

**USI CORPORATION AND  
SUBSIDIARIES**

**Consolidated Financial Statements and  
Independent Auditors' Review Report**  
For the Six Months Ended June 30, 2023 and 2022

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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, 2023 and 2022, and the Consolidated Statements of Comprehensive Income for the three months ended June 30, 2023 and 2022 and for the six months ended June 30, 2023 and 2022, 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 2023 and 2022. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### **Scope of Review**

Except as explained in the following paragraph, we conducted our reviews in accordance with the Standards on Review Engagements No. 2410 “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, 2023 and June 30, 2022 were NT\$23,322,170 thousand and NT\$27,444,125 thousand, accounting for 30.77% and 33.08% of the total consolidated assets, respectively. The total liabilities were NT\$5,318,135 thousand and NT\$3,498,180 thousand, accounting for 19.47% and 11.22% 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, 2023 and 2022, were NT\$1,093,418 thousand, NT\$1,705,884 thousand, NT\$2,427,332 thousand and NT\$2,672,963 thousand, accounting for 155.39%, 388.08%, 210.85%, 210.85% and (188.14)% 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, 2023 and 2022, and the consolidated financial performance from April 1 to June 30, 2023 and 2022, and the consolidated financial performance and consolidated cash flow for the periods from January 1 to June 30, 2023 and 2022.

The engagement partner on the audit resulting in this independent auditors' report are Pi-Yu Chuang and Chun-Hung Chen.

Deloitte & Touche

Taipei, Taiwan

Republic of China

August 3, 2023

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.*

USI CORPORATION AND SUBSIDIARIES

Consolidated Balance Sheets

June 30, 2023 and December 31, 2022, and June 30, 2022

Unit: In Thousands of New Taiwan Dollars

| Code  | Assets  | June 30, 2023<br>(Reviewed) |            | December 31, 2022<br>(Audited) |            | June 30, 2022<br>(Reviewed) |            |
|---|---|-----------------------------|------------|--------------------------------|------------|-----------------------------|------------|
|   |   | Amount                      | %          | Amount                         | %          | Amount                      | %          |
| <b>CURRENT ASSETS</b>                               |   |                             |            |                                |            |                             |            |
| 1100  | Cash and cash equivalents (Note 6)  | \$ 11,637,164               | 15         | \$ 11,498,415                  | 15         | \$ 11,650,381               | 14         |
| 1110  | Financial assets at fair value through profit or loss (FVTPL) - current (Note 7)                  | 3,062,282                   | 4          | 2,724,497                      | 3          | 4,095,051                   | 5          |
| 1120  | Financial assets at fair value through other comprehensive income (FVTOCI) - current (Notes 8)    | 115,439                     | -          | 97,183                         | -          | 102,161                     | -          |
| 1136  | Financial assets at amortized cost - current (Notes 9 and 35)                                     | 374,357                     | -          | 439,929                        | 1          | 363,373                     | 1          |
| 1150  | Notes receivables, net (Notes 10 and 26)  | 498,921                     | 1          | 544,546                        | 1          | 637,869                     | 1          |
| 1170  | Accounts receivable, net (Notes 10, 26 and 34)  | 5,895,027                   | 8          | 7,395,035                      | 10         | 7,081,297                   | 9          |
| 1200  | Other receivables (Notes 10 and 34)   | 288,765                     | -          | 259,201                        | -          | 351,565                     | -          |
| 1220  | Current tax assets (Notes 4 and 28)   | 7,378                       | -          | 18,802                         | -          | 9,316                       | -          |
| 130X  | Inventories (Note 11)   | 7,298,257                   | 10         | 7,199,654                      | 9          | 9,338,542                   | 11         |
| 1410  | Prepayments   | 967,452                     | 1          | 1,220,781                      | 2          | 1,062,595                   | 1          |
| 1470  | Other current assets (Note 14)  | 433,308                     | 1          | 216,907                        | -          | 240,367                     | -          |
| 11XX  | Total current assets  | <u>30,578,350</u>           | <u>40</u>  | <u>31,614,950</u>              | <u>41</u>  | <u>34,932,517</u>           | <u>42</u>  |
| <b>NON-CURRENT ASSETS</b>                           |   |                             |            |                                |            |                             |            |
| 1517  | Financial assets at fair value through other comprehensive income (FVTOCI) - non-current (Note 8) | 2,137,385                   | 3          | 2,060,835                      | 3          | 2,290,486                   | 3          |
| 1535  | Financial assets at amortized cost - non-current (Notes 9 and 36)                                 | 355,870                     | -          | 358,679                        | -          | 358,915                     | -          |
| 1550  | Investments accounted for using the equity method (Note 13)                                       | 11,002,716                  | 15         | 13,611,385                     | 17         | 17,057,321                  | 21         |
| 1600  | Property, plant and equipment (Notes 14 and 35)   | 25,770,349                  | 34         | 25,520,104                     | 33         | 25,165,639                  | 30         |
| 1755  | Right-of-use assets (Notes 15 and 35)   | 2,642,249                   | 4          | 1,634,654                      | 2          | 714,169                     | 1          |
| 1760  | Investment properties, net (Note 16)  | 602,183                     | 1          | 624,562                        | 1          | 633,629                     | 1          |
| 1805  | Goodwill (Note 17)  | 270,211                     | -          | 270,211                        | -          | 270,211                     | -          |
| 1821  | Other intangible assets, net (Note 17)  | 46,877                      | -          | 48,274                         | -          | 41,222                      | -          |
| 1840  | Deferred tax assets (Notes 4 and 28)  | 1,715,325                   | 2          | 1,341,378                      | 2          | 867,882                     | 1          |
| 1990  | Other non-current assets (Note 35)  | 676,442                     | 1          | 656,537                        | 1          | 628,513                     | 1          |
| 15XX  | Total non-current assets  | <u>45,219,607</u>           | <u>60</u>  | <u>46,126,619</u>              | <u>59</u>  | <u>48,027,987</u>           | <u>58</u>  |
| 1XXX  | Total Assets  | <u>\$ 75,797,957</u>        | <u>100</u> | <u>\$ 77,741,569</u>           | <u>100</u> | <u>\$ 82,960,504</u>        | <u>100</u> |
| <b>LIABILITIES AND EQUITY</b>                       |   |                             |            |                                |            |                             |            |
| <b>CURRENT LIABILITIES</b>                          |   |                             |            |                                |            |                             |            |
| 2100  | Short-term borrowings (Note 18 and 35)  | \$ 2,304,028                | 3          | \$ 2,400,326                   | 3          | \$ 1,639,241                | 2          |
| 2110  | Short-term notes payable (Note 18)  | 24,968                      | -          | 290,613                        | 1          | 50,000                      | -          |
| 2120  | Financial liabilities at fair value through profit or loss at FVTPL - current (Note 7)            | 417                         | -          | 27,839                         | -          | 11,377                      | -          |
| 2170  | Trade payables (Note 20)  | 2,631,422                   | 3          | 3,349,040                      | 4          | 4,147,951                   | 5          |
| 2216  | Dividends payables  | 1,459,955                   | 2          | 27,294                         | -          | 5,062,351                   | 6          |
| 2219  | Other payables (Note 21)  | 1,979,630                   | 2          | 2,235,080                      | 3          | 2,244,991                   | 3          |
| 2230  | Current tax liabilities (Notes 4 and 28)  | 500,649                     | 1          | 1,647,045                      | 2          | 1,006,498                   | 1          |
| 2280  | Lease liability - current (Note 15)   | 152,357                     | -          | 102,435                        | -          | 68,648                      | -          |
| 2320  | Current portion of long-term borrowings (Notes 18, 19 and 35)                                     | 2,000,799                   | 3          | -                              | -          | 2,189,699                   | 3          |
| 2365  | Refund liabilities - current (Note 21)  | 24,345                      | -          | 28,247                         | -          | 25,802                      | -          |
| 2399  | Other current liabilities (Note 26)   | 602,407                     | 1          | 667,938                        | 1          | 738,157                     | 1          |
| 21XX  | Total current liabilities   | <u>11,680,977</u>           | <u>15</u>  | <u>10,775,857</u>              | <u>14</u>  | <u>17,184,715</u>           | <u>21</u>  |
| <b>NON-CURRENT LIABILITIES</b>                      |   |                             |            |                                |            |                             |            |
| 2530  | Bonds payable (Note 19)   | 3,994,195                   | 5          | 5,992,228                      | 8          | 5,990,998                   | 7          |
| 2540  | Long-term borrowings (Notes 18 and 35)  | 7,240,985                   | 10         | 6,366,223                      | 8          | 4,922,997                   | 6          |
| 2550  | Provisions - non-current (Notes 22 and 36)  | 136,375                     | -          | 136,375                        | -          | 136,375                     | -          |
| 2570  | Deferred tax liabilities (Notes 4 and 28)   | 1,391,905                   | 2          | 1,395,175                      | 2          | 1,429,113                   | 2          |
| 2580  | Lease liabilities - non-current (Note 15)   | 2,028,310                   | 3          | 1,262,591                      | 1          | 370,270                     | 1          |
| 2640  | Net defined benefit liabilities - non-current (Notes 4 and 23)                                    | 695,691                     | 1          | 754,722                        | 1          | 1,047,128                   | 1          |
| 2670  | Other non-current liabilities (Note 24)   | 152,415                     | -          | 133,513                        | -          | 102,103                     | -          |
| 25XX  | Total non-current liabilities   | <u>15,639,876</u>           | <u>21</u>  | <u>16,040,827</u>              | <u>20</u>  | <u>13,998,984</u>           | <u>17</u>  |
| 2XXX  | Total Liabilities   | <u>27,320,853</u>           | <u>36</u>  | <u>26,816,684</u>              | <u>34</u>  | <u>31,183,699</u>           | <u>38</u>  |
| <b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b> |   |                             |            |                                |            |                             |            |
| 3100  | Share capital   | 11,887,635                  | 16         | 11,887,635                     | 15         | 11,887,635                  | 14         |
| 3200  | Capital surplus   | 475,076                     | 1          | 449,960                        | 1          | 450,510                     | 1          |
| <b>RETAINED EARNINGS</b>                            |   |                             |            |                                |            |                             |            |
| 3310  | Legal reserve   | 4,036,296                   | 5          | 3,872,190                      | 5          | 3,872,190                   | 5          |
| 3320  | Special reserve   | 375,127                     | -          | 375,127                        | -          | 375,127                     | -          |
| 3350  | Unappropriated earnings   | 7,257,834                   | 10         | 8,377,890                      | 11         | 7,615,155                   | 9          |
| 3300  | Total retained earnings   | <u>11,669,257</u>           | <u>15</u>  | <u>12,625,207</u>              | <u>16</u>  | <u>11,862,472</u>           | <u>14</u>  |
| 3490  | Other equity  | (115,558)                   | -          | 8,896                          | -          | 83,443                      | -          |
| 3500  | Treasury share  | (475,606)                   | (1)        | (475,606)                      | -          | (475,606)                   | (1)        |
| 31XX  | Total equity attributable to owners of the Company  | <u>23,440,804</u>           | <u>31</u>  | <u>24,496,092</u>              | <u>32</u>  | <u>23,808,454</u>           | <u>28</u>  |
| 36XX  | Non-controlling interests   | 25,036,300                  | 33         | 26,428,793                     | 34         | 27,968,351                  | 34         |
| 3XXX  | Total equity  | <u>48,477,104</u>           | <u>64</u>  | <u>50,924,885</u>              | <u>66</u>  | <u>51,776,805</u>           | <u>62</u>  |
| Total Liabilities and Equity                        |   | <u>\$ 75,797,957</u>        | <u>100</u> | <u>\$ 77,741,569</u>           | <u>100</u> | <u>\$ 82,960,504</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, 2023 and 2022 And For the Six Months Ended June 30, 2023 and 2022  
(Reviewed, Not Audited)

