300	Other comprehensive income for the period (net of income tax)	(<u>456,290</u>)	(<u>2</u>)	(<u>160,323</u>)	(<u>1</u>)	<u>673,651</u>	<u>2</u>	(<u>79,278</u>)	-
8500	Total comprehensive income for the period	(<u>\$ 439,569</u>)	(<u>2</u>)	<u>\$ 2,539,940</u>	<u>14</u>	<u>\$ 1,420,748</u>	<u>4</u>	<u>\$ 5,195,367</u>	<u>15</u>
	Net income attributable to								
8610	Owners of the Company	\$ 354,012	2	\$ 1,305,809	7	\$ 888,771	2	\$ 2,554,471	7
8620	Non-controlling Interests	(<u>337,291</u>)	(<u>2</u>)	<u>1,394,454</u>	<u>8</u>	(<u>141,674</u>)	-	<u>2,720,174</u>	<u>8</u>
8600		<u>\$ 16,721</u>	-	<u>\$ 2,700,263</u>	<u>15</u>	<u>\$ 747,097</u>	<u>2</u>	<u>\$ 5,274,645</u>	<u>15</u>
	Total comprehensive income attributable to								
8710	Owners of the Company	(\$ 178,105)	(1)	\$ 1,500,005	8	\$ 877,410	2	\$ 2,981,771	9
8720	Non-controlling Interests	(<u>261,464</u>)	(<u>1</u>)	<u>1,039,935</u>	<u>6</u>	<u>543,338</u>	<u>2</u>	<u>2,213,596</u>	<u>6</u>
8700		(<u>\$ 439,569</u>)	(<u>2</u>)	<u>\$ 2,539,940</u>	<u>14</u>	<u>\$ 1,420,748</u>	<u>4</u>	<u>\$ 5,195,367</u>	<u>15</u>
	Earnings per share (Note 29)								
9710	Basic earnings per share	<u>\$ 0.33</u>		<u>\$ 1.22</u>		<u>\$ 0.83</u>		<u>\$ 2.38</u>	
9810	Diluted earnings per share	<u>\$ 0.33</u>		<u>\$ 1.22</u>		<u>\$ 0.83</u>		<u>\$ 2.38</u>	

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

USI Corporation and Subsidiaries
Consolidated Statements of Changes in Equity
For the Six Months Ended June 30, 2022 and 2021
(Reviewed, Not Audited)

Unit: NT\$ thousand

		Equity attributable to owners of the Company						Other Equity						
		Capital surplus				Retained earnings		Exchange differences on translating the financial statements of foreign operations (Notes 25 and 28)		Unrealized Gain (Loss) on Financial Assets at FVTOCI (Notes 8, 25 and 28)	Treasury share (Note 25)	Total	Non-controlling Interests (Notes 12 and 25)	Total equity
Code		Ordinary shares (Note 25)	Treasury Share Transactions (Note 25)	Shares of Changes in Capital Surplus of Associates (Notes 12 and 25)	Others (Note 25)	Legal reserve (Note 25)	Special reserve (Note 25)	Unappropriated earnings (Notes 8 and 25)						
A1	Balance as of January 1, 2021	\$ 11,887,635	\$ 264,647	\$ 37,211	\$ 19,940	\$ 3,109,625	\$ 781,059	\$ 5,606,462	(\$ 583,855)	\$ 343,660	(\$ 475,606)	\$ 20,990,778	\$ 27,732,865	\$ 48,723,643
	Distribution of earnings in 2020													
B1	Provision for legal reserve	-	-	-	-	233,461	-	(233,461)	-	-	-	-	-	-
B3	Reversal of special surplus reserve	-	-	-	-	-	(405,932)	405,932	-	-	-	-	-	-
B5	Cash dividends distributed to the Company	-	-	-	-	-	-	(1,188,763)	-	-	-	(1,188,763)	-	(1,188,763)
O1	Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(806,085)	(806,085)
D1	Net profit for the six months ended June 30, 2021	-	-	-	-	-	-	2,554,471	-	-	-	2,554,471	2,720,174	5,274,645
D3	Other comprehensive income (loss) for the six months ended June 30, 2021, net of income tax	-	-	-	-	-	-	-	(186,436)	613,736	-	427,300	(506,578)	(79,278)
D5	Total comprehensive income (loss) for the six months ended June 30, 2020	-	-	-	-	-	-	2,554,471	(186,436)	613,736	-	2,981,771	2,213,596	5,195,367
C7	Changes in equity of subsidiaries recognized by equity method	-	-	3,630	-	-	-	-	-	-	-	3,630	172	3,802
M1	Dividends distributed to subsidiaries to adjust capital reserve	-	38,329	-	-	-	-	-	-	-	-	38,329	-	38,329
O1	Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(98,320)	(98,320)
Z1	Balance as of June 30, 2021	\$ 11,887,635	\$ 302,976	\$ 40,841	\$ 19,940	\$ 3,343,086	\$ 375,127	\$ 7,144,641	(\$ 770,291)	\$ 957,396	(\$ 475,606)	\$ 22,825,745	\$ 29,042,228	\$ 51,867,973
A1	Balance as of January 1, 2022	\$ 11,887,635	\$ 302,976	\$ 41,902	\$ 21,307	\$ 3,343,086	\$ 375,127	\$ 9,881,214	(\$ 710,973)	\$ 795,331	(\$ 475,606)	\$ 25,461,999	\$ 30,182,962	\$ 55,644,961
	Distribution of earnings in 2021													
B1	Provision for legal reserve	-	-	-	-	529,104	-	(529,104)	-	-	-	-	-	-
B3	Provision of special reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
B5	Cash dividends distributed to the Company	-	-	-	-	-	-	(2,615,280)	-	-	-	(2,615,280)	-	(2,615,280)
O1	Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(2,804,905)	(2,804,905)
D1	Net profit for the six months ended June 30, 2022	-	-	-	-	-	-	888,771	-	-	-	888,771	(141,674)	747,097
D3	Other comprehensive income (loss) for the six months ended June 30, 2022, net of income tax	-	-	-	-	-	-	-	318,881	(330,242)	-	(11,361)	685,012	673,651
D5	Total comprehensive income (loss) for the six months ended June 30, 2022	-	-	-	-	-	-	888,771	318,881	(330,242)	-	877,410	543,338	1,420,748
C7	Changes in equity of subsidiaries recognized by equity method	-	-	-	-	-	-	-	-	-	-	-	(6)	(6)
M1	Dividends distributed to subsidiaries to adjust capital reserve	-	84,325	-	-	-	-	-	-	-	-	84,325	-	84,325
Q1	Disposal of equity instrument investments measured at fair value through other comprehensive income	-	-	-	-	-	-	(10,446)	-	10,446	-	-	-	-
O1	Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	46,962	46,962
Z1	Balance as of June 30, 2022	\$ 11,887,635	\$ 387,301	\$ 41,902	\$ 21,307	\$ 3,872,190	\$ 375,127	\$ 7,615,155	(\$ 392,092)	\$ 475,535	(\$ 475,606)	\$ 23,808,454	\$ 27,968,351	\$ 51,776,805

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

USI Corporation and Subsidiaries
Consolidated Statements of Cash Flows
For the Six Months Ended June 30, 2022 and 2021
(Reviewed, Not Audited)

Unit: NT\$ thousand

Code		For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
	Cash flows from operating activities		
A10000	Income before income tax	\$ 1,397,454	\$ 6,684,116
A20010	Income (expenses) items		
A20100	Depreciation expenses	1,157,304	1,138,658
A20200	Amortization expense	26,897	31,073
A20300	Expected credit impairment loss	105	1,448
A20400	Net loss (gain) on financial assets and liabilities at FVTPL	149,570	(410,767)
A20900	Finance costs	73,199	84,091
A21200	Interest income	(52,914)	(40,032)
A21300	Dividend income	(333,303)	(104,249)
A22300	Share of loss of joint ventures accounted for using the equity method	2,759,439	20,805
A22500	(Gain) loss of disposal and scrapping of property, plant and equipment	(4,839)	72,287
A23800	Provision for write-downs of inventories and obsolescence losses	371,201	6,991
A29900	Gain on revised lease	-	(660)
A29900	Recognition of refund liabilities	687	5,796
A30000	Changes in operating assets and liabilities		
A31115	Decrease (increase) in financial assets and liabilities mandatorily classified as at FVTPL	1,505,642	(32,673)
A31130	Decrease in notes receivable	237,876	81,525
A31150	Decrease (increase) in accounts receivable	1,433,723	(1,293,857)
A31180	Decrease (increase) in other receivables	97,986	(155,856)
A31200	Increase in inventories	(2,112,464)	(1,745,165)
A31230	Increase in prepayments	(269,544)	(369,491)
A31240	Decrease (increase) in other current assets	2,855	(1,523)
A32150	Increase in accounts payable	618,953	641,474
A32180	(Decrease) increase in other payables	(732,807)	419,463
A32200	(Decrease) increase in refund liabilities	(3,515)	3,712
A32240	Decrease in net defined benefit liabilities	(103,881)	(82,692)
A32230	Increase in other current liabilities	172,895	147,704
A33000	Cash generated from operations	6,392,519	5,102,178
A33100	Interest received	61,495	43,440
A33300	Interest paid	(79,871)	(85,290)
A33500	Income tax paid	(2,570,423)	(1,191,233)
AAAA	Net cash generated from operating activities	<u>3,803,720</u>	<u>3,869,095</u>

(Continued)

(Continued)

Code		For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
	Cash flows from investing activities		
B00020	Disposal of FVTOCI	\$ 6,162	\$ -
B00030	Return of capital from financial assets at FVTOCI	-	39,145
B00050	Purchase of financial assets at amortized cost	(15,882)	(5,673)
B01800	Acquisition of long-term equity investments using the equity method	(90,000)	-
B02700	Acquisitions of property, plant and equipment	(1,302,025)	(1,570,262)
B02800	Proceeds from disposal of property, plant and equipment	22,126	22,867
B03700	Increase in refundable deposits	(19,004)	(4,880)
B04500	Acquisition of other intangible assets	(192)	(180)
B05400	Acquisition of investment properties	(3,126)	(55)
B06700	Increase in other non-current assets	(55,503)	(242,365)
B07600	Dividends received	8,954	-
BBBB	Net cash used in investing activities	<u>(1,448,490)</u>	<u>(1,761,403)</u>
	Cash flows from financing activities		
C00100	Decrease in short-term borrowings	(858,800)	(124,241)
C00500	Decrease in short-term notes payable	(230,000)	(93,000)
C01200	Issuing of bonds	-	1,995,634
C01300	Repayments of bonds	(1,000,000)	-
C01600	Proceeds from mid- to long-term borrowings	8,626,059	14,190,000
C01700	Repayments of mid- to long-term borrowings	(8,031,760)	(17,360,000)
C03100	Proceeds from guarantee deposits received	11,730	2,867
C04020	Repayments of the principal portion of lease liabilities	(37,570)	(34,114)
C04400	Decrease in other non-current liabilities	(4,398)	(1,067)
C04500	Decrease in dividends payable	(443)	(298)
C05800	Change in non-controlling interests	46,962	(98,320)
CCCC	Net cash used in financing activities	<u>(1,478,220)</u>	<u>(1,522,539)</u>
DDDD	EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>408,018</u>	<u>(145,652)</u>
EEEE	Net increase in cash and cash equivalents	1,285,028	439,501
E00100	Cash and cash equivalents at the beginning of the period	<u>10,365,353</u>	<u>9,637,007</u>
E00200	Cash and cash equivalents at the end of the period	<u>\$ 11,650,381</u>	<u>\$ 10,076,508</u>

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

USI Corporation and Subsidiaries
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 For the Six Months Ended June 30, 2022 and 2021
 (Reviewed, Not Audited)
 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

USI Corporation ("USI", the "Company" or the "parent company") was incorporated in May 1965. The Company mainly produces and sells polyethylene. In May 1972, the Company's shares have been listed on the Taiwan Stock Exchange ("TWSE").

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

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were reported to and issued by the Company's board of directors on August 4, 2022.

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

- a. Initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRSs") 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. IFRSs endorsed by the FSC that are applicable in 2023

<u>New/Revised/Amended Standards and Interpretations</u>	<u>Effective Date Announced by IASB</u>
Amendments to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023 (Note 1)
Amendment to IAS 8 "Definition of Accounting Estimates"	January 1, 2023 (Note 2)
Amendments to IAS 12 "Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction"	January 1, 2023 (Note 3)

Note 1: The amendments are applicable to the annual reporting periods beginning on or after January 1, 2023.

Note 2: The amendments are applicable to the changes of the accounting estimates and changes of accounting policies which happen on the annual reporting periods beginning on or after January 1, 2023.

Note 3: Except for the recognition of deferred income tax on temporary differences between lease and decommissioning obligations on January 1, 2022 (the earliest date of commencement of the period presented), the amendments are applicable to transactions that occur after January 1, 2022.

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.

c. IFRSs that have been issued by IASB but not yet endorsed by the FSC

<u>New/Amended/Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note)</u>
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendment to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-Current"	January 1, 2023

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.

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. Statement of compliance

The interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less

than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value 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). Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. The total comprehensive income of subsidiaries is attributed to the owners of the Company and the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

Please refer to Note 12, Table 7 and Table 8 for detailed information on subsidiaries, percentages of ownership and main businesses.

d. Other significant accounting policies

Except for the following, for the accounting policies applied to these interim consolidated financial statements, please refer to the consolidated financial statements for the year ended December 31, 2021.

1) Defined benefit plan

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 fiscal year, adjusted for significant market fluctuations since that time and significant plan amendments, settlements, or other significant one-off events.

2) Taxation

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

5. Critical Accounting Judgments and Key Sources of Estimation and Uncertainty

In adopting accounting policies of the Group, management must make judgments, estimates and assumptions based on historical experience and other relevant factors for those whose information is not readily available from other sources. Actual results may differ from estimates.

The Group will incorporate the recent global outbreak of the COVID-19 pandemic and its possible impact on the economic environment into major accounting estimates. Management will continue to review the estimates and underlying assumptions. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future

periods if the revision affects both current and future periods. For others, please refer to the statement of major sources of uncertainty of significant accounting judgments, estimates and assumptions in the consolidated financial statements for the years ended December 31, 2021.

6. Cash and cash equivalents

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Cash on hand and petty cash	\$ 4,141	\$ 70,667	\$ 84,712
Checking accounts and demand deposits	3,326,575	3,383,659	3,417,495
Cash equivalents			
Time deposits	7,042,216	6,655,811	6,567,217
Reserve repurchase agreements collateralized by bonds	<u>1,277,449</u>	<u>255,216</u>	<u>7,084</u>
	<u>\$ 11,650,381</u>	<u>\$ 10,365,353</u>	<u>\$ 10,076,508</u>

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

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Time deposits	0.08%~2.35%	0.08%~2.50%	0.05%~3.00%
Reserve repurchase agreements collateralized by bonds	0.63%~1.60%	0.06%~0.90%	0.85%~1.15%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
<u>Financial assets mandatorily at FVTPL</u>			
Derivative (not under hedge accounting)			
- Foreign exchange forward contracts	<u>\$ 5,054</u>	<u>\$ 8,297</u>	<u>\$ 7,648</u>
Non-derivative financial assets			
- Domestic listed (OTC) shares	288,839	603,956	842,533
- Fund beneficiary certificates	3,568,502	4,896,869	4,865,303
- Beneficiary securities	232,535	232,680	224,928
- Overseas listed shares	<u>121</u>	<u>464</u>	<u>370</u>
Sub-total	<u>4,089,997</u>	<u>5,733,969</u>	<u>5,933,134</u>
	<u>\$ 4,095,051</u>	<u>\$ 5,742,266</u>	<u>\$ 5,940,782</u>

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
<u>Financial liabilities held for trading</u>			
Derivative (not under hedge accounting)			
- Foreign exchange forward contracts	\$ <u>11,377</u>	\$ <u>3,380</u>	\$ <u>6,383</u>

At the end of the reporting period, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	<u>Currency</u>	<u>Expiration date</u>	<u>Contract Amount (In Thousands)</u>	
<u>June 30, 2022</u>				
Sell	RMB/NTD	111.07.04-111.09.26	RMB 303,100 /NTD	1,336,628
Sell	USD/MYR	111.08.30-112.01.27	USD 1,850 /MYR	7,859
Sell	USD/NTD	111.07.04-111.08.26	USD 23,370 /NTD	692,638
Buy	NTD/USD	111.07.04-111.09.26	NTD 654,776 /USD	22,080
Buy	JPY/ USD	111.07.22	JPY 60,000 /USD	465
<u>December 31, 2021</u>				
Sell	RMB/NTD	111.01.03-111.03.24	RMB 375,900 /NTD	1,625,844
Sell	USD/MYR	111.04.29-111.10.31	USD 2,150 /MYR	9,075
Sell	USD/NTD	111.01.03-111.03.30	USD 45,290 /NTD	1,259,790
Sell	EUR/ MYR	111.01.31-111.02.28	EUR 60 /MYR	304
Buy	NTD/USD	111.03.07	NTD 128,458 /USD	4,640
Buy	JPY/ USD	111.01.18-111.02.24	JPY 100,000 /USD	883
<u>June 30, 2021</u>				
Sell	RMB/NTD	110.07.09-110.09.27	RMB 243,500 /NTD	1,047,166
Sell	USD/MYR	110.07.30-111.03.31	USD 950 /MYR	3,939
Sell	USD/NTD	110.07.02-110.10.22	USD 50,690 /NTD	1,413,051
Sell	EUR/ MYR	110.10.29-111.02.28	EUR 180 /MYR	908
Buy	NTD/USD	110.07.01-110.09.10	NTD 309,714 /USD	11,127
Buy	JPY/ USD	110.08.20	JPY 20,000 /USD	183

The Group entered into foreign exchange forward contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities. However, those contracts did not meet the criteria of hedge effectiveness, and therefore, the Group did not apply hedge accounting treatments for derivative contracts.

Please refer to Note 35 for the pledge of investments in equity instruments at FVTPL

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
<u>Current</u>			
Investments in equity instruments			
Domestic investments			
Listed (OTC) shares	<u>\$ 102,161</u>	<u>\$ 145,921</u>	<u>\$ 208,884</u>
<u>Non-current</u>			
Investments in equity instruments			
Domestic investments			
Listed (OTC) shares	\$ 1,716,385	\$ 1,672,941	\$ 1,782,188
Emerging market shares	25,593	21,677	12,567
Unlisted shares	<u>366,312</u>	<u>437,569</u>	<u>741,364</u>
	<u>2,108,290</u>	<u>2,132,187</u>	<u>2,536,119</u>
Overseas investments			
Listed (OTC) shares	39,929	40,855	32,402
Unlisted shares	<u>142,267</u>	<u>113,775</u>	<u>106,437</u>
	<u>182,196</u>	<u>154,630</u>	<u>138,839</u>
	<u>\$ 2,290,486</u>	<u>\$ 2,286,817</u>	<u>\$ 2,674,958</u>

The Group invested the listed shares and over-the-counter shares, emerging market shares and unlisted shares for medium- to long-term strategic purposes. 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.

The Group sold 3 thousand shares of Riselink Venture Capital Corp. and 595 thousand shares of Orgchem Technologies, Inc. respectively from January 1 to June 30, 2022. Related other equity - the unrealized loss of financial assets measured at fair value through other comprehensive income of NT\$10,446 thousand is transferred to retained surplus. From January 1 to June 30, 2021, due to the reduction of capital and refund of shares respectively by the invested company, the Group shall recover NT\$39,145 thousand according to the proportion of shares held.

The Group recognized dividend revenue of \$4,124 thousand and \$78,136 thousand from January 1 to June 30, 2022 and 2021, respectively.

9. Financial assets at amortized cost

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
<u>Current</u>			
Pledged time deposits	<u>\$ 363,373</u>	<u>\$ 349,137</u>	<u>\$ 348,043</u>
<u>Non-current</u>			
Constricted bank deposits	<u>\$ 358,915</u>	<u>\$ 382,501</u>	<u>\$ 396,908</u>
The range of interest rate			
Pledged time deposits	0.04%~1.85%	0.04%~1.85%	0.04%~1.85%

Restricted bank deposit means the subsidiary's earning repatriation and for Taiwan Water Corporation's petition of provisional attachment with the court due to gas explosion case. The Group's filed applying to the Management, Utilization and Taxation for Patriated Offshore Funds Act was approved to repatriate the funds by the Ministry of Finance in 2020 and deposited the net value after tax to foreign exchange deposit account. The deposit is limited for free utilization by laws and regulations that three-year withdrawal is not permitted until five years of the deposit, except for financial investment or physical investments with partially free utilization by law.

Please refer to Note 35 for the information related to financial assets at amortized cost pledged as security.

10. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
<u>Notes receivable (a)</u>			
At amortized cost			
Gross carrying amount	<u>\$ 637,869</u>	<u>\$ 875,745</u>	<u>\$ 590,051</u>
<u>Accounts receivable (a)</u>			
Financial liabilities measured at amortized cost			
Gross carrying amount	\$ 7,167,050	\$ 8,600,861	\$ 8,191,748
Less: allowance for loss	(<u>85,753</u>)	(<u>85,384</u>)	(<u>88,719</u>)
	<u>\$ 7,081,297</u>	<u>\$ 8,515,477</u>	<u>\$ 8,103,029</u>
<u>Other receivables (b)</u>			
Tax refund receivable	\$ 279,436	\$ 299,915	\$ 309,793
Lent material fees receivable	-	70,090	349
Others	<u>72,129</u>	<u>141,720</u>	<u>52,419</u>
	<u>\$ 351,565</u>	<u>\$ 511,725</u>	<u>\$ 362,561</u>

a. Notes and accounts receivable

The average credit period of sales of goods was 10 to 150 days. No interest was charged on the receivables.

In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. Before accepting a new customer, the Group surveys the customers' credit history and measures the potential customer's credit quality to grant a credit term. A customer's credit term and rating are reviewed annually. In addition, the Group reviews the recoverable amount of each individual trade debt on the balance sheet date to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. Expected credit losses over the life period are calculated using a reserve matrix, which takes into account the customer's past default record and current financial condition, industry economic situation and industry outlook.

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 receivables and trade receivables based on the Group's allowance matrix.

June 30, 2022

Based on the number of days past due

	<u>Up to 60 Days</u>	<u>61~90 Days</u>	<u>Over 91 Days</u>	<u>Total</u>
Gross carrying amount	\$ 4,037,542	\$ 8,053	\$ 6,621	\$ 4,052,216
Loss allowance (Lifetime ECLs)	(<u>12,946</u>)	<u>-</u>	(<u>4,383</u>)	(<u>17,329</u>)
Amortized cost	<u>\$ 4,024,596</u>	<u>\$ 8,053</u>	<u>\$ 2,238</u>	<u>\$ 4,034,887</u>

Based on credit quality

	<u>Credit Rating A</u>	<u>Credit Rating B</u>	<u>Credit Rating C</u>	<u>Others</u>	<u>Total</u>
Gross carrying amount	\$115,921	\$896,706	\$290,612	\$2,449,464	\$3,752,703
Loss allowance (Lifetime ECLs)	<u>-</u>	(<u>6,146</u>)	(<u>4,876</u>)	(<u>57,402</u>)	(<u>68,424</u>)
Amortized cost	<u>\$115,921</u>	<u>\$890,560</u>	<u>\$285,736</u>	<u>\$2,392,062</u>	<u>\$3,684,279</u>

December 31, 2021

Based on the number of days past due

	<u>Up to 60 Days</u>	<u>61~90 Days</u>	<u>Over 91 Days</u>	<u>Total</u>
Gross carrying amount	\$ 4,887,767	\$ 835	\$ 8,156	\$ 4,896,758
Loss allowance (Lifetime ECLs)	(12,511)	(330)	(4,209)	(17,050)
Amortized cost	<u>\$ 4,875,256</u>	<u>\$ 505</u>	<u>\$ 3,947</u>	<u>\$ 4,879,708</u>

Based on credit quality

	<u>Credit Rating A</u>	<u>Credit Rating B</u>	<u>Credit Rating C</u>	<u>Others</u>	<u>Total</u>
Gross carrying amount	\$366,796	\$1,174,614	\$296,804	\$2,741,634	\$4,579,848
Loss allowance (Lifetime ECLs)	-	(6,728)	(5,191)	(56,415)	(68,334)
Amortized cost	<u>\$366,796</u>	<u>\$1,167,886</u>	<u>\$291,613</u>	<u>\$2,685,219</u>	<u>\$4,511,514</u>

June 30, 2021

Based on the number of days past due

	<u>Up to 60 Days</u>	<u>61~90 Days</u>	<u>Over 91 Days</u>	<u>Total</u>
Gross carrying amount	\$ 3,304,794	\$ 4,963	\$ 6,010	\$ 3,315,767
Loss allowance (Lifetime ECLs)	(4,651)	-	(4,674)	(9,325)
Amortized cost	<u>\$ 3,300,143</u>	<u>\$ 4,963</u>	<u>\$ 1,336</u>	<u>\$ 3,306,442</u>

Based on credit quality

	<u>Credit Rating A</u>	<u>Credit Rating B</u>	<u>Credit Rating C</u>	<u>Others</u>	<u>Total</u>
Gross carrying amount	\$596,325	\$1,619,352	\$478,015	\$2,772,340	\$5,466,032
Loss allowance (Lifetime ECLs)	(3,555)	(9,711)	(7,183)	(58,945)	(79,394)
Amortized cost	<u>\$592,770</u>	<u>\$ 1,609,641</u>	<u>\$470,832</u>	<u>\$2,713,395</u>	<u>\$5,386,638</u>

The aging schedule of notes and accounts receivable with loss reserve measured based on credit quality was as follows:

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Not past due	\$ 3,511,072	\$ 4,251,618	\$ 4,732,562
Up to 60 days	183,232	251,874	510,950
Over 61 days	58,399	76,356	222,520
	<u>\$ 3,752,703</u>	<u>\$ 4,579,848</u>	<u>\$ 5,466,032</u>

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

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

	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Beginning balance	\$ 85,384	\$ 90,056
Allowance of impairment loss for the current period	105	1,448
Less: Amounts written off during the period as uncollectible	(88)	(2,505)
Foreign exchange translation gains and losses	<u>352</u>	<u>(280)</u>
Ending balance	<u>\$ 85,753</u>	<u>\$ 88,719</u>

b. Other receivables

Other receivables mainly consisted of tax refund receivable, lent material fees receivable. The average aging of other receivables was less than 60 days based on the number of days past due from the invoice date, and an impairment loss was assessed based on the expected credit losses. There were no other overdue receivables with an unrecognized allowance for doubtful accounts in the Group from as of June 30, 2022 and as of December 31, 2021 and June 30, 2021.

11. INVENTORIES

	June 30, 2022	December 31, 2021	June 30, 2021
Finished goods	\$ 5,105,405	\$ 4,567,525	\$ 3,165,986
Work in progress	700,777	476,649	467,121
Raw materials	2,783,872	1,980,596	1,991,165
Supplies	424,443	359,533	376,270
Inventory in transit	<u>324,045</u>	<u>215,540</u>	<u>38,220</u>
	<u>\$ 9,338,542</u>	<u>\$ 7,599,843</u>	<u>\$ 6,038,762</u>

The costs of inventories recognized as cost of goods sold for the years from April 1 to June 30, 2022 and 2021 and from January 1 to June 30, 2022 and 2021 were \$14,821,696 thousand, \$13,455,770 thousand, \$28,790,293 thousand and \$25,193,506 thousand, respectively.

The inventory net realization profits contained in sales cost and losses on inventory value recoveries for the periods from April 1 to June 30, 2022 and 2021 and from January 1 to June 30, 2022 and 2021 were \$345,359 thousand and \$19,091 thousand, \$371,201 thousand and \$6,991 thousand, respectively.

12. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements

The consolidated financial statements are prepared by the following subjects:

Investor	Name of Subsidiary	Nature of Activities	Proportion of Ownership (%)			Remark	
			June 30, 2022	December 31, 2021	June 30, 2021		
The Company	USI Investment Co., Ltd. (USII)	Investment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>		
	Swanlake Traders Ltd. (Swanlake)	Trading and investment	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>		
	USI (Hong Kong) Company Ltd.	Trading and investment	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>		
	USI Management Consulting Corp (“UM”)	Providing management services	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>		
	Chong Loong Trading Co., Ltd. (“CLT”)	Import and export trade	<u>99.9%</u>	<u>99.9%</u>	<u>99.9%</u>		
	Union Polymer International Investment Corporation (UPIIC)	Investment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>		
	Cypress Epoch Limited	Investment business	-	-	100.0%	1.	
	INOMA Corporation (INOMA)	Optical products and fire protection materials	<u>94.4%</u>	<u>94.4%</u>	<u>94.4%</u>		
	USIG (Shanghai) Co., Ltd. (USIG)	Import and distribution of various types of chemical raw materials and products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	1.	
	USI Green Energy Corporation (USIGE)	Solar power generation business	<u>100.0%</u>	<u>100.0%</u>	-	2.	
	The Company	Taiwan United Venture Capital Corp. (“TUVCC”)	Venture capital	70.0%	70.0%	70.0%	11.
	Asia Polymer Corporation (APC)			<u>8.3%</u>	<u>8.3%</u>	<u>8.3%</u>	
	The Company	Swanson Plastics Corp. (“SPC”)	Production and marketing of stretch film, embossed film and industrial use multi-layer wrap	<u>78.3%</u> 40.6%	<u>78.3%</u> 40.6%	<u>78.3%</u> 40.6%	
	Asia Polymer Corporation USIFE Investment Co., Ltd.			8.0% <u>6.0%</u>	8.0% <u>6.0%</u>	8.0% <u>4.9%</u>	3.
The Company	Acme Electronics Corp. (ACME)	Production and marketing of manganese-zinc soft ferrite powder	<u>54.6%</u> 26.9%	<u>54.6%</u> 26.9%	<u>53.5%</u> 26.9%		
China General Plastics Corporation USIFE Investment Co., Ltd.			1.7% 9.3%	1.7% 9.3%	1.7% 9.3%		
Asia Polymer Corporation Taita Chemical Company, Ltd.			3.3% 2.4%	3.3% 2.4%	3.3% 2.4%		
APC Investment Corporation			<u>1.0%</u>	<u>1.0%</u>	<u>1.0%</u>		
The Company	USI Optronics Corporation (USIO)	Manufacturing and marketing of sapphire crystal	<u>44.6%</u> 50.9%	<u>44.6%</u> 50.9%	<u>44.6%</u> 50.9%	14.	
Acme Electronics Corporation Asia Polymer Corporation USIFE Investment Co., Ltd.			34.0% 9.2% <u>0.2%</u>	34.0% 9.2% <u>0.2%</u>	34.0% 9.2% <u>0.2%</u>		
Acme Electronics Corporation APC (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	Reinvestment business	<u>94.3%</u> 51.3%	<u>94.3%</u> 51.3%	<u>94.3%</u> 51.3%		
Swanlake Traders Ltd. TAITA (BVI) Holding Co., Ltd.			16.6% 16.7% <u>5.4%</u>	16.6% 16.7% <u>5.4%</u>	16.6% 16.7% <u>5.4%</u>	4.	
			<u>90.0%</u>	<u>90.0%</u>	<u>90.0%</u>		

(Continued)

(Continued)

Investor	Name of Subsidiary	Nature of Activities	Proportion of Ownership (%)			Remark
			June 30, 2022	December 31, 2021	June 30, 2021	
Acme Electronics Corporation	Golden Amber Enterprises Limited	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
ACME Electronics (Cayman) Corp.	Acme Electronics (Kunshan) Co., Ltd.	Manufacturing and sales of manganese-zinc soft ferrite core	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	ACME Components (Malaysia) Sdn.Bhd.	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Golden Amber Enterprises Limited	Acme Electronics (Guang-Zhou) Co., Ltd.	Manufacturing and sales of manganese-zinc soft ferrite core	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Union Polymer International Investment Corporation	Asia Polymer Corporation ("APC")	Production and marketing of low-density polyethylene, medium-density polyethylene, ethylene vinyl acetate and importing and marketing of linear low-density polyethylene and high-density polyethylene	36.1%	36.1%	36.1%	
China General Terminal & Distribution Co. Ltd.			0.9%	0.9%	0.9%	
USIFE Investment Co., Ltd.			0.3%	0.3%	0.3%	
Taiwan VCM Corporation			-	-	-	
			<u>37.3%</u>	<u>37.3%</u>	<u>37.3%</u>	14.
Asia Polymer Corporation	APC (BVI) Holding Co., Ltd. (APC (BVI))	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Asia Polymer Corporation	USI International Corporation	Reinvestment business	70.0%	70.0%	70.0%	
APC (BVI) Holding Co., Ltd.			<u>30.0%</u>	<u>30.0%</u>	<u>30.0%</u>	
			<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Asia Polymer Corporation	APC Investment Corporation	Investment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
APC (BVI) Holding Co., Ltd.	USI Trading (Shanghai) Co.,Ltd.	Management of chemical products, equipment and plastic products and whole sale of electronic materials, commission agency services and related supporting import and export services	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Union Polymer International Investment Corporation	Taita Chemical Company, Limited ("TTC")	Production and marketing of polystyrene, acrylonitrile, butadiene, ABS resin, SAN resin, glass wool insulation products and plastic materials	36.8%	36.8%	36.8%	
China General Terminal & Distribution Co. Ltd.			0.6%	0.6%	0.6%	
USIFE Investment Co., Ltd.			<u>0.4%</u>	<u>0.4%</u>	<u>0.4%</u>	
			<u>37.8%</u>	<u>37.8%</u>	<u>37.8%</u>	14.
TTC Chemical Company, Ltd.	TAITA (BVI) Holding Co, Ltd. (TAITA (BVI))	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	5.
TAITA (BVI) Holding Co, Ltd.	Taita Chemical (Zhong Shan) Co., Ltd. (TTC (ZS))	Production and marketing of polystyrene derivatives	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Taita Chemical (Tianjin) Co., Ltd. ("TTC (TJ)")	Production and marketing of polystyrene derivatives	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	6.
	Zhangzhou Taita Chemical Company, Limited (ZTC)	Production and marketing of polystyrene derivatives	<u>100.0%</u>	-	-	5.
Swanlake Traders Ltd.	Zhangzhou Taiju Trading Co., Ltd. (ZTC)	Sales of chemical products	70.0%	-	-	
APC (BVI) Holding Co., Ltd.			<u>30.0%</u>	-	-	
			<u>100.0%</u>	-	-	8.
Union Polymer Int'l Investment Corp.	China General Plastics Corporation (CGPC)	Production and sales of plastic cloths, plastic skins, plastic tubes, plastic pellets, plastic powder and other related products	25.0%	25.0%	25.0%	
Asia Polymer Corporation	Taita Chemical Company, Ltd.		8.0%	8.0%	8.0%	
			2.0%	2.0%	2.0%	
China General Terminal & Distribution Co. Ltd.			0.5%	0.5%	0.5%	
USIFE Investment Co., Ltd.			<u>0.1%</u>	<u>0.1%</u>	<u>0.1%</u>	
			<u>35.6%</u>	<u>35.6%</u>	<u>35.6%</u>	14.
China General Plastics Corporation	Taiwan VCM Corporation (TVCM)	Manufacturing and marketing of vinyl chloride monomer and related petrochemical products	<u>87.3%</u>	<u>87.3%</u>	<u>87.3%</u>	7.
	CGPC (BVI) Holding Co., Ltd.	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	CGPC America Corporation	Marketing of PVC two- or three-time processed products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	CGPC Polymer Corporation ("CGPCPOL")	Manufacture and marketing of PVC powder	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	

(Continued)

(Continued)

Investor	Name of Subsidiary	Nature of Activities	Proportion of Ownership (%)			Remark
			June 30, 2022	December 31, 2021	June 30, 2021	
Taiwan VCM Corporation	Global Green Technology Corporation (GGC)	Environmental detection services	<u>100.0%</u>	<u>-</u>	<u>-</u>	12.
CGPC (BVI) Holding Co., Ltd.	Continental General Plastics (ZhongShan) Co.,Ltd. (CGPC (ZS))	Manufacturing and sales of PVC film and third-time processed products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	10.
	CGPC Consumer Products Corporation	Manufacturing and sales of PVC film and third-time processed products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	10.
China General Plastics Corporation	China General Terminal & Distribution Corporation (CGTD)	Warehousing petrochemical raw materials	33.3%	33.3%	33.3%	
Taita Chemical Company, Ltd.			33.3%	33.3%	33.3%	
Asia Polymer Corporation			<u>33.4%</u>	<u>33.4%</u>	<u>33.4%</u>	
USIFE Investment Co., Ltd.	Taiwan United Venture Management Corp. (TUVM)	Business management consulting	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
ACME Components (Malaysia) Sdn.Bhd.	ACME Ferrite Products Sdn.Bhd	Manufacturing and marketing of soft ferrite core	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Swanson Plastics Corporation	Curtana Company Ltd.	Reinvestment business	<u>-</u>	<u>-</u>	<u>-</u>	9.
	Forever Young Company Ltd.	Trading and agency businesses	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Swanson Plastics Company Ltd. (Singapore)	Production and marketing of plastic products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Swanson International Ltd.	Import and export trade	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Swanson Plastics Corporation	PT. Swanson Plastics Indonesia Ltd.	Production and marketing of plastic products	1.0%	1.0%	1.0%	
Swanson Plastics Corporation (Singapore) Pte., Ltd.			<u>99.0%</u>	<u>99.0%</u>	<u>99.0%</u>	
Swanson Plastics Corporation	Swanson Technologies Corporation	Production, marketing and development of EVA packaging film and other value added plastic products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
			70.0%	70.0%	70.0%	
APC Investment Corporation			15.0%	15.0%	15.0%	
USIFE Investment Co., Ltd.			<u>15.0%</u>	<u>15.0%</u>	<u>15.0%</u>	
Swanson Plastics Company Ltd. (Singapore)	Swanson Plastics (Malaysia) Sdn. Bhd.	Production and marketing of plastic products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Swanson Plastics (India) Private Limited	Production and marketing of plastic products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Swanson Plastics (Tianjin) Co., Ltd.	Production, sales and development of multi-functional film and light-solution film	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Swanson International Ltd.	A.S.Holdings (UK) Limited	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Swanson Plastics (Kunshan) Co., Ltd.	Production, sales and development of multi-functional film and light-solution film	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
A.S. Holdings (UK) Limited	ASK-Swanson (Kunshan) Co., Ltd.	Production and sales of PE release film and other release products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
The Company	Ever Conquest Global Limited (ECGL)	Investment business	59.1%	59.1%	59.1%	
(Asia Polymer Corporation)			<u>40.9%</u>	<u>40.9%</u>	<u>40.9%</u>	
			<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	13.
Ever Conquest Global Limited	Ever Victory Global Limited (EVGL)	Investment business	<u>67.4%</u>	<u>67.4%</u>	<u>67.4%</u>	13 and 14.
Ever Victory Global Limited	Dynamic Ever Investments Limited (DEIL)	Investment business	<u>85.0%</u>	<u>85.0%</u>	<u>85.0%</u>	13.

1) To simplify investing framework, the Company hanged its indirect investment in USIG (Shanghai) Co., Ltd. in China with approval of the Investment Commission, Ministry of Economics Affairs (Investment Commission) dated January 25, 2021, as such, with the approval, it was revised to be direct investment. And Cypress Epoch Limited has completed the dissolution and liquidation procedures on September 28, 2021.

- 2) In response to the government's green power policy, the Company purchased 100% of the equity from the non-related parties, Xuanju Co., Ltd. on July 5, 2021 at a purchase price of NT\$34,092 thousand, which was confirmed by the Board of Directors on July 8, 2021. In addition, USIGE issued 7,000 thousand ordinary shares through cash capital increase by resolution of the board of directors on November 3, 2021, which was subscribed by the Company in full. The paid-up capital after capital increase was NT\$70,100 thousand.
- 3) USI Investment Co., Ltd. (USII) obtained 1.1% equity from external shareholders of Swanson Plastics Corporation (SPC) in 2021 based on medium and long-term investment strategy, and obtained a price of NT\$19,691 thousand.
- 4) On January 21, 2021, Swanlake acquired 5.42% equity from the external shareholders of Acme Electronics (Cayman) Corp. approved by the Investment Commission, MOEA with the purchase price of NT\$2,172 thousand. After the purchase of equity, the proportion of equity held by the Group in Acme Electronics (Cayman) Corp. increased from 84.53% to 89.95%. Since the transaction does not change the Group's control over the subsidiary, it is treated as an equity transaction, and the difference arising from the said equity transaction of the Group is an adjustment to increase the capital reserve of NT\$3,564 thousand.
- 5) The board of directors of TTC decided on December 3, 2020 to invest RMB 314,000 thousand through TAITA (BVI) to establish ZTC Co. The company completed the establishment registration on June 28, 2021, and TAITA (BVI) has injected capital of RMB 306,950 thousand on March 8, 2022.
- 6) The management of TTC decided to suspend the main production of expanded polystyrene (EPS) by TTC (Tianjin) from April 2019 due to the assessment of the demand reduction of its subsidiary TTC (Tianjin) in the local market. Please refer to Note 14 for relevant explanation.
- 7) Based on the medium- and long- term investment strategy, the Group acquired 157 thousand shares of Taiwan VCM Corporation (TVCM) from external shareholders from March to September 2021 at a price of NT\$2,653 thousand. After the purchase of shares, the equity proportion of the Group to Taiwan VCM Corporation (TVCM) increased from 87.22% to 87.27%. As these transactions did not change the Group's control over the subsidiary, it is deemed as an equity transaction. Differences generated from the aforementioned equity transaction were adjusted to increases in capital surplus of NT\$252 thousand.

- 8) In order to sell the products produced by Gulei, the Company and APC resolved on August 13, 2020 and August 12, 2020, respectively, to establish a joint venture company, Zhangzhou Taiju Trading Co., Ltd., in Fujian Province, China. The company completed registration on March 12, 2022 and the capital was invested by Swanlake and APC (BVI) on May 20, 2022 in the amount of RMB7,000 thousand and RMB3,000 thousand, respectively.
- 9) In August 2020, Swanson Plastics Corporation (SPC) resolved to dissolve and liquidate the subsidiary Curtana Company Ltd., with the dissolution and liquidation procedure completed on February 5, 2021.
- 10) CGPC disposed of CGPC (ZS) and CGPC Consumer Products Corporation (“CGPC (CP)”) by resolution as approved in the meeting of the board of directors in October 2011. However, since the Company leased out the idle plant of the discontinued unit in 2021, considering that the operation of the plant is not substantially discontinued, the discontinued operation is reversed to continuing operation after evaluation.
- 11) To improve the financial structure and activate the company's capital utilization, TUVV passed the resolution of the extraordinary shareholders' meeting on November 25, 2021 to cover losses of NT\$100,000 thousand with retained earnings, and to cancel the issued shares of 10,000 thousand shares. The capital reduction ratio was 21.28%, and the base date for it was December 3, 2021. After the capital reduction, the paid-in share capital of TUVV was NT\$370,000 thousand.
- 12) In order to plan for future pollution remediation, testing and other related businesses and public works/public institution projects to be conducted by an independent company, TVCM invested in GGC as a single corporate shareholder and acquired 100% of the shares for NT\$50,000 thousand. The case was approved by the competent authority for registration on February 11, 2022, with a registered capital of NT\$168,880 thousand.
- 13) As of June 30, 2022, the Company and APC invested capital amounted to USD 246,670 thousand (around NT\$7,645,980 thousand) and USD 170,475 thousand (around NT\$5,255,587 thousand) in ECGL, respectively, and reinvested in EVGL via ECGL as well as in DEIL. The total ownership percentage of the Group in EVGL is 67.4%. For more detailed explanation, please refer to and Note 13.
- 14) This is a subsidiary with material non-controlling interests.

The financial statements of major subsidiaries CGPC, TTC, UPIIC, ECGL, EVGL and DEIL and some non-major subsidiaries as ACEM, ACME (Cayman), TVCM, CGPCPOL, APC and TAITA (ZS) and TAITA (TJ) included in the consolidated financial statements from January 1 to June 30, 2022 and 2021 have been reviewed by the accountants, and the financial statements of the remaining subsidiaries were reviewed by CPAs.

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

Subsidiary	Proportion of Ownership and Voting Rights Held by Non-controlling Interests		
	December 31,		
	June 30, 2022	2021	June 30, 2021
CGPC	64.4%	64.4%	64.4%
TTC	62.2%	62.2%	62.2%
ACME	55.4%	55.4%	55.4%
APC	62.7%	62.7%	62.7%
EVGL	32.6%	32.6%	32.6%

Please refer to Table 7 and 8 for the information on places of incorporation and principal places of business.

Subsidiary	Profit (Loss) Allocated to Non-controlling Interests				Non-controlling Interests		
	For the Three Months Ended	For the Three Months Ended	For the Six Months Ended	For the Six Months Ended	June 30, 2022	December 31, 2021	June 30, 2021
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021			
CGPC	(\$ 57,759)	\$ 359,427	\$ 238,662	\$ 902,995	\$ 6,384,504	\$ 7,063,369	\$ 6,382,196
TTC	\$ 101,031	\$ 343,316	\$ 264,978	\$ 652,773	\$ 4,455,008	\$ 4,715,783	\$ 4,654,692
ACME	\$ 4,963	\$ 6,546	\$ 11,715	\$ 10,981	\$ 755,358	\$ 720,250	\$ 714,137
APC	\$ 312,710	\$ 624,329	\$ 468,865	\$ 999,877	\$ 8,432,951	\$ 9,385,928	\$ 9,204,762
EVGL	(\$ 451,326)	(\$ 7,675)	(\$ 767,350)	(\$ 8,876)	\$ 5,110,114	\$ 5,740,914	\$ 5,904,515

The summarized financial information in respect of each of the Group's subsidiaries below represents amounts before intra-group eliminations:

CGPC and CGPC's subsidiaries

	June 30, 2022	December 31, 2021	June 30, 2021
Current assets	\$ 7,435,325	\$ 7,888,292	\$ 7,323,226
Non-current assets	9,529,839	9,087,023	8,556,208
Current liabilities	(3,886,852)	(2,992,501)	(3,818,288)
Non-current liabilities	(2,419,938)	(2,147,545)	(1,322,774)
Equity	<u>\$ 10,658,374</u>	<u>\$ 11,835,269</u>	<u>\$ 10,738,372</u>
Equity attributable to:			
Owners of the Company	\$ 3,666,061	\$ 4,099,608	\$ 3,739,561
Non-controlling interests of CGPC	6,384,504	7,063,369	6,382,196
Non-controlling interests of CGPC's subsidiaries	<u>607,809</u>	<u>672,292</u>	<u>616,615</u>
	<u>\$ 10,658,374</u>	<u>\$ 11,835,269</u>	<u>\$ 10,738,372</u>

	For the Three Months Ended <u>June 30, 2022</u>	For the Three Months Ended <u>June 30, 2021</u>	For the Six Months Ended <u>June 30, 2022</u>	For the Six Months Ended <u>June 30, 2021</u>
Revenue	<u>\$ 4,839,691</u>	<u>\$ 4,575,908</u>	<u>\$10,146,763</u>	<u>\$ 9,554,573</u>
(Loss) profit for the period	(\$ 86,781)	\$ 593,284	\$ 412,248	\$ 1,480,060
OTHER COMPREHENSIVE INCOME (LOSS)	(31,930)	6,371	(22,940)	40,924
Total comprehensive income	<u>(\$ 118,711)</u>	<u>\$ 599,655</u>	<u>\$ 389,308</u>	<u>\$ 1,520,984</u>
Net (loss) profit attributable to:				
Owners of the Company	(\$ 30,088)	\$ 187,233	\$ 124,325	\$ 470,390
Non-controlling interests of CGPC	(57,759)	359,427	238,662	902,995
Non-controlling interests of CGPC's subsidiaries	<u>1,066</u>	<u>46,624</u>	<u>49,261</u>	<u>106,675</u>
	<u>(\$ 86,781)</u>	<u>\$ 593,284</u>	<u>\$ 412,248</u>	<u>\$ 1,480,060</u>
Total comprehensive income attributable to:				
Owners of the Company	(\$ 92,083)	\$ 180,536	\$ 67,626	\$ 559,138
Non-controlling interests of CGPC	(27,487)	372,326	272,610	854,951
Non-controlling interests of CGPC's subsidiaries	<u>859</u>	<u>46,793</u>	<u>49,072</u>	<u>106,895</u>
	<u>(\$ 118,711)</u>	<u>\$ 599,655</u>	<u>\$ 389,308</u>	<u>\$ 1,520,984</u>
			For the Six Months Ended <u>June 30, 2022</u>	For the Six Months Ended <u>June 30, 2021</u>
Cash Flows				
Operating activities			\$ 425,621	\$ 884,424
Investing activities			(735,781)	(903,463)
Financing activities			273,604	260,841
Effects of exchange rate changes			(2,410)	(2,051)
Net cash (outflow) inflow			<u>(\$ 38,966)</u>	<u>\$ 239,751</u>

TTC and TTC's subsidiaries

	<u>June 30, 2022</u>	December 31, <u>2021</u>	<u>June 30, 2021</u>
Current assets	\$ 6,914,393	\$ 7,290,336	\$ 7,110,315
Non-current assets	3,253,760	3,454,323	3,516,107
Current liabilities	(2,539,049)	(2,343,160)	(2,308,025)
Non-current liabilities	<u>(433,557)</u>	<u>(739,686)</u>	<u>(721,902)</u>
Equity	<u>\$ 7,195,547</u>	<u>\$ 7,661,813</u>	<u>\$ 7,596,495</u>
Equity attributable to:			
Owners of the Company	\$ 2,740,539	\$ 2,946,030	\$ 2,941,803
Non-controlling interests of TTC	<u>4,455,008</u>	<u>4,715,783</u>	<u>4,654,692</u>
	<u>\$ 7,195,547</u>	<u>\$ 7,661,813</u>	<u>\$ 7,596,495</u>

	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Revenue	<u>\$ 5,015,395</u>	<u>\$ 5,567,940</u>	<u>\$ 9,551,324</u>	<u>\$ 10,104,088</u>
Net profit for the period	\$ 159,538	\$ 542,132	\$ 418,428	\$ 1,030,797
Other comprehensive income (loss)	(<u>195,631</u>)	<u>159,668</u>	(<u>127,386</u>)	<u>209,888</u>
Total comprehensive income	(<u>\$ 36,093</u>)	<u>\$ 701,800</u>	<u>\$ 291,042</u>	<u>\$ 1,240,685</u>
Net profit attributable to:				
Owners of the Company	\$ 58,507	\$ 198,816	\$ 153,450	\$ 378,024
Non-controlling interests of TTC	<u>101,031</u>	<u>343,316</u>	<u>264,978</u>	<u>652,773</u>
	<u>\$ 159,538</u>	<u>\$ 542,132</u>	<u>\$ 418,428</u>	<u>\$ 1,030,797</u>
Total comprehensive income attributable to:				
Owners of the Company	(\$ 34,331)	\$ 258,436	\$ 83,946	\$ 466,005
Non-controlling interests of TTC	(<u>1,762</u>)	<u>443,364</u>	<u>207,096</u>	<u>774,680</u>
	(<u>\$ 36,093</u>)	<u>\$ 701,800</u>	<u>\$ 291,042</u>	<u>\$ 1,240,685</u>
Cash flow			For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Operating activities			\$ 811,627	\$ 285,305
Investing activities			(78,226)	(63,570)
Financing activities			(652,107)	(1,325)
Effects of exchange rate changes			<u>25,713</u>	(<u>21,867</u>)
Net cash inflow			<u>\$ 107,007</u>	<u>\$ 198,543</u>

ACME and ACME's subsidiaries

	June 30, 2022	December 31, 2021	June 30, 2021
Current assets	\$ 2,572,887	\$ 2,335,126	\$ 2,097,467
Non-current assets	2,238,884	2,005,472	1,774,930
Current liabilities	(1,487,492)	(1,600,758)	(1,271,396)
Non-current liabilities	(<u>1,342,639</u>)	(<u>804,698</u>)	(<u>728,347</u>)
Equity	<u>\$ 1,981,640</u>	<u>\$ 1,935,142</u>	<u>\$ 1,872,654</u>
Equity attributable to:			
Owners of the Company	\$ 621,194	\$ 614,791	\$ 578,800
Non-controlling interests of ACME	755,358	720,250	714,137
Non-controlling interests of ACME's subsidiaries	<u>605,088</u>	<u>600,101</u>	<u>579,717</u>
	<u>\$ 1,981,640</u>	<u>\$ 1,935,142</u>	<u>\$ 1,872,654</u>

	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Revenue	<u>\$ 799,672</u>	<u>\$ 766,345</u>	<u>\$ 1,528,888</u>	<u>\$ 1,444,943</u>
Net profit for the period	\$ 2,069	\$ 20,648	\$ 20,162	\$ 29,975
Other comprehensive income (loss)	(42,183)	(16,593)	26,319	(42,396)
Total comprehensive income	<u>(\$ 40,114)</u>	<u>\$ 4,055</u>	<u>\$ 46,481</u>	<u>(\$ 12,421)</u>
Net profit attributable to:				
Owners of the Company	\$ 3,961	\$ 5,227	\$ 9,352	\$ 8,768
Non-controlling interests of ACME	4,963	6,546	11,715	10,981
Non-controlling interests of ACME's subsidiaries	(6,855)	8,875	(905)	10,226
	<u>\$ 2,069</u>	<u>\$ 20,648</u>	<u>\$ 20,162</u>	<u>\$ 29,975</u>
Total comprehensive income attributable to:				
Owners of the Company	(\$ 8,195)	\$ 637	\$ 18,420	(\$ 1,965)
Non-controlling interests of ACME	(10,265)	796	23,074	(2,462)
Non-controlling interests of ACME's subsidiaries	(21,654)	2,622	4,987	(7,994)
	<u>(\$ 40,114)</u>	<u>\$ 4,055</u>	<u>\$ 46,481</u>	<u>(\$ 12,421)</u>
			For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Cash Flows				
Operating activities			(\$ 282,289)	(\$ 21,793)
Investing activities			(258,894)	(184,050)
Financing activities			415,421	203,386
Effects of exchange rate changes			8,615	(28,839)
Net cash outflow			<u>(\$ 117,147)</u>	<u>(\$ 31,296)</u>

APC and APC's subsidiaries

	June 30, 2022	December 31, 2021	June 30, 2021
Current assets	<u>\$ 4,315,175</u>	<u>\$ 4,098,928</u>	<u>\$ 3,426,338</u>
Non-current assets	13,456,430	14,879,618	15,445,079
Current liabilities	(2,852,635)	(1,942,077)	(2,049,393)
Non-current liabilities	(1,361,754)	(1,574,420)	(1,729,620)
Equity	<u>\$ 13,557,216</u>	<u>\$ 15,462,049</u>	<u>\$ 15,092,404</u>
Equity attributable to:			
Owners of the Company	\$ 5,124,265	\$ 6,076,121	\$ 5,887,642
Non-controlling interests of APC	8,432,951	9,385,928	9,204,762
	<u>\$ 13,557,216</u>	<u>\$ 15,462,049</u>	<u>\$ 15,092,404</u>

	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Revenue	<u>\$ 2,348,179</u>	<u>\$ 2,335,675</u>	<u>\$ 4,489,795</u>	<u>\$ 4,188,280</u>
Net profit for the period	\$ 462,232	\$ 922,852	\$ 693,052	\$ 1,477,968
Other comprehensive income (loss)	(920,372)	1,113,757	(816,652)	1,504,872
Total comprehensive income	<u>(\$ 458,140)</u>	<u>\$ 2,036,609</u>	<u>(\$ 123,600)</u>	<u>\$ 2,982,840</u>
Net profit attributable to:				
Owners of the Company	\$ 149,522	\$ 298,523	\$ 224,187	\$ 478,091
Non-controlling interests of APC	<u>312,710</u>	<u>624,329</u>	<u>468,865</u>	<u>999,877</u>
	<u>\$ 462,232</u>	<u>\$ 922,852</u>	<u>\$ 693,052</u>	<u>\$ 1,477,968</u>
Total comprehensive income attributable to:				
Owners of the Company	(\$ 493,239)	\$ 940,244	(\$ 356,039)	\$ 1,330,222
Non-controlling interests of APC	<u>35,099</u>	<u>1,096,365</u>	<u>232,439</u>	<u>1,652,618</u>
	<u>(\$ 458,140)</u>	<u>\$ 2,036,609</u>	<u>(\$ 123,600)</u>	<u>\$ 2,982,840</u>
			For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Cash flow				
Operating activities			\$ 1,222,502	\$ 1,433,813
Investing activities			(133,643)	(179,384)
Financing activities			(706,941)	(1,280,985)
Effects of exchange rate changes			<u>11,014</u>	<u>(3,961)</u>
Net cash Inflows (outflow)			<u>\$ 392,932</u>	<u>(\$ 30,517)</u>

EVGL and EVGL's subsidiaries

	June 30, 2022	December 31, 2021	June 30, 2021
Current assets	\$ 1,328,692	\$ 1,253,726	\$ 1,266,752
Non-current assets	16,968,165	19,335,554	19,908,120
Current liabilities	(10,931)	(15,576)	(11,553)
Equity	<u>\$ 18,285,926</u>	<u>\$ 20,573,704</u>	<u>\$ 21,163,319</u>
Equity attributable to:			
Owners of the Company	\$ 10,566,366	\$ 11,870,694	\$ 12,208,977
Non-controlling interests of EVGL	5,110,114	5,740,914	5,904,515
Non-controlling interests of EVGL's subsidiaries	<u>2,609,446</u>	<u>2,962,096</u>	<u>3,049,827</u>
	<u>\$ 18,285,926</u>	<u>\$ 20,573,704</u>	<u>\$ 21,163,319</u>

	For the Three Months Ended <u>June 30, 2022</u>	For the Three Months Ended <u>June 30, 2021</u>	For the Six Months Ended <u>June 30, 2022</u>	For the Six Months Ended <u>June 30, 2021</u>
Loss for the period	(\$ 1,629,191)	(\$ 27,777)	(\$ 2,769,845)	(\$ 32,192)
Other comprehensive income (loss)	(<u>280,812</u>)	(<u>167,857</u>)	<u>482,067</u>	(<u>269,154</u>)
Total comprehensive income	(<u>\$ 1,910,003</u>)	(<u>\$ 195,634</u>)	(<u>\$ 2,287,778</u>)	(<u>\$ 301,346</u>)
Loss attributable to:				
Owners of the Company	(\$ 933,224)	(\$ 15,872)	(\$ 1,586,679)	(\$ 18,354)
Non-controlling interests of EVGL	(451,326)	(7,675)	(767,350)	(8,876)
Non-controlling interests of EVGL's subsidiaries	(<u>244,641</u>)	(<u>4,230</u>)	(<u>415,816</u>)	(<u>4,962</u>)
	(<u>\$ 1,629,191</u>)	(<u>\$ 27,777</u>)	(<u>\$ 2,769,845</u>)	(<u>\$ 32,192</u>)
Total comprehensive income attributable to:				
Owners of the Company	(\$ 1,090,798)	(\$ 114,075)	(\$ 1,304,329)	(\$ 174,427)
Non-controlling interests of EVGL	(527,533)	(55,170)	(630,800)	(84,357)
Non-controlling interests of EVGL's subsidiaries	(<u>291,672</u>)	(<u>26,389</u>)	(<u>352,649</u>)	(<u>42,562</u>)
	(<u>\$ 1,910,003</u>)	(<u>\$ 195,634</u>)	(<u>\$ 2,287,778</u>)	(<u>\$ 301,346</u>)
			For the Six Months Ended <u>June 30, 2022</u>	For the Six Months Ended <u>June 30, 2021</u>
Cash Flows				
Operating activities			(\$ 9,032)	(\$ 12,149)
Effects of exchange rate changes			<u>90,861</u>	(<u>28,048</u>)
Net cash Inflows (outflow)			<u>\$ 81,829</u>	(<u>\$ 40,197</u>)

13. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	<u>June 30, 2022</u>	December 31, <u>2021</u>	<u>June 30, 2021</u>
Investments in joint ventures			
Associates that are individually material			
Fujian Gulei Petrochemical Co., Ltd. (Gulei)	\$ 16,968,165	\$ 19,335,554	\$ 19,908,120
Associates that are not individually material			
Delmind Inc. (Delmind)	<u>89,156</u>	<u>-</u>	<u>-</u>
	<u>\$ 17,057,321</u>	<u>\$ 19,335,554</u>	<u>\$ 19,908,120</u>

Investments in joint venture are accounted for using the equity method.

Associates that are individually material - Fujian Gulei Petrochemical Co., Ltd.