Unit: In Thousands of New Taiwan Dollars, except Earnings (Losses) Per Share

| CODE |   | For the Three Months<br>Ended June 30, 2023 |              | For the Three Months<br>Ended June 30, 2022 |              | For the Six Months<br>Ended June 30, 2023 |              | For the Six Months<br>Ended June 30, 2022 |              |
|------|---|---|--------------|---|--------------|---|--------------|---|--------------|
|      |   | Amount                                      | %            | Amount                                      | %            | Amount                                    | %            | Amount                                    | %            |
| 4100 | OPERATING REVENUE (Notes 26 and 34)   | \$ 12,759,120                               | 100          | \$ 17,851,602                               | 100          | \$ 25,934,676                             | 100          | \$ 34,949,523                             | 100          |
| 5110 | COST OF GOODS SOLD (Notes 11, 14, 15, 17, 23, 27 and 34)  | <u>11,252,953</u>                           | <u>88</u>    | <u>14,821,696</u>                           | <u>83</u>    | <u>22,679,759</u>                         | <u>87</u>    | <u>28,790,293</u>                         | <u>82</u>    |
| 5900 | GROSS PROFIT  | <u>1,506,167</u>                            | <u>12</u>    | <u>3,029,906</u>                            | <u>17</u>    | <u>3,254,917</u>                          | <u>13</u>    | <u>6,159,230</u>                          | <u>18</u>    |
|      | OPERATING EXPENSES (Notes 10, 14, 15, 17, 23, 27 and 34)  |   |              |   |              |   |              |   |              |
| 6100 | Selling and marketing expenses  | 525,259                                     | 4            | 935,851                                     | 5            | 1,085,099                                 | 4            | 1,920,578                                 | 5            |
| 6200 | Administrative expenses   | 300,270                                     | 3            | 307,945                                     | 2            | 632,994                                   | 3            | 684,648                                   | 2            |
| 6300 | Research and development expenses   | 125,020                                     | 1            | 103,019                                     | 1            | 243,175                                   | 1            | 202,634                                   | 1            |
| 6500 | Expected credit loss (gain)   | <u>26</u>                                   | <u>-</u>     | <u>111</u>                                  | <u>-</u>     | <u>(199)</u>                              | <u>-</u>     | <u>105</u>                                | <u>-</u>     |
| 6000 | Total operating expenses  | <u>950,575</u>                              | <u>8</u>     | <u>1,346,926</u>                            | <u>8</u>     | <u>1,961,069</u>                          | <u>8</u>     | <u>2,807,965</u>                          | <u>8</u>     |
| 6900 | NET PROFIT FROM OPERATIONS  | <u>555,592</u>                              | <u>4</u>     | <u>1,682,980</u>                            | <u>9</u>     | <u>1,293,848</u>                          | <u>5</u>     | <u>3,351,265</u>                          | <u>10</u>    |
|      | NON-OPERATING INCOME AND EXPENSES   |   |              |   |              |   |              |   |              |
| 7100 | Interest income (Note 27)   | 77,056                                      | 1            | 37,196                                      | -            | 135,015                                   | 1            | 52,914                                    | -            |
| 7010 | Other income (Notes 18, 24, 27 and 34)  | 173,879                                     | 1            | 389,339                                     | 2            | 249,138                                   | 1            | 696,587                                   | 2            |
| 7020 | Other gains and losses (Notes 16, 27 and 39)  | 43,233                                      | -            | ( 39,382 )                                  | -            | ( 5,203 )                                 | -            | 129,326                                   | -            |
| 7050 | Finance costs (Notes 18, 19 and 27)   | ( 66,664 )                                  | -            | ( 36,373 )                                  | -            | ( 130,912 )                               | ( 1 )        | ( 73,199 )                                | -            |
| 7060 | Share of loss of associates and joint ventures accounted for using the equity method (Note 13)            | ( <u>1,053,541</u> )                        | ( <u>8</u> ) | ( <u>1,624,259</u> )                        | ( <u>9</u> ) | ( <u>2,368,722</u> )                      | ( <u>9</u> ) | ( <u>2,759,439</u> )                      | ( <u>8</u> ) |
| 7000 | Total non-operating income and expenses   | ( <u>826,037</u> )                          | ( <u>6</u> ) | ( <u>1,273,479</u> )                        | ( <u>7</u> ) | ( <u>2,120,684</u> )                      | ( <u>8</u> ) | ( <u>1,953,811</u> )                      | ( <u>6</u> ) |
| 7900 | Net (loss) profit before tax  | ( 270,445 )                                 | ( 2 )        | 409,501                                     | 2            | ( 826,836 )                               | ( 3 )        | 1,397,454                                 | 4            |
| 7950 | Income tax expense (Notes 4 and 28)   | <u>108,404</u>                              | <u>1</u>     | <u>392,780</u>                              | <u>2</u>     | <u>140,036</u>                            | <u>1</u>     | <u>650,357</u>                            | <u>2</u>     |
| 8200 | NET PROFIT FOR THE PERIOD   | ( <u>378,849</u> )                          | ( <u>3</u> ) | <u>16,721</u>                               | <u>-</u>     | ( <u>966,872</u> )                        | ( <u>4</u> ) | <u>747,097</u>                            | <u>2</u>     |
|      | OTHER COMPREHENSIVE INCOME (LOSS)   |   |              |   |              |   |              |   |              |
|      | Items that will not be reclassified subsequently to profit or loss:                                       |   |              |   |              |   |              |   |              |
| 8316 | Unrealized gain on equity instruments at FVTOCI (Note 25)   | 24,193                                      | -            | ( 163,976 )                                 | ( 1 )        | 93,248                                    | 1            | ( 40,292 )                                | -            |
| 8349 | Income tax relating to items that will not be reclassified (Notes 4, 25 and 28)                           | ( <u>220</u> )                              | <u>-</u>     | ( <u>537</u> )                              | <u>-</u>     | ( <u>974</u> )                            | <u>-</u>     | ( <u>1,706</u> )                          | <u>-</u>     |
| 8310 |   | <u>23,973</u>                               | <u>-</u>     | ( <u>164,513</u> )                          | ( <u>1</u> ) | <u>92,274</u>                             | <u>1</u>     | ( <u>41,998</u> )                         | <u>-</u>     |
|      | Items that may be reclassified subsequently to profit or loss:  |   |              |   |              |   |              |   |              |
| 8361 | Exchange differences on translating the financial statements of foreign operations (Note 25)              | ( 401,714 )                                 | ( 3 )        | ( 331,717 )                                 | ( 2 )        | ( 327,866 )                               | ( 1 )        | 816,367                                   | 2            |
| 8399 | Income tax relating to items that may be reclassified subsequently to profit or loss (Notes 4, 25 and 28) | <u>52,939</u>                               | <u>-</u>     | <u>39,940</u>                               | <u>1</u>     | <u>51,234</u>                             | <u>-</u>     | ( <u>100,718</u> )                        | <u>-</u>     |
| 8360 |   | ( <u>348,775</u> )                          | ( <u>3</u> ) | ( <u>291,777</u> )                          | ( <u>1</u> ) | ( <u>276,632</u> )                        | ( <u>1</u> ) | <u>715,649</u>                            | <u>2</u>     |
| 8300 | Other comprehensive income for the period (net of income tax)   | ( <u>324,802</u> )                          | ( <u>3</u> ) | ( <u>456,290</u> )                          | ( <u>2</u> ) | ( <u>184,358</u> )                        | <u>-</u>     | <u>673,651</u>                            | <u>2</u>     |
| 8500 | Total comprehensive income for the period   | ( <u>\$ 703,651</u> )                       | ( <u>6</u> ) | ( <u>\$ 439,569</u> )                       | ( <u>2</u> ) | ( <u>\$ 1,151,230</u> )                   | ( <u>4</u> ) | <u>\$ 1,420,748</u>                       | <u>4</u>     |
|      | Net profit (loss) attributable to:  |   |              |   |              |   |              |   |              |
| 8610 | Owners of the Company   | \$ 27,063                                   | -            | \$ 354,012                                  | 2            | ( \$ 69,460 )                             | -            | \$ 888,771                                | 2            |
| 8620 | Non-controlling Interests   | ( <u>405,912</u> )                          | ( <u>3</u> ) | ( <u>337,291</u> )                          | ( <u>2</u> ) | ( <u>897,412</u> )                        | ( <u>4</u> ) | ( <u>141,674</u> )                        | <u>-</u>     |
| 8600 |   | ( <u>\$ 378,849</u> )                       | ( <u>3</u> ) | <u>\$ 16,721</u>                            | <u>-</u>     | ( <u>\$ 966,872</u> )                     | ( <u>4</u> ) | <u>\$ 747,097</u>                         | <u>2</u>     |