The Company and Asia Polymer Corporation (APC) entered into a joint venture contract for an investment of Fujian Gulei Petrochemical Co., Ltd. on April 17, 2014. The related entities of the contract or commitments are Ho Tung Chemical Corporation, LCY Chemical Corporation, HsinTay Petroleum Company Limited, Chenergy Global Corporation and Lien Hwa Industrial Corporation. The main contents of the contract and commitments include: (1) the shareholders shall establish Ever Victory Global Limited (hereinafter referred to as "EVGL) and agree to pass the establishment of the 100%-owned company named Dynamic Ever Investments Limited (hereinafter referred to as "DEIL) in Hong Kong, which purpose is to build oil refineries and produce seven products such as ethylene on the Gulei Peninsula in Zhangzhou, Fujian Province, as approved by the competent authorities of the Republic of China and according to the business operation permitted by the Joint Venture's board of directors; and (2) DEIL established a joint venture company with Fujian Petrochemical Chemical Co., Ltd. ("FPCL") to operate the target business in Gulei Industrial Park, Zhangzhou, Fujian Province (hereinafter referred to as "Gulei") in accordance with the laws and regulations of the People's Republic of China and acquired 50% of the issued shares of Gulei as the basis for the joint investment.

Dynamic Ever Investments Limited and Fujian Refining and Chemical Co. signed "Fujian Gulei Petrochemical Corporation Limited Joint Venture Contract" which stipulated an increase in the investment amount, and this contract led to part of the original related contract entities being unable to keep their respective investment ratios as provided by the original contract or to participate in the subsequent capital increase procedures. In order to meet the business requirement of the original contract, the Company and APC resigned the joint venture contract on September 30, 2016 and added a new contractually promised related entity, CTCI Corp. On December 18, 2019, the Company and APC again resigned the joint venture contract and added new contractually promised related entities, Fubon Financial Holding Venture Capital Corporation and Hongfu Investment Co., Ltd. In order to enrich the working capital of Gulay, EVGL signed a joint venture agreement with the Hong Kong-based company DOR PO INVESTMENT COMPANY LIMITED (hereinafter referred to as "DOR PO") on June 5, 2019 to jointly invest in Xulent. In accordance with the terms of the joint venture agreement, DOR PO shall contribute

US\$109,215 thousand to increase the capital of DEIL, of which US\$103,915 thousand has been contributed as of June 30, 2022 to acquire 15% equity in DEIL.

As of June 30, 2022, the Company and APC cumulatively invested USD246,670 thousand (approximately NT\$7,645,981 thousand) and USD170,475 thousand (approximately NT\$5,255,587 thousand) in Ever Conquest Global Limited (ECGL), respectively, and reinvested in EVGL via ECGL as well as in DEIL. The Company and APC together hold 67.4% shares in EVGL in total. DEIL has invested capital amounted to RMB 4,657,200 thousand in Gulei.

The percentage of the Group's ownership and voting rights were all 50% of the outstanding shares of Gulei as of June 30, 2022, December 31, 2021 and June 30, 2021. For the scope of business operations, the location and national information of Gulei's registry of joint venture, please refer to Table 8.

The summary of financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with IFRSs adjusted by the Group for equity accounting purposes.

	June 30, 2022	December 31, 2021	June 30, 2021
Cash	<u>\$ 4,770,140</u>	<u>\$ 5,030,725</u>	<u>\$ 6,329,325</u>
Current assets	\$ 24,672,794	\$ 20,980,740	\$ 11,585,513
Non-current assets	106,923,310	103,618,406	86,746,588
Current liabilities	(38,674,962)	(28,893,712)	(12,796,109)
Non-current liabilities	(<u>58,984,812</u>)	(<u>57,034,326</u>)	(<u>45,719,752</u>)
Equity	33,936,330	38,671,108	39,816,240
Proportion of the Group's ownership	<u>50%</u>	<u>50%</u>	<u>50%</u>
Equity attributable to the Group	<u>\$ 16,968,165</u>	<u>\$ 19,335,554</u>	<u>\$ 19,908,120</u>
Carrying amount	<u>\$ 16,968,165</u>	<u>\$ 19,335,554</u>	<u>\$ 19,908,120</u>
	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022
The Group's share of:			For the Six Months Ended June 30, 2021
Loss for the period	(<u>\$ 1,623,415</u>)	(<u>\$ 22,792</u>)	(<u>\$ 2,758,595</u>)
			(<u>\$ 20,805</u>)

Gulei has been in operation since November 2021 with revenue.

The share of profit and loss and other comprehensive income of a joint venture and the Group using the equity method from January 1 to June 30, 2022 and 2021 shall be calculated on the basis of the financial statements which have not been reviewed by CPAs.

Associates that are not individually material - Delmind Inc.

The Company considered the needs of the transformation of the petrochemical industry in the future, and in line with the trend of energy saving, carbon reduction, and sustainable development, and it established a joint venture of DataWise Tech. Co., LTD. (DataWise) with Delta Electronics, Inc. through integration and connection knowledge and technology of both parties. It invests in assisting petrochemical and continuous process industries to develop and promote digital transformation, so as to improve industrial efficiency and continue to strengthen the industrial value of green and intelligent production. In April 2022, the Company has invested NT\$90,000 thousand to acquire 9,000 thousand shares of DataWise, with a shareholding ratio of 30%.

The summary of financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with IFRSs adjusted by the Group for equity accounting purposes.

	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
The Group's share of:				
Loss for the period	(\$ 844)	\$ -	(\$ 844)	\$ -

The share of profit and loss and other comprehensive income of a joint venture and the Group using the equity method from January 1 to June 30, 2022 shall be calculated on the basis of the financial statements which have not been reviewed by CPAs.

14. PROPERTY, PLANT AND EQUIPMENT - FOR SELF-USE

	June 30, 2022	December 31, 2021	June 30, 2021
Freehold Land	\$ 4,689,001	\$ 4,682,237	\$ 4,682,237
Land improvements	7,858	5,623	6,272
Buildings and Improvements	3,822,529	3,809,068	3,812,659
Machinery and Equipment	10,828,993	10,940,540	10,982,703
Transportation equipment	37,666	33,559	39,265
Other equipment	277,532	294,331	296,624
Construction in progress and equipment under installation	<u>5,502,060</u>	<u>4,705,653</u>	<u>3,782,428</u>
	<u>\$ 25,165,639</u>	<u>\$ 24,471,011</u>	<u>\$ 23,602,188</u>

In accordance with the New Taipei City Government Letter Development No. 1072133080 dated November 7, 2018, the land and buildings of the Company located in Linkou are within the scope of "Urban Land Redeveloping Zone at 1st Industrial Park in

Linkou District". The land has been submitted for redeveloping and is expected to be returned in 2023.

In cooperation with the Taiwan International Ports Corporation, Ltd. (Ports Co.), Ministry of Transportation and Communications, to relocate the petrochemical oil storage tank facilities of the old port area operators, CGTD leased the port facilities and storage areas of the Kaohsiung Port Intercontinental Container Center Second Phase Petrochemical Oil Storage and Transportation Center from Ports Co., the lease period being from August 1, 2017 to July 31, 2042, rent paid quarterly. In addition, the boards of directors of the Company, CGTD, APC and TVCM, resolved in 2019 to build the second phase of the Intercontinental Petrochemical Oil Products Center. As of June 30, 2022, the Group had paid NT\$2,300,237 thousand for the project, which was accounted for under construction in progress.

Due to shrinking demand of EPS in the local market, the main product of Taita Chemical (Tianjin) Co., Ltd. ("TAITA (TJ)"), the management decided to suspend the production of TAITA (TJ) starting from April 2019. TAITA (TJ) determined the recoverable amounts of the property, plant and equipment (including right -of-use assets), on the basis of fair values less costs of disposal. The fair value was measured by Level 3 inputs as of December 31, 2021 by an independent appraisal company. The assessment was a revaluation of the replacement cost and economic useful life of the property, plant and equipment within the assessment scope, and the assessment results showed that the recoverable amount was lower than the carrying amount. TAITA (TJ) recognized an impairment loss of NT\$39 thousand in 2021, which was reported under operating costs in the consolidated statements of comprehensive income.

No impairment or reversal was made on the property, plant and equipment of the Group from January 1 to June 30, 2022 and 2021.

SPC has completed the construction and acceptance of the plant before the end of 2021, which is expected to be sold and transferred in the future, thus transferring NT\$171,803 thousand of relevant buildings and structures to non-current assets available for sale. As the expected selling price exceeds the carrying amount of the assets to be sold, the buildings and structures are classified as a non-current assets available for sale (accounted for other current assets), without impairment loss to be recognized.

The property, plant and equipment of the Group are depreciated on a straight-line basis over their estimated useful lives as follows:

Land improvements	7-20 years
Buildings and improvements	
Plant, machine room and improvements	3-55 years
Office building, labs and improvements	20-50 years
General plants and improvements	3-60 years
Others	3-15 years
Machinery and equipment	2-26 years
Transportation equipment	2-10 years
Other equipment	2-25 years

For property, plant and equipment pledged as collateral for bank borrowings, please refer to Note 35.

For the related capitalized interest, please refer to Note 27 (4) finance cost.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Carrying amount of right-of-use assets			
Leasehold land	\$ 148,294	\$ 156,928	\$ 163,907
Land use rights	88,568	406,802	136,873
Buildings	397,403	90,272	318,238
Machinery and Equipment	78,381	71,521	48,851
Transportation equipment	<u>1,523</u>	<u>1,818</u>	<u>2,340</u>
	<u>\$ 714,169</u>	<u>\$ 727,341</u>	<u>\$ 670,209</u>
	For the Three Months Ended <u>June 30, 2022</u>	For the Three Months Ended <u>June 30, 2021</u>	For the Six Months Ended <u>June 30, 2022</u>
Addition for right-of-use assets			<u>\$ 13,958</u>
Depreciation expense of right-of-use assets			<u>\$ 16,584</u>
Leasehold land	\$ 4,293	\$ 5,425	\$ 8,634
Land use rights	4,427	3,632	8,784
Buildings	6,411	5,391	12,794
Machinery and Equipment	3,506	2,018	6,976
Transportation equipment	<u>148</u>	<u>252</u>	<u>295</u>
	<u>\$ 18,785</u>	<u>\$ 16,718</u>	<u>\$ 37,483</u>
	For the Six Months Ended <u>June 30, 2021</u>		<u>\$ 33,379</u>

Except for the recognition of depreciation expense, the Group's right-of-use assets did not experience significant sub-lease or impairments for the years ended January 1 to June 30, 2022 and 2021.

The Group leases the office in Taipei and sublets it to another company on a operating lease basis. The related right-of-use assets are presented as investment properties, and please refer to Note 16. The amounts disclosed above with respect to the right-of-use assets do not include right-of-use assets that meet the definition of investment properties. The Group's right-of-use assets pledged as collateral for bank borrowings are set out in Notes 18 and 35.

b. Lease liabilities

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Carrying amount of lease liabilities			
Current	<u>\$ 68,648</u>	<u>\$ 73,065</u>	<u>\$ 56,080</u>
Non-current	<u>\$ 370,270</u>	<u>\$ 387,502</u>	<u>\$ 378,510</u>

Range of discount rate for lease liabilities was as follows:

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Leasehold land	0.83%~9.25%	0.83%~9.25%	0.83%~9.25%
Buildings	0.83%~1.25%	1.04%~2.00%	1.04%~2.00%
Machinery and Equipment	1.04%~1.25%	1.04%~1.25%	1.04%~1.16%
Transportation equipment	1.06%~1.25%	1.06%~1.25%	1.06%~1.25%

c. Material lease-in activities and terms

The Group leases buildings for use as factories, offices, dormitories and R&D centers with lease terms of 1 to 7 years. The Group has options to lease office at the end of the lease terms.

d. Other lease information

For lease arrangements under operating leases for leasing out of investment properties, please refer to Note 16. For details of lease information, please refer to the following table (the Group as lessee).

	<u>For the Three Months Ended June 30, 2022</u>	<u>For the Three Months Ended June 30, 2021</u>	<u>For the Six Months Ended June 30, 2022</u>	<u>For the Six Months Ended June 30, 2021</u>
Expenses relating to short-term leases	<u>\$ 10,633</u>	<u>\$ 13,719</u>	<u>\$ 22,129</u>	<u>\$ 27,096</u>
Expenses relating to low-value asset leases	<u>\$ 40</u>	<u>\$ 220</u>	<u>\$ 78</u>	<u>\$ 480</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 21,999</u>	<u>\$ 11,080</u>	<u>\$ 39,337</u>	<u>\$ 19,311</u>
Total cash outflow for leases			<u>(\$ 102,443)</u>	<u>(\$ 84,390)</u>

The Group leases certain buildings, cars and low-value assets which qualify as short-term leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

16. INVESTMENT PROPERTIES

	June 30, 2022	December 31, 2021	June 30, 2021	
Completed investment properties				
Land	\$ 198,172	\$ 204,024	\$ 200,781	
Buildings	293,349	357,945	369,903	
Right-of-use assets	<u>142,108</u>	<u>149,376</u>	<u>158,008</u>	
	<u>\$ 633,629</u>	<u>\$ 711,345</u>	<u>\$ 728,692</u>	
	Land	Buildings	Right-of-use assets	Total
<u>Cost</u>				
Balance as of January 1, 2022	\$ 207,993	\$ 732,677	\$ 203,304	\$ 1,143,974
Additions	912	2,214	-	3,126
Reclassification	(6,764)	(69,822)	-	(76,586)
Net foreign currency exchange differences	-	<u>12,220</u>	<u>1,912</u>	<u>14,132</u>
Balance as of June 30, 2022	<u>\$ 202,141</u>	<u>\$ 677,289</u>	<u>\$ 205,216</u>	<u>\$ 1,084,646</u>
<u>Accumulated depreciation and impairment</u>				
Balance as of January 1, 2022	\$ 3,969	\$ 374,732	\$ 53,928	\$ 432,629
Depreciation expense	-	12,543	8,978	21,521
Reclassification	-	(10,668)	-	(10,668)
Net foreign currency exchange differences	-	<u>7,333</u>	<u>202</u>	<u>7,535</u>
Balance as of June 30, 2022	<u>\$ 3,969</u>	<u>\$ 383,940</u>	<u>\$ 63,108</u>	<u>\$ 451,017</u>
Net amount as of June 30, 2022	<u>\$ 198,172</u>	<u>\$ 293,349</u>	<u>\$ 142,108</u>	<u>\$ 633,629</u>
<u>Cost</u>				
Balance as of January 1, 2021	\$ 204,695	\$ 736,810	\$ 203,817	\$ 1,145,322
Additions	55	-	-	55
Net foreign currency exchange differences	-	(5,666)	(1,150)	(6,816)
Balance as of June 30, 2021	<u>\$ 204,750</u>	<u>\$ 731,144</u>	<u>\$ 202,667</u>	<u>\$ 1,138,561</u>
<u>Accumulated depreciation and impairment</u>				
Balance as of January 1, 2021	\$ 3,969	\$ 352,327	\$ 35,806	\$ 392,102
Depreciation expense	-	12,437	8,947	21,384
Net foreign currency exchange differences	-	(3,522)	(95)	(3,617)
Balance as of June 30, 2021	<u>\$ 3,969</u>	<u>\$ 361,242</u>	<u>\$ 44,658</u>	<u>\$ 409,869</u>
Net amount as of June 30, 2021	<u>\$ 200,781</u>	<u>\$ 369,902</u>	<u>\$ 158,009</u>	<u>\$ 728,692</u>

The investment property is the sublease of the Group's free-held and leased offices in Taipei to other companies on an operating lease for a period of 1 to 8 years with an option to extend the lease. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend.

The total amount of lease payments to be collected in the future for investment property as operating lease as of June 30, 2022, December 31, 2021, and June 30, 2021 is as follows:

	June 30, 2022	For the Year Ended December 31, 2021	June 30, 2021
Year 1	\$ 96,398	\$ 53,620	\$ 88,875
Year 2	64,960	46,713	65,818
Year 3	34,404	37,577	50,262
Year 4	20,781	17,734	30,424
Year 5	13,693	10,776	13,661
More than 5 years	<u>21,552</u>	<u>26,940</u>	<u>32,328</u>
	<u>\$ 251,788</u>	<u>\$ 193,360</u>	<u>\$ 281,368</u>

Except for the recognition of depreciation expense, the Group's investment properties did not experience significant additions, disposals, and impairments for the six months ended June 30, 2022 and 2021.

The above items of investment properties are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	5-50 years
Right-of-use assets	3-50 years

Part of the Group's investment properties is located in the Toufen and Linyuan Industrial District. As these districts are designated for industrial use, the information on comparable market transactions are uncommon and alternative reliable measurements of the fair value estimates are not available. Hence, the Group determined that the fair value of these investment properties cannot be reliably determined. The fair values of the remaining investment properties were not assessed by independent appraisers; instead, they were arrived at by using the valuation model that most market participants would use in determining fair value by using Level 3 inputs, with reference to the transaction prices of similar properties in the vicinity. The fair value of right-of-use assets was determined by adding back the amount of related lease liabilities recognized to the net amount of the expected lease income after deducting all the expected payments.

The fair values of investment properties as of June 30, 2022, December 31, 2021 and June 30, 2021 were as follows:

	June 30, 2022	December 31, 2021	June 30, 2021
Fair Value	<u>\$ 1,512,793</u>	<u>\$ 1,556,205</u>	<u>\$ 1,775,718</u>

In order to improve the efficiency of asset management, the Group provided 10 parcels of land accounted for investment properties located in the third sub-section of Yanji Section, Songshan District, Taipei, and participated in the urban renewal plan of Huaku Development Co., Ltd. (hereinafter referred to as "Huaku") in cooperation with neighboring areas in the form of right transformation. The urban renewal plan was completed in 2022. It has obtained a license for the right of use and completed the transfer of property rights of the land and buildings in exchange.

For the investment properties pledged as collateral for bank borrowings, please refer to Note 35.

17. GOODWILL AND OTHER INTANGIBLE ASSETS

	June 30, 2022	December 31, 2021	June 30, 2021
Goodwill a.	<u>\$ 270,211</u>	<u>\$ 270,211</u>	<u>\$ 269,026</u>
Other intangible assets b.			
Technology royalties and patent right	\$ 733	\$ 933	\$ 1,374
Computer software	6,203	7,134	7,726
Plant design fee	2,800	3,601	-
Field project	<u>31,486</u>	<u>32,315</u>	<u>-</u>
	<u>\$ 41,222</u>	<u>\$ 43,983</u>	<u>\$ 9,100</u>

a. Goodwill

In response to the government's policy on green power, the Company acquired 100% equity from the non-related party, USIGE, on July 5, 2021. The premium of the investment cost and acquired net equity value has been classified as the field project into intangible assets of NT\$33,144 thousand and goodwill of NT\$1,185 thousand according to the acquisition price apportion evaluation analysis report.

The goodwill of the Group is regularly assessed for impairment at the end of each year. There is no impairment sign as of June 30, 2022 and 2021 so the impairment assessment is not carried out.

b. Other intangible assets

Except for the recognition of depreciation expense, the Group's investment properties did not experience significant additions, disposals, and impairments from January 1 to June 30, 2022 and 2021.

The above-mentioned intangible assets with limited service life are amortized on a straight-line basis over their estimated useful lives as follows:

Technology royalties and patent right	6 to 10 Years
Computer software	2 to 10 Years
Field project	20 years
Others	10 years

18. BORROWINGS

a. Short-term borrowings

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
<u>Unsecured borrowings</u>			
- Line of credit borrowings	<u>\$ 1,639,241</u>	<u>\$ 2,498,041</u>	<u>\$ 2,602,029</u>
The range of interest rate	0.74%~3.43%	0.51%~1.90%	0.74%~1.78%

b. Short-term bills payable

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Commercial note payable	\$ 50,000	\$ 280,000	\$ 564,000
Less: Unamortized discount on bills payable	<u>-</u>	<u>(365)</u>	<u>(394)</u>
	<u>\$ 50,000</u>	<u>\$ 279,635</u>	<u>\$ 563,606</u>
The range of interest rate	1.238%	0.98%~1.018%	0.64%~1.068%

c. Long-term borrowings

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Secured loans	\$ 1,000,000	\$ 400,000	\$ 480,000
Credit borrowings	<u>4,112,997</u>	<u>3,873,493</u>	<u>3,940,000</u>
Sub-total	<u>5,112,997</u>	<u>4,273,493</u>	<u>4,420,000</u>
Commercial note payable	-	240,000	-
Unamortized discount on bills payable	<u>-</u>	<u>(253)</u>	<u>-</u>
Sub-total	<u>-</u>	<u>239,747</u>	<u>-</u>
	5,112,997	4,513,240	4,420,000
Less: Maturity within one year	<u>(190,000)</u>	<u>(59,917)</u>	<u>-</u>
Long-term borrowings	<u>\$ 4,922,997</u>	<u>\$ 4,453,323</u>	<u>\$ 4,420,000</u>

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
The range of interest rate			
Secured loans	0.83%~0.96%	1.11%	1.00%~1.11%
Credit borrowings	0.50%~1.50%	0.30%~0.94%	0.74%~1.04%
Commercial note payable	-	0.97%~1.09%	-

In order to replenish the medium and long term working capital, The Company has signed medium and long term credit contracts with the bank with a total credit line of \$4,543,000 thousand. The credit contract period will be up to April 2025, and the total credit line will be recycled within the limited term of the contract. As of June 30, 2022, USI has not made any borrowing.

In order to replenish the medium and long term working capital, UPIIC has signed medium and long term credit contracts with the bank with a total credit line of \$1,100,000 thousand. The credit contract period will be up to November 2025, and the total credit line will be recycled within the limited term of the contract. As of June 30, 2022, TVCM has made drawdowns of NT\$690,000 thousand.

CGPC entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to March 2025 with a total credit limit of NT\$1,100,000 thousand, which is used cyclically during the validity period. As of June 30, 2022, TVCM has made drawdowns of NT\$250,000 thousand.

CGPCPOL entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to August 2023 with a total credit limit of NT\$300,000 thousand, which is used cyclically during the validity period. As of June 30, 2022, CGPCPOL has not made any drawdown from the line of credit.

TVCM entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to November 2025 with a total credit limit NT\$300,000 thousand, which is used cyclically during the validity period. As of June 30, 2022, TVCM has not made any borrowing.

TTC entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to June 2025 with a total credit limit of NT\$2,177,132 thousand, which is used cyclically during the validity period. As of June 30, 2022, USI has not made any borrowing.

APC entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to December 2024 with a total credit limit of NT\$6,050,000 thousand, which is used cyclically during the validity period. As of June 30, 2022, TVCM has made drawdowns of NT\$800,000 thousand.

ACME entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to March 2027 with a total credit limit of NT\$1,600,000 thousand, which is used cyclically during the validity period. As of June 30, 2022, TVCM has made drawdowns of NT\$1,095,000 thousand.

In order to replenish the medium and long term working capital, SPC has signed medium and long term credit contracts with the bank with a total credit line of \$ 1,300,000 thousand. The credit contract period will be up to August, 2024, and the total credit line will be recycled within the limited term of the contract. As of June 30, 2022, TVCM has made drawdowns of NT\$730,000 thousand.

USIGE entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to January 2025 with a total credit limit of NT\$500,000 thousand, which is used cyclically during the validity period. As of June 30, 2022, TVCM has made drawdowns of NT\$150,000 thousand.

According to the loan contracts of part of subsidiaries, the current ratio, bank loan ratio, debt ratio, and interest protection multiples should not be less than the specified percentage. The subsidiaries should provide improvements to the bank if the requirements were not met. As of June 30, 2022, the subsidiaries did not violate the requirements.

The Group has acquired a special low-interest bank loan line of NT\$6,586,000 thousand in accordance with the "Action Plan for Accelerated Investment by Domestic Corporations" and "Action Plan for Accelerated Investment by SMEs", and has used NT\$1,419,000 thousand in June 2022, recognized and measured the loan at the market interest rate of. The difference between the market interest rate and the actual preferential repayment rate is recognized as government subsidy.

19. BONDS PAYABLE

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Domestic unsecured bonds B 104-1 - issuance on February 12, 2015, 7 years, total amount NT\$1,000,000 thousand, coupon rate 1.90%, bullet repayment	\$ -	\$ 1,000,000	\$ 1,000,000
Domestic unsecured bonds 105-1 - issuance on October 28, 2016, 5 years, total amount NT\$2,000,000 thousand, coupon rate 0.80%, bullet repayment	-	-	2,000,000
Domestic unsecured bonds 106-1 - issuance on October 27, 2017, 5 years, total amount NT\$2,000,000 thousand, coupon rate 1.10%, bullet repayment	2,000,000	2,000,000	2,000,000
Domestic unsecured bonds 108-1 - issuance on April 26, 2019, 5 years, total amount NT\$2,000,000 thousand, coupon rate 0.98%, bullet repayment	2,000,000	2,000,000	2,000,000
Domestic unsecured bonds A 110-1 - issuance on June 23 2021, 5 years, total amount NT\$1,000,000 thousand, coupon rate 0.63%, bullet repayment, repaid NT\$500,000 thousand in the 4th and 5th years respectively from the issuance date	1,000,000	1,000,000	1,000,000

(Continued)

(Continued)

	June 30, 2022	December 31, 2021	June 30, 2021
Domestic unsecured bonds			
110-1- issuance on June 23 2021, 7 years, total amount NT\$1,000,000 thousand, coupon rate 0.73%, bullet repayment, repaid NT\$500,000 in the 6th and 7th years respectively from the issuance date	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Domestic unsecured bonds			
110-2 - issuance on October 26, 2021, 5 years, total amount NT\$700,000 thousand, coupon rate 0.63%, repaid NT\$350,000 thousand in the 4th and 5th years respectively from the issuance date	700,000	700,000	-
Domestic unsecured bonds			
110-2 - issuance on October 26, 2021, 7 years, total amount NT\$1,300,000 thousand, coupon rate 0.77%, repaid NT\$650,000 thousand in the 6th and 7th years respectively from the issuance date	<u>1,300,000</u> 8,000,000	<u>1,300,000</u> 9,000,000	<u>-</u> 9,000,000
Discounts on bonds payable	(<u>9,303</u>)	(<u>11,028</u>)	(<u>8,546</u>)
	7,990,697	8,988,972	8,991,454
Less: Portion due within one year	(<u>1,999,699</u>)	(<u>2,999,199</u>)	(<u>2,999,528</u>)
	<u>\$ 5,990,998</u>	<u>\$ 5,989,773</u>	<u>\$ 5,991,926</u>

In December 2014, the Company applied for the first issuance of unsecured ordinary corporate bonds issued in 2015 with the amount of NT\$2,000,000 thousand in order to reimburse the due bonds and to increase working capital. The unsecured ordinary corporate bonds with a 5-7-year maturity, due for repayment, were all issued in February 2015. The Company repaid due in February 2020 and February 2022, respectively.

In October 2016, the Company applied for the first issuance of unsecured ordinary corporate bonds issued in 2016 with the amount of NT\$2,000,000 thousand in order to

reimburse the bank loans, and the unsecured ordinary corporate bonds with a 5-year maturity, due for repayment, were all issued in October 2016. The Company repaid due in October 2021.

In October 2017, the Company applied for the first issuance of unsecured ordinary corporate bonds issued in 2017 with the amount of NT\$2,000,000 thousand in order to reimburse the bank loans, and the unsecured ordinary corporate bonds with a 5-year maturity, due for repayment, were all issued in October 2017.

In April 2019, the Company applied for the first issuance of unsecured ordinary corporate bonds issued in 2019 with the amount of NT\$2,000,000 thousand in order to reimburse the bank loans, and the unsecured ordinary corporate bonds with a 5-year maturity, due for repayment, were all issued in April 2019.

In June 2021, the Company applied for the first issuance of unsecured ordinary corporate bonds issued in 2021 with the amount of NT\$2,000,000 thousand in order to reimburse the bank loans, and the unsecured ordinary corporate bonds with a 5-to-7-year maturity, due for repayment, were all issued in June 2021.

In October 2021, the Company applied for the second issuance of unsecured ordinary corporate bonds issued in 2021 with the amount of NT\$2,000,000 thousand in order to reimburse the bank loans, and the unsecured ordinary corporate bonds with a 5-to-7-year maturity, due for repayment, were all issued in October 2021.

In March 2022, the Company applied for the first issuance of unsecured ordinary corporate bonds issued in 2022 with the amount of NT\$2,000,000 thousand in order to reimburse the bank loans as approved by resolution of the board of directors, which are expected to be issued before the end of 2022.

20. ACCOUNTS PAYABLE

	June 30, 2022	December 31, 2021	June 30, 2021
<u>Operating</u>			
Accounts payable	<u>\$ 4,147,951</u>	<u>\$ 3,528,998</u>	<u>\$ 4,017,891</u>

The average credit period of the Group is between 1 and 3 months. The Group has financial risk management policies to ensure that all payables are paid within the credit terms.

21. Other liabilities

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
<u>Current</u>			
Other payables			
Payables for salaries and bonuses	\$ 660,648	\$ 1,385,691	\$ 964,123
Payables for purchases of equipment	411,206	293,455	211,907
Payables for fares	305,967	251,643	263,694
Payables for water and electricity and gas	254,162	241,903	271,911
Payable for taxes	41,530	36,317	21,298
Payables for insurance	36,953	34,394	33,330
Payables for interests	31,385	45,605	37,693
Share purchase price payable	-	-	195,498
Payables for purchase	-	-	82,730
Others	<u>503,140</u>	<u>585,259</u>	<u>583,485</u>
	2,244,991	2,874,267	2,665,669
Other liabilities			
Refund liabilities	<u>25,802</u>	<u>28,630</u>	<u>25,898</u>
	<u>\$ 2,270,793</u>	<u>\$ 2,902,897</u>	<u>\$ 2,691,567</u>

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

22. Provisions

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
<u>Non-current</u>			
Litigation provision	<u>\$ 136,375</u>	<u>\$ 136,375</u>	<u>\$ 136,375</u>

Litigation provision is a result of the first-instance judgment and reconciliation of the Kaohsiung gas explosion case on July 31, 2014 for which cash outflows may be recognized in the near future. Please refer to Note 36 for the explanation related to the provision.

23. RETIREMENT BENEFIT PLANS

For the periods from April 1 to June 30, 2022 and 2021 and from January 1 to June 30, 2022 and 2021 the pension costs associated with the defined benefit plan are calculated at the pension cost rates as determined by actuarial calculations as at 31 December 2021 and 2020 and are separately recognized as the following items:

	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Operating costs	\$ 5,139	\$ 6,150	\$ 10,294	\$ 12,390
Marketing expenses	545	623	1,114	1,203
Administrative expenses	624	1,038	1,273	5,422
R&D Expenses	228	270	455	532
	<u>\$ 6,536</u>	<u>\$ 8,081</u>	<u>\$ 13,136</u>	<u>\$ 19,547</u>

24. Government grants

Acme Electronics Corporation (Kunshan) reached an agreement with Kunshan Zhoushizhen People's Government in 2006 in which Acme Electronics Corporation (Kunshan) promised to relocate its new plant and raise its investment amount. Furthermore, Kunshan Zhoushizhen People's Government subsidized Acme Electronics Corporation (Kunshan)'s acquisition of the land for its new plant and the external line project for high voltage power during the relocation process. As of June 30, 2022, December 31, 2021 and June 30, 2021, the amounts of deferred income (booked under other non-current liabilities) that had not been amortized were RMB7,568 thousand (NT\$33,512 thousand), RMB7,833 thousand (NT\$34,005 thousand) and RMB8,098 thousand (NT\$34,922 thousand), respectively.

The Group has incorporated the economic impact caused by the pandemic into its major accounting estimates based on the information available on the balance sheet date.

25. Equity

	June 30, 2022	December 31, 2021	June 30, 2021
Share capital	\$ 11,887,635	\$ 11,887,635	\$ 11,887,635
Capital surplus	450,510	366,185	363,757
Retained Earnings	11,862,472	13,599,427	10,862,854
Other Equity	83,443	84,358	187,105
Treasury shares	(475,606)	(475,606)	(475,606)
Non-controlling Interests	<u>27,968,351</u>	<u>30,182,962</u>	<u>29,042,228</u>
	<u>\$ 51,776,805</u>	<u>\$ 55,644,961</u>	<u>\$ 51,867,973</u>

a. Share capital

	June 30, 2022	December 31, 2021	June 30, 2021
Number of shares authorized (in thousands)	<u>1,342,602</u>	<u>1,342,602</u>	<u>1,342,602</u>
Share capital authorized	<u>\$ 13,426,024</u>	<u>\$ 13,426,024</u>	<u>\$ 13,426,024</u>
Number of shares issued and fully paid (in thousands)	<u>1,188,763</u>	<u>1,188,763</u>	<u>1,188,763</u>
Share capital issued	<u>\$ 11,887,635</u>	<u>\$ 11,887,635</u>	<u>\$ 11,887,635</u>

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

The capital surplus generated from donations and the excess of the issuance price over the par value of share capital (including the issuance of ordinary shares in excess of par value, the capital stock premium of shares issued due to merger, and treasury stock trading, etc) 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 share dividends up to a certain percentage of the Company's paid-in capital. The capital surplus arising from investments accounted for using the equity method and from dividends had not been received during the given period by stockholders are used to offset a deficit only.

c. Retained earnings and dividends policy

In accordance with the dividends policy as set forth in the Company's Articles of Incorporation, where there is a profit in a fiscal year, the profit after tax 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 27 (7).

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

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

The appropriations of earnings for the years ended December 31, 2022 and 2021 as approved in the shareholders' meetings on May 31, 2022 and July 26, 2021, respectively, were as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	2021	2020	2021	2020
Legal reserve	\$ 529,104	\$ 233,461		
(Reversal) of special surplus reserve	-	(405,932)		
Cash dividends	<u>2,615,280</u>	<u>1,188,763</u>	\$ 2.2	\$ 1
	<u>\$ 3,144,384</u>	<u>\$ 1,016,292</u>		

d. Other Equity

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

	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Beginning balance	(\$ 710,973)	(\$ 583,855)
Recognized for the period		
Exchange differences on translating the financial statements of foreign operations	386,628	(223,213)
Related income tax	(67,747)	36,777
Ending Balance	<u>(\$ 392,092)</u>	<u>(\$ 770,291)</u>

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

	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Beginning balance	\$ 795,331	\$ 343,660
Recognized for the period		
Unrealized gains (losses)		
Equity instruments	(329,690)	614,487
Related income tax	(552)	(751)
Cumulative unrealized gain (loss) of equity instruments transferred to retained earnings due to disposals	<u>10,446</u>	<u>-</u>
Ending balance	<u>\$ 475,535</u>	<u>\$ 957,396</u>

e. Non-controlling Interests

	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Beginning balance	\$ 30,182,962	\$ 27,732,865
Cash dividends distributed by subsidiaries	(2,804,905)	(806,085)
(Loss) profit for the period	(141,674)	2,720,174
Other comprehensive income (loss) in the period		
Exchange differences on translating the financial statements of foreign operations	429,739	(276,290)
Income tax relating to exchange difference on translating foreign operations	(32,971)	20,305
Unrealized gain (loss) on financial assets at FVTOCI	289,398	(249,022)
Income tax relating to unrealized gain on financial assets at FVTOCI	(1,154)	(1,571)
Adjustments relating to changes accounted for using the equity method	(6)	172
Change in non-controlling interests	<u>46,962</u>	<u>(98,320)</u>
Ending balance	<u>\$ 27,968,351</u>	<u>\$ 29,042,228</u>

f. Treasury stock

Purpose of Buy-Back	Number of Shares, Beginning (In Thousands of Shares)	Increase During the Period	Decrease During the Period	Number of Shares, Ending (In Thousands of Shares)
<u>For the Six Months Ended</u>				
<u>June 30, 2022</u>				
Transfer from investment shares to treasury shares held by subsidiaries under equity method	<u>116,466</u>	=====	=====	<u>116,466</u>
<u>For the Six Months Ended</u>				
<u>June 30, 2021</u>				
Transfer from investment shares to treasury shares held by subsidiaries under equity method	<u>116,466</u>	=====	=====	<u>116,466</u>

The Company's shares held by its subsidiaries at the balance sheet date were as follows:

Name of Subsidiary	Number of Shares Held (In Thousands of Shares)	Carrying Amount	Per Share
<u>June 30, 2022</u>			
APC	101,356	\$ 1,377,381	\$ 2,285,571
TTC	15,110	81,875	340,728
		\$ 1,459,256	\$ 2,626,299
<u>December 31, 2021</u>			
APC	101,356	\$ 1,377,381	\$ 3,197,772
TTC	15,110	81,875	476,717
		\$ 1,459,256	\$ 3,674,489
<u>June 30, 2021</u>			
APC	101,356	\$ 1,377,381	\$ 3,658,940
TTC	15,110	81,875	545,467
		\$ 1,459,256	\$ 4,204,407

The Company's shares held by subsidiaries are regarded as treasury shares. Investments accounted for using the equity method are reclassified as treasury shares.

The Company's shares held by APC and TTC were carried as unrealized gain (loss) on financial assets at FVTOCI and valued at the closing price as of June 30, 2022, December 31, 2021 and June 30, 2021. The carrying amounts of investments accounted for using the equity method and the unrealized gain or loss on financial assets at FVTOCI were NT\$388,721 thousand, NT\$733,685 thousand and NT\$908,084 thousand, respectively.

26. REVENUE

	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Revenue from the sale of goods				
Plastic Raw Materials	\$ 16,918,472	\$ 16,849,193	\$ 33,150,826	\$ 32,240,360
Electronic Materials	764,359	752,043	1,467,791	1,422,214
Others	168,771	145,522	330,906	278,362
	\$ 17,851,602	\$ 17,746,758	\$ 34,949,523	\$ 33,940,936

Product sales revenue of the Group mainly comes from selling polyethylene plastic and other related products.

Contract balances

	June 30, 2022	December 31, 2021	June 30, 2021	January 1, 2021
Notes and accounts receivables (Note 10)	\$ 7,719,166	\$ 9,391,222	\$ 8,693,080	\$ 7,481,916
Contract liabilities (presented in other current liabilities)				
Merchandise sales	\$ 448,069	\$ 363,049	\$ 316,934	\$ 212,751

27. Net income from continuing operations

Net profit from continuing operations was attributable to:

a. Interest income

	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Interest income				
Cash and cash equivalents	\$ 32,105	\$ 18,837	\$ 46,544	\$ 36,548
Beneficiary securities	-	3,109	-	3,109
Financial assets measured at amortized cost	69	74	431	279
Others	<u>5,022</u>	<u>44</u>	<u>5,939</u>	<u>96</u>
	<u>\$ 37,196</u>	<u>\$ 22,064</u>	<u>\$ 52,914</u>	<u>\$ 40,032</u>

b. Other income

	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Dividend income	\$ 317,289	\$ 104,249	\$ 333,303	\$ 104,249
Settlement income	407	-	241,493	-
Rental income	34,213	24,226	70,834	48,378
Income from management services (Note 34)	8,101	9,552	16,350	18,719
Income from grants (Note 24)	5,432	7,963	6,754	8,861
Other	<u>23,897</u>	<u>30,136</u>	<u>27,853</u>	<u>47,123</u>
	<u>\$ 389,339</u>	<u>\$ 176,126</u>	<u>\$ 696,587</u>	<u>\$ 227,330</u>

c. Other gain and loss

	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Gain (loss) on disposal of property, plant and equipment—net	\$ 3,827	(\$ 73,519)	\$ 4,839	(\$ 72,287)
Foreign exchange gain (loss) - net	98,319	(105,557)	337,778	(134,167)
(Loss) gain on financial assets at FVTPL - net	(108,504)	328,727	(149,570)	410,767
Depreciation expense	(11,240)	(10,815)	(22,477)	(23,130)
Gain on revised lease	-	660	-	660
Other gains and losses	<u>(21,784)</u>	<u>(11,154)</u>	<u>(41,244)</u>	<u>(21,508)</u>
	<u>\$ 39,382</u>	<u>\$ 128,342</u>	<u>\$ 129,326</u>	<u>\$ 160,335</u>

d. Finance costs

	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Interest on bank loans	\$ 17,208	\$ 20,245	\$ 32,507	\$ 42,103
Interest on bonds payable	17,560	20,221	37,417	40,120
Other interest expense	719	9	1,371	20
Interest on lease liabilities	1,633	1,665	3,329	3,389
Less: Capitalized interest (presented under construction in progress)	<u>(747)</u>	<u>(682)</u>	<u>(1,425)</u>	<u>(1,541)</u>
	<u>\$ 36,373</u>	<u>\$ 41,458</u>	<u>\$ 73,199</u>	<u>\$ 84,091</u>

Information about capitalized interest is as follows:

	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Capitalized interest	\$ 747	\$ 682	\$ 1,425	\$ 1,541
Capitalization rate	0.50%~1.03%	0.83%~1.14%	0.50%~1.03%	0.83%~1.14%

e. Depreciation and amortization

	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Property, plant and equipment	\$ 549,895	\$ 542,688	\$ 1,098,300	\$ 1,083,895
Right-of-use assets	18,785	16,718	37,483	33,379
Investment properties	10,820	10,790	21,521	21,384
Intangible assets	1,535	895	3,061	1,815
Others	12,228	15,338	23,836	29,258
	<u>\$ 593,263</u>	<u>\$ 586,429</u>	<u>\$ 1,184,201</u>	<u>\$ 1,169,731</u>

Summary of depreciation by function

Operating costs	\$ 532,512	\$ 524,645	\$ 1,061,541	\$ 1,047,558
Operating expenses	35,748	34,786	73,286	67,970
Other gains and losses	11,240	10,765	22,477	23,130
	<u>\$ 579,500</u>	<u>\$ 570,196</u>	<u>\$ 1,157,304</u>	<u>\$ 1,138,658</u>

An analysis of amortization by function

Operating costs	\$ 12,294	\$ 14,890	\$ 23,924	\$ 28,378
Marketing expenses	1	-	1	-
Administrative expenses	1,368	1,064	2,772	2,126
Research and development expenses	100	279	200	569
	<u>\$ 13,763</u>	<u>\$ 16,233</u>	<u>\$ 26,897</u>	<u>\$ 31,073</u>

f. Employee benefits expense

	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Post-employment benefits (Note 23)				
Defined contribution plans	\$ 42,556	\$ 41,755	\$ 86,578	\$ 77,158
Defined benefit plans	<u>6,536</u>	<u>8,081</u>	<u>13,136</u>	<u>19,547</u>
	49,092	49,836	99,714	96,705
Other employee benefits	<u>1,130,738</u>	<u>1,305,938</u>	<u>2,345,993</u>	<u>2,515,957</u>
Total employee benefits expenses	<u>\$ 1,179,830</u>	<u>\$ 1,355,774</u>	<u>\$ 2,445,707</u>	<u>\$ 2,612,662</u>
An analysis of employee benefits expense by function				
Operating costs	\$ 823,596	\$ 899,777	\$ 1,674,363	\$ 1,854,115
Operating expenses	<u>356,234</u>	<u>455,997</u>	<u>771,344</u>	<u>758,547</u>
	<u>\$ 1,179,830</u>	<u>\$ 1,355,774</u>	<u>\$ 2,445,707</u>	<u>\$ 2,612,662</u>

g. Employees' compensation and remuneration of directors

The Company accrued employees' compensation and remuneration of directors at the rate of no less than 1% and no higher than 1%, respectively, of net profit before income tax. For the three months ended June 30, 2022 and 2021, and for the six months ended June 30, 2022 and 2021, the remuneration of employees and directors were as follows:

Accrual rate

	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Remuneration of Employees	1.00%	1.00%
Remuneration of Directors	0.13%	0.05%

Amount

	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Employees' compensation	<u>\$ 5,477</u>	<u>\$ 15,361</u>	<u>\$ 11,404</u>	<u>\$ 29,547</u>
Remuneration of Directors	<u>\$ 750</u>	<u>\$ 750</u>	<u>\$ 1,500</u>	<u>\$ 1,500</u>

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate. The employees' compensation and remuneration of directors for the years ended December 31, 2021 and 2020 were resolved by the Company's board of directors on March 10, 2022 and March 8, 2021, respectively, as follows:

	For the Year Ended December 31, 2021	For the Year Ended December 31, 2020
Employees' compensation	<u>\$ 59,332</u>	<u>\$ 25,892</u>
Remuneration of Directors	<u>\$ 3,000</u>	<u>\$ 3,000</u>

There was no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2021 and 2020.

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.

h. Gain or loss on foreign currency exchange

	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Gross foreign exchange gains	\$ 238,132	\$ 19,316	\$ 573,840	\$ 146,564
Foreign exchange losses	(139,813)	(124,873)	(236,062)	(280,731)
Net gain (loss)	<u>\$ 98,319</u>	<u>(\$ 105,557)</u>	<u>\$ 337,778</u>	<u>(\$ 134,167)</u>

28. Income tax relating to continuing operations

a. Income tax recognized in profit or loss

The major components of income tax expense were as follows:

	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Current tax				
In respect of the current year	\$ 454,027	\$ 642,737	\$ 796,924	\$ 1,279,340
Surtax on undistributed earnings	192,520	65,919	192,520	65,919
Adjustments for previous years	(<u>12,988</u>)	(<u>11,570</u>)	(<u>29,425</u>)	(<u>11,570</u>)
	<u>633,559</u>	<u>697,086</u>	<u>960,019</u>	<u>1,333,689</u>
Deferred tax				
In respect of the current year	(241,414)	21,242	(310,295)	74,902
Adjustments for previous years	<u>635</u>	<u>880</u>	<u>633</u>	<u>880</u>
	(<u>240,779</u>)	<u>22,122</u>	(<u>309,662</u>)	<u>75,782</u>
Income tax expense recognized in profit or loss	<u>\$ 392,780</u>	<u>\$ 719,208</u>	<u>\$ 650,357</u>	<u>\$ 1,409,471</u>

The income tax rate of the Company and its domestic subsidiaries is 20%. The income tax rate of subsidiaries in China is 25%. The tax amount generate by other jurisdictions is calculated based on the applicable tax rate in each relevant jurisdictions.

b. Income tax recognized in other comprehensive income

	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
<u>Deferred tax</u>				
Recognized for the period				
- Translation of foreign operations	\$ 39,940	\$ 37,298	(\$ 100,718)	\$ 57,082
- Unrealized gain (loss) on financial assets at FVTOCI	(<u>537</u>)	(<u>990</u>)	(<u>1,706</u>)	(<u>2,322</u>)
Income tax benefits (expenses) recognized in other comprehensive income	<u>\$ 39,403</u>	<u>\$ 36,308</u>	(<u>\$ 102,424</u>)	<u>\$ 54,760</u>

c. Income tax assessments

The income tax return of ACME, TTC, CGPC, TVCM,CGPCPOL, APC, APC Investment, UM, USII, TUVU, TUVU, CLT, UPIIC, STC, USIGE, INOMA, CGTD and USIO as of December 31, 2020 has been assessed by the tax authorities; the income tax return of the Company and SPC as of December 31, 2019 has been assessed by the tax authorities.

29. EARNINGS PER SHARE

	Unit: NT\$ Per Share			
	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Basic earnings per share	<u>\$ 0.33</u>	<u>\$ 1.22</u>	<u>\$ 0.83</u>	<u>\$ 2.38</u>
Diluted earnings per share	<u>\$ 0.33</u>	<u>\$ 1.22</u>	<u>\$ 0.83</u>	<u>\$ 2.38</u>

Earnings per share and the weighted average number of ordinary shares used to calculate earnings per share are as follows:

Net profit for the period

	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Net income attributable to owners of the Company (used to calculate the net income from basic and diluted earnings per share)	<u>\$ 354,012</u>	<u>\$ 1,305,809</u>	<u>\$ 888,771</u>	<u>\$ 2,554,471</u>

Number of share

	Unit: thousands of shares			
	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Weighted average number of ordinary shares used in the computation of basic earnings per share	1,072,298	1,072,298	1,072,298	1,072,298
Effect of potentially dilutive ordinary shares:				
Employees' compensation	<u>506</u>	<u>818</u>	<u>1,313</u>	<u>1,260</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>1,072,804</u>	<u>1,073,116</u>	<u>1,073,611</u>	<u>1,073,558</u>

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.

30. SHARE-BASED PAYMENT ARRANGEMENTS

USIO didn't issue employee share options as of January 1 to June 30, 2022 and 2021.

Information on employee share options which were issued was as follows:

Employee share options	For the Six Months Ended June 30, 2022		For the Six Months Ended June 30, 2021	
	Unit	Weighted average Exercise Price (NT\$)	Unit	Weighted average Exercise Price (NT\$)
Options exercised at January 1 and December 31	<u>133</u>	10.8	<u>133</u>	10.8

31. CASH FLOW INFORMATION

a. Non-cash transactions

Except as disclosed in other notes, the following non-cash investing and financing activities of the Group from January 1 to June 30, 2022 and 2021 were as follows:

- 1) As of June 30, 2022, December 31, 2021 and June 30, 2021, the amounts of payables for purchases of equipment were NT\$411,206 thousand, NT\$293,455 thousand and NT\$211,907 thousand, respectively.
- 2) As of June 30, 2022, December 31, 2021 and June 30, 2021, the amounts of payables for dividends declared but not issued were NT\$5,062,351 thousand, NT\$20,551 thousand and NT\$1,878,649 thousand, respectively.

b. Changes in liabilities arising from financing activities

	January 1, 2022	Cash Flows	Non-cash Changes				June 30, 2022
			New Leases	Amortization of Finance Costs	Changes in Foreign Currency Exchange Rates	Others	
Short-term borrowings	\$ 2,498,041	(\$ 858,800)	\$ -	\$ -	\$ -	\$ -	\$ 1,639,241
Short-term bills payable	279,635	(230,000)	-	-	-	365	50,000
Bonds payable (including those due within 1 year)	8,988,972	(1,000,000)	-	1,725	-	-	7,990,697
Long-term borrowings (including those due within 1 year)	4,513,240	594,299	-	5,458	-	-	5,112,997
Guarantee deposits received	29,528	11,730	-	-	-	-	41,258
Lease liabilities (including those due within 1 year)	460,567	(37,570)	13,958	3,329	1,963	(3,329)	438,918
Other non-current liabilities	65,243	(4,398)	-	-	-	-	60,845
	<u>\$ 16,835,226</u>	<u>(\$ 1,524,739)</u>	<u>\$ 13,958</u>	<u>\$ 10,512</u>	<u>\$ 1,963</u>	<u>(\$ 2,964)</u>	<u>\$ 15,333,956</u>

	January 1, 2021	Cash Flows	Non-cash Changes				June 30, 2021
			New Leases	Amortization of Finance Costs	Changes in Foreign Currency Exchange Rates	Others	
Short-term borrowings	\$ 2,726,270	(\$ 124,241)	\$ -	\$ -	\$ -	\$ -	\$ 2,602,029
Short-term bills payable	656,704	(93,000)	-	-	-	(98)	563,606
Bonds payable (including those due within 1 year)	6,994,302	1,995,634	-	1,518	-	-	8,991,454
Long-term borrowings (including those due within 1 year)	7,590,000	(3,170,000)	-	-	-	-	4,420,000
Guarantee deposits received	23,342	2,867	-	-	-	-	26,209
Lease liabilities (including those due within 1 year)	459,686	(34,114)	16,584	3,389	(660)	(10,295)	434,590
Other non-current liabilities	41,000	(1,067)	-	-	-	-	39,933
	<u>\$ 18,491,304</u>	<u>(\$ 1,423,921)</u>	<u>\$ 16,584</u>	<u>\$ 4,907</u>	<u>(\$ 660)</u>	<u>(\$ 10,393)</u>	<u>\$ 17,077,821</u>

32. Capital Management

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

Key management personnel of the Group review the capital structure periodically.

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

33. FINANCIAL INSTRUMENTS

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

June 30, 2022

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
- Domestic corporate bonds	<u>\$ 7,990,697</u>	<u>\$ -</u>	<u>\$ 8,009,041</u>	<u>\$ -</u>	<u>\$ 8,009,041</u>

December 31, 2021

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
- Domestic corporate bonds	<u>\$ 8,988,972</u>	<u>\$ -</u>	<u>\$ 9,012,663</u>	<u>\$ -</u>	<u>\$ 9,012,663</u>

June 30, 2021

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
- Domestic corporate bonds	<u>\$ 8,991,454</u>	<u>\$ -</u>	<u>\$ 9,024,008</u>	<u>\$ -</u>	<u>\$ 9,024,008</u>

Expect for the above, 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, 2022

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivatives	\$ -	\$ 5,054	\$ -	\$ 5,054
Domestic listed (OTC) shares	288,839	-	-	288,839
Fund beneficiary certificates	3,568,502	-	-	3,568,502
Beneficiary securities	232,535	-	-	232,535
Foreign listed stocks	121	-	-	121
Total	<u>\$ 4,089,997</u>	<u>\$ 5,054</u>	<u>\$ -</u>	<u>\$ 4,095,051</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
- Domestic listed (OTC) shares	\$ 1,818,546	\$ -	\$ -	\$ 1,818,546
- Domestic emerging stocks	-	-	25,593	25,593
- Domestic unlisted shares and emerging market shares	-	-	366,312	366,312
- Foreign listed (OTC) shares	39,929	-	-	39,929
- Overseas unlisted equity investments	-	-	142,267	142,267
Total	<u>\$ 1,858,475</u>	<u>\$ -</u>	<u>\$ 534,172</u>	<u>\$ 2,392,647</u>
<u>Financial liabilities at FVTPL</u>				
Derivatives	\$ -	\$ 11,377	\$ -	\$ 11,377

December 31, 2021

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivatives	\$ -	\$ 8,297	\$ -	\$ 8,297
Domestic listed (OTC) shares	603,956	-	-	603,956
Fund beneficiary certificates	4,896,869	-	-	4,896,869
Beneficiary securities	232,680	-	-	232,680
Foreign listed stocks	464	-	-	464
Total	<u>\$ 5,733,969</u>	<u>\$ 8,297</u>	<u>\$ -</u>	<u>\$ 5,742,266</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
- Domestic listed (OTC) shares	\$ 1,818,862	\$ -	\$ -	\$ 1,818,862
- Domestic emerging stocks	-	-	21,677	21,677
- Domestic unlisted shares and emerging market shares	-	-	437,569	437,569
- Foreign listed (OTC) shares	40,855	-	-	40,855

(Continued)

(Continued)

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
— Overseas unlisted equity investments	\$ -	\$ -	\$ 113,775	\$ 113,775
Total	<u>\$ 1,859,717</u>	<u>\$ -</u>	<u>\$ 573,021</u>	<u>\$ 2,432,738</u>
<u>Financial liabilities at FVTPL</u>				
Derivatives	<u>\$ -</u>	<u>\$ 3,380</u>	<u>\$ -</u>	<u>\$ 3,380</u>

June 30, 2021

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivatives	\$ -	\$ 7,648	\$ -	\$ 7,648
Domestic listed (OTC) shares	842,533	-	-	842,533
Fund beneficiary certificates	4,865,303	-	-	4,865,303
Beneficiary securities	224,928	-	-	224,928
Foreign listed stocks	370	-	-	370
Total	<u>\$ 5,933,134</u>	<u>\$ 7,648</u>	<u>\$ -</u>	<u>\$ 5,940,782</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
- Domestic listed (OTC) shares	\$ 1,991,072	\$ -	\$ -	\$ 1,991,072
- Domestic emerging stocks	-	-	12,567	12,567
- Domestic unlisted shares and emerging market shares	-	-	741,364	741,364
- Foreign listed (OTC) shares	32,402	-	-	32,402
— Overseas unlisted equity investments	-	-	106,437	106,437
Total	<u>\$ 2,023,474</u>	<u>\$ -</u>	<u>\$ 860,368</u>	<u>\$ 2,883,842</u>
<u>Financial liabilities at FVTPL</u>				
Derivatives	<u>\$ -</u>	<u>\$ 6,383</u>	<u>\$ -</u>	<u>\$ 6,383</u>

There were no transfers between Levels 1 and 2 for the six months ended June 30, 2022 and 2021.

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

	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
<u>Financial assets at FVTOCI</u>		
Beginning balance	\$ 573,021	\$ 833,285
Purchase	-	24
Recognized in other comprehensive income (included in unrealized gain (loss) on financial assets at FVTOCI)	(32,687)	66,204
Disposal	(6,162)	-
Return of capital	-	(39,145)
Ending balance	<u>\$ 534,172</u>	<u>\$ 860,368</u>

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

Categories of financial instruments	Valuation Techniques and Inputs
Financial liabilities – domestic corporate bonds	The corporate bond interest rate announced by Taipei Exchange, of which per-hundred price is calculated according to the credit rating and the expiration date through interpolation method.
Derivatives - foreign exchange forward contracts	Discounted cash flow: Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

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

The Group applied the valuation techniques and inputs for Level 3 fair value measurement for its independent fair value authentication of financial instruments which was carried out by the financial department. Through information from independent resources, the Group keeps the results close to the market state and reviews such results periodically to ensure that they are reasonable. The fair values of domestic and foreign unlisted equity securities were determined using the asset-based approach. In this approach, the fair value is determined by the latest net value of the investee company and the financial and business conditions of its observable company. If the discount for the lack of marketability decreases, the fair value of investments will increase. When the discount for lack of marketability increases/decreases by 10%, the fair value will decrease/increase by \$53,417 thousand and \$86,037 thousand, respectively in years ended from January 1 to June 30., 2022 and 2021.

c. Categories of financial instruments

	June 30, 2022	December 31, 2021	June 30, 2021
<u>Financial assets</u>			
Financial assets at FVTPL			
Financial assets mandatorily classified as at FVTPL	\$ 4,095,051	\$ 5,742,266	\$ 5,940,782
Financial assets measured at amortized cost			
Cash and cash equivalents	11,650,381	10,365,353	10,076,508
Pledged time and demand deposits	722,288	731,638	744,951

	June 30, 2022	December 31, 2021	June 30, 2021
Notes receivable	\$ 637,869	\$ 875,475	\$ 590,051
Accounts receivable	7,081,297	8,515,477	8,103,029
Other receivables (including related parties)	72,129	211,810	52,768
Refundable deposits	192,398	173,394	171,873
Financial assets at FVTOCI – investments in equity instruments	2,392,647	2,432,738	2,883,842
<u>Financial liabilities</u>			
Measured at FVTPL - held for trading	11,377	3,380	6,383
Financial liabilities measured at amortized cost			
Short-term borrowings	1,639,241	2,498,041	2,602,029
Short-term bills payable	50,000	279,635	563,606
ACCOUNTS PAYABLE	4,147,951	3,528,998	4,017,891
Dividends payable	5,062,351	20,551	1,878,649
Other payables (not including salaries payable or taxes payable)	1,542,813	1,452,259	1,680,248
Current portion of long- term borrowings	2,189,699	3,059,116	2,999,528
Bonds payable	5,990,998	5,989,773	5,991,926
Long-term borrowings	4,922,997	4,453,323	4,420,000
Guarantee deposits received	41,258	29,528	26,209

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 Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and other price risks.

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 had 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 did not engage in any derivative transactions for speculative purposes.

For the carrying amount of monetary assets and monetary liabilities denominated in non-functional currencies of the Group as of the balance sheet date, please refer to Note 39. Please refer to Note 7 for carrying amount of derivatives exposed to exchange rate risk.

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 and RMB denominated items). When the Group's functional currency relative to the USD appreciates/depreciates by 3%, the Group's profit before tax for period from January 1 to June 30, 2022 will decrease/increase by \$132,912 thousand; the profit before tax for period from January 1 to June 30, 2021 will decrease/increase by \$160,091 thousand. In management's opinion, the sensitivity analysis was unrepresentative of the inherent foreign currency 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 floating rate bearing financial liabilities 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:

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Fair value interest rate risk			
- Financial assets	\$ 9,033,379	\$ 7,781,222	\$ 7,462,733
- Financial liabilities	10,847,615	12,819,174	13,427,450
Cash flow interest rate risk			
- Financial assets	3,083,386	3,050,945	2,842,043
- Financial liabilities	4,384,238	3,921,281	3,584,229

Sensitivity analysis

Regarding the sensitivity analysis of interest risk, the Group's computation was based on financial assets and financial liabilities with cash flow interest rate risk. 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 profit before tax for period from January 1 to June 30, 2022 will decrease/increase by \$3,252 thousand; the profit before tax for period from January 1 to June 30, 2021 will decrease/increase by \$1,855 thousand.

c) Other price risks

The Group was exposed to the equity price risk through its investments in domestic and foreign listed (OTC) shares, fund beneficiary certificates and other 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

The following sensitivity analysis was determined based on the price of equity securities on the balance sheet date. However, the fund beneficiary

certificates held by the Group are mainly money market funds, which have very low price volatility risk, so it is not included in sensitivity analysis.

If the equity price had increased/decreased by 5%, the pre-tax profit from January 1 to June 30, 2022 and 2021 would have increased/decreased by NT\$26,075 thousand and NT\$53,392 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL (excluding mutual fund beneficiary certificates); The pre-tax other comprehensive income from January 1 to June 30, 2022 and 2021 would have increased/decreased by NT\$119,632 thousand and NT\$144,192 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

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. As of the balance sheet date, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligation, could arise from:

- a) The carrying amount of the financial assets recognized in the consolidated balance sheets; and
- b) The maximum amount payable by the Group due to financial guarantees provided by 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 Group's exposure and the credit ratings of its counterparties are continuously monitored.