(Continued)

(Continued)

| CODE |   | For the Three Months<br>Ended June 30, 2023 |      | For the Three Months<br>Ended June 30, 2022 |      | For the Six Months<br>Ended June 30, 2023 |      | For the Six Months<br>Ended June 30, 2022 |   |
|------|---|---|------|---|------|---|------|---|---|
|      |   | Amount                                      | %    | Amount                                      | %    | Amount                                    | %    | Amount                                    | % |
|      | Total comprehensive income attributable to: |   |      |   |      |   |      |   |   |
| 8710 | Owners of the Company                       | (\$ 182,392)                                | ( 2) | (\$ 178,105)                                | ( 1) | (\$ 193,914)                              | ( 1) | \$ 877,410                                | 2 |
| 8720 | Non-controlling Interests                   | ( 521,259)                                  | ( 4) | ( 261,464)                                  | ( 1) | ( 957,316)                                | ( 3) | 543,338                                   | 2 |
| 8700 |   | ( \$ 703,651)                               | ( 6) | ( \$ 439,569)                               | ( 2) | ( \$ 1,151,230)                           | ( 4) | \$ 1,420,748                              | 4 |
|      | Earnings (losses) per share (Note 29)       |   |      |   |      |   |      |   |   |
| 9710 | Basic earnings per share                    | \$ 0.03                                     |      | \$ 0.33                                     |      | (\$ 0.06)                                 |      | \$ 0.83                                   |   |
| 9810 | Diluted earnings per share                  | \$ 0.03                                     |      | \$ 0.33                                     |      | (\$ 0.06)                                 |      | \$ 0.83                                   |   |

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, 2023 and 2022  
(Reviewed, Not Audited)

Unit: In Thousands of New Taiwan Dollars

|      |   | Equity attributable to owners of the Company |   |   |                     |                            |                              |   |  |   |                             |               |  |               |
|------|---|--|---|---|---------------------|----------------------------|------------------------------|---|--|---|-----------------------------|---------------|--|---------------|
|      |   | Capital surplus                              |   |   | Retained earnings   |                            |                              | Other Equity                                    |  |   |                             |               |  |               |
| CODE |   | Ordinary shares<br>(Note 25)                 | Treasury Share<br>Transactions<br>(Note 25) | Shares of<br>Changes in<br>Capital Surplus<br>of Associates<br>(Notes 12 and<br>25) | Others<br>(Note 25) | Legal reserve<br>(Note 25) | Special reserve<br>(Note 25) | Unappropriated<br>earnings<br>(Notes 12 and 25) | Exchange differences<br>on translating the<br>financial statements of<br>foreign operations<br>(Notes 25 and 28) | Unrealized gain<br>(loss) on financial<br>assets at FVTOCI<br>(Notes 8, 25, and 28) | Treasury share<br>(Note 25) | Total         | Non-controlling<br>Interests<br>(Notes 8, 12 and 25) | Total equity  |
| 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 |
| B1   | Distribution of earnings in 2021  | -  | -   | -   | -                   | 529,104                    | -                            | ( 529,104)                                      | -  | -   | -                           | -             | -  | -             |
| B5   | Provision for legal reserve   | -  | -   | -   | -                   | -                          | -                            | ( 2,615,280)                                    | -  | -   | -                           | ( 2,615,280)  | -  | ( 2,615,280)  |
|      | Cash dividends distributed to the Company   | -  | -   | -   | -                   | -                          | -                            | -   | -  | -   | -                           | -             | -  | -             |
| O1   | Cash dividends distributed by subsidiaries  | -  | -   | -   | -                   | -                          | -                            | -   | -  | -   | -                           | -             | ( 2,804,905)   | ( 2,804,905)  |
| D1   | Net profit (loss) 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        |
| T1   | 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 |
| A1   | Balance as of January 1, 2023   | \$ 11,887,635                                | \$ 387,301                                  | \$ 39,947   | \$ 22,712           | \$ 3,872,190               | \$ 375,127                   | \$ 8,377,890                                    | (\$ 371,193)   | \$ 380,089  | (\$ 475,606)                | \$ 24,496,092 | \$ 26,428,793  | \$ 50,924,885 |
| B1   | Distribution of earnings in 2022  | -  | -   | -   | -                   | 164,106                    | -                            | ( 164,106)                                      | -  | -   | -                           | -             | -  | -             |
| B5   | Provision for legal reserve   | -  | -   | -   | -                   | -                          | -                            | ( 832,134)                                      | -  | -   | -                           | ( 832,134)    | -  | ( 832,134)    |
|      | Cash dividends distributed to the company   | -  | -   | -   | -                   | -                          | -                            | -   | -  | -   | -                           | -             | -  | -             |
| O1   | Cash dividends distributed by subsidiaries  | -  | -   | -   | -                   | -                          | -                            | -   | -  | -   | -                           | -             | ( 722,518)   | ( 722,518)    |
| D1   | Net loss for the six months ended June 30, 2023   | -  | -   | -   | -                   | -                          | -                            | ( 69,460)                                       | -  | -   | -                           | ( 69,460)     | ( 897,412)   | ( 966,872)    |
| D3   | Other comprehensive income (loss) for the six months ended June 30, 2023, net of income tax         | -  | -   | -   | -                   | -                          | -                            | -   | ( 99,458)  | ( 24,996)   | -                           | ( 124,454)    | ( 59,904)  | ( 184,358)    |
| D5   | Total comprehensive income (loss) for the six months ended June 30, 2023                            | -  | -   | -   | -                   | -                          | ( 69,460)                    | ( 69,460)                                       | ( 99,458)  | ( 24,996)   | -                           | ( 193,914)    | ( 957,316)   | ( 1,151,230)  |
| C7   | Changes in equity of subsidiaries recognized by equity method                                       | -  | -   | ( 1,228)  | -                   | -                          | ( 54,356)                    | -   | -  | -   | -                           | ( 55,584)     | 55,503   | ( 81)         |
| C17  | Changes in other capital surplus  | -  | -   | -   | ( 486)              | -                          | -                            | -   | -  | -   | -                           | ( 486)        | -  | ( 486)        |
| M1   | Dividends distributed to subsidiaries to adjust capital reserve                                     | -  | 26,830                                      | -   | -                   | -                          | -                            | -   | -  | -   | -                           | 26,830        | -  | 26,830        |
| O1   | Change in non-controlling interests   | -  | -   | -   | -                   | -                          | -                            | -   | -  | -   | -                           | -             | 231,838  | 231,838       |
| Z1   | Balance as of June 30, 2023   | \$ 11,887,635                                | \$ 414,131                                  | \$ 38,719   | \$ 22,226           | \$ 4,036,296               | \$ 375,127                   | \$ 7,257,834                                    | (\$ 470,651)   | \$ 355,093  | (\$ 475,606)                | \$ 23,440,804 | \$ 25,036,300  | \$ 48,477,104 |

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

(Please refer to Deloitte & Touche auditors' review report dated August 3, 2022)



USI CORPORATION AND SUBSIDIARIES  
Consolidated Statements of Cash Flows  
For the Six Months Ended June 30, 2023 and 2022  
(Reviewed, Not Audited)