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 continuously assesses the financial condition of its clients, 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 operations and mitigate the effects of the Group's operating cash flow fluctuations by managing and maintaining sufficient cash and cash equivalents.

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

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, 2022

	Weighted Average Interest Rate (%)	On Demand or Less than 1 Year	1-5 Years	More than 5 years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities		\$ 10,753,115	\$ -	\$ -
Lease liabilities	0.83-9.25	84,761	243,898	290,180
Floating interest rate liabilities	0.50-3.43	865,313	3,640,662	-
Fixed interest rate liabilities	0.63-1.25	<u>3,102,936</u>	<u>5,199,057</u>	<u>2,312,017</u>
		<u>\$ 14,806,125</u>	<u>\$ 9,083,617</u>	<u>\$ 2,602,197</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 years	5-10 years	10-15 years	15-20 years	More than 20 years
Lease liabilities	<u>\$ 84,761</u>	<u>\$ 243,898</u>	<u>\$ 77,331</u>	<u>\$ 57,336</u>	<u>\$ 57,600</u>	<u>\$ 97,913</u>

December 31, 2021

	Weighted Average Interest Rate (%)	On Demand or Less than 1 Year	1-5 Years	More than 5 years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities		\$ 5,001,808	\$ -	\$ -
Lease liabilities	0.83-9.25	79,836	246,828	288,585
Floating interest rate liabilities	0.10-1.90	970,600	2,986,558	-
Fixed interest rate liabilities	0.63-1.90	<u>4,877,712</u>	<u>5,209,600</u>	<u>2,300,000</u>
		<u>\$ 10,929,956</u>	<u>\$ 8,442,986</u>	<u>\$ 2,588,585</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 years	5-10 years	10-15 years	15-20 years	More than 20 years
Lease liabilities	<u>\$ 79,836</u>	<u>\$ 246,828</u>	<u>\$ 66,215</u>	<u>\$ 64,030</u>	<u>\$ 57,501</u>	<u>\$ 100,839</u>

June 30, 2021

	Weighted Average Interest Rate (%)	On Demand or Less than 1 Year	1-5 Years	More than 5 years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities		\$ 7,576,788	\$ -	\$ -
Lease liabilities	0.83-9.25	65,038	239,035	296,519
Floating interest rate liabilities	0.64-1.78	414,229	3,170,000	-
Fixed interest rate liabilities	0.25-1.90	<u>5,751,800</u>	<u>7,250,000</u>	<u>-</u>
		<u>\$13,807,855</u>	<u>\$10,659,035</u>	<u>\$ 296,519</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 years	5-10 years	10-15 years	15-20 years	More than 20 years
Lease liabilities	<u>\$ 65,038</u>	<u>\$ 239,035</u>	<u>\$ 76,837</u>	<u>\$ 51,759</u>	<u>\$ 52,399</u>	<u>\$ 115,524</u>

b) Liquidity of derivative financial liabilities and the interest risk table

Liquidity analysis of derivative financial instruments with gross delivery is prepared on the basis of undiscounted gross cash inflows and outflows. When the amount payable or receivable is not fixed, the amount disclosed is determined by the expected interest rate derived from the yield curve on the balance sheet date.

June 30, 2022

	On Demand or Less than 1 Month	1-3 Months	3 months to 1 year
<u>Gross settled</u>			
Foreign exchange forward contracts			
- Inflows	\$ 899,632	\$ 1,809,176	\$ 41,356
- Outflows	(<u>896,313</u>)	(<u>1,818,735</u>)	(<u>44,580</u>)
	<u>\$ 3,319</u>	(<u>\$ 9,559</u>)	(<u>\$ 3,224</u>)

December 31, 2021

	On Demand or Less than 1 Month	1-3 Months	3 months to 1 year
<u>Gross settled</u>			
Foreign exchange forward contracts			
- Inflows	\$ 1,049,371	\$ 1,987,001	\$ 57,671
- Outflows	(<u>1,052,384</u>)	(<u>1,991,684</u>)	(<u>59,512</u>)
	(<u>\$ 3,013</u>)	(<u>\$ 4,683</u>)	(<u>\$ 1,841</u>)

June 30, 2021

	<u>On Demand or Less than 1 Month</u>	<u>1-3 Months</u>	<u>3 months to 1 year</u>
<u>Gross settled</u>			
Foreign exchange forward contracts			
- Inflows	\$ 988,356	\$ 1,747,405	\$ 70,767
- Outflows	(988,563)	(1,801,333)	(71,438)
	(\$ 207)	(\$ 53,928)	(\$ 671)

c) Financing facilities

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

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Bank loan facilities			
- Amount unused	\$ 40,546,786	\$ 38,572,010	\$ 36,498,854

34. Transactions with Related Parties

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

a. Name of the related party and their relationship

<u>Name of the related party</u>	<u>Relationship with the Group</u>
Fujian Gulei Petrochemical Co., Ltd.	Joint ventures
USI Educational Foundation (USIF)	Other related parties

b. Purchase (classified as cost of goods sold)

<u>Related Party Category/Name</u>	<u>For the Three Months Ended June 30, 2022</u>	<u>For the Three Months Ended June 30, 2021</u>	<u>For the Six Months Ended June 30, 2022</u>	<u>For the Six Months Ended June 30, 2021</u>
Joint ventures	\$ 648,071	\$ -	\$ 1,245,740	\$ -

Purchases from related parties had no material differences from those of general purchase transactions.

c. Donation costs (recorded as administrative expenses)

Related Party Category/Name	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Other related parties				
USI Education Foundation	\$ <u> -</u>	\$ <u> -</u>	\$ <u> 20,000</u>	\$ <u> 16,000</u>

d. Management service revenue (accounting for other revenue)

Related Party Category/Name	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Joint ventures	\$ <u> 6,643</u>	\$ <u> 9,552</u>	\$ <u> 14,892</u>	\$ <u> 18,719</u>

e. Other receivables

Related Party Category/Name	June 30, 2022	December 31, 2021	June 30, 2021
Joint ventures	\$ <u> 14,038</u>	\$ <u> 21,083</u>	\$ <u> 16,708</u>

f. Compensation of key management personnel

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

	For the Three Months Ended June 30, 2022	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Short-term employee benefits	\$ 10,656	\$ 9,475	\$ 19,338	\$ 17,370
Retirement benefits	<u>177</u>	<u>81</u>	<u>509</u>	<u>162</u>
	\$ <u> 10,833</u>	\$ <u> 9,556</u>	\$ <u> 19,847</u>	\$ <u> 17,532</u>

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

35. Collateralized Assets

The following assets of the Group have been pledged as collateral for material purchase, outward documentary bill, long-term and short-term financing quotas and compensation for gas explosion cases:

	June 30, 2022	December 31, 2021	June 30, 2021
Pledged time deposits (recorded as financial assets at amortized cost)	\$ 678,551	\$ 679,083	\$ 708,916
Financial assets at FVTPL	7,312	9,085	-
Property, plant and equipment	226,984	160,158	859,293
Investment properties - net	-	-	19,490
Land use right (classified as right-of-use assets)	29,770	20,578	20,833
Refundable deposits (classified as other non- current assets)	<u>126,827</u>	<u>121,685</u>	<u>65,799</u>
	\$ <u> 1,069,444</u>	\$ <u> 990,589</u>	\$ <u> 1,674,331</u>

36. Significant Contingent Liabilities and Unrecognized Commitments

- a. As of June 30, 2022, December 31, 2021, and June 30, 2021, the Group's unused letters of credit amounted to NT\$3,444,459 thousand, NT\$3,177,888 thousand and NT\$3,093,555 thousand, respectively.
- b. Regarding the Company's associate, China General Terminal & Distribution Corporation ("CGTD"), who was commissioned to operate the propylene pipeline of LCY Chemical Corp. ("LCY") resulting in a gas explosion on July 31, 2014, the appeal was dismissed by the Supreme Court on September 15, 2021, and all three employees of CGTD were innocent.

On February 12, 2015, CGTD entered into an agreement with the Kaohsiung City Government to provide the Kaohsiung City Government with pledge right set of a bank deposit certificate of NT\$227,560 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, 2022 the provisionally attached property was worth NT\$10,339 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.

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, 2022, the victims and victims' families had written letters or filed civil lawsuits (including criminal lawsuits) against CGTD, LCY Chemical Corp. 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\$3,856,447 thousand. The first-instance judgments of some of the above-mentioned civil cases (with a total amount of compensation of approximately \$1,440,672 thousand) have been gradually announced, starting from June 22, 2018. The proportion of fault liability of the Kaohsiung City Government, LCY Chemical Corp. and CGTD is 4 : 3 : 3 in most judgments. The total amount of compensation that CGTD, LCY Chemical Corp. and the other defendants should pay is around NT\$401,979 thousand. (In particular, CGTD was exempted to pay NT\$6,194 thousand according to the court's judgment.) For the civil cases that have been sentenced but not settled, CGTD has filed an appeal and has started the second trial procedure one after another. The remaining cases are still pending in the Court of First Instance (the amount claimed is approximately NT\$1,912,949 thousand). CGTD and its insurance company signed a settlement agreement, covering the proportion of the liability for negligence determined in the first-instance judgment, the estimated amount of the settlement with the victims and the severely injured, and the amount of compensation in civil cases (including cases that have been settled); after the maximum insurance claims is deducted, the estimated amount that should be borne by CGTD and has been recognized is NT\$136,375 thousand. However, the actual amount of the aforementioned relevant settlements and compensation will not be confirmed until the proportion of the liabilities that should be borne by CGTD is determined in the civil case judgment in the future.

37. SIGNIFICANT CONTRACTS

- a. TVCM signed a dichloroethane purchase contract with CPC Corporation, Formosa Plastics Corporation and Mitsui Corp. The purchase price was negotiated by both parties according to a pricing formula.
- b. Key operation contracts
CGTD is commissioned to operate the storage and transportation of any items of petrochemical raw materials; operating service charges are calculated in accordance with the actual operation quantities and at the rate stated in the contracts. The insurance

expenses of petrochemical raw materials are borne by individual commissioned companies.

<u>Commissioning Company</u>	<u>Operation Contract Period</u>
Taita Chemical Company, Ltd.	2022.01.01-2022.12.31
Taiwan VCM Corporation	2022.01.01-2022.12.31
USI CORPORATION	2022.01.01-2022.12.31
Asia Polymer Corporation	2022.01.01-2022.12.31
LCY Chemical Corp.	2022.01.01-2022.12.31
TSRC Corporation	2022.01.01-2022.12.31
Nantex Industry Co., Ltd.	2022.01.01-2022.12.31
En Chuan Chemical Industries Co., Ltd.	2022.01.01-2022.12.31
Xin Long Guang Plastics Co., Ltd.	2022.01.01-2022.12.31
Oriental Union Chemical Corporation	2022.01.01-2022.12.31
Formosa Plastics Corporation	2022.01.01-2022.12.31
Chi Shen Transportation Co., Ltd.	2022.01.01-2022.12.31
LCY Grit Corp.	2022.01.01-2022.12.31
Shin Foong Specialty And Applied Materials Co., Ltd.	2022.01.01-2022.12.31

The aforesaid operation contracts may be renewed upon expiration.

38. Significant Events After the Balance Sheet Date

The Company had an accident of rupture of the furnace tube of the exhaust gas treatment equipment on July 15, 2022, and has stopped work and carried out improvement measures for the rupture of the furnace tube of the exhaust gas treatment equipment in accordance with the request of the Kaohsiung City Labor Standards Inspection Office. The Company will submit a resumption plan to the Kaohsiung Labor Standards Inspection Office after confirming the elimination of the reason for the suspension of work and will resume work after it is considered and approved.

39. SIGNIFICANT FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

Unit: Foreign and Functional Currencies in Thousands

June 30, 2022					
	Foreign Currency		Exchange Rate (In Single Dollars)	Functional Currencies	NT\$
Foreign currency assets					
<u>Monetary items</u>					
USD	\$	186,211	29.72 (USD/NTD)	\$ 5,534,201	\$ 5,534,201
USD		4,333	6.71 (USD/RMB)	29,081	128,777
USD		4,113	4.59 (USD/MYR)	18,885	122,241
RMB		376,284	4.43 (RMB/NTD)	1,666,300	1,666,300
RMB		3,397	0.15 (RMB/USD)	506	15,033
AUD		1,023	20.45 (AUD/NTD)	20,924	20,924
EUR		881	31.05 (EUR/NTD)	27,349	27,349
<u>Non-monetary items</u>					
Joint Ventures Using the Equity Method					
RMB		3,831,768	0.15 (RMB/USD)	570,934	16,968,165
Derivatives					
Purchase USD		14,210	29.72 (USD/NTD)	789	789
Sell USD		8,360	29.72 (USD/NTD)	289	289
Sell USD		550	4.59 (USD/MYR)	25	165
Sell RMB		36,500	4.43 (RMB/NTD)	3,107	3,107
Purchase JPY		60,000	0.01 (JPY/USD)	24	704
Foreign currency liabilities					
<u>Monetary items</u>					
USD		70,410	29.72 (USD/NTD)	2,092,577	2,092,577
USD		20,610	6.71 (USD/RMB)	138,326	612,546
USD		7,713	4.59 (USD/MYR)	35,413	229,227
RMB		22,986	4.43 (RMB/NTD)	101,789	101,789
<u>Non-monetary items</u>					
Derivatives					
Purchase USD		7,870	29.72 (USD/NTD)	273	273
Sell USD		15,010	29.72 (USD/NTD)	1,848	1,848
Sell USD		1,300	4.59 (USD/MYR)	86	557
Sell RMB		266,600	4.43 (RMB/NTD)	8,699	8,699
December 31, 2021					
	Foreign Currency		Exchange Rate (In Single Dollars)	Functional Currencies	NT\$
Foreign currency assets					
<u>Monetary items</u>					
USD	\$	220,029	27.68 (USD/NTD)	\$ 6,090,148	\$ 6,090,148
USD		5,174	6.38 (USD/RMB)	32,987	143,214
USD		4,570	4.36 (USD/MYR)	19,906	126,505
RMB		495,301	4.34 (RMB/NTD)	2,150,425	2,150,425
RMB		1,611	0.16 (RMB/USD)	253	7,004
AUD		1,000	20.08 (AUD/NTD)	20,078	20,078
EUR		774	31.32 (EUR/NTD)	24,223	24,223
<u>Non-monetary items</u>					
Joint Ventures Using the Equity Method					
RMB		4,453,674	0.16 (RMB/USD)	698,539	19,335,554
Derivatives					

December 31, 2021

	Foreign Currency	Exchange Rate (In Single Dollars)	Functional Currencies	NT\$
Sell USD	\$ 49,930	27.68 (USD/NTD)	\$ 6,308	\$ 6,308
Sell USD	1,850	4.36 (USD/MYR)	49	313
Sell RMB	137,000	4.34 (RMB/NTD)	1,133	1,133
Sell Euro	60	4.93 (EUR/MYR)	22	143
Purchase JPY	100,000	0.01 (JPY/USD)	14	400
Foreign currency liabilities				
<u>Monetary items</u>				
USD	76,741	27.68 (USD/NTD)	2,124,188	2,124,188
USD	19,106	6.38 (USD/RMB)	528,864	528,864
USD	1,209	4.36 (USD/MYR)	5,265	33,462
RMB	20,782	4.34 (RMB/NTD)	90,223	90,223
<u>Non-monetary items</u>				
Derivatives				
Sell USD	300	4.36 (USD/MYR)	4	28
Sell RMB	238,900	4.34 (RMB/NTD)	3,352	3,352

June 30, 2021

	Foreign Currency	Exchange Rate (In Single Dollars)	Functional Currencies	NT\$
Foreign currency assets				
<u>Monetary items</u>				
USD	\$ 220,880	27.86 (USD/NTD)	\$ 6,153,744	\$ 6,153,744
USD	5,027	6.46 (USD/RMB)	32,473	140,042
USD	4,816	4.33 (USD/MYR)	20,836	134,186
RMB	362,547	4.31 (RMB/NTD)	1,563,522	1,563,522
RMB	2,741	0.15 (RMB/USD)	424	11,825
AUD	722	20.94 (AUD/NTD)	15,121	15,121
EUR	467	33.15 (EUR/NTD)	15,449	15,449
<u>Non-monetary items</u>				
Joint Ventures Using the Equity Method				
RMB	4,616,240	0.15 (RMB/USD)	714,577	19,908,120
Derivatives				
Purchase USD	8,227	27.86 (USD/NTD)	1,879	1,879
Sell USD	31,510	27.86 (USD/NTD)	3,756	3,756
Sell USD	950	4.33 (USD/MYR)	39	250
Sell RMB	141,300	4.31 (RMB/NTD)	1,580	1,580
Sell EUR	180	5.15 (EUR/MYR)	20	130
Purchase JPY	20,000	0.01 (JPY/USD)	183	53
Foreign currency liabilities				
<u>Monetary items</u>				
USD	73,482	27.86 (USD/NTD)	2,047,215	2,047,215
USD	17,124	6.46 (USD/RMB)	110,626	477,084
USD	1,398	4.33 (USD/MYR)	6,050	38,960
RMB	24,040	4.31 (RMB/NTD)	103,676	103,676
<u>Non-monetary items</u>				
Derivatives				
Purchase USD	2,900	27.86 (USD/NTD)	1,586	1,586
Sell USD	19,180	27.86 (USD/NTD)	3,673	3,673
Sell RMB	102,200	4.31 (RMB/NTD)	1,124	1,124

The net realized and unrealized foreign currency exchange profit or loss of the Group for the three months ended June 30, 2022 and 2021 and the six months ended June 30, 2022 and 2021 were NT\$98,319 thousand (profit), NT\$105,557 thousand (loss), NT\$337,778 thousand (profit) and NT\$134,167 thousand (loss), respectively. Due to the wide variety of foreign currency transactions and functional currencies of the Group's individual entities, thus the exchange gains and losses were not disclosed by currency of significant impact.

40. Separately Disclosed Items

a. Information on significant transactions and (II) investees:

- 1) Financing provided to others. (Table 1)
- 2) Endorsements/guarantees provided. (Table 2)
- 3) Marketable securities held (excluding investment in subsidiaries and joint ventures). (Table 3)
- 4) Total Purchases from or Sales to Related Parties of Marketable Securities Amounting to at Least NT\$300 Million or 20% of the Paid-in Capital; (Table 4)
- 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. (Table 5)
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 6)
- 9) Trading in derivative instruments; (Notes 7 and 33)
- 10) Others: The Business Relationships and Significant Transactions and Amounts between Parent and Subsidiaries and between Subsidiaries. (Table 9)
- 11) Information on investees. (Table 7)

b. Information on Investments in Mainland China:

- 1) Information on 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, current profit and loss and recognized investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China. (Table 8)

- 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:
- The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: Tables 5 and 9.
 - The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: Tables 5 and 9.
 - The amount of property transactions and the amount of the resultant gains or losses: None.
 - The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: Table 2.
 - 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: Table 1.
 - 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.
- c. Information on major shareholders: Name, number of shares held, and shareholding percentage of shareholders with shareholding percentage exceeding 5%. (Table 10)

41. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the financial information of each individual company. The following was the information of the Group's reporting segments:

a. Profit or Loss of Reporting Segment

	For the Six Months Ended June 30, 2022						
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Others	Total
Segment revenue	\$ 8,195,334	\$ 10,146,763	\$ 9,551,324	\$ 1,528,888	\$ 4,489,795	\$ 2,417,740	\$ 36,329,844
Interest income	8,274	3,693	19,845	3,623	5,882	11,638	52,955
Finance costs	(38,410)	(6,436)	(1,338)	(11,516)	(5,212)	(12,727)	(75,639)
Depreciation and amortization	(317,206)	(351,794)	(104,244)	(110,456)	(150,981)	(167,901)	(1,202,582)
Pre-tax profit of reporting segment	1,127,510	453,817	559,018	38,712	863,284	(2,174,692)	867,649
Income tax expenses of reporting segment	(238,739)	(41,569)	(140,590)	(18,550)	(170,232)	(40,677)	(650,357)
Net profit of reporting segment	888,771	412,248	418,428	20,162	693,052	(2,215,369)	217,292

	For the Six Months Ended June 30, 2021						
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Others	Total
Segment revenue	\$ 7,544,852	\$ 9,554,573	\$ 10,104,088	\$ 1,444,944	\$ 4,188,280	\$ 2,362,319	\$ 35,199,056
Interest income	3,524	1,573	20,963	4,567	2,758	6,647	40,032
Finance costs	(47,031)	(1,324)	(2,682)	(7,665)	(13,539)	(14,719)	(86,960)
Depreciation and amortization	(308,913)	(354,894)	(99,314)	(100,914)	(156,603)	(178,236)	(1,198,874)
Pre-tax profit of reporting segment	2,923,645	1,857,556	1,324,496	54,748	1,742,180	1,446,110	9,348,735
Income tax expenses of reporting segment	(369,174)	(377,496)	(293,699)	(24,773)	(264,212)	(80,117)	(1,409,471)
Net profit of reporting segment	2,554,471	1,480,060	1,030,797	29,975	1,477,968	1,365,993	7,939,264

b. Profit and loss of reporting segment and other major adjustments

1) Segment revenue and results

	For the Six Months Ended June 30, 2022	For the Six Months Ended June 30, 2021
Pre-tax profit of reporting segment	\$ 3,042,341	\$ 7,902,625
Income tax expenses of reporting segment	(609,680)	(1,329,354)
Total of net after-tax profit of reporting segment	2,432,661	6,573,271
(Loss) profit of other non-reporting segments	(2,215,369)	1,365,993
Deduction of inter-segment loss (profit)	<u>529,805</u>	<u>(2,664,619)</u>
Consolidated net after-tax profit	<u>\$ 747,097</u>	<u>\$ 5,274,645</u>

2) Other major adjustments

For the Six Months Ended June 30, 2022								
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Others	Adjustments	Total
Interest income	\$ 8,274	\$ 3,693	\$ 19,845	\$ 3,623	\$ 5,882	\$ 11,638	(\$ 41)	\$ 52,914
Finance costs	(38,410)	(6,436)	(1,338)	(11,516)	(5,212)	(12,727)	1,015	(74,624)
Depreciation and amortization	(317,206)	(351,794)	(104,244)	(110,456)	(150,981)	(167,901)	18,381	(1,184,201)

For the Six Months Ended June 30, 2021								
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Others	Adjustments	Total
Interest income	\$ 3,524	\$ 1,573	\$ 20,963	\$ 4,567	\$ 2,758	\$ 6,647	\$ -	\$ 40,032
Finance costs	(47,031)	(1,324)	(2,682)	(7,665)	(13,539)	(14,719)	1,328	(85,632)
Depreciation and amortization	(308,913)	(354,894)	(99,314)	(100,914)	(156,603)	(178,236)	29,143	(1,169,731)

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.

USI Corporation and Subsidiaries
FINANCING PROVIDED TO OTHERS
For the six months ended June 30, 2022

Table 1

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

No.	Lender	Borrower	Financial Statement Account	Related Party (Yes/No)	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Range of Interest Rates (%)	Nature of Financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)	Remark
													Item	Value			
0	USI CORPORATION	USI Green Energy Corporation	Other receivables from related parties	Yes	\$ 200,000	\$ 200,000	\$ -	-	2	\$ -	Business turnover	\$ -	-	-	\$ 9,523,382	\$ 9,523,382	

Note 1: The total capital loans shall not exceed 40% of the net value of the Company's most recent financial statements certified or audited by CPAs. The maximum capital loans is calculated on the net value as of June 30, 2022.

Note 2: The nature of financing is provided as follows:

- (1) Business relationship is coded "1".
- (2) Short-term financing is coded "2".

USI Corporation and Subsidiaries
(Swanson Plastics Corporation)
FINANCING PROVIDED TO OTHERS
For the six months ended June 30, 2022

Table 1-1

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

No.	Lender	Borrower	Financial Statement Account	Related Party (Yes/No)	Highest Balance for the Period	Ending Balance (Note 3)	Actual Borrowing Amount (Notes 3 and 4)	Range of Interest Rates (%)	Nature of Financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)	Remark
													Item	Value			
1	Forever Young Company Limited	Swanson International Ltd.	Other receivables	Yes	\$ 44,590	\$ 44,590	\$ 44,590	-	2	\$ -	Business turnover	\$ -	-	-	\$ 74,804	\$ 112,206	
2	ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	Other receivables	Yes	171,350	168,275	168,275	3.85	2	-	Business turnover	-	-	-	526,424	526,424	

Note 1: The limits of financing provided to others based on the total amount of funds lending to others and the limits of individual objects set by the companies.

Note 2: The nature of financing is provided as follows:

- (1) Business relationship is coded "1".
- (2) Short-term financing is coded "2".

Note 3: The calculation was based on the spot exchange rate of June 30, 2022.

Note 4: All the transactions were written off when preparing the consolidated financial statements.

USI Corporation and Subsidiaries
 ENDORSEMENTS/GUARANTEES PROVIDED
 For the six months ended June 30, 2022

Table 2

(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 1)	Maximum Amount Endorsed/ Guaranteed During the Period (Note 2)	Outstanding Endorsement/ Guarantee at the End of the Period (Note 2)	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 1)	Endorsement/ Guarantee Made by Parent for Subsidiaries	Endorsement/ Guarantee Made by Subsidiaries for Parent	Endorsement/ Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	USI CORPORATION	Union Polymer Int'l Investment Corp.	Subsidiary which directly held more than 50% of ordinary shares	\$ 11,904,227	\$ 2,600,000	\$ 2,600,000	\$ 490,000	\$ -	10.92	\$ 14,285,073	Yes	No	No	
0	USI CORPORATION	USI Green Energy Corporation	Subsidiary which directly held more than 50% of ordinary shares	11,904,227	500,000	500,000	150,000	-	2.10	14,285,073	Yes	No	No	
0	USI CORPORATION	Chong Loong Trading Co., Ltd.	Subsidiary which directly held more than 50% of ordinary shares	11,904,227	318,600 (USD 5,000 thousand) (NTD 170,000 thousand)	318,600 (USD5,000 thousand) (NTD 170,000 thousand)	60,858	-	1.34	14,285,073	Yes	No	No	

Note 1: The total amount of guarantee that may be provided by the Company shall not exceed 60% 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 50% of the Company's net worth stated on the latest financial statements.

Note 2: The calculation was based on the spot exchange rate of June 30, 2022.

USI Corporation and Subsidiaries
(Acme Electronics Corporation)
ENDORSEMENTS/GUARANTEES PROVIDED
For the six months ended June 30, 2022

Table 2-1

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

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Period (Note 3)	Outstanding Endorsement/ Guarantee at the End of the Period (Note 3)	Actual Borrowing Amount (Note 3)	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%) (Note 1)	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	Remark
		Company Name	Relationship											
0	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	Subsidiary of ACME (Cayman)	\$ 2,064,828	\$ 515,813 (USD 17,500 thousand)	\$ 386,360 (USD 13,000 thousand)	\$ 267,480 (USD 9,000 thousand)	\$ -	28.07	\$ 2,753,104	No	No	Yes	
		Acme Electronics (Guang-Zhou) Co., Ltd.	Subsidiary of GAEL	2,064,828	89,160 (USD 3,000 thousand)	89,160 (USD 3,000 thousand)	-	-	6.48	2,753,104	No	No	Yes	
		ACME Electronics (Cayman) Corp.	Subsidiary of Acme Electronics Corporation	2,064,828	237,760 (USD 8,000 thousand)	237,760 (USD 8,000 thousand)	237,760 (USD 8,000 thousand)	-	-	17.27	2,753,104	No	No	No

Note 1: The rate was calculated by the equity of ACME as of June 30, 2022.

Note 2: The maximum amount of total endorsement/guarantee shall not exceed 200% of the equity attributable to owners of ACME. The maximum amount of endorsement/guarantee for an individual entity shall not exceed 150% of the equity attributable to owners of ACME. The maximum amount of endorsement/guarantee was calculated based on the equity of the endorser/guarantor as of June 30, 2022.

Note 3: The calculation was based on the spot exchange rate of June 30, 2022.

USI Corporation and Subsidiaries
(Swanson Plastics Corporation)
ENDORSEMENTS/GUARANTEES PROVIDED
For the six months ended June 30, 2022

Table 2-2

(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 1)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period (Note 2)	Actual Borrowing Amount (Note 2)	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 1)	Endorsement /Guarantee Made by Parent for Subsidiaries	Endorsement /Guarantee Made by Subsidiaries for Parent	Endorsement /Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	Swanson Plastics Corporation	Forever Young Co., Ltd.	Subsidiary	\$ 5,290,204	\$ 1,476,698	\$ 1,274,988	\$ -	\$ -	48.20	\$ 6,612,755	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Singapore) Pte., Ltd.	Subsidiary	5,290,204	53,199	53,199	-	-	2.01	6,612,755	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Malaysia) Sdn. Bhd.	Sub-subsidiary	5,290,204	35,664	35,664	-	-	1.35	6,612,755	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Kunshan) Co., Ltd.	Sub-subsidiary	5,290,204	89,160	89,160	-	-	3.37	6,612,755	No	No	Yes	
0	Swanson Plastics Corporation	Swanson Technologies Corporation	Subsidiary	5,290,204	281,152	281,152	-	-	10.63	6,612,755	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Tianjin) Co., Ltd.	Sub-subsidiary	5,290,204	29,720	29,720	-	-	1.12	6,612,755	No	No	Yes	
0	Swanson Plastics Corporation	PT. Swanson Plastics Indonesia	Subsidiary	5,290,204	59,440	59,440	-	-	2.25	6,612,755	No	No	No	

Note 1: The amount of endorsements/guarantees for an individual entity shall not exceed 200% of SPC's equity stated on the latest financial statements. The maximum amount of total endorsements/guarantees shall not exceed 250% of SPC's equity stated on the latest financial statements.

Note 2: The calculation was based on the spot exchange rate of June 30, 2022.

USI Corporation and Subsidiaries
(China General Plastics Corporation)
ENDORSEMENTS/GUARANTEES PROVIDED
For the six months ended June 30, 2022

Table 2-3

Unit: In Thousands of New Taiwan Dollars, Unless Stated Otherwise

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%) (Note 1)	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	Remark
		Company Name	Relationship											
0	China General Plastics Corporation	CGPC Polymer Corporation	Subsidiary	\$ 6,030,339	\$ 1,000,000	\$ 1,000,000	\$ 180,000	\$ -	9.95	\$ 10,050,565	No	No	No	

Note 1: The ratio was calculated by the equity of CGPC as of June 30, 2022.

Note 2: The total amount of guarantee that may be provided to any external enterprises by CGPC shall not exceed 100% of its net worth stated on the latest financial statements; The total amount of guarantee that may be provided to any single entity by CGPC shall not exceed 60% of its net worth stated on the latest financial statements.