Unit: In Thousands of New Taiwan Dollars

| Code   |  | For the Six Months<br>Ended June 30, 2023 | For the Six Months<br>ended June 30, 2022 |
|--------|--|---|---|
|        | <b>CASH FLOWS FROM OPERATING<br/>ACTIVITIES</b>  |   |   |
| A10000 | Net (loss) profit before income tax  | (\$ 826,836)                              | \$ 1,397,454                              |
| A20010 | Income (expenses) items  |   |   |
| A20100 | Depreciation expenses  | 1,241,570                                 | 1,157,304                                 |
| A20200 | Amortization expense   | 29,967                                    | 26,897                                    |
| A20300 | Expected credit loss recognized<br>(reversed)  | ( 199)                                    | 105                                       |
| A20400 | Net (gain) loss on financial assets and<br>liabilities at FVTPL                                  | ( 57,184)                                 | 149,570                                   |
| A20900 | Finance costs  | 130,912                                   | 73,199                                    |
| A21200 | Interest income  | ( 135,015)                                | ( 52,914)                                 |
| A21300 | Dividend income  | ( 107,868)                                | ( 333,303)                                |
| A22300 | Share of loss of associates and joint<br>ventures accounted for using the<br>equity method       | 2,368,722                                 | 2,759,439                                 |
| A22500 | Gain on disposal and scrapping of<br>property, plant and equipment                               | ( 10,789)                                 | ( 4,839)                                  |
| A23800 | (Reversal) provision for write-downs<br>of inventories and obsolescence<br>losses                | ( 42,136)                                 | 371,201                                   |
| A29900 | Recognition of refund liabilities  | 92,706                                    | 687                                       |
| A30000 | Changes in operating assets and liabilities  |   |   |
| A31115 | (Increase) decrease in financial assets<br>and liabilities mandatorily<br>classified as at FVTPL | ( 308,023)                                | 1,505,642                                 |
| A31130 | Decrease in notes receivable   | 45,625                                    | 237,876                                   |
| A31150 | Decrease in accounts receivable  | 1,500,476                                 | 1,433,723                                 |
| A31180 | Increase (decrease) in other<br>receivables  | ( 43,834)                                 | 97,986                                    |
| A31200 | Increase in inventories  | ( 55,509)                                 | ( 2,112,464)                              |
| A31230 | Decrease (increase) in prepayments   | 253,329                                   | ( 269,544)                                |
| A31240 | Increase (decrease) in other current<br>assets   | ( 216,401)                                | 2,855                                     |
| A32150 | (Decrease) Increase in accounts<br>payable   | ( 717,618)                                | 618,953                                   |
| A32180 | Decrease in other payables   | ( 341,727)                                | ( 732,807)                                |
| A32200 | Decrease in refund liabilities   | ( 96,608)                                 | ( 3,515)                                  |
| A32240 | Decrease in net defined benefit<br>liabilities   | ( 59,031)                                 | ( 103,881)                                |
| A32230 | (Decrease) increase in other current<br>liabilities  | ( 65,531)                                 | 172,895                                   |
| A33000 | Cash generated from operations   | 2,578,998                                 | 6,392,519                                 |
| A33100 | Interest received  | 122,486                                   | 61,495                                    |
| A33300 | Interest paid  | ( 145,727)                                | ( 79,871)                                 |
| A33500 | Income tax paid  | ( 1,601,965)                              | ( 2,570,423)                              |
| AAAA   | Net cash generated from operating<br>activities  | <u>953,792</u>                            | <u>3,803,720</u>                          |

(Continued)

(Continued)

| Code   |  | For the Six Months<br>Ended June 30, 2023 | For the Six Months<br>Ended June 30, 2022 |
|--------|--|---|---|
|        | <b>CASH FLOWS FROM INVESTING<br/>ACTIVITIES</b>  |   |   |
| B00020 | Disposal of FVTOCI   | \$ -                                      | \$ 6,162                                  |
| B00050 | Disposal (purchase) of financial assets at<br>amortized cost   | 55,863                                    | ( 15,882 )                                |
| B01800 | Acquisition of long-term equity<br>investments using the equity method   | -   | ( 90,000 )                                |
| B02700 | Acquisition of property, plant and<br>equipment  | ( 1,388,390 )                             | ( 1,302,025 )                             |
| B02800 | Proceeds from disposal of property, plant<br>and equipment   | 23,666                                    | 22,126                                    |
| B03700 | Decrease (increase) in refundable deposits   | 13,316                                    | ( 19,004 )                                |
| B04500 | Acquisitions of other intangible assets  | ( 3,104 )                                 | ( 192 )                                   |
| B05350 | Acquisition of land use rights   | ( 200,271 )                               | -   |
| B05400 | Acquisition of investment properties   | ( 529 )                                   | ( 3,126 )                                 |
| B06700 | Decrease (increase) in other non-current<br>assets   | 12,548                                    | ( 55,503 )                                |
| B07600 | Dividends received   | 13,497                                    | 8,954                                     |
| B09900 | Increase in deferred revenues  | 6,090                                     | -   |
| BBBB   | Net cash used in investing activities  | <u>( 1,467,314 )</u>                      | <u>( 1,448,490 )</u>                      |
|        | <b>CASH FLOWS FROM FINANCING<br/>ACTIVITIES</b>  |   |   |
| C00100 | Decrease in short-term borrowings  | ( 96,298 )                                | ( 858,800 )                               |
| C00500 | Decrease in short-term notes payable   | ( 266,000 )                               | ( 230,000 )                               |
| C01300 | Repayments of bonds  | -   | ( 1,000,000 )                             |
| C01600 | Proceeds from mid- to long-term<br>borrowings  | 6,914,546                                 | 8,626,059                                 |
| C01700 | Repayments of mid- to long-term<br>borrowings  | ( 6,034,000 )                             | ( 8,031,760 )                             |
| C03100 | (Decrease) increase in guarantee deposits<br>received  | ( 157 )                                   | 11,730                                    |
| C04020 | Repayment of the principal portion of lease<br>liabilities   | ( 73,504 )                                | ( 37,570 )                                |
| C04400 | Increase (decrease) in other non-current<br>liabilities  | 12,969                                    | ( 4,398 )                                 |
| C04500 | Decrease in dividends payable  | ( 1,307 )                                 | ( 443 )                                   |
| C05800 | Change in non-controlling interests  | <u>231,838</u>                            | <u>46,962</u>                             |
| CCCC   | Net cash generated from (used in)<br>financing activities  | <u>688,087</u>                            | <u>( 1,478,220 )</u>                      |
| DDDD   | <b>EFFECTS OF EXCHANGE RATE CHANGES<br/>ON THE BALANCE OF CASH AND CASH<br/>EQUIVALENTS HELD IN FOREIGN<br/>CURRENCIES</b> | <u>( 35,816 )</u>                         | <u>408,018</u>                            |
| EEEE   | <b>NET INCREASE IN CASH AND CASH<br/>EQUIVALENTS</b>   | 138,749                                   | 1,285,028                                 |
| E00100 | <b>CASH AND CASH EQUIVALENTS AT THE<br/>BEGINNING OF THE PERIOD</b>  | <u>11,498,415</u>                         | <u>10,365,353</u>                         |
| E00200 | <b>CASH AND CASH EQUIVALENTS AT THE<br/>END OF THE PERIOD</b>  | <u>\$ 11,637,164</u>                      | <u>\$ 11,650,381</u>                      |

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

USI CORPORATION AND SUBSIDIARIES  
Notes to the Consolidated Financial Statements  
For the Six Months Ended June 30, 2023 and 2022  
(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 3, 2023.

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

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

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

b. IFRSs 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 1)</u> |
|--|--|
| Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture" | To be determined                                 |
| Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"  | January 1, 2024 (Note 2)                         |
| 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, 2024                                  |
| Amendments to IAS 1 "Non-current Liabilities with Covenants"   | January 1, 2024                                  |
| Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"   | January 1, 2024                                  |
| Amendments to IAS 12 "International Tax Reform - Pillar Two Model Rules"   | Note 3   |

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

Note 2. A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

Note 3. The requirement that the Group applies the exception and the requirement to disclose that fact is applied immediately upon issuance of the amendments and retrospectively in accordance with IAS 8. The remaining disclosure requirements are applied for annual reporting periods beginning on or after January 1, 2023, but not for any interim period ending on or before December 31, 2023.

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, 2022.

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 the application of the Group's accounting policies, management is required to make judgments, estimations and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered relevant. Actual results may differ from these estimates.

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, 2022.

6. CASH AND CASH EQUIVALENTS

|   | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|---|----------------------|--------------------------|----------------------|
| Cash on hand and petty cash                           | \$ 3065              | \$ 4560                  | \$ 4141              |
| Checking accounts and demand deposits                 | 2,934,561            | 3,232,891                | 3,326,575            |
| Cash equivalents                                      |                      |                          |                      |
| Time deposits   | 6,508,367            | 6,606,811                | 7,042,216            |
| Reverse repurchase agreements collateralized by bonds | <u>2,191,171</u>     | <u>1,654,153</u>         | <u>1,277,449</u>     |
|   | <u>\$11,637,164</u>  | <u>\$11,498,415</u>      | <u>\$11,650,381</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, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|---|----------------------|--------------------------|----------------------|
| Time deposits   | 1.00% ~ 5.40%        | 0.88% ~ 4.91%            | 0.08% ~ 2.35%        |
| Reverse repurchase agreements collateralized by bonds | 1.23% ~ 5.15%        | 1.05% ~ 4.23%            | 0.63% ~ 1.60%        |

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

|  | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|--|----------------------|--------------------------|----------------------|
| <u>Financial assets mandatorily at FVTPL</u>             |                      |                          |                      |
| Derivative financial assets (not under hedge accounting) |                      |                          |                      |
| - Foreign exchange forward contracts                     | \$ 24,488            | \$ 2,121                 | \$ 5,054             |
| Non-derivative financial assets                          |                      |                          |                      |
| - Domestic listed (OTC) shares                           | 199,796              | 228,677                  | 288,839              |
| - Fund beneficiary certificates                          | 2,562,146            | 2,259,780                | 3,568,502            |
| - Beneficiary securities                                 | 275,771              | 233,828                  | 232,535              |
| - Overseas listed shares                                 | 81                   | 91                       | 121                  |
| Sub-total  | <u>3,037,794</u>     | <u>2,722,376</u>         | <u>4,089,997</u>     |
|  | <u>\$ 3,062,282</u>  | <u>\$ 2,724,497</u>      | <u>\$ 4,095,051</u>  |
| <u>Financial liabilities held for trading</u>            |                      |                          |                      |
| Derivative financial assets (not under hedge accounting) |                      |                          |                      |
| - Foreign exchange forward contracts                     | \$ 417               | \$ 27,839                | \$ 11,377            |

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

|                          | <u>Currency</u> | <u>Maturity date</u> | <u>Contract Amount</u><br>(In Thousands) |           |
|--------------------------|-----------------|----------------------|--|-----------|
| <u>June 30, 2023</u>     |                 |                      |  |           |
| Sell                     | RMB/NTD         | 112.07.07-112.09.21  | RMB 227,500 /NTD                         | 989,759   |
| Sell                     | USD/MYR         | 112.08.18-112.12.20  | USD 1,180 /MYR                           | 5,332     |
| Buy                      | NTD/USD         | 112.07.04-112.09.13  | NTD 338,279 /USD                         | 11,120    |
| Buy                      | JPY/USD         | 112.07.21            | JPY 50,000 /USD                          | 376       |
| <u>December 31, 2022</u> |                 |                      |  |           |
| Sell                     | RMB/NTD         | 112.01.09-112.03.30  | RMB 511,100 /NTD                         | 2,236,999 |
| Sell                     | USD/MYR         | 112.03.13            | USD 100 /MYR                             | 440       |
| Sell                     | EUR/MYR         | 112.03.17-112.03.31  | EUR 270 /MYR                             | 1,254     |
| Buy                      | NTD/USD         | 112.01.03-112.02.23  | NTD 672,391 /USD                         | 21,620    |
| Buy                      | JPY/USD         | 112.01.20-112.02.24  | JPY 120,000 /USD                         | 862       |

(Continued)

(Continued)

| <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       |

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, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|-----------------------------------|----------------------|--------------------------|----------------------|
| <u>Current</u>                    |                      |                          |                      |
| Investments in equity instruments |                      |                          |                      |
| Domestic investments              |                      |                          |                      |
| Listed (OTC) shares               | <u>\$ 115,439</u>    | <u>\$ 97,183</u>         | <u>\$ 102,161</u>    |
| <u>Non-current</u>                |                      |                          |                      |
| Investments in equity instruments |                      |                          |                      |
| Domestic investments              |                      |                          |                      |
| Listed (OTC) shares               | \$ 1,604,898         | \$ 1,531,870             | \$ 1,716,385         |
| Emerging market shares            | -                    | -                        | 25,593               |
| Unlisted shares                   | <u>351,641</u>       | <u>359,548</u>           | <u>366,312</u>       |
|                                   | <u>1,956,539</u>     | <u>1,891,418</u>         | <u>2,108,290</u>     |
| Overseas investments              |                      |                          |                      |
| Listed (OTC) shares               | 27,008               | 30,041                   | 39,929               |
| Unlisted shares                   | <u>153,838</u>       | <u>139,376</u>           | <u>142,267</u>       |
|                                   | <u>180,846</u>       | <u>169,417</u>           | <u>182,196</u>       |
|                                   | <u>\$ 2,137,385</u>  | <u>\$ 2,060,835</u>      | <u>\$ 2,290,486</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 financial assets, investments in equity instruments, measured at FVTOCI for the six months ended June 30, 2022. The related other equity - the unrealized loss of financial



assets measured at FVTOCI amounted to NT\$10,446 thousand was transferred to retained earnings.

The Group recognized dividend revenue of \$10,299 thousand and \$4,124 thousand from January 1 to June 30, 2023 and 2022, respectively.

9. FINANCIAL ASSETS AT AMORTIZED COST

|                          | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|--------------------------|----------------------|--------------------------|----------------------|
| <u>Current</u>           |                      |                          |                      |
| Pledged time deposits    | \$ 367,216           | \$ 424,685               | \$ 348,565           |
| Restricted bank deposits | <u>7,141</u>         | <u>15,244</u>            | <u>14,808</u>        |
|                          | <u>\$ 374,357</u>    | <u>\$ 439,929</u>        | <u>\$ 363,373</u>    |
| <u>Non-current</u>       |                      |                          |                      |
| Restricted bank deposits |                      |                          |                      |
|                          | <u>\$ 355,870</u>    | <u>\$ 358,679</u>        | <u>\$ 358,915</u>    |
| Range of Interest Rates  |                      |                          |                      |
| Pledged time deposits    | 0.41% - 2.75%        | 0.19% - 2.60%            | 0.04% - 1.85%        |

Restricted bank deposits are the subsidiary's remittance of earnings following Taiwan Water Corporation's petition of provisional attachment with the court due to the gas explosion case and a bank's certificate of deposit with the pledge right set to Kaohsiung City Government. 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, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|---|----------------------|--------------------------|----------------------|
| <u>Notes receivable (a)</u>                         |                      |                          |                      |
| Measured at amortized cost                          |                      |                          |                      |
| Gross carrying amount                               | \$ <u>498,921</u>    | \$ <u>544,546</u>        | \$ <u>637,869</u>    |
| <u>Accounts receivable (a)</u>                      |                      |                          |                      |
| Financial liabilities measured at<br>amortized cost |                      |                          |                      |
| Gross carrying amount                               | \$ 5,981,138         | \$ 7,481,614             | \$ 7,167,050         |
| Less: allowance for loss                            | ( <u>86,111</u> )    | ( <u>86,579</u> )        | ( <u>85,753</u> )    |
|   | <u>\$ 5,895,027</u>  | <u>\$ 7,395,035</u>      | <u>\$ 7,081,297</u>  |
| <u>Other receivables (b)</u>                        |                      |                          |                      |
| Tax refund receivable                               | \$ 185,359           | \$ 200,055               | \$ 279,436           |
| Interest receivable                                 | 44,094               | 31,564                   | 12,715               |
| Others  | <u>59,312</u>        | <u>27,582</u>            | <u>59,414</u>        |
|   | <u>\$ 288,765</u>    | <u>\$ 259,201</u>        | <u>\$ 351,565</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, 2023

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          | \$ 3,277,265         | \$ 391            | \$ 3,886            | \$ 3,281,542        |
| Loss allowance (Lifetime ECLs) | ( 11,794 )           | ( 21 )            | ( 3,886 )           | ( 15,701 )          |
| Amortized cost                 | <u>\$ 3,265,471</u>  | <u>\$ 370</u>     | <u>\$ -</u>         | <u>\$ 3,265,841</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          | \$ 174,256             | \$ 893,685             | \$ 231,720             | \$ 1,898,856        | \$ 3,198,517        |
| Loss allowance (lifetime ECLs) | -                      | ( 3,678 )              | ( 4,032 )              | ( 62,700 )          | ( 70,410 )          |
| Amortized cost                 | <u>\$ 174,256</u>      | <u>\$ 890,007</u>      | <u>\$ 227,688</u>      | <u>\$ 1,836,156</u> | <u>\$ 3,128,107</u> |

December 31, 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          | \$ 4,888,004         | \$ 391            | \$ 3,624            | \$ 4,892,019        |
| Loss allowance (Lifetime ECLs) | ( 11,842 )           | ( 391 )           | ( 3,615 )           | ( 15,848 )          |
| Amortized cost                 | <u>\$ 4,876,162</u>  | <u>\$ -</u>       | <u>\$ 9</u>         | <u>\$ 4,876,171</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          | \$ 235,721             | \$ 768,055             | \$ 301,535             | \$ 1,828,830        | \$ 3,134,141        |
| Loss allowance (lifetime ECLs) | -                      | ( 4,374 )              | ( 5,025 )              | ( 61,332 )          | ( 70,731 )          |
| Amortized cost                 | <u>\$ 235,721</u>      | <u>\$ 763,681</u>      | <u>\$ 296,510</u>      | <u>\$ 1,767,498</u> | <u>\$ 3,063,410</u> |

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) | ( 12,946 )           | -                 | ( 4,383 )           | ( 17,329 )          |
| 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) | -                      | ( 6,146 )              | ( 4,876 )              | ( 57,402 )          | ( 68,424 )          |
| Amortized cost                 | <u>\$ 115,921</u>      | <u>\$ 890,560</u>      | <u>\$ 285,736</u>      | <u>\$ 2,392,062</u> | <u>\$ 3,684,279</u> |