USI Corporation and Subsidiaries
Taita Chemical Company, Ltd.
ENDORSEMENTS/GUARANTEES PROVIDED
For the six months ended June 30, 2022

Table 2-4

Unit: 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	Remark
		Company Name	Relationship											
0	Taita Chemical Company, Ltd.	TAITA (BVI) Holding Co., Ltd.	Subsidiaries that the Company holds 100% of common equity directly	\$ 7,195,547	\$ 178,320 (USD 6,000 thousand)	\$ 178,320 (USD 6,000 thousand)	\$ -	\$ -	2.48	\$ 10,793,321	No	No	No	
0	Taita Chemical Company, Ltd.	Taita Chemical (Zhongshan) Co., Ltd.	Subsidiaries that TTC's subsidiaries hold 100% of common equity directly	7,195,547	575,679 (RMB 130,000 thousand)	575,679 (RMB 130,000 thousand)	-	-	8.00	10,793,321	No	No	Yes	

Note 1: The calculation was based on the spot exchange rate of June 30, 2022.

Note 2: The total amount of guarantee that may be provided by TTC shall not exceed 150% of TTC's net worth stated on its latest financial statements; the total amount of guarantee provided by TTC to any individual entity shall not exceed 100% of TTC's net worth stated on its latest financial statements.
The total amount of guarantee that may be provided by TTC and its subsidiaries shall not exceed 200% of TTC's net worth stated on the latest financial statements; the total amount of guarantee provided by TTC and its subsidiaries to any single entity shall not exceed 150% of TTC's net worth stated on the latest financial statements.

USI Corporation and Subsidiaries
MARKETABLE SECURITIES HELD

June 30, 2022

TABLE 3

Unit: 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	Ending			Fair Value	Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)		
USI CORPORATION	Shares							
	CTCI Corporation	—	Financial assets at FVTOCI— non-current	15,130,656	\$ 679,366	1.93	\$ 679,366	
	KHL IB Venture Capital Co., Ltd.	—	"	9,954,950	138,929	11.90	138,929	
	AU Optronics Corporation	—	"	8,514,006	138,778	0.09	138,778	
	UPC Technology Corporation	—	Financial assets at fair value through profit or loss - current	690,000	10,833	-	10,833	
	United Microelectronics Corporation	—	"	150,000	5,872	-	5,872	
	Evergreen Marine Corporation	—	"	406,251	34,369	-	34,369	
	China Steel Corporation	—	"	350,000	9,957	-	9,957	
	Tungsho Steel Corporation	—	"	224,500	11,652	-	11,652	
	Quanta Storage Inc.	—	"	86,000	3,195	-	3,195	
	Beneficiary certificates							
	Taiwan Cooperative Bank Money Market Fund	—	Financial assets at fair value through profit or loss - current	19,485,772	200,123	-	200,123	
	Shin Kong Chi-Shin Money-market Fund	—	"	12,921,358	200,236	-	200,236	
	Yuanta Wan Tai Money Market Fund	—	"	5,235,979	80,127	-	80,127	
	Hua Nan Kirin Money Market Fund	—	"	23,163,125	280,417	-	280,417	
	Hua Nan Phoenix Money Market Fund	—	"	15,398,463	253,246	-	253,246	
	Capital Money Market Fund	—	"	6,130,719	100,070	-	100,070	
	Taishin 1699 Money Market Fund	—	"	46,279,154	634,085	-	634,085	
	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust	—	Financial assets at fair value through profit or loss - current	3,340,000	60,053	-	60,053	

(Continued)

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Ending			Fair Value	Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)		
Union Polymer Int'l Investment Corp.	Shares							
	Asia Polymer Corporation	Investments accounted for using the equity method	Financial assets at FVTOCI— non-current	22,182,486	\$ 558,999	3.74	\$ 558,999	
	China General Plastics Corporation	"	"	4,469,307	125,588	0.77	125,588	
	Taita Chemical Company, Ltd.	"	"	434,527	11,211	0.11	11,211	
Swanlake Traders Ltd.	Shares							
	SOHOWare Inc.	—	Financial assets at FVTOCI - non-current	1,150,000	-	1.05	-	Note 2
	TGF Linux Communications Inc.	—	"	300,000	-	2.14	-	Note 2
	Neurosky Inc. Preferred Stock D	—	"	2,397,364	-	0.70	-	Note 2
USIFE Investment Co., Ltd.	Shares							
	AU Optronics Corporation	—	Financial assets at fair value through other comprehensive income - current	1,266,061	20,637	0.01	20,637	
	AU Optronics Corporation	—	Financial assets at FVTOCI— non-current	1,266,061	20,637	0.01	20,637	
	Wafer Works Corporation	—	"	1,502,433	72,192	0.28	72,192	
	Solargiga Energy Holdings Limited	—	"	11,876,111	17,094	0.37	17,094	
	Dah Chung Bills Finance Corp.	—	"	482,757	7,348	0.10	7,348	
	Swanson Plastics Corporation	Same chairman	"	9,198,980	159,234	5.96	159,234	
	USI Optronics Corporation	"	"	165,279	197	0.25	197	
	Digimax Inc.	—	"	23,234	-	0.05	-	
	Silicon Technology Investment (Cayman) Corp.	—	"	911,849	63,228	1.77	63,228	
	China General Plastics Corporation	Same chairman	Financial assets at fair value through profit or loss - current	550,722	15,475	0.09	15,475	
	Asia Polymer Corporation	"	"	1,714,180	43,197	0.29	43,197	
	Taita Chemical Company, Ltd.	"	"	1,338,240	34,527	0.35	34,527	
	UPC Technology Corporation	—	"	477,000	7,489	0.04	7,489	
China Steel Corporation	—	"	175,000	4,979	-	4,979		
Tungho Steel Corporation	—	"	112,250	5,826	0.02	5,826		
United Microelectronics Corporation	—	"	60,000	2,349	-	2,349		
Evergreen Marine Corporation	—	"	131,416	11,118	-	11,118		
Quanta Storage Inc.	—	"	36,000	1,337	0.01	1,337		

(Continued)

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Ending			Fair Value	Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)		
Taiwan United Venture Capital Corp.	Acme Electronics Corporation	Same chairman	Financial assets at fair value through profit or loss - current	500,000	\$ 14,725	0.27	\$ 14,725	
	Superactive Group Company Limited	—	"	678,000	121	-	121	
	Beneficiary certificates							
	Yuanta De-Li Money Market Fund	—	Financial assets at fair value through profit or loss - current	4,907,988	80,965	-	80,965	
	Fuh Hwa Money Market	—	"	3,440,659	50,168	-	50,168	
	Cathay Taiwan Money Market Fund	—	"	5,844,200	73,493	-	73,493	
	Beneficiary certificates							
	Fuh Hwa Money Market	—	Financial assets at fair value through profit or loss - current	3,399,556	49,569	-	49,569	
	Cathay Taiwan Money Market Fund	—	"	4,391,849	55,229	-	55,229	
	Shares							
	Innovation & Infinity Global Corp.	—	Financial assets at fair value through profit or loss - non-current	720,804	-	0.73	-	
	Teratech Corp.	—	"	90,000	-	0.58	-	
	MiTAC Holdings Corporation	—	Financial assets at fair value through other comprehensive income - current	2,062,000	56,602	0.17	56,602	
	Chitec Technology Co., Ltd.	—	Financial assets at FVTOCI— non-current	407,072	25,593	1.37	25,593	
	Leadwell Cnc Machines Mfg., Corp.	—	"	419,753	10,603	0.68	10,603	
	Digimax Inc.	—	"	518,898	-	1.18	-	
	Hexawave Inc.	—	"	109,109	655	0.27	655	
Uranus Chemicals Co., Ltd.	—	"	14,021	298	0.03	298		
Neuro Sky, Inc. Preferred Stock A	—	"	10,000,000	-	1.42	-		
Neuro Sky, Inc. Preferred Stock B	—	"	12,595,523	-	1.78	-		
Neuro Sky, Inc. Preferred Stock C	—	"	4,532,823	-	0.64	-		
Taiwan United Venture Management Corporation	Beneficiary certificates							
	Fuh Hwa Money Market	—	Financial assets at fair value through profit or loss - current	91,730	1,337	-	1,338	

(Continued)

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Ending			Fair Value	Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)		
INOMA Corporation	Beneficiary certificates Taishin 1699 Money Market Fund	—	Financial assets at fair value through profit or loss - current	372,282	\$ 5,101	-	\$ 5,101	
USI Optronics Corporation	Beneficiary certificates Jih Sun Money Market Fund	—	Financial assets at fair value through profit or loss - current	609,973	9,156	-	9,156	
	Taishin Ta-Chong Money Market Fund	—	"	347,959	5,000	-	5,000	
	Taishin 1699 Money Market Fund	—	"	887,541	12,160	-	12,160	
	Yuanta De-Bao Money Market Fund	—	"	498,596	6,058	-	6,058	
USI Management Consulting Corp.	Beneficiary certificates Fuh Hwa Yu Li Money Market	—	Financial assets at fair value through profit or loss - current	734,657	10,000	-	10,000	

Note 1: All securities in the table include stocks, bonds, beneficiary certificates and the securities derived from the items above which are regulated by IFRS 9 "Financial Instruments".

Note 2: The amount is already recognized as impairment losses.

Note 3: Please refer to Tables 7 and 8 for detailed information on subsidiaries and associates.

USI CORPORATION AND SUBSIDIARIES

China General Plastics Corporation

MARKETABLE SECURITIES HELD

June 30, 2022

TABLE 3-1

Unit: 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	Ending			Fair Value	Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)		
China General Plastics Corporation	<u>Beneficiary securities</u>							
	Cathay No. 1 Real Estate Investment Trust	—	Financial assets at fair value through profit or loss - current	2,997,000	\$ 53,886	-	\$ 53,886	(Note 1)
	<u>Shares</u>							
	China Steel Corporation	—	Financial assets at fair value through profit or loss - current	350,000	9,958	-	9,958	(Note 1)
	Tungho Steel Corporation	—	"	95,500	4,956	-	4,956	(Note 1)
	United Microelectronics Corporation	—	"	120,000	4,698	-	4,698	(Note 1)
Taiwan VCM Corporation	Quanta Storage Inc.	—	"	86,000	3,195	-	3,195	(Note 1)
	<u>Shares</u>							
	KHL IB Venture Capital Co., Ltd.	—	Financial assets at FVTOCI - non-current	4,977,475	69,485	5.95	69,485	(Note 1)
	<u>Fund beneficiary certificates</u>							
	Taishin 1699 Money Market Fund	—	Financial assets at fair value through profit or loss - current	7,301,402	100,038	-	100,038	(Note 1)
	FSITC Taiwan Money Market Fund	—	"	6,455,403	100,036	-	100,036	(Note 1)
CGPC (BVI) Holding Co., Ltd.	SinoPac TWD Money Market Fund	—	"	7,108,988	100,008	-	100,008	(Note 1)
	Jih Sun Money Market Fund	—	"	6,662,492	100,008	-	100,008	(Note 1)
	<u>Shares</u>							
	Asia Polymer Corporation	The major shareholders are the same as the those of the Company	Financial assets at FVTOCI - non-current	130,244	3,283	0.02	3,283	(Note 1)
CGPC (BVI) Holding Co., Ltd.	<u>Shares</u>							
	Teratech Corporation	—	Financial assets at FVTPL - non-current	112,000	-	0.67	-	(Notes 1 and 3)
	SOHWARE, Inc - preferred shares	—	"	100,000	-	-	-	(Notes 1, 2 and 3)

Note 1: No guarantees, pledged loans, or other restrictions on the use of the contract were provided.

Note 2: The preferred shares are not used in the calculation of the shareholding ratio and net worth.

Note 3: As of June 30, 2022, the fair value of CGPC's equity investment in the company was evaluated as 0.

Note 4: For information about investments in subsidiaries and associated enterprises, please refer to Tables 7-3 and 8-3.

USI Corporation and Subsidiaries
Taita Chemical Company, Ltd.
MARKETABLE SECURITIES HELD
June 30, 2022

TABLE 3-2

Unit: 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	Ending				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Taita Chemical Company, Ltd.	Shares							
	USI CORPORATION	Ultimate parent company	Financial assets at FVTOCI— non-current	15,109,901	\$ 340,728	1.27	\$ 340,728	Note 1
	Harbinger Venture Capital Corp.	—	"	990	7	0.50	7	Note 3
	UPC Technology Corporation	—	Financial assets at fair value through profit or loss - current	700,000	10,990	0.05	10,990	Note 1
	China Steel Corporation	—	"	350,000	9,958	-	9,958	Note 1
	Tungho Steel Corporation	—	"	91,500	4,749	0.01	4,749	Note 1
	United Microelectronics Corporation	—	"	120,000	4,698	-	4,698	Note 1
	Quanta Storage Inc.	—	"	86,000	3,195	0.03	3,195	Note 1
	ShunSin Technology Holdings Limited	—	"	2,000	147	-	147	Note 1
	Fund beneficiary certificates							
	Yuanta Wan Tai Money Market Fund	—	Financial assets at fair value through profit or loss - current	5,034,912	77,050	-	77,050	Note 2
Yuanta De-Li Money Market Fund	—	"	7,464,582	123,139	-	123,139	Note 2	
Beneficiary securities								
Cathay No. 1 Real Estate Investment Trust	—	Financial assets at fair value through profit or loss - current	3,280,000	58,974	-	58,974	Note 1	
TAITA (BVI) Holding Co., Ltd.	Shares							
	Budworth Investment Ltd.	—	Financial assets at FVTOCI— non-current	20,219	-	2.22	-	Note 4
	Teratech Corporation	—	Financial assets at fair value through profit or loss - non-current	112,000	-	0.73	-	Note 4
	Sohoware Inc. - Preferred Shares	—	"	100,000	-	-	-	Note 4

Note 1: The fair value was based on the Taiwan Stock Exchange closing price on the last trading day of June 2022.

Note 2: The fair value was calculated based on the net asset value on the last trading day of June 2022.

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

Note 4: As of June 30, 2022, the fair value of equity investment was evaluated by TTC as 0.

Note 5: Please refer to Tables 7-4 and 8-4 for detailed information on subsidiaries and associates.

USI CORPORATION AND SUBSIDIARIES
(Asia Polymer Corporation)
MARKETABLE SECURITIES HELD
June 30, 2022

TABLE 3-3

Unit: 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	Ending				Remark
				Share/Unit	Carrying amount	Percentage of Ownership (%)	Fair Value	
(Asia Polymer Corporation)	Shares							
	Harbinger Venture Capital Corp.	None	Financial assets at FVTOCI – non-current	2,377	\$ 16	1.20	\$ 16	
	KHL IB Venture Capital Co., Ltd.	"	"	9,954,950	138,971	11.90	138,971	
	USI CORPORATION	Ultimate parent company	"	101,355,673	2,285,571	8.53	2,285,571	
	CTCI Corporation	None	"	14,446,107	648,630	1.85	648,630	
	AU Optronics Corporation	"	"	9,618,516	156,782	0.10	156,782	
	Wafer Works Corporation	"	Financial assets at fair value through other comprehensive income - current	518,668	24,922	0.10	24,922	
	Evergreen Marine Corporation	"	Financial assets at fair value through profit or loss - current	406,251	34,369	0.01	34,369	
	United Microelectronics Corporation	"	"	150,000	5,872	-	5,872	
	Tungho Steel Corporation	"	"	224,500	11,652	0.03	11,652	
	China Steel Corporation	"	"	350,000	9,958	-	9,958	
	UPC Technology Corporation	"	"	693,000	10,880	0.05	10,880	
	Quanta Storage Inc.	"	"	86,000	3,195	0.03	3,195	
	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust	"	"	3,316,000	59,622	-	59,622	
	Beneficiary certificates							
	Capital Money Market Fund	"	"	11,218,422	183,115	-	183,115	
	Jih Sun Money Market Fund	"	"	8,917,715	133,860	-	133,860	
	FSITC Taiwan Money Market Fund	"	"	17,770,298	275,377	-	275,377	
	Yuanta Wan Tai Money Market Fund	"	"	14,574,944	223,042	-	223,042	
Hua Nan Phoenix Money Market Fund	"	"	1,826,340	30,036	-	30,036		

(Continued)

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Ending				Remark
				Share/Unit	Carrying amount	Percentage of Ownership (%)	Fair Value	
APC (BVI) Holding Co., Ltd.	Shares							
	Budworth Investment Ltd.	None	Financial assets at FVTOCI – non-current	40,467	\$ 6	4.45	\$ 6	
	Silicon Technology Investment (Cayman) Corp. - Preferred Shares	"	"	1,139,776	79,034	2.21	79,034	
	Neurosky Inc. - Preferred Stock D	"	"	2,397,364	-	0.37	-	(Note 1)
	Solargiga Energy Holdings Ltd.	"	"	15,863,333	22,834	0.48	22,834	
	Teratech Corp.	"	"	112,000	-	0.67	-	(Note 1)
	TGF Linux Communication, Inc. - Preferred Shares	"	Financial assets at fair value through profit or loss - non-current	300,000	-	-	-	(Note 1)
	Sohoware Inc. - Preferred Shares	"	"	450,000	-	-	-	(Note 1)
APC Investment Corporation	Shares							
	USI CORPORATION	Ultimate parent company	Financial assets at FVTPL - current	44,808	1,010	-	1,010	
	UPC Technology Corporation	None	"	477,000	7,489	0.04	7,489	
	China Steel Corporation	"	"	175,000	4,979	-	4,979	
	Tungho Steel Corporation	"	"	112,250	5,826	0.02	5,826	
	United Microelectronics Corporation	"	"	60,000	2,349	-	2,349	
	Evergreen Marine Corporation	"	"	132,416	11,202	-	11,202	
	Quanta Storage Inc.	"	"	36,000	1,337	0.01	1,337	
Beneficiary certificates								
Cathay Taiwan Money Market Fund	"	"	1,292,518	16,254	-	16,254		

Note 1: As a result of the recognition of investment losses over the years, the carrying amount of APC's long-term equity investments in the company is 0.

Note 2: Please refer to Tables 7-5 and 8-5 for detailed information on subsidiaries and associates.

USI CORPORATION AND SUBSIDIARIES
(China General Terminal & Distribution Co.)
MARKETABLE SECURITIES HELD

June 30, 2022

TABLE 3-4

Unit: 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	Ending				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
China General Terminal & Distribution Co.	Shares							
	Asia Polymer Corporation	Investee Companies Using Equity Method for CGTD	Financial assets at FVTOCI—non-current	5,290,482	\$ 133,320	0.89	\$ 133,320	Note 1
	China General Plastics Corporation	"	"	2,940,788	82,636	0.51	82,636	Note 1
	Taita Chemical Company, Ltd. China Steel Corporation	" —	" Financial assets at fair value through profit or loss - current	2,169,731 499,552	55,979 14,212	0.57 -	55,979 14,212	Note 1 Note 2

Note 1: No guarantees, pledged loans, or other restrictions on the use of the contract were provided.

Note 2: 257,000 shares were provided to Taiwan Water Corporation as a provisional attachment.

USI CORPORATION AND SUBSIDIARIES
MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
For the six months ended June 30, 2022

TABLE 4

Unit: In Thousands of New Taiwan Dollars, Unless Stated Otherwise

Buyer/Seller	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Purchase		Sale			Ending (Note)												
					Unit / Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount										
USI CORPORATION	Beneficiary certificates	Financial assets at fair value through profit or loss - current	—	—	971,287	\$ 175,000	-	\$ -	971,287	\$ 175,082	\$ 175,000	\$ 82	-	\$ -										
	FSITC Money Market Fund																							
	FSITC Taiwan Money Market Fund														15,516,171	240,000	12,921,358	200,000	15,516,171	240,124	240,000	124	12,921,358	200,000
	Yuanta Wan Tai Money Market Fund														5,235,979	80,000	-	-	-	-	-	-	5,235,979	80,000
	UPAMC James Bond Money Market Fund														7,942,704	134,000	7,109,510	120,000	15,052,214	254,144	254,000	144	-	-
	Shin Kong Chi-Shin Money-market Fund														-	-	12,629,652	200,000	12,629,652	200,112	200,000	112	-	-
	Hua Nan Phoenix Money Market Fund														20,046,518	329,000	15,212,652	250,000	19,860,707	326,188	326,000	188	15,398,463	253,000
	Capital Money Market Fund														6,136,287	100,000	9,198,204	150,000	9,203,772	150,033	150,000	33	6,130,719	100,000
	Jih Sun Money Market Fund														16,702,410	250,000	6,670,357	100,000	23,372,767	350,797	350,000	797	-	-
	Taishin Ta-Chong Money Market Fund														16,379,377	235,000	13,927,966	200,000	30,307,343	435,214	435,000	214	-	-
	SinoPac TWD Money Market Fund														7,833,977	110,000	-	-	7,833,977	110,056	110,000	56	-	-
	Taishin 1699 Money Market Fund														19,245,740	263,000	27,033,414	370,000	-	-	-	-	46,279,154	633,000
	Taiwan Cooperative Bank Money Market Fund														-	-	19,485,772	200,000	-	-	-	-	19,485,772	200,000
	USIFE Investment Co., Ltd.														Beneficiary certificates	Financial assets at fair value through profit or loss - current	—	—	4,907,988	80,284	-	-	-	-
Yuanta De-Li Money Market Fund																								
USI Optronics Corporation	Beneficiary certificates	Financial assets at fair value through profit or loss - current	—	—	1,016,620	15,000	-	-	406,647	6,101	6,000	101	609,973	-										
	Jih Sun Money Market Fund																							
	Taishin Ta-Chong Money Market Fund														-	-	347,959	5,000	-	-	-	347,959	5,000	
	Taishin 1699 Money Market Fund	887,541	12,000	-	-	-	-	-	887,541	12,000														
INOMA Corporation	Beneficiary certificates	Financial assets at fair value through profit or loss - current	—	—	446,739	6,000	-	-	74,457	1,020	1,000	20	372,282	5,000										

Note: The beginning amount and the ending amount denote the original acquisition cost.

USI Corporation and Subsidiaries
(China General Plastics Corporation)

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL

For the six months ended June 30, 2022

TABLE 4-1

Unit: In Thousands of New Taiwan Dollars, Unless Stated Otherwise

Buyer/Seller	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Purchase		Sale			Ending (Note)			
					Unit / Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount	
China General Plastics Corporation	Beneficiary certificates														
	FSITC Taiwan Money Market Fund	Financial assets at fair value through profit or loss - current	—	—	5,172,035	\$ 80,000	11,305,661	\$ 175,000	16,477,696	\$ 255,057	\$ 255,000	\$ 57	-	\$ -	
	UPAMC James Bond Money Market Fund	"	—	—	-	-	17,771,179	300,000	17,771,179	300,027	300,000	27	-	-	
	Hua Nan Phoenix Money Market Fund	"	—	—	2,740,627	45,000	12,164,415	200,000	14,905,042	245,041	245,000	41	-	-	
	Yuanta De-Li Money Market Fund	"	—	—	-	-	6,068,477	100,000	6,068,477	100,008	100,000	8	-	-	
	Capital Money Market Fund	"	—	—	-	-	2,452,288	40,000	2,452,288	40,005	40,000	5	-	-	
	Jih Sun Money Market Fund	"	—	—	-	-	6,662,758	100,000	6,662,758	100,009	100,000	9	-	-	
	Taishin 1699 Money Market Fund	"	—	—	-	-	5,112,698	70,000	5,112,698	70,010	70,000	10	-	-	
	Taiwan Cooperative Bank Money Market Fund	"	—	—	-	-	9,740,133	100,000	9,740,133	100,015	100,000	15	-	-	
	Taiwan VCM Corporation	Beneficiary certificates													
FSITC Taiwan Money Market Fund		Financial assets at fair value through profit or loss - current	—	—	-	-	6,455,403	100,000	-	-	-	-	6,455,403	100,000	
UPAMC James Bond Money Market Fund		"	—	—	-	-	5,924,943	100,000	5,924,943	100,009	100,000	9	-	-	
Shin Kong Chi-Shin Money-market Fund		"	—	—	-	-	6,314,566	100,000	6,314,566	100,010	100,000	10	-	-	
Hua Nan Phoenix Money Market Fund		"	—	—	-	-	10,955,799	180,000	10,955,799	180,027	180,000	27	-	-	
Yuanta De-Li Money Market Fund		"	—	—	-	-	12,138,058	200,000	12,138,058	200,031	200,000	31	-	-	
Capital Money Market Fund		"	—	—	-	-	12,265,537	200,000	12,265,537	200,030	200,000	30	-	-	
Jih Sun Money Market Fund		"	—	—	-	-	6,662,492	100,000	-	-	-	-	6,662,492	100,000	
Taishin Ta-Chong Money Market Fund		"	—	—	-	-	6,965,243	100,000	6,965,243	100,013	100,000	13	-	-	
SinoPac TWD Money Market Fund		"	—	—	-	-	14,225,868	200,000	7,116,881	100,004	100,000	4	7,108,988	100,000	
Taishin 1699 Money Market Fund		"	—	—	-	-	7,301,402	100,000	-	-	-	-	7,301,402	100,000	
Taiwan Cooperative Bank Money Market Fund		"	—	—	-	-	19,495,458	200,000	19,495,458	200,050	200,000	50	-	-	
CGPC Polymer Corporation		Beneficiary certificates													
		FSITC Money Market Fund	Financial assets at fair value through profit or loss - current	—	—	-	-	332,919	60,000	332,919	60,002	60,000	2	-	-
	FSITC Taiwan Money Market Fund	"	—	—	6,464,876	100,000	15,826,464	245,000	22,291,340	345,074	345,000	74	-	-	
	Hua Nan Phoenix Money Market Fund	"	—	—	8,774,597	144,000	8,215,712	135,000	16,990,310	279,113	279,000	113	-	-	
	Yuanta De-Li Money Market Fund	"	—	—	971,782	16,000	7,891,153	130,000	8,862,935	146,026	146,000	26	-	-	

(Continued)

(Continued)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Purchase		Sale			Ending (Note)		
					Unit / Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
	Capital Money Market Fund	"	—	—	-	\$ -	4,601,227	\$ 75,000	4,601,227	\$ 75,008	\$ 75,000	\$ 8	-	\$ -
	Taishin Ta-Chong Money Market Fund	"	—	—	6,968,690	100,000	13,234,768	190,000	20,203,458	290,034	290,000	34	-	-
	SinoPac TWD Money Market Fund	"	—	—	-	-	3,557,757	50,000	3,557,757	50,010	50,000	10	-	-
	Taishin 1699 Money Market Fund	"	—	—	4,386,606	60,000	10,592,781	145,000	14,979,387	205,039	205,000	39	-	-
	Taiwan Cooperative Bank Money Market Fund	"	—	—	2,437,835	25,000	-	-	2,437,835	25,002	25,000	2	-	-

Note: The beginning amount and the ending amount denote the original acquisition cost.

USI Corporation and Subsidiaries

Taita Chemical Company, Ltd.

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL

For the six months ended June 30, 2022

Table 4-2

Unit: In Thousands of New Taiwan Dollars, Unless Stated Otherwise

Buyer/Seller	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Purchase		Sale			Ending (Note)		
					Unit / Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
Taita Chemical Company, Ltd.	Beneficiary certificates													
	FSITC Money Market Fund	Financial assets at fair value through profit or loss - current	—	—	554,887	\$ 100,000	-	\$ -	554,887	\$ 100,003	\$ 100,000	\$ 3	\$ -	\$ -
	FSITC Taiwan Money Market Fund	"	—	—	-	-	6,460,492	100,000	6,460,492	100,047	100,000	47	-	-
	Yuanta Wan Tai Money Market Fund	"	—	—	-	-	8,827,935	135,000	3,793,023	58,033	58,000	33	5,034,912	77,000
	UPAMC James Bond Money Market Fund	"	—	—	2,963,490	50,000	2,962,893	50,000	5,926,383	100,047	100,000	47	-	-
	Hua Nan Phoenix Money Market Fund	"	—	—	3,777,217	62,000	3,651,279	60,000	7,428,496	122,125	122,000	125	-	-
	Yuanta De-Li Money Market Fund	"	—	—	3,036,468	50,000	16,869,938	278,000	12,441,825	205,186	205,000	186	7,464,582	123,000
	Capital Money Market Fund	"	—	—	6,136,099	100,000	-	-	6,136,099	100,155	100,000	155	-	-
	Jih Sun Money Market Fund	"	—	—	-	-	5,333,298	80,000	5,333,298	80,010	80,000	10	-	-
	Taishin Ta-Chong Money Market Fund	"	—	—	-	-	2,437,071	35,000	2,437,071	35,019	35,000	19	-	-
	Taishin 1699 Money Market Fund	"	—	—	7,310,690	100,000	-	-	7,310,690	100,033	100,000	33	-	-
	Taiwan Cooperative Bank Money Market Fund	"	—	—	-	-	9,748,584	100,000	9,748,584	100,014	100,000	14	-	-

Note: The beginning amount and the ending amount denote the original acquisition cost.

USI Corporation and Subsidiaries
(Asia Polymer Corporation)
MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
For the six months ended June 30, 2022

Table 4-3

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

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Purchase		Sale				Ending (Note)	
					Unit / Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
Asia Polymer Corporation	Beneficiary certificates													
	FSITC Taiwan Money Market Fund	Financial assets at fair value through profit or loss - current	—	—	6,466,507	\$ 100,000	11,303,791	\$ 175,000	-	\$ -	\$ -	\$ -	\$ 17,770,298	\$ 275,000
	Yuanta Wan Tai Money Market Fund	"	—	—	-	-	14,574,944	223,000	-	-	-	-	14,574,944	223,000
	UPAMC James Bond Money Market Fund	"	—	—	-	-	-	-	-	-	-	-	-	-
	Hua Nan Phoenix Money Market Fund	"	—	—	-	-	1,826,340	30,000	-	-	-	-	1,826,340	30,000
	Capital Money Market Fund	"	—	—	-	-	19,930,656	325,000	8,712,234	142,097	142,000	97	11,218,422	183,000
	Jih Sun Money Market Fund	"	—	—	20,955,933	311,600	-	-	12,038,218	180,608	179,000	1,608	8,917,715	132,600
	Taishin Ta-Chong Money Market Fund	"	—	—	-	-	17,337,891	249,000	17,337,891	249,052	249,000	52	-	-
	SinoPac TWD Money Market Fund	"	—	—	-	-	6,406,743	90,000	6,406,743	90,023	90,000	23	-	-
	Taishin 1699 Money Market Fund	"	—	—	4,388,163	60,000	7,307,965	100,000	11,696,128	160,070	160,000	70	-	-
Taiwan Cooperative Bank Money Market Fund	"	—	—	-	-	-	-	-	-	-	-	-	-	

Note: The beginning amount and the ending amount denote the original acquisition cost.