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

|               | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|---------------|----------------------|--------------------------|----------------------|
| Not past due  | \$ 3,039,535         | \$ 2,922,962             | \$ 3,511,072         |
| Up to 60 days | 99,568               | 147,336                  | 183,232              |
| Over 61 days  | <u>59,414</u>        | <u>63,843</u>            | <u>58,399</u>        |
|               | <u>\$ 3,198,517</u>  | <u>\$ 3,134,141</u>      | <u>\$ 3,752,703</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:

|   | <u>For the Six Months<br/>Ended June 30, 2023</u> | <u>For the Six Months<br/>Ended June 30, 2022</u> |
|---|---|---|
| Beginning balance   | \$ 86,579   | \$ 85,384   |
| Impairment losses (reversed)<br>recognized for the period       | ( 199 )   | 105   |
| Less: Amounts written off during<br>the period as uncollectible | -   | ( 88 )  |
| Foreign exchange translation<br>gains and losses                | <u>( 269 )</u>                                    | <u>352</u>  |
| Ending balance  | <u>\$ 86,111</u>                                  | <u>\$ 85,753</u>                                  |

b. Other receivables

Other receivables mainly consisted of tax refund receivable and interest 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, 2023 and as of December 31, 2022 and June 30, 2022.

11. INVENTORIES

|                      | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|----------------------|----------------------|--------------------------|----------------------|
| Finished goods       | \$ 4,755,612         | \$ 4,213,873             | \$ 5,105,405         |
| Work in progress     | 563,073              | 750,562                  | 700,777              |
| Raw materials        | 1,495,266            | 1,810,162                | 2,783,872            |
| Supplies             | 432,240              | 394,092                  | 424,443              |
| Inventory in transit | <u>52,066</u>        | <u>30,965</u>            | <u>324,045</u>       |
|                      | <u>\$ 7,298,257</u>  | <u>\$ 7,199,654</u>      | <u>\$ 9,338,542</u>  |

The costs of inventories recognized as cost of goods sold for the years from April 1 to June 30, 2023 and 2022 and from January 1 to June 30, 2023 and 2022 were NT\$11,252,953 thousand, NT\$14,821,696 thousand, NT\$22,679,759 thousand and NT\$28,790,293 thousand, respectively.

The losses on write-downs and the reversal of net realizable value gains of inventories contained in the cost of goods sold for the three months ended and six months ended June 30, 2023 and 2022 were a loss of NT\$66,889 thousand, a loss of NT\$ 345,359 thousand, a gain of NT\$42,136 thousand and a loss of NT\$371,201 thousand, respectively. The reversal of net realizable value gains of inventories is due to the disposal of obsolete inventory.

## 12. SUBSIDIARY

### 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, 2023               | December 31, 2022 | June 30, 2022 |            |
| 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> | 11.        |
|                                    | 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>100.0%</u>               | <u>100.0%</u>     | <u>99.9%</u>  | 7.         |
|                                    | Union Polymer International Investment Corporation (UPIIC) | Investment business   | <u>100.0%</u>               | <u>100.0%</u>     | <u>100.0%</u> |            |
|                                    | 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> |            |
|                                    | USI Green Energy Corporation (USIGE)                       | Solar power generation business   | <u>100.0%</u>               | <u>100.0%</u>     | <u>100.0%</u> |            |
| The Company                        | Taiwan United Venture Capital Corp. (“TUVVC”)              | Venture capital   | 70.0%                       | 70.0%             | 70.0%         |            |
| Asia Polymer Corporation (APC)     |  |   | <u>8.3%</u>                 | <u>8.3%</u>       | <u>8.3%</u>   |            |
|                                    |  |   | <u>78.3%</u>                | <u>78.3%</u>      | <u>78.3%</u>  |            |
| The Company                        | Swanson Plastics Corporation. (“SPC”)                      | Production and marketing of stretch film, embossed film and industrial use multi-layer wrap | 40.6%                       | 40.6%             | 40.6%         |            |
| Asia Polymer Corporation           |  |   | 8.0%                        | 8.0%              | 8.0%          |            |
| USIFE Investment Co., Ltd.         |  |   | <u>6.4%</u>                 | <u>6.4%</u>       | <u>6.0%</u>   | 1.         |
|                                    |  |   | <u>55.0%</u>                | <u>55.0%</u>      | <u>54.6%</u>  |            |
| The Company                        | Acme Electronics Corp. (ACME)                              | Production and marketing of manganese-zinc soft ferrite powder                              | 29.0%                       | 26.9%             | 26.9%         |            |
| China General Plastics Corporation |  |   | 1.7%                        | 1.7%              | 1.7%          |            |
| USIFE Investment Co., Ltd.         |  |   | 9.5%                        | 9.3%              | 9.3%          |            |
| Asia Polymer Corporation           |  |   | 3.2%                        | 3.3%              | 3.3%          |            |
| Taita Chemical Company, Ltd.       |  |   | 2.3%                        | 2.4%              | 2.4%          |            |
| APC Investment Corporation         |  |   | <u>1.5%</u>                 | <u>1.0%</u>       | <u>1.0%</u>   |            |
|                                    |  |   | <u>47.2%</u>                | <u>44.6%</u>      | <u>44.6%</u>  | 8. and 13. |
| The Company                        | USI Optronics Corporation (USIO)                           | Manufacturing and marketing of sapphire crystal   | 50.9%                       | 50.9%             | 50.9%         |            |
| Acme Electronics Corporation       |  |   | 34.0%                       | 34.0%             | 34.0%         |            |
| Asia Polymer Corporation           |  |   | 9.2%                        | 9.2%              | 9.2%          |            |
| USIFE Investment Co., Ltd.         |  |   | <u>0.2%</u>                 | <u>0.2%</u>       | <u>0.2%</u>   |            |
|                                    |  |   | <u>94.3%</u>                | <u>94.3%</u>      | <u>94.3%</u>  |            |
| Acme Electronics Corp.             | ACME Electronics (Cayman) Corp.                            | Reinvestment business   | 60.1%                       | 51.3%             | 51.3%         |            |
| Swanlake Traders Ltd.              |  |   | 18.9%                       | 23.1%             | 16.7%         | 2.         |
| APC (BVI) Holding Co., Ltd.        |  |   | 13.6%                       | 16.6%             | 16.6%         |            |
| TAITA (BVI) Holding Co., Ltd.      |  |   | <u>4.4%</u>                 | <u>5.4%</u>       | <u>5.4%</u>   |            |
|                                    |  |   | <u>97.0%</u>                | <u>96.4%</u>      | <u>90.0%</u>  | 9.         |
| Acme Electronics Corp.             | 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 marketing of manganese-zinc soft ferrite core                             | <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, 2023                 | December 31, 2022             | June 30, 2022                 |             |
|  | 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 marketing 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.            |  |  | 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>                  | 11. and 13. |
| Asia Polymer Corporation                             | APC (BVI) Holding Co., Ltd. (APC (BVI))                  | Reinvestment business  | <u>100.0%</u>                 | <u>100.0%</u>                 | <u>100.0%</u>                 | 11.         |
| Asia Polymer Corporation APC (BVI) Holding Co., Ltd. | USI International Corporation                            | Reinvestment business  | 70.0%<br><u>30.0%</u>         | 70.0%<br><u>30.0%</u>         | 70.0%<br><u>30.0%</u>         |             |
| Asia Polymer Corporation                             | APC Investment Corporation (APCIC)                       | 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.            |  |  | 0.6%                          | 0.6%                          | 0.6%                          |             |
| USIFE Investment Co., Ltd.                           |  |  | <u>0.4%</u>                   | <u>0.4%</u>                   | <u>0.4%</u>                   |             |
| Taita Chemical Company, Ltd.                         | TAITA (BVI) Holding Co, Ltd. ( TAITA (BVI) )             | Reinvestment business  | <u>37.8%</u><br><u>100.0%</u> | <u>37.8%</u><br><u>100.0%</u> | <u>37.8%</u><br><u>100.0%</u> | 13.         |
| 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>                 | 4.          |
|  | Zhangzhou Taita Chemical Company, Limited (TTCZZ)        | Production and marketing of polystyrene derivatives  | <u>100.0%</u>                 | <u>100.0%</u>                 | <u>100.0%</u>                 | 3.          |
| Swanlake Traders Ltd.                                | Zhangzhou USI Trading Co., Ltd. (USIZZ)                  | Sales of chemical products   | 70.0%                         | 70.0%                         | 70.0%                         |             |
| APC (BVI) Holding Co., Ltd.                          |  |  | <u>30.0%</u>                  | <u>30.0%</u>                  | <u>30.0%</u>                  |             |
| Union Polymer International Investment Corp.         | China General Plastics Corporation (CGPC)                | Production and marketing of plastic cloths, plastic skins, plastic tubes, plastic pellets, plastic powder and other related products   | <u>100.0%</u><br>25.0%        | <u>100.0%</u><br>25.0%        | <u>100.0%</u><br>25.0%        | 5.          |
| Asia Polymer Corporation                             |  |  | 8.0%                          | 8.0%                          | 8.0%                          |             |
| Taita Chemical Company, Ltd.                         |  |  | 2.0%                          | 2.0%                          | 2.0%                          |             |
| China General Terminal & Distribution Co.            |  |  | 0.5%                          | 0.5%                          | 0.5%                          |             |
| USIFE Investment Co., Ltd.                           |  |  | <u>0.1%</u>                   | <u>0.1%</u>                   | <u>0.1%</u>                   |             |
| China General Plastics Corporation                   | Taiwan VCM Corporation (TVCM)                            | Manufacturing and marketing of vinyl chloride monomer and related petrochemical products   | <u>35.6%</u><br><u>87.3%</u>  | <u>35.6%</u><br><u>87.3%</u>  | <u>35.6%</u><br><u>87.3%</u>  | 13.         |
|  | 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>                 |             |
| Taiwan VCM Corporation                               | Global Green Technology Corporation (GGT)                | Environmental detection services   | <u>100.0%</u>                 | <u>100.0%</u>                 | <u>100.0%</u>                 | 6.          |
| CGPC (BVI) Holding Co., Ltd.                         | China General Plastics (ZhongShan) Co., Ltd. (CGPC (ZS)) | Manufacturing and marketing of PVC film and third-time processed products  | <u>100.0%</u>                 | <u>100.0%</u>                 | <u>100.0%</u>                 |             |
|  | CGPC Consumer Products Corporation                       | Manufacturing and marketing of PVC film and third-time processed products  | <u>100.0%</u>                 | <u>100.0%</u>                 | <u>100.0%</u>                 | 10.         |