USI Corporation and Subsidiaries

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

For the six months ended June 30, 2022

Table 5

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark
			Purchase (Sale)	Amount	Ratio to Total Purchase (Sales) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	Ratio to Total Notes or Accounts Receivable (Payable) (%)	
USI CORPORATION	Asia Polymer Corporation	Subsidiary	Purchase	\$ 796,812	14.27	Within 60 days after purchasing on credit	No significant difference	No significant difference	(\$ 364,026)	(29.37)	
	Asia Polymer Corporation	Subsidiary	Sale	(104,901)	(1.28)	Within 60 days after selling on credit	"	"	101,325	5.18	
	Fujian Gulei Petrochemical Co., Ltd.	Joint ventures	Purchase	379,805	6.80	Current Letter of Credit	"	"	-	-	
	USI (Hong Kong) Company Ltd.	Subsidiary	Sale	(178,001)	(2.17)	Within 60 days after purchasing on credit	"	"	56,338	2.88	
USI (Hong Kong) Company Ltd.	USI CORPORATION	Parent company	Purchase	178,001	3.19	Within 60 days after selling on credit	"	"	(56,338)	(4.55)	

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

USI Corporation and Subsidiaries

Acme Electronics Corporation

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

From January 1 to June 30, 2022

TABLE 5-1

Unit: Thousands of New Taiwan Dollars, Unless Stated Otherwise

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark
			Purchase (Sale)	Amount	Ratio to Total Purchase (Sales) (%)	Credit terms	Unit Price	Credit Terms	Ending Balance	Ratio to Total Notes or Trade Receivable (payable) (%)	
Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	Subsidiary	Purchase	\$ 226,252	33	55days	No significant difference	No significant difference	(\$ 100,113)	(54)	Note
Acme Electronics (Guang-Zhou) Co., Ltd.	Acme Electronics Corporation	Subsidiary	Sale	(226,252)	(36)	55days	"	"	100,113	26	Note
Acme Electronics (Kunshan) Co., Ltd.	Acme Electronics Corporation	Subsidiary	Purchase	142,109	81	55days	"	"	(72,280)	(73)	Note
Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	Subsidiary	Sale	(142,109)	(19)	55days	"	"	72,280	20	Note

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

USI Corporation and Subsidiaries
(Swanson Plastics Corporation)

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

For the six months ended June 30, 2022

Table 5-2

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark
			Purchase (Sale)	Amount	Ratio to Total Purchase (Sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	Ratio to Total Notes or Accounts Receivable (Payable) (%)	
Forever Young Company Limited	Swanson Plastics (Kunshan) Co., Ltd.	Have the same ultimate parent company	Sale	(\$ 223,746)	(42)	90 days	No significant difference	No significant difference	Accounts receivables - related parties \$ 73,398	40	
Forever Young Company Limited	Swanson Plastics (Malaysia) Sdn. Bhd.	Have the same ultimate parent company	Sale	(149,652)	(28)	90 days	"	"	Accounts receivables - related parties 17,688	10	
Swanson Plastics (Kunshan) Co., Ltd.	Forever Young Company Limited	Have the same ultimate parent company	Purchase	223,746	55	90 days	"	"	Accounts payables - related parties (73,398)	(40)	
Swanson Plastics (Malaysia) Sdn. Bhd.	Forever Young Company Limited	Have the same ultimate parent company	Purchase	149,652	36	90 days	"	"	Accounts payables - related parties (17,688)	(22)	

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

USI Corporation and Subsidiaries
China General Plastics Corporation

Total Purchases from or Sales to Related Parties Amounting to at Least NT\$100 Million or 20% Of the Paid-in Capital
For the six months ended June 30, 2022

Table 5-3

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark
			Purchase (Sale)	Amount	Ratio to Total Purchase (Sales) (%)	Credit terms	Unit Price	Credit Terms	Ending Balance	Ratio to Total Notes or Trade Receivable (payable) (%)	
China General Plastics Corporation	CGPC America Corporation	Subsidiary	Sale	(\$ 269,623)	(5)	90 days	No significant difference	No significant difference	Accounts receivables - related parties \$ 274,371	22	(Note)
Taiwan VCM Corporation	China General Plastics Corporation	Parent company	Sale	(3,632,267)	(49)	45 days	"	"	Accounts receivables - related parties 978,201	51	(Note)
	CGPC Polymer Corporation	Fellow company	Sale	(3,314,341)	(45)	45 days	"	"	Accounts receivables - related parties 927,351	49	(Note)
	Fujian Gulei Petrochemical Co., Ltd.	Related party in substance	Purchase	555,379	8	Current Letter of Credit	"	"	Accounts payables - related parties -	-	—

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

USI Corporation and Subsidiaries
(Asia Polymer Corporation)

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

For the six months ended June 30, 2022

Table 5-4

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark	
			Purchase (Sale)	Amount	Ratio to Total Purchase (Sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	Ratio to Total Notes or Accounts Receivable (Payable) (%)		
Asia Polymer Corporation	USI CORPORATION	Ultimate parent company	Sale	(\$ 796,441)	(17.74)	60 days	No significant difference	No significant difference	Accounts receivables - related parties	\$375,845	42.42	
	USI CORPORATION	Ultimate parent company	Purchase	104,901	4.18	30 days	"	"	Accounts payables - related parties	(37,726)	8.25	
	Fujian Gulei Petrochemical Co., Ltd.	Related party in substance	Purchase	310,556	12.34	Current Letter of Credit	"	"	Accounts payables - related parties	-	-	

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

USI Corporation and Subsidiaries
RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
June 30, 2022

TABLE 6

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

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance (Note 2)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
USI Corporation	Asia Polymer Corporation	Subsidiary	Other receivables from related parties \$ 101,325	-	\$ -	-	\$ 101,325	Note 1

Note 1: It is assessed that no allowance for impairment loss is needed.

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

USI Corporation and Subsidiaries
(Acme Electronics Corporation)
Receivables from Related Parties Amounting to at Least NT\$100 Million or 20% of the Paid-in Capital
June 30, 2022

TABLE 6-1

Unit: Thousands of New Taiwan Dollars, Unless Stated Otherwise

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance (Note 2)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Acme Electronics (Guang-Zhou) Co., Ltd.	Acme Electronics Corporation	Subsidiary of GAEL	Accounts receivables - related parties \$ 100,113	7.34	-	—	\$ 44,300	Note 1

Note 1: It is assessed that no allowance for impairment loss is needed.

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

USI Corporation and Subsidiaries
(Swanson Plastics Corporation)

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

June 30, 2022

TABLE 6-2

Unit: Thousands of New Taiwan Dollars, Unless Stated Otherwise

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance (Note 3)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	Fellow company	Other receivables \$ 172,288 (RMB 38,906 thousand)	\$ -	-	\$ -	-	Note 1

Note 1: It is assessed that no allowance for impairment loss is needed.

Note 2: It refers to the period from July 1 to August 3, 2022.

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

USI Corporation and Subsidiaries
China General Plastics Corporation

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

June 30, 2022

TABLE 6-3

Unit: Thousands of New Taiwan Dollars, Unless Stated Otherwise

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance (Note 3)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss	
					Amount	Actions Taken			
China General Plastics Corporation	CGPC America Corporation	Subsidiary	Trade receivables - related parties	\$ <u>274,371</u>	2.32	\$ -	—	\$ 48,702	Note 1
	Taiwan VCM Corporation	Subsidiary	Other accounts receivable - related parties	\$ 778,796		-	—	778,773	Note 1
	CGPC Polymer Corporation	Subsidiary	Other accounts receivable - related parties	\$ 281,036		-	—	280,590	Note 1
Taiwan VCM Corporation	China General Plastics Corporation	Parent company	Trade receivables - related parties	\$ <u>978,201</u>	5.89	-	—	657,356	Note 1
	CGPC Polymer Corporation	Fellow company	Trade receivables - related parties	\$ <u>927,351</u>	5.79	-	—	459,115	Note 1

Note 1: It is assessed that no allowance for impairment loss is needed.

Note 2: The subsequent period refers to the period from July 1 to July 27, 2022.

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

USI Corporation and Subsidiaries
Taita Chemical Company, Ltd.

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

June 30, 2022

TABLE 6-4

Unit: Thousands of New Taiwan Dollars, Unless Stated Otherwise

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance (Note 3)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
Taita Chemical Company, Ltd.	Taita Chemical (Tianjin) Co., Ltd.	Sub-subsidiary	Other receivables \$ 272,776 (USD 9,178 thousand) (Notes 1 and 3)	-	\$ 272,776	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 3, 2022.

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

USI Corporation and Subsidiaries
(Asia Polymer Corporation)

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

June 30, 2022

Table 6-5

Unit: In Thousands of New Taiwan Dollars, Unless Stated Otherwise

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance (Note 3)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
(Asia Polymer Corporation)	USI CORPORATION	Ultimate parent company	Accounts receivables - related parties \$ 375,845	8.21	\$ -	—	\$ 174,296	Note 1
	"	"	Other receivables - related parties 223,152		-	—	190	Note 1
(Asia Polymer Corporation)	China General Plastics Corporation	Associate	Other receivables - related parties 117,360	-	-	—	143	Note 1

Note 1: It is assessed that no allowance for impairment loss is needed.

Note 2: The subsequent period refers to the period from July 1 to August 2, 2022.

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

USI Corporation and Subsidiaries
INFORMATION ON INVESTEEES
For the six months ended June 30, 2022

Table 7

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark
				Ending Balance for Current Period	December 31, 2021	Number of Shares	Percentage (%)	Carrying Amount			
USI CORPORATION	USIFE Investment Co., Ltd.	12F., No. 37, Jihu Rd., Taipei City	Investments in production, transportation, warehousing, construction, banking, securities investment companies and trading companies	\$ 550,000	\$ 550,000	87,250,800	100.00	\$ 1,013,177	(\$ 41,091)	(\$ 41,091)	Subsidiary
	Swanlake Traders Ltd.	Citco Building, Wickhamo Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands	Trading and investment	728,439	728,439	30,000,000	100.00	1,354,537	1,960	1,960	Subsidiary
	USI (Hong Kong) Company Ltd.	6/F., Caltex House, 258 Hennessy Road, Hong Kong	Trading and investment	63,482	63,482	159,999	100.00	67,620	(318)	(318)	Subsidiary
	Union Polymer Int'l Investment Corp.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Investment (focused on "production and service industry")	3,490,255	3,490,255	746,722,725	100.00	10,146,978	540,755	456,430	Subsidiary
	Taiwan United Venture Capital Corp.	10F., No. 37, Jihu Rd., Taipei City	Venture capital (focused on "high technology industry")	471,800	471,800	25,900,000	70.00	184,049	3,245	2,272	Subsidiary
	Chong Loong Trading Co., Ltd.	12F., No. 37, Jihu Rd., Taipei City	Import and export trade	28,323	28,323	5,333,059	99.93	73,454	12,273	12,265	Subsidiary
	Swanson Plastics Corporation	12F., No. 37, Jihu Rd., Taipei City	Production and marketing of stretch film, embossed film and industrial-use multilayer wrap	171,210	171,210	62,616,299	40.58	1,078,894	14,452	5,864	Subsidiary
	Acme Electronics Corporation	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and marketing of manganese-zinc soft ferrite powder	221,513	221,513	49,250,733	26.91	355,144	21,067	5,670	Subsidiary
	INOMA Corporation	12F., No. 37, Jihu Rd., Taipei City	Optical products and fireproof materials	250,354	250,354	9,243,369	94.37	15,202	(1,751)	(1,652)	Subsidiary
	USI Management Consulting Corp.	12F., No. 37, Jihu Rd., Taipei City	Providing management services	1,000	1,000	671,400	100.00	(1,194)	2	2	Subsidiary
	Ever Conquest Global Limited	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110	Investment	7,645,980	7,645,980	246,670,000	59.13	6,248,200	(1,586,678)	(938,249)	Subsidiary
	USI Optronics Corporation	12F., No. 37, Jihu Rd., Taipei City	Manufacturing and marketing of sapphire single crystal	330,000	330,000	33,000,000	50.85	39,374	(17,295)	(8,794)	Subsidiary
	USI Green Energy Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Solar power generation business	70,100	70,100	7,010,000	100.00	108,380	2,837	2,008	Subsidiary
	Delmind Inc.	Xinglong Rd., Taoyuan Dist., Taoyuan City	Manufacturing of machinery and equipment	90,000	-	9,000,000	30.00	89,156	(2,815)	(844)	Affiliates
Ever Conquest Global Limited	Ever Victory Global Limited	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110	Investment business	12,397,549 (USD 417,145 thousand)	12,397,549 (USD 417,145 thousand)	417,145,000	67.40	10,566,365 (USD 355,530 thousand)	(\$ 2,354,029) (USD -81,637 thousand)		Sub-subsidiary
Ever Victory Global Limited	Dynamic Ever Investments Limited	6/F., Caltex House, 258 Hennessy Road, Hong Kong	Investment business	17,500,622 (USD 588,850 thousand)	17,500,622 (USD 588,850 thousand)	588,850,000	85.00	14,786,818 (USD 497,538 thousand)	(2,772,101) (USD -96,135 thousand)		Sub-subsidiary
Union Polymer Int'l Investment Corp.	Taita Chemical Company, Ltd.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Production and marketing of polystyrene, propylene, butadiene, ABS resin, SAN resin, glass wool insulation products and plastic materials	1,749,212	1,749,212	138,863,816	36.67	2,851,821	418,428		Sub-subsidiary

(Continued)

(Continued)

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark
				Ending Balance for Current Period	December 31, 2021	Number of Shares	Percentage (%)	Carrying Amount			
USIFE Investment Co., Ltd.	Asia Polymer Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Production and marketing of low-density polyethylene, medium-density polyethylene, ethylene vinyl acetate and importing and marketing of linear low-density polyethylene and high-density polyethylene	\$ 1,965,437	\$ 1,965,437	192,063,336	32.35	\$ 4,884,941	\$ 693,052		Sub-subsidiary
	China General Plastics Corporation	12F., No. 37, Jihu Rd., Taipei City	Production and marketing of plastic cloths, plastic skins, plastic tubes, plastic pellets, plastic powder and other related products	1,320,045	1,320,045	140,609,929	24.20	2,561,838	362,987		Sub-subsidiary
	Acme Electronics Corporation	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and marketing of manganese-zinc soft ferrite powder	155,632	155,632	16,424,242	8.98	133,022	21,067		Subsidiary
	Swanson Technologies Corporation	12F., No. 37, Jihu Rd., Taipei City	Manufacturing of plastic film (bag), industrial plastic products and reinforced plastic products	22,500	22,500	2,250,015	15.00	2,815	(10,285)		Sub-subsidiary
	Taiwan United Venture Management Corporation	12F., No. 37, Jihu Rd., Taipei City	Corporate management consulting	8,000	8,000	800,000	100.00	15,490	493		Sub-subsidiary
Swanlake Traders Ltd.	ACME Electronics (Cayman) Corp.	Ugland House P.O. Box 309 George Town, Grand Cayman, Cayman Islands	Corporate investments	169,685 (USD 5,709 thousand)	169,685 (USD 5,709 thousand)	8,318,356	16.65	206,114 (USD 6,935 thousand)	(4,899) (USD -146 thousand)		Sub-subsidiary

Note 1: Please refer to Table 8 for relevant information on mainland investee companies.

Note 2: Except for Delmind Inc., all the transactions were written off when preparing the consolidated financial statements.

USI Corporation and Subsidiaries
(Acme Electronics Corporation)
INFORMATION ON INVESTEEES
For the six months ended June 30, 2022

TABLE 7-1

Unit: Thousands of New Taiwan Dollars, Unless Stated Otherwise

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount (Note 2)		Hold at End of Period			Net Income (Loss) of Investee (Note 3)	Share of Profit (Loss) (Note 3)	Remark
				Ending Balance for Current Period	December 31, 2021	Number of Shares	Percentage (%)	Carrying Amount (Note 2)			
Acme Electronics Corporation	ACME Electronics (Cayman) Corp.	Ugland House P.O. Box 309 George Town, Grand Cayman, Cayman Islands	Corporate investments	\$ 605,182 (USD18,336 thousand)	\$ 605,182 (USD18,336 thousand)	25,621,692	51.27	\$ 664,811	(\$ 4,899) (USD -146 thousand)	(\$ 12,486) (USD -420 thousand)	
	Golden Amber Enterprises Limited	CITCO Building, Wickhams Cay Road Town, Tortola, British Virgin Islands	Corporate investments	669,072 (USD 20,800 thousand)	669,072 (USD 20,800 thousand)	20,800,000	100.00	1,072,656	53,466	50,604	
	USI Optronics Corporation	12F, No. 37, Jihu Road, Neihu District, Taipei City	Manufacturing and marketing of sapphire single crystal	646,200	646,200	22,064,224	34.00	26,326	(17,295)	(5,880)	
ACME Electronics (Cayman) Corp.	ACME Components (Malaysia) Sdn. Bhd.	Plot 15, Jalan Industri 6 Kawasan Perindustrian Jelapang II (ZPB) Jelapang 30020 Ipoh, Perak, Malaysia.	Corporate investments	353,401 (USD11,891 thousand)	353,401 (USD11,891 thousand)	42,600,000	100.00	647,229 (USD 21,778 thousand)	12,926 (MYR 2,003 thousand)		
ACME Components (Malaysia) Sdn. Bhd.	ACME Ferrite Products Sdn. Bhd.	Plot 15, Jalan Industri 6 Kawasan Perindustrian Jelapang II (ZPB) Jelapang 30020 Ipoh, Perak, Malaysia.	Manufacturing and sales of manganese-zinc soft ferrite core	245,741 (MYR37,964 thousand)	245,741 (MYR37,964 thousand)	9,120,000	100.00	637,691 (MYR 98,515 thousand)	13,209 (MYR 2,047 thousand)		

Note 1: The carrying amount and the recognized investment gain (loss) for the period have been fully written off when preparing the consolidated financial statements.

Note 2: The foreign currency amount was calculated based on the spot exchange rate of June 30, 2022.

Note 3: The amount is calculated based on the average exchange rate from January 1 to June 30, 2022.

Note 4: Please refer to Table 8-1 for relevant information on mainland investee companies.

USI Corporation and Subsidiaries
(Swanson Plastics Corporation)
INFORMATION ON INVESTEEES
For the six months ended June 30, 2022

Table 7-2

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee (Note 3)	Share of Profit (Loss) (Note 3)	Remark
				Ending Balance for Current Period (Note 1)	December 31, 2021 (Note 1)	Number of Shares (In Thousands of Shares)	Percentage (%)	Carrying Amount (Note 2)			
Swanson Plastics Corporation	Swanson Plastics Company Ltd. (Singapore)	2 Venture Drive Vision Exchange #12-10 Singapore 608526	Production and marketing of plastic products	\$ 808,506	\$ 808,506	36,863	100.00	\$ 1,772,367	\$ 32,710	\$ 32,710	
	Forever Young Company Limited	Skelton Building Main Street P.O. Box 3136 Road Town, Tortola British Virgin Islands	Trading and agency businesses	1,297	1,297	50	100.00	35,778	(1,691)	(1,691)	
	Swanson International Ltd.	Ugland House, P.O.Box 309 George Town, Grand Cayman, Cayman Islands, British West Indies	Investment	454,134	454,134	14,541	100.00	1,656,957	18,728	18,728	
	Swanson Technologies Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Planting agriculture, marketing, research and development of agricultural products, production, sale, and development of EVA packaging films and other high value-added plastic products	105,001	105,001	10,500	70.00	13,136	(10,285)	(7,200)	
	PT. Swanson Plastics Indonesia	Ngoro Industrial Park Blok D2-3 Ds. Lolawang Kec. Ngoro Kab. Mojokerto	Manufacturing and marketing of plastic products	7,979	7,979	261	1.00	7,751	18,771	188	
Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	Plot 505, Tingkat Perusahaan 4A, Kawasan Perusahaan Perai, Zon Perdagangan Bebas, 13600 Perai, Seberang Perai, Malaysia	Manufacturing and marketing of plastic products	195,956 (USD 6,593 thousand)	195,956 (USD 6,593 thousand)	20,000	100.00	565,160 (USD 19,016 thousand)	23,570 (USD 831 thousand)		
	Swanson Plastics (India) Private Ltd.	PLOT No.2, GDDIDC. Honda, Bhuipal Sattari-403 506, Goa-India	Manufacturing and marketing of plastic products	490,703 (USD 16,511 thousand)	490,703 (USD 16,511 thousand)	107,351	100.00	290,407 (USD 9,771 thousand)	2,171 (INR 5,975 thousand)		
	PT. Swanson Plastics Indonesia	Ngoro Industrial Park Blok D2-3 Ds. Lolawang Kec. Ngoro Kab. Mojokerto	Manufacturing and marketing of plastic products	767,966 (USD 25,840 thousand)	767,966 (USD 25,840 thousand)	25,840	99.00	767,338 (USD 25,819 thousand)	18,771 (IDR 9,385,607 thousand)		
Swanson International Ltd.	A.S. Holdings (UK) Limited	United Kingdom	Investment	210,836 (USD 7,094 thousand)	210,836 (USD 7,094 thousand)	3,157	100.00	547,767 (USD 18,431 thousand)	20,484 (USD 716 thousand)		

Note 1: The carrying amount and the recognized investment gain (loss) for the period have been fully written off when preparing the consolidated financial statements.

Note 2: Original investment amount and book amounts were calculated using the spot exchange rate of June 30, 2022.

Note 3: The amount is calculated based on the average exchange rate from January 1 to June 30, 2022.

Note 4: Please refer to Table 8-2 for relevant information on mainland investee companies.

USI Corporation and Subsidiaries
(China General Plastics Corporation)
INFORMATION ON INVESTEEES
For the six months ended June 30, 2022

Table 7-3

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark
				Ending Balance for Current Period	December 31, 2021	Number of Shares	Percentage (%)	Carrying Amount			
China General Plastics Corporation	Taiwan VCM Corporation	No. 1, Gongye 1st Rd., Linyuan Dist., Kaohsiung City 832, Taiwan (R.O.C.)	Manufacturing and marketing of VCM	\$ 2,933,648	\$ 2,933,648	259,591,005	87.27	\$ 4,168,437	\$ 163,395	\$ 337,838	Subsidiary
	CGPC Polymer Corporation	12F., No. 37, Jihu Rd., Taipei City	Manufacturing and marketing of PVC resins	800,000	800,000	80,000,000	100.00	1,138,117	(85,633)	(85,633)	Subsidiary
	CGPC (BVI) Holding Co., Ltd.	Citco Building, Wickhams Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands	Reinvestment	1,073,906	1,073,906	16,308,258	100.00	360,405	3,870	3,870	Subsidiary
	China General Terminal & Distribution Co.	No. 1, Jianji St., Qianzhen Dist., Kaohsiung City 806, Taiwan (R.O.C.)	Warehousing and transportation of petrochemical raw materials	41,106	41,106	22,009,594	33.33	355,313	43,715	14,572	Associate accounted for using the equity method
	CGPC America Corporation	1181 California Ave., Suite 235 Corona, CA 92881	Marketing of PVC two- or three-time processed products	648,931	648,931	100	100.00	208,968	(4,433)	(4,433)	Subsidiary
	Acme Electronics Corporation	8F., No. 39, Jihu Rd., Neihsu Dist., Taipei City 114, Taiwan (R.O.C.)	Manufacturing & marketing of Mn-Zn and Ni-Zn ferrite cores	33,995	33,995	3,176,019	1.74	23,891	21,067	365	Associate accounted for using the equity method
Taiwan VCM Corporation	Global Green Technology Corporation	12F., No. 37, Jihu Rd., Taipei City	Environmental detection services	50,000	-	5,000,000	100.00	54,333	4,333		Subsidiary

Note 1: All the transactions were written off when preparing the consolidated financial statements.

Note 2: Please refer to Table 8-3 for relevant information of mainland investee companies.

USI Corporation and Subsidiaries
Taita Chemical Company, Ltd.
INFORMATION ON INVESTEES
For the six months ended June 30, 2022

Table 7-4

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark
				Ending Balance for Current Period	December 31, 2021	Number of Shares	Percentage (%)	Carrying Amount			
Taita Chemical Company, Ltd.	TAITA (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment	\$ 2,667,013 (USD 89,738 thousand)	\$ 2,667,013 (USD 89,738 thousand)	89,738,000	100.00	\$ 3,212,886 (USD 108,105 thousand)	\$ 20,509 (USD 739 thousand)	\$ 20,509 (USD 739 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	199,198	362,987	7,194	Investee companies using equity method (Note 1)
	China General Terminal & Distribution Co.	Taipei City	Warehousing of petrochemical raw materials	41,082	41,082	22,009,592	33.33	355,312	43,715	14,571	Investee companies using equity method (Note 2)
	Acme Electronics Corporation	Taipei City	Production and marketing of manganese-zinc soft ferrite powder	44,771	44,771	4,445,019	2.43	33,437	21,067	512	Investee companies using equity method (Note 1)
TAITA (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment	50,525 (USD 1,700 thousand)	50,525 (USD 1,700 thousand)	2,695,619	5.39	66,793 (USD 2,247 thousand)	(4,899) (Loss in USD-146 thousand)		Investee companies using 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 reviewed by CPAs.

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

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

Note 4: Please refer to Table 8-4 for relevant information on mainland investee companies.

USI Corporation and Subsidiaries
Asia Polymer Corporation
INFORMATION ON INVESTEEES
For the six months ended June 30, 2022

Table 7-5

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark
				At the end of this year	The end of last year	Number of share	Percentage (%)	Carrying Amount			
Asia Polymer Corporation	APC (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment business	\$ 409,387 (USD 13,775 thousand)	\$ 409,387 (USD 13,775 thousand)	11,342,594	100.00%	\$ 581,409	\$ 6,760	\$ 6,760	Subsidiary
	APC Investment Corporation	Taipei City	Investment business	200,000	200,000	20,000,000	100.00%	162,061	(6,240)	(6,240)	Subsidiary
	USI International Corp.	British Virgin Islands	Reinvestment business	62,412 (USD 2,100 thousand)	62,412 (USD 2,100 thousand)	2,100,000	70.00%	67,421	559	391	Subsidiary
	China General Plastics Corporation	Taipei City	Production and marketing of PVC films, PVC leather, PVC pipes, PVC compounds, PVC resins, construction products, chlor-alkali products and other relevant products	247,412	247,412	46,886,185	8.07%	811,001	362,987	29,290	Investments accounted for using the equity method
	China General Terminal & Distribution Co.	Taipei City	Petrochemical materials storage and transportation operations	41,082	41,082	22,009,593	33.33%	355,312	43,715	14,572	Investments accounted for using the equity method
	Swanson Plastics Corporation	Taipei City	Production and marketing of stretch films and industrial use multi-layer films	75,242	75,242	12,266,779	7.95%	212,335	14,452	1,149	Investments accounted for using the equity method
	Acme Electronics Corporation	Taipei City	Manufacturing & marketing of Mn-Zn and Ni-Zn ferrite cores	61,348	61,348	6,056,623	3.31%	45,560	21,067	697	Investments accounted for using the equity method
	Taiwan United Venture Capital Corp.	Taipei City	Investments in high-tech undertakings	52,791	52,791	3,080,866	8.33%	21,893	3,245	270	Investments accounted for using the equity method
	USI Optronics Corporation	Taipei City	Manufacturing and marketing of sapphire single crystal	59,725	59,725	5,972,464	9.20%	7,126	(17,295)	(1,592)	Investments accounted for using the equity method
APC (BVI) Holding Co., Ltd.	Ever Conquest Global Ltd.	British Virgin Islands	Reinvestment business	5,066,517 (USD 170,475 thousand)	5,066,517 (USD 170,475 thousand)	170,475,000	40.87%	4,318,166	(1,586,678)	(648,429)	Investments accounted for using the equity method
	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment business	155,879 (USD 5,245 thousand)	155,879 (USD 5,245 thousand)	8,316,450	16.64%	206,067	(4,899)		Investments accounted for using the equity method
	USI International Corp.	British Virgin Islands	Reinvestment business	26,748 (USD 900 thousand) (USD444,247 thousand)	26,748 (USD 900 thousand) (USD444,247 thousand)	900,000	30.00%	28,895	559		Investments accounted for using the equity method
APC Investment Corporation	Acme Electronics Corporation	Taipei City	Manufacturing & marketing of Mn-Zn and Ni-Zn ferrite cores	14,889	14,889	1,884,548	1.03%	14,176	21,067		Investments accounted for using the equity method
	Swanson Technologies Corporation	Taipei City	Production and marketing of EVA packaging films	22,500	22,500	2,250,015	15.00%	2,815	(10,285)		Investments accounted for using the equity method
Ever Conquest Global Ltd.	Ever Victory Global Ltd.	British Virgin Islands	Reinvestment business	12,397,549 (USD 417,145 thousand)	12,397,549 (USD 417,145 thousand)	417,145,000	67.40%	10,566,365 (USD355,530 thousand)	(2,354,029) (USD-81,637 thousand)		Investments accounted for using the equity method
Ever Victory Global Ltd.	Dynamic Ever Investments Ltd.	Hong Kong	Reinvestment business	17,500,622 (USD 588,850 thousand)	17,500,622 (USD 588,850 thousand)	588,850,000	85.00%	14,786,818 (USD497,538 thousand)	(2,772,101) (USD -96,135 thousand)		Investments accounted for using the equity method

Note 1: All the transactions were written off when preparing the consolidated financial statements.

Note 2: Please refer to Table 8-3 for relevant information of mainland investee companies.