(Continued)

(Continued)

| Investor                                | Name of Subsidiary                                       | Nature of Activities   | Proportion of Ownership (%) |                   |               | Remark  |
|---|--|--|-----------------------------|-------------------|---------------|---------|
|   |  |  | June 30, 2023               | December 31, 2022 | June 30, 2022 |         |
| 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            | Forever Young Company Ltd.                               | Trading and agency businesses  | <u>100.0%</u>               | <u>100.0%</u>     | <u>100.0%</u> |         |
|   | Swanson Plastics (Singapore) Pte., Ltd.                  | 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 (Singapore) Pte., Ltd. |  |  | <u>99.0%</u>                | <u>99.0%</u>      | <u>99.0%</u>  |         |
| Swanson Plastics Corporation            | Swanson Technologies Corporation (STC)                   | 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> |         |
| 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>  |         |
|   |  |  | <u>100.0%</u>               | <u>100.0%</u>     | <u>100.0%</u> |         |
| Swanson Plastics (Singapore) Pte., Ltd. | 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, marketing 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, marketing 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> | 12.     |
| Ever Conquest Global Limited            | Ever Victory Global Limited (EVGL)                       | Investment business  | <u>67.4%</u>                | <u>67.4%</u>      | <u>67.4%</u>  | 12. and |
| Ever Victory Global Limited             | Dynamic Ever Investments Limited (DEIL)                  | Investment business  | <u>85.0%</u>                | <u>85.0%</u>      | <u>85.0%</u>  | 13.     |
|   |  |  |                             |                   |               | 12.     |

- 1) USII acquired 0.4% equity from external shareholders of SPC in 2022 based on medium- and long-term investment strategy, thus acquired a price of NT\$7,925 thousand.
- 2) On September 1, 2022, Swanlake acquired 6.47% equity from the external shareholders of Acme Electronics (Cayman) Corp. approved by the Investment Commission, MOEA with the purchase price of NT\$2,879 thousand. After the purchase of equity, the proportion of equity held by the Group in Acme Electronics (Cayman) Corp. increased from 89.95% to 96.42%. 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 decrease in capital surplus of NT\$4,071 thousand and retained earnings of NT\$1,662 thousand, respectively.

- 3) The board of directors of TTC decided on December 3, 2020 to invest RMB314,000 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 RMB306,950 thousand on March 8, 2022.
- 4) 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.
- 5) 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.
- 6) 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.
- 7) The Company acquired 0.1% equity from the external shareholders of CLT in October 2022 based on the medium- and long-term investment strategy, thus acquired a price of NT\$23 thousand.
- 8) On June 14, 2022, the Board of Directors of ACME resolved to issue 3,000 thousand new shares at NT\$10 each for cash. The aforementioned cash capital increase was approved and reported by the FSC on July 22, 2022, with an issue price of NT\$20 per share and a capital increase base date of January 16, 2023. The Group participated in the cash capital increase of 18,702 thousand shares of ACME with an amount of NT\$374,033 thousand, and its shareholding increased from 44.6% to 47.2% after the cash capital increase. 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 decrease in capital surplus of NT\$1,736 thousand and retained earnings of NT\$54,215 thousand, respectively.
- 9) In April 2023, the Board of Directors of ACME (Cayman) resolved to increase a



cash capital of US\$9,000 thousand, which was fully subscribed by ACME. After the Group participated in the cash capital increase, its shareholding increased from 96.4% to 97.0%. 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 increase in capital surplus of NT\$508 thousand and a decrease in retained earnings of NT\$141 thousand.

- 10) The board of directors resolved to liquidate CGPC Consumer Products Corporation (“CGPC (CP)”) and finalized its dissolution and liquidation procedures on July 17, 2023.
- 11) On August 3, 2023, the Company’s board of directors approved an upcoming joint venture between Xiamen City, Fujian Province in Mainland China to establish a sales company in order to sell the products produced by Gulei. The capital for establishment amounted to RMB100,000 thousand (around US\$15,000 thousand). The capital is expected to be raised by Swanlake, APC(BVI) and APC with investment amounts of US\$10,500 thousand, US\$2,500 thousand and US\$2,000 thousand, respectively.
- 12) As of June 30, 2023, the Company and APC invested capital amounted to US\$246,670 thousand (around NT\$7,645,981 thousand) and US\$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 Note 13.
- 13) 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, 2023 and 2022 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 |                   |               |
|------------|---|-------------------|---------------|
|            | June 30, 2023   | December 31, 2022 | June 30, 2022 |
| CGPC       | 64.4%   | 64.4%             | 64.4%         |
| TTC        | 62.2%   | 62.2%             | 62.2%         |
| ACME       | 52.8%   | 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 | December 31,              |              |               |
|            | June 30, 2023  | June 30, 2022              | June 30, 2023            | June 30, 2022            | June 30, 2023             | 2022         | June 30, 2022 |
| CGPC       | \$ 455   | (\$ 57,759)                | \$ 153,224               | \$ 238,662               | \$ 6,057,890              | \$ 6,001,047 | \$ 6,384,504  |
| TTC        | (\$ 10,421)  | \$ 101,031                 | (\$ 55,829)              | \$ 264,978               | \$ 4,261,224              | \$ 4,470,523 | \$ 4,455,008  |
| ACME       | (\$ 34,863)  | \$ 4,963                   | (\$ 67,915)              | \$ 11,715                | \$ 947,567                | \$ 758,748   | \$ 755,358    |
| APC        | \$ 86,813  | \$ 312,710                 | \$ 69,814                | \$ 468,865               | \$ 8,464,538              | \$ 8,791,329 | \$ 8,432,951  |
| EVGL       | (\$ 289,596)   | (\$ 451,326)               | (\$ 649,957)             | (\$ 767,350)             | \$ 3,460,164              | \$ 4,173,312 | \$ 5,110,114  |

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, 2023        | December 31, 2022    | June 30, 2022        |
|-------------------------|----------------------|----------------------|----------------------|
| Current assets          | \$ 7,486,779         | \$ 6,755,051         | \$ 7,435,325         |
| Non-current assets      | 10,305,508           | 9,928,728            | 9,529,839            |
| Current liabilities     | ( 2,976,761)         | ( 3,108,612)         | ( 3,886,852)         |
| Non-current liabilities | ( 4,686,697)         | ( 3,533,939)         | ( 2,419,938)         |
| Equity                  | <u>\$ 10,128,829</u> | <u>\$ 10,041,228</u> | <u>\$ 10,658,374</u> |

Equity attributable to:

|  |                      |                      |                      |
|--|----------------------|----------------------|----------------------|
| Owners of CGPC                                   | \$ 3,435,382         | \$ 3,445,725         | \$ 3,666,061         |
| Non-controlling interests of CGPC                | 6,057,890            | 6,001,047            | 6,384,504            |
| Non-controlling interests of CGPC's subsidiaries | <u>635,557</u>       | <u>594,456</u>       | <u>607,809</u>       |
|  | <u>\$ 10,128,829</u> | <u>\$ 10,041,228</u> | <u>\$ 10,658,374</u> |

|                                   | For the Three Months Ended June 30, 2023 | For the Three Months Ended June 30, 2022 | For the Six Months Ended June 30, 2023 | For the Six Months Ended June 30, 2022 |
|-----------------------------------|--|--|--|--|
| Revenue                           | <u>\$ 3,339,951</u>                      | <u>\$ 4,839,691</u>                      | <u>\$ 7,120,017</u>                    | <u>\$ 10,146,763</u>                   |
| Net (loss) profit for the period  | \$ 20,113                                | (\$ 86,781)                              | \$ 274,191                             | \$ 412,248                             |
| Other comprehensive (loss) income | ( 11,390)                                | ( 31,930)                                | ( 13,530)                              | ( 22,940)                              |
| Total comprehensive income        | <u>\$ 8,723</u>                          | <u>(\$ 118,711)</u>                      | <u>\$ 260,661</u>                      | <u>\$ 389,308</u>                      |