USI Corporation and Subsidiaries
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the six months ended June 30, 2022

TABLE 8

Unit: Thousands of New Taiwan Dollars, Unless Stated Otherwise

Investee Company	Main Businesses and Products	Paid-in Capital (Note 7)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of the Beginning of Period (Note 7)	Outward or Inward Remittance for Investment for the Period (Note 7)		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period (Note 7)	Net Income (Loss) of Investee (Note 9)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Notes 6 and 9)	Carrying Amount as of the End of Period (Note 7)	Accumulated Repatriation of Investment Income as of the End of Period
					Outflow	Inflow						
Acme Electronics (Kunshan) Co., Ltd.	Manufacturing and marketing of manganese-zinc soft ferrite core	\$ 913,147 (USD 30,725 thousand)	Note 1	\$ 83,737 (USD 2,818 thousand)	\$ -	\$ -	\$ 83,737 (USD 2,818 thousand)	(\$ 13,753) (USD -453 thousand)	16.65	(\$ 2,289) (USD -75 thousand)	\$ 137,981 (USD 4,643 thousand)	\$ -
Zhangzhou Taiju Trading Co., Ltd.	Import and distribution of various types of chemical raw materials and products	44,283 (RMB 10,000 thousand)	Note 1	-	30,341 (RMB 7,000 thousand)	-	30,341 (RMB 7,000 thousand)	(262) (USD -9 thousand)	70.00	(183) (USD -6 thousand)	30,816 (USD 1,037 thousand)	-
USIG (Shanghai) Co., Ltd.	Import and distribution of various types of chemical raw materials and products	148,600 (USD 5,000 thousand)	Note 2	148,600 (USD 5,000 thousand)	-	-	148,600 (USD 5,000 thousand)	(1,453) (USD -2 thousand)	100.00	(1,453) (USD -2 thousand)	131,430 (USD 4,422 thousand)	-
Fujian Gulei Petrochemical Co., Ltd.	Crude oil processing and petroleum products manufacturing	41,246,958 (RMB 9,314,400 thousand)	Note 3	6,789,526 (USD 228,450 thousand)	-	-	6,789,526 (USD 228,450 thousand)	(5,517,223) (USD -191,331 thousand)	16.94	(934,579) (USD -32,410 thousand)	5,748,572 (USD 193,424 thousand)	-

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period (Note 7)	Investment Amounts Authorized by Investment Commission, MOEA (Notes 5 and 7)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$ 7,298,356 (USD 245,571 thousand)	\$ 9,124,209 (USD 307,006 thousand)	\$ -(Note 4)

Note 1: The Company reinvested in China-based companies via Swanlake Traders Ltd. (100%) by wiring transfer funds to other areas.

Note 2: Mainland companies with 100% direct investment.

Note 3: To reinvest 67.40% Ever Victory Global Ltd. ("EVGL") via 59.13% Ever Conquest Global Limited ("ECGL") in the third region, as well as reinvest 85.00% Dynamic Ever Investments Limited ("DEIL"), to indirectly invest 50% in Fujian Gulei Petrochemical Co., Ltd.

Note 4: As the Company has obtained the certificate of being qualified for operating headquarters issued by the Industrial Development Bureau, MOEA No. 10920403810 on February 11, 2020, the upper limit on investment in mainland China is not applicable.

Note 5: It includes the investment amounted to US\$257,939 thousand in Fujian Gulei Petrochemical Co., Ltd. in the mainland region through the third region as approved by the Investment Commission, MOEA (2) No. 10500116380 dated on September 1, 2016, Investment Commission, MOEA (2) No. 10500234240 dated on December 29, 2016 and Investment Commission, MOEA (2) No. 10800262920 dated on February 26, 2020, the investment in Zhangzhou Taiju Trading Co., Ltd. in Mainland region amounted to US\$32,200 thousand through a third region as approved by the Investment Commission, MOEA (2) No. 10900245220 dated on October 5, 2020, and the investment amounted to US\$1,422 thousand in Acme Electronics (Kunshan) Co., Ltd. through a third region as approved by the Investment Commission, MOEA (2) No. 11000010830 dated on January 21, 2021.

Note 6: Except for the investment in Fujian Gulei Petrochemical Co., Ltd., the recognized investment gain (loss) and carrying amount in the period have been fully written off when preparing the consolidated financial statements.

Note 7: The calculation was based on the spot exchange rate of June 30, 2022.

Note 8: Except that the calculation of Acme Electronics (Kunshan) Co., Ltd. is based on the financial statements reviewed and approved by CPAs of its parent company in Taiwan, the rest are based on the financial statements not reviewed and approved by CPAs.

Note 9: The amount is calculated based on the average exchange rate from January 1 to June 30, 2022.

USI Corporation and Subsidiaries
(Acme Electronics Corporation)
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the six months ended June 30, 2022

Table 8-1

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 7)	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of the Beginning of Period (Note 5)	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period (Note 5)	Net Income (Loss) of Investee (Note 6)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Notes 4, 6 and 8)	Carrying Amount as of the End of Period (Notes 7 and 8)	Accumulated Repatriation of Investment Income as of the End of Period
					Outflow	Inflow						
Acme Electronics (Kunshan) Co., Ltd.	Manufacture and sale of soft ferrite cores	\$ 913,147 (USD 30,275 thousand)	(II)	\$ 374,188 (USD 11,144 thousand)	\$ -	\$ -	\$ 374,188 (USD 11,144 thousand)	(\$ 13,753) (RMB -3,068 thousand)	51.27	(\$ 7,052) (RMB -1,573 thousand)	\$ 425,000 (RMB 95,974 thousand)	\$ -
Acme Electronics (Guang-Zhou) Co., Ltd.	Manufacture and sale of soft ferrite cores	570,624 (USD 19,200 thousand)	(II)	619,676 (USD 19,200 thousand)	-	-	619,676 (USD 19,200 thousand)	53,457 (RMB 12,011 thousand)	100.00	53,457 (RMB 12,011 thousand)	1,053,215 (RMB 237,837 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	Maximum Amount of Investments in Mainland China Authorized by Investment Commission, MOEA
\$ 901,824(USD 30,344 thousand) (Notes 3 and 5)	\$ 1,088,733 (USD 36,633 thousand) (Notes 3 and 7)	\$ -(Note 2)

Note 1: Investment Method II is to reinvest in the mainland companies by establishing a company through investment in the third region.

Note 2: As ACME has obtained the certificate of qualification for operating headquarters issued by the Investment Development Bureau, MOEA No. 09704604680 on August 29, 2008, the upper limit on investment is not applicable.

Note 3: It includes the capital increase transferred from surplus of Acme Electronics (Kunshan) Co., Ltd., and ACME increased the amount of USD 6,289 thousand at its ownership percentage.

Note 4: The investment gain (loss) recognized for this period are converted on the basis of financial statements reviewed and approved by CPAs of the parent company in Taiwan.

Note 5: The calculation was based on the exchange rate of the original investment.

Note 6: The amount is calculated based on the average exchange rate from January 1 to June 30, 2022.

Note 7: The foreign currency amount was calculated based on the spot exchange rate of June 30, 2022.

Note 8: The carrying amount and the recognized investment gain (loss) for the period have been fully written off when preparing the consolidated financial statements.

USI Corporation and Subsidiaries
(Swanson Plastics Corporation)
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the six months ended June 30, 2022

Table 8-2

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of the Beginning of Period	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period	Net Income (Loss) of Investee (Note 4)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 4)	Carrying Amount as of the End of Period (Note 5)	Accumulated Repatriation of Investment Income as of the End of Period
					Outflow	Inflow						
Swanson Plastics (Kunshan) Co., Ltd.	Production, sales and development of multi-functional film, optical film, etc.	\$ 394,979 (USD 13,290 thousand)	Indirect investment via Swanson International Ltd. of British Cayman Islands.	\$ 223,930	\$ -	\$ -	\$ 223,930	(\$ 1,662) (USD -54 thousand)	100.00	(\$ 1,662) (USD -54 thousand)	\$ 1,153,767 (USD 38,821 thousand)	\$ -
ASK-Swanson (Kunshan) Co., Ltd.	Production and sales of PE release film and other release products	270,452 (USD 9,100 thousand)	Indirect investment in A.S. Holdings (UK) Limited via Swanson International Ltd. of British Cayman Islands.	193,447	-	-	193,447	20,534 (USD 718 thousand)	100.00	20,534 (USD 718 thousand)	546,959 (USD 18,404 thousand)	64,395 (USD 2,327 thousand)
Swanson Plastics (Tianjin) Co., Ltd.	Production, sales and development of multi-functional film, optical film, etc.	318,004 (USD 10,700 thousand)	Indirect investment via Swanson (Singapore) Private Ltd. in the third region.	170,754	-	-	170,754	(11,543) (USD -402 thousand)	100.00	(11,543) (USD -402 thousand)	63,973 (USD 2,153 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 (Note 1)	Maximum Amount of Investments in Mainland China Authorized by Investment Commission, MOEA
\$ 588,131	\$974,393 (USD32,786 thousand)	\$ -(Note 2)

Note 1: The paid-in capital and the investment amount approved by the Industrial Development Bureau, MOEA were calculated using the spot exchange rate on June 30, 2022.

Note 2: As SPC had obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 10920418410 on June 18, 2020, the upper limit on investment is not applicable.

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

Note 4: The amount is calculated based on the average exchange rate from January 1 to June 30, 2022.

Note 5: The calculation was based on the spot exchange rate of June 30, 2022.

USI Corporation and Subsidiaries
China General Plastics Corporation
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the six months ended June 30, 2022

Table 8-3

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of the beginning of period (Note 1)	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period (Note 1)	Net Income (Loss) of Investee (Note 4)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 4)	Carrying Amount as of the End of Period (Notes 1 and 4)	Accumulated Repatriation of Investment Income as of the End of Period
					Outflow	Inflow						
Continental General Plastics (Zhong Shan) Co., Ltd. ("CGPC (ZS)") (Note 4)	Manufacturing and marketing of PVC film and third-time processed products	\$ 594,400 (USD 20,000 thousand)	Investment through CGPC (BVI) Holding Co., Ltd. (CGPC (BVI))	\$ 594,400 (USD 20,000 thousand)	\$ -	\$ -	\$ 594,400 (USD 20,000 thousand)	\$ 2,890 (USD 103 thousand)	100.00	\$ 2,890 (USD 103 thousand)	\$ 270,449 (USD 9,100 thousand)	\$ -
CGPC Consumer Products Corporation (CGPC (CP)) (Note 4)	Manufacturing and sales of PVC third-time processed products	44,580 (USD 1,500 thousand)	Investment through CGPC (BVI) Holding Co., Ltd. (CGPC (BVI))	44,580 (USD 1,500 thousand)	-	-	44,580 (USD 1,500 thousand)	779 (USD 26 thousand)	100.00	779 (USD 26 thousand)	14,504 (USD 488 thousand)	-

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period (Notes 1 and 3)	Investment Amounts Authorized by Investment Commission, MOEA (Note 1)	Maximum Amount of Investments in Mainland China Authorized by Investment Commission, MOEA (Note 2)
\$ 804,877 (USD27,082 thousand)	\$ 933,208 (USD31,400 thousand)	\$ -

Note 1: The calculation was based on the spot exchange rate of June 30, 2022.

Note 2: As CGPC had obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 10920426850 on September 8, 2020, the upper limit on investment is not applicable.

Note 3: QuanZhou Continental General Plastics Co., Ltd. ("CGPC (QZ)") and Union (Zhong Shan) Co., Ltd. ("Union (ZS)") completed dissolution procedures, and CGPC (BVI) retrieved the residual assets. The shares of Continental General Plastics (SanHe) Co., Ltd. ("CGPC (SH)") were fully sold, and CGPC (BVI) retrieved the residual assets. However, the amount of capital has not been wired back to Taiwan. The accumulated amount includes the investment amount of CGPC (QZ) of US\$684 thousand, the investment amount of Union (ZS) of US\$898 thousand, and the investment amount of CGPC (SH) of US\$4,000 thousand.

Note 4: All the transactions were written off when preparing the consolidated financial statements; the investment income was calculated based on the financial statements not reviewed by an auditor.

USI Corporation and Subsidiaries
Taita Chemical Company, Ltd.
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the six months ended June 30, 2022

Table 8-4

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

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of the Beginning of Period	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period	Net Income (Loss) of Investee (Note 6)	Ownership Percentage 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	\$ 1,374,550 (USD 46,250 thousand) (Note 1)	Reinvest in the mainland companies by establishing a company through investment in the third region	\$ 1,277,960 (USD 43,000 thousand)	\$ -	\$ -	\$ 1,277,960 (USD 43,000 thousand)	\$ 26,994 (USD 944 thousand)	100.00	\$ 26,994 (USD 944 thousand) (Note 6)	\$ 1,880,911 (USD 63,288 thousand) (Note 6)	\$ -
Taita Chemical (Tianjin) Co., Ltd. ("TAITA (TJ)")	Production and marketing of polystyrene derivatives	812,842 (USD 27,350 thousand) (Note 2)	Reinvest in the mainland companies by establishing a company through investment in the third region	772,720 (USD 26,000 thousand)	-	-	772,720 (USD 26,000 thousand)	(18,697) (USD -640 thousand) (Note 6)	100.00	(18,697) (USD -640 thousand) (Note 6)	(135,040) (USD -4,544 thousand) (Note 6)	-
Zhangzhou Taita Chemical Company, Limited (ZTC)	Production and sales of polystyrene derivatives	1,443,785 (USD 48,580 thousand) (Note 3)	Reinvest in the mainland companies by establishing a company through investment in the third region	-	-	-	-	2,578 (USD 87 thousand)	100%	2,578 (USD 87 thousand) (Note 7)	1,361,829 (USD 45,822 thousand) (Note 7)	-
Acme Electronics (Kunshan) Co., Ltd. ("ACME (KS)")	Manufacturing and marketing of manganese-zinc soft ferrite core	913,147 (USD 30,725 thousand)	Reinvest in a mainland company by reinvesting in the existing company in the third region, ACME Electronics (Cayman) Corp.	40,241 (USD 1,354 thousand)	-	-	40,241 (USD 1,354 thousand)	(13,753) (USD -453 thousand)	5.39	742 (USD -24 thousand)	44,714 (USD 1,504 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	Maximum Amount of Investments in Mainland China Authorized by Investment Commission, MOEA
\$ 2,090,921 (USD 70,354 thousand)	\$ 3,739,291 (USD 125,817 thousand) (Note 4)	\$ -(Note 5)

- Note 1: Taita Zhongshan increased capital from surplus of USD 3,250 thousand in 2007.
- Note 2: Taita Tianjin increased capital from surplus of USD 1,350 thousand in 2012.
- Note 3: ZTC has registered for establishment in 2021, and TAITA (BVI) injected capital of ZTC amounted to USD 48,580 thousand on March 8, 2022.
- Note 4: It includes the capital increase transferred from surplus by TAITA (ZS) of USD 3,250 thousand, capital increase transferred from surplus by TAITA (TJ) of USD 1,350 thousand, capital increase transferred from surplus by ACME (KS) of USD 802 thousand and capital injection from TAITA (BVI) to ZTC of USD 50,000 thousand.
- Note 5: As TTC has obtained the certificate of qualification 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: The calculation is based on the financial statements reviewed and approved by CPAs of the parent company in Taiwan calculated.
- Note 7: All the transactions were written off when preparing the consolidated financial statements.
- Note 8: TTC management has decided to suspend the production of TAITA (TJ) from April 2019, and please refer to Note 12 to the Consolidated Financial Statements Description.

USI CORPORATION AND INVESTEE COMPANIES
(Asia Polymer Corporation)
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the six months ended June 30, 2022

Table 8-5

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 4)	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of the Beginning of Period	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period	Net Income (Loss) of Investee (Note 3)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 3)	Ending carrying amount of investment (Note 4)	Accumulated Repatriation of Investment Income as of the End of Period
					Outflow	Inflow						
Acme Electronics (Kunshan) Co., Ltd.	Manufacturing and marketing of manganese-zinc ferrite core	\$ 913,147 (USD 30,725 thousand)	(2) ACME Electronics (Cayman) Corp.	\$ 124,151 (USD 4,177 thousand)	\$ -	\$ -	\$ 124,151 (USD 4,177 thousand)	B (\$ 13,753)	16.64	(\$ 2,289)	\$ 137,949	\$ -
USI Trading (Shanghai) Co., Ltd.	Sales of chemical products and equipment, etc.	74,300 (USD 2,500 thousand)	(2) APC (BVI) Holding Co., Ltd.	90,218 (USD 3,036 thousand)	-	-	90,218 (USD 3,036 thousand)	C 7,289	100.00	7,289	146,092	-
Fujian Gulei Petrochemical Co., Ltd.	Crude oil processing and petroleum products manufacturing	41,246,958 (RMB9,314,400 thousand)	(2) Dynamic Ever Investments, Ltd. (Note 2)	4,692,279 (USD157,883 thousand)	-	-	4,692,279 (USD 157,883 thousand)	C (5,517,223)	11.71	(646,067)	3,990,363	-
Zhangzhou Taiju Trading Co., Ltd.	Sales of chemical products	44,283 (RMB 10,000 thousand)	(2) APC (BVI) Holding Co., Ltd.	-	13,203 (USD 444 thousand)	-	13,203 (USD 444 thousand)	(262)	30.00%	(79)	13,207	-

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period	Investment Amounts Authorized by Investment Commission, MOEA	Maximum Amount of Investments in Mainland China Authorized by Investment Commission, MOEA
\$ 5,063,106 (Note 5) (USD170,360 thousand)	\$ 6,652,394 (USD223,836 thousand)	\$ - (Note 6)

Note 1: Methods of Investment can be divided into three categories as follows:

- (1) Direct investments in mainland companies.
- (2) Reinvestments in mainland companies through a holding company registered in a third region (please specify the holding company).
- (3) Others.

Note 2: To reinvest 67.40% in Ever Victory Global Ltd. ("EVGL") via 40.87% in Ever Conquest Global Ltd. ("ECGL") in the third region, as well as reinvest 85.00% in Dynamic Ever Investments Ltd. ("DEIL"), to indirectly invest 50% in Fujian Gulei Petrochemical Co., Ltd.

Note 3: For the column of Investment Gain (Loss) for the Year Ended December 31, 2021:

- (1) If there is no investment gain (loss) during the preparation, it shall be noted.
- (2) If the basis for the recognition of investment gain (loss) is classified into the following three categories, it shall be noted as follows:
 - A. Financial statements reviewed and approved by international accounting firms in partnership with CPA firms in the Republic of China.
 - B. Financial statements reviewed and approved by CPAs of the parent company in Taiwan.
 - C. Others.

Note 4: The calculation was based on the spot exchange rate of June 30, 2022.

Note 5: APC invested in Silicon Technology Investment (Cayman) Corp. (STIC) and Solargiga Energy Holdings Ltd. through APC (BVI) Holding Co., Ltd. to indirectly invest in companies in mainland China.

Note 6: As APC has obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 10800262940 on February 26, 2020, the upper limit on investment is not applicable.

Note 7: Except for the investment in Fujian Gulei Petrochemical Co., Ltd., the recognized investment gain (loss) and carrying amount in the period have been fully written off when preparing the consolidated financial statements.

USI Corporation and Subsidiaries
Intercompany Relationships and Significant Intercompany Transactions
For the six months ended June 30, 2022

Table 9

Unit: In Thousands of New Taiwan Dollars

No. (Note 1)	Trading Company	Counterparty	Relationships with trader (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 3)	Transaction Terms	% of Total Consolidated Operating Revenue or Total Asset (%) (Note 4)
0	USI CORPORATION	Swanson Plastics Corporation	1	Sales revenue	\$ 52,411	No significant difference	0.15%
0	USI CORPORATION	Forever Young Company Limited	1	Sales revenue	68,203	No significant difference	0.20%
0	USI CORPORATION	USI Trading (Shanghai) Co., Ltd.	1	Sales revenue	80,794	No significant difference	0.23%
0	USI CORPORATION	USI (Hong Kong) Company Ltd.	1	Sales revenue	178,001	No significant difference	0.51%
0	USI CORPORATION	Asia Polymer Corporation	1	Purchase	796,812	No significant difference	2.28%
0	USI CORPORATION	Swanson Plastics Corporation	1	Purchase	34,668	No significant difference	0.10%
0	USI CORPORATION	Asia Polymer Corporation	1	Sales revenue	104,901	No significant difference	0.30%
0	USI CORPORATION	Swanson Plastics Corporation	1	Accounts receivable	16,036	No significant difference	0.02%
0	USI CORPORATION	Forever Young Company Limited	1	Accounts receivable	23,253	No significant difference	0.03%
0	USI CORPORATION	USI (Hong Kong) Company Ltd.	1	Accounts receivable	56,338	No significant difference	0.07%
0	USI CORPORATION	USI Trading (Shanghai) Co., Ltd.	1	Accounts receivable	37,058	No significant difference	0.04%
0	USI CORPORATION	Asia Polymer Corporation	1	Other receivables	101,325	No significant difference	0.12%
0	USI CORPORATION	Taiwan VCM Corporation	1	Other receivables	25,186	No significant difference	0.03%
0	USI CORPORATION	USI Management Consulting Corp.	1	Management service expenses	85,988	No significant difference	0.10%
0	USI CORPORATION	Asia Polymer Corporation	1	ACCOUNTS PAYABLE	364,026	No significant difference	1.04%
0	USI CORPORATION	China General Terminal & Distribution Co.	1	Storage tank operating expenses	17,006	No significant difference	0.02%
0	USI CORPORATION	Taiwan VCM Corporation	1	Accounts receivable	25,186	No significant difference	0.07%
0	USI CORPORATION	Asia Polymer Corporation	1	Dividends payable	222,982	No significant difference	0.27%
0	USI CORPORATION	Taita Chemical Company, Ltd.	1	Dividends payable	33,242	No significant difference	0.04%
1	Asia Polymer Corporation	China General Terminal & Distribution Co.	3	Storage tank operating expenses	13,380	No significant difference	0.04%
1	Asia Polymer Corporation	Swanson Plastics Corporation	3	Purchase	19,932	No significant difference	0.06%
1	Asia Polymer Corporation	Swanson Plastics Corporation	3	Sales revenue	12,685	No significant difference	0.02%
1	Asia Polymer Corporation	USI Trading (Shanghai) Co., Ltd.	3	Accounts receivable	45,079	No significant difference	0.13%
1	Asia Polymer Corporation	USI Trading (Shanghai) Co., Ltd.	3	Sales revenue	71,959	No significant difference	0.09%
1	Asia Polymer Corporation	Union Polymer International Investment Corporation	3	Dividends payable	642,737	No significant difference	1.84%
2	China General Plastics Corporation	Swanson Plastics Corporation	3	Purchase	32,816	No significant difference	0.04%
2	China General Plastics Corporation	USI Management Consulting Corp.	3	Management service expenses	41,669	No significant difference	0.12%
2	China General Plastics Corporation	Taiwan VCM Corporation	3	ACCOUNTS PAYABLE	978,201	No significant difference	2.80%
2	China General Plastics Corporation	Taiwan VCM Corporation	3	Purchase	3,632,267	No significant difference	4.38%
2	China General Plastics Corporation	CGPC America Corporation	3	Accounts receivable	274,371	No significant difference	0.79%

(Continued)

(Continued)

No. (Note 1)	Trading Company	Counterparty	Relationships with trader (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 3)	Transaction Terms	% of Total Consolidated Operating Revenue or Total Asset (%) (Note 4)
2	China General Plastics Corporation	CGPC America Corporation	3	Sales revenue	\$ 269,623	No significant difference	0.77%
2	China General Plastics Corporation	CGPC Polymer Corporation	3	Purchase	30,686	No significant difference	0.04%
2	China General Plastics Corporation	Union Polymer International Investment Corporation	3	Dividends payable	362,698	No significant difference	1.04%
3	Taita Chemical Company, Ltd.	USI Management Consulting Corp.	3	Management service expenses	38,862	No significant difference	0.11%
3	Taita Chemical Company, Ltd.	Taita Chemical (Tianjin) Co., Ltd.	3	Other receivables	272,776	No significant difference	0.78%
3	Taita Chemical Company, Ltd.	Union Polymer International Investment Corporation	3	Dividends payable	278,597	No significant difference	0.80%
4	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Sales revenue	142,109	No significant difference	0.17%
4	Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Sales revenue	82,505	No significant difference	0.24%
4	Acme Electronics Corporation	ACME Ferrite Product Sdn. Bhd.	3	Sales revenue	12,541	No significant difference	0.02%
4	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Cost of goods sold	21,239	No significant difference	0.03%
4	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Royalty revenue	14,179	No significant difference	0.02%
4	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Accounts receivable	72,280	No significant difference	0.21%
4	Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Accounts receivable	32,337	No significant difference	0.04%
4	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Other receivables	12,892	No significant difference	0.02%
4	Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Notes and accounts payable— related parties	100,113	No significant difference	0.29%
4	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Notes and accounts payable— related parties	13,037	No significant difference	0.02%
4	Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Processing costs (classified as cost of goods sold)	223,679	No significant difference	0.27%
5	USI Management Consulting Corp.	Taiwan VCM Corporation	3	Management service revenue	15,985	No significant difference	0.02%
5	USI Management Consulting Corp.	Asia Polymer Corporation	3	Management service revenue	32,848	No significant difference	0.04%
5	USI Management Consulting Corp.	Swanson Plastics Corporation	3	Management service revenue	16,887	No significant difference	0.02%
5	USI Management Consulting Corp.	China General Terminal & Distribution Co.	3	Management service revenue	12,598	No significant difference	0.02%
5	USI Management Consulting Corp.	USI CORPORATION	2	Management service revenue	85,989	No significant difference	0.10%
6	Acme Electronics (Kunshan) Co., Ltd.	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Sales revenue	35,308	No significant difference	0.10%
6	Acme Electronics (Kunshan) Co., Ltd.	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Cost of goods sold	21,576	No significant difference	0.03%
6	Acme Electronics (Kunshan) Co., Ltd.	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Accounts receivable	10,720	No significant difference	0.01%
6	Acme Electronics (Kunshan) Co., Ltd.	ACME Ferrite Product Sdn. Bhd.	3	Sales revenue	95,505	No significant difference	0.27%
6	Acme Electronics (Kunshan) Co., Ltd.	ACME Ferrite Product Sdn. Bhd.	3	Accounts receivable	63,588	No significant difference	0.18%
7	CGPC Polymer Corporation	Taiwan VCM Corporation	3	ACCOUNTS PAYABLE	927,351	No significant difference	2.65%
7	CGPC Polymer Corporation	Taiwan VCM Corporation	3	Other payables	31,829	No significant difference	0.09%
7	CGPC Polymer Corporation	Taiwan VCM Corporation	3	Purchase	3,314,341	No significant difference	9.48%
8	Swanson Plastics Corporation	Forever Young Company Limited	3	Accounts receivable	11,211	No significant difference	0.01%
8	Swanson Plastics Corporation	Forever Young Company Limited	3	Sales revenue	11,257	No significant difference	0.01%
8	Swanson Plastics Corporation	Forever Young Company Limited	3	Other income	10,242	No significant difference	0.01%
8	Swanson Plastics Corporation	Swanson Plastics (Kunshan) Co., Ltd.	3	Accounts receivable	10,222	No significant difference	0.01%
9	Forever Young Company Limited	Swanson Plastics (India) Private Ltd.	3	Accounts receivable	34,328	No significant difference	0.04%
9	Forever Young Company Limited	Swanson Plastics (India) Private Ltd.	3	Sales revenue	47,325	No significant difference	0.06%

(Continued)

(Continued)

No. (Note 1)	Trading Company	Counterparty	Relationships with trader (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 3)	Transaction Terms	% of Total Consolidated Operating Revenue or Total Asset (%) (Note 4)
9	Forever Young Company Limited	Swanson Plastics (Kunshan) Co., Ltd.	3	Accounts receivable	\$ 73,398	No significant difference	0.09%
9	Forever Young Company Limited	Swanson Plastics (Kunshan) Co., Ltd.	3	Sales revenue	223,746	No significant difference	0.27%
9	Forever Young Company Limited	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Accounts receivable	17,688	No significant difference	0.02%
9	Forever Young Company Limited	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Sales revenue	39,232	No significant difference	0.05%
9	Forever Young Company Limited	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Accounts receivable	149,652	No significant difference	0.18%
9	Forever Young Company Limited	PT. Swanson Plastics Indonesia	3	Accounts receivable	13,283	No significant difference	0.02%
9	Forever Young Company Limited	PT. Swanson Plastics Indonesia	3	Sales revenue	74,858	No significant difference	0.09%
9	Forever Young Company Limited	SWANSON INTERNATIONAL LTD.	3	Other receivables	44,590	No significant difference	0.05%
10	Swanson Plastics (Singapore) Pte., Ltd.	PT. Swanson Plastics Indonesia	3	Cost of goods sold	30,258	No significant difference	0.04%
10	Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	3	ACCOUNTS PAYABLE	29,888	No significant difference	0.04%
10	Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Cost of goods sold	89,589	No significant difference	0.11%
11	Swanson Plastics (Kunshan) Co., Ltd.	ASK-Swanson (Kunshan) Co., Ltd.	3	Accounts receivable	32,834	No significant difference	0.04%
11	Swanson Plastics (Kunshan) Co., Ltd.	ASK-Swanson (Kunshan) Co., Ltd.	3	Sales revenue	84,825	No significant difference	0.10%
11	Swanson Plastics (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	3	Accounts payable	49,911	No significant difference	0.06%
12	ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	3	Other receivables	172,288	No significant difference	0.21%
13	China General Terminal & Distribution Co.	Taiwan VCM Corporation	3	Storage tank operating expenses	52,182	No significant difference	0.15%
14	Union Polymer Int'l Investment Corp.	USI CORPORATION	2	Dividends payable	582,444	No significant difference	0.70%

Note 1: The information about the transactions between the Company and the subsidiaries should be marked in the note column as follows:

1. The parent company: 0.
2. The subsidiaries: 1 onward.

Note 2: Investment types are as follows:

1. The parent company to its subsidiary.
2. The subsidiary to the parent company.
3. Between subsidiaries.

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

Note 4: The ratio of transactions related to total sales revenue or assets is calculated as follows: a. Assets or liabilities: The ratio was calculated based on the ending balance of total consolidated assets; and b. Income or loss: The ratio was calculated based on the accumulated amount of total consolidated sales revenue during the interim period.

USI CORPORATION
INFORMATION ON MAJOR SHAREHOLDERS
June 30, 2022

TABLE 10

Names of Major Shareholders	Shares	
	Number of Shares Held	Percentage of Ownership (%)
Shing Lee Enterprises (Hong Kong) Limited	173,776,546	14.61
Wholegainer Company Limited's investment account under custody of Fubon Securities Co., Ltd.	110,000,000	9.25
Asia Polymer Corporation	101,355,673	8.52

Note 1: The table discloses shareholding information of shareholders whose shareholding percentage is more than 5%. The Taiwan Depository & Clearing Corporation (TDC) calculates the total number of ordinary shares and preferred shares (including treasury shares) that have completed the dematerialized registration and delivery on the last business day of the quarter. 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.

Note 2: In the event where the shareholders delivers its equity to trust, the information is disclosed in the form of individual trust accounts opened by the trustee. As for the shareholders declaring insider equity holdings of more than 10% of the shares in accordance with the Securities and Exchange Act, their shareholdings include the shares held by themselves plus the shares delivered to trust while retaining the right to determine the utilization. For information on insider equity declarations, please refer to the Market Observatory Post System.