Net profit (loss) attributable to:

|  |                  |                    |                   |                   |
|--|------------------|--------------------|-------------------|-------------------|
| Owners of CGPC                                   | \$ 236           | (\$ 30,088)        | \$ 79,818         | \$ 124,325        |
| Non-controlling interests of CGPC                | 455              | ( 57,759)          | 153,224           | 238,662           |
| Non-controlling interests of CGPC's subsidiaries | <u>19,422</u>    | <u>1,066</u>       | <u>41,149</u>     | <u>49,261</u>     |
|  | <u>\$ 20,113</u> | <u>(\$ 86,781)</u> | <u>\$ 274,191</u> | <u>\$ 412,248</u> |

Total comprehensive income attributable to:

|                                   |             |             |           |           |
|-----------------------------------|-------------|-------------|-----------|-----------|
| Owners of CGPC                    | (\$ 27,357) | (\$ 92,083) | \$ 50,747 | \$ 67,626 |
| Non-controlling interests of CGPC | 16,717      | ( 27,487)   | 168,813   | 272,610   |

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|  | For the Three<br>Months Ended<br>June 30, 2023 | For the Three<br>Months Ended<br>June 30, 2022 | For the Six<br>Months Ended<br>June 30, 2023 | For the Six<br>Months Ended<br>June 30, 2022 |
|--|--|--|--|--|
| Non-controlling interests of CGPC's subsidiaries | <u>19,363</u><br><u>\$ 8,723</u>               | <u>859</u><br><u>( \$ 118,711 )</u>            | <u>41,101</u><br><u>\$ 260,661</u>           | <u>49,072</u><br><u>\$ 389,308</u>           |
|  |  | For the Six Months<br>Ended June 30, 2023      | For the Six Months<br>Ended June 30, 2022    |  |
| Cash Flows                                       |  |  |  |  |
| Operating activities                             |  | \$ 513,882                                     | \$ 424,567                                   |  |
| Investing activities                             |  | ( 561,465 )                                    | ( 734,709 )                                  |  |
| Financing activities                             |  | 1,020,267                                      | 273,586                                      |  |
| Effects of exchange rate changes                 |  | ( 2,390 )                                      | ( 2,410 )                                    |  |
| Net cash inflow (outflow)                        |  | <u>\$ 970,294</u>                              | <u>( \$ 38,966 )</u>                         |  |
| <u>TTC and TTC's subsidiaries</u>                |  |  |  |  |
|  | <u>June 30, 2023</u>                           | <u>December 31, 2022</u>                       | <u>June 30, 2022</u>                         |  |
| Current assets                                   | \$ 5,498,015                                   | \$ 6,006,957                                   | \$ 6,914,393                                 |  |
| Non-current assets                               | 3,384,354                                      | 3,233,919                                      | 3,253,760                                    |  |
| Current liabilities                              | ( 1,403,975 )                                  | ( 1,357,962 )                                  | ( 2,539,049 )                                |  |
| Non-current liabilities                          | ( 620,379 )                                    | ( 676,700 )                                    | ( 433,557 )                                  |  |
| Equity   | <u>\$ 6,858,015</u>                            | <u>\$ 7,206,214</u>                            | <u>\$ 7,195,547</u>                          |  |
| Equity attributable to:                          |  |  |  |  |
| Owners of TTC                                    | \$ 2,596,791                                   | \$ 2,735,691                                   | \$ 2,740,539                                 |  |
| Non-controlling interests of TTC                 | <u>4,261,224</u>                               | <u>4,470,523</u>                               | <u>4,455,008</u>                             |  |
|  | <u>\$ 6,858,015</u>                            | <u>\$ 7,206,214</u>                            | <u>\$ 7,195,547</u>                          |  |
|  | For the Three<br>Months Ended<br>June 30, 2023 | For the Three<br>Months Ended<br>June 30, 2022 | For the Six<br>Months Ended<br>June 30, 2023 | For the Six<br>Months Ended<br>June 30, 2022 |
| Revenue  | <u>\$ 3,587,679</u>                            | <u>\$ 5,015,395</u>                            | <u>\$ 7,162,750</u>                          | <u>\$ 9,551,324</u>                          |
| Net (loss) profit for the period                 | ( \$ 16,455 )                                  | \$ 159,538                                     | ( \$ 88,160 )                                | \$ 418,428                                   |
| Other comprehensive (loss) income                | ( 141,608 )                                    | ( 195,631 )                                    | ( 63,304 )                                   | ( 127,386 )                                  |
| Total comprehensive income                       | <u>( \$ 158,063 )</u>                          | <u>( \$ 36,093 )</u>                           | <u>( \$ 151,464 )</u>                        | <u>\$ 291,042</u>                            |
| Net (loss) profit attributable to:               |  |  |  |  |
| Owners of TTC                                    | ( \$ 6,034 )                                   | \$ 58,507                                      | ( \$ 32,331 )                                | \$ 153,450                                   |
| Non-controlling interests of TTC                 | <u>( 10,421 )</u>                              | <u>101,031</u>                                 | <u>( 55,829 )</u>                            | <u>264,978</u>                               |
|  | <u>( \$ 16,455 )</u>                           | <u>\$ 159,538</u>                              | <u>( \$ 88,160 )</u>                         | <u>\$ 418,428</u>                            |
| Total comprehensive income attributable to:      |  |  |  |  |
| Owners of TTC                                    | ( \$ 62,068 )                                  | ( \$ 34,331 )                                  | ( \$ 62,930 )                                | \$ 83,946                                    |
| Non-controlling interests of TTC                 | <u>( 95,995 )</u>                              | <u>( 1,762 )</u>                               | <u>( 88,534 )</u>                            | <u>207,096</u>                               |
|  | <u>( \$ 158,063 )</u>                          | <u>( \$ 36,093 )</u>                           | <u>( \$ 151,464 )</u>                        | <u>\$ 291,042</u>                            |

|                                     | <u>For the Six Months<br/>Ended June 30, 2023</u> | <u>For the Six Months<br/>Ended June 30, 2022</u> |
|-------------------------------------|---|---|
| Cash Flows                          |   |   |
| Operating activities                | (\$ 130,050)                                      | \$ 811,627  |
| Investing activities                | ( 265,054)  | ( 78,226)   |
| Financing activities                | 37,474  | ( 652,107)  |
| Effects of exchange rate<br>changes | ( 34,442)   | <u>25,713</u>                                     |
| Net cash (outflow) inflow           | <u>(\$ 392,072)</u>                               | <u>\$ 107,007</u>                                 |

ACME and ACME's subsidiaries

|   | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|---|----------------------|--------------------------|----------------------|
| Current assets                                      | \$ 2,189,871         | \$ 2,355,001             | \$ 2,572,887         |
| Non-current assets                                  | 2,519,441            | 2,423,891                | 2,238,884            |
| Current liabilities                                 | ( 811,230)           | ( 1,182,908)             | ( 1,487,492)         |
| Non-current liabilities                             | ( 1,521,954)         | ( 1,607,905)             | ( 1,342,639)         |
| Equity  | <u>\$ 2,376,128</u>  | <u>\$ 1,988,079</u>      | <u>\$ 1,981,640</u>  |
| Equity attributable to:                             |                      |                          |                      |
| Owners of ACME                                      | \$ 856,232           | \$ 618,955               | \$ 621,194           |
| Non-controlling interests<br>of ACME                | 947,567              | 758,748                  | 755,358              |
| Non-controlling interests<br>of ACME's subsidiaries | <u>572,329</u>       | <u>610,376</u>           | <u>605,088</u>       |
|   | <u>\$ 2,376,128</u>  | <u>\$ 1,988,079</u>      | <u>\$ 1,981,640</u>  |

|  | <u>For the Three<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Three<br/>Months Ended<br/>June 30, 2022</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2022</u> |
|--|---|---|---|---|
| Revenue  | <u>\$ 611,923</u>                                       | <u>\$ 799,672</u>                                       | <u>\$ 1,246,510</u>                                   | <u>\$ 1,528,888</u>                                   |
| Net (loss) profit for the<br>period                    | (\$ 74,231)   | \$ 2,069  | (\$ 148,140)  | \$ 20,162   |
| Other comprehensive (loss)<br>income                   | ( 63,562)   | ( 42,183)   | ( 61,614)   | 26,319  |
| Total comprehensive income                             | <u>(\$ 137,793)</u>                                     | <u>(\$ 40,114)</u>                                      | <u>(\$ 209,754)</u>                                   | <u>\$ 46,481</u>                                      |
| Net (loss) profit attributable<br>to:                  |   |   |   |   |
| Owners of ACME   | (\$ 30,818)   | \$ 3,961  | (\$ 60,036)   | \$ 9,352  |
| Non-controlling<br>interests of ACME                   | ( 34,863)   | 4,963   | ( 67,915)   | 11,715  |
| Non-controlling<br>interests of ACME's<br>subsidiaries | <u>( 8,550)</u>   | <u>( 6,855)</u>   | <u>( 20,189)</u>                                      | <u>( 905)</u>   |
|  | <u>(\$ 74,231)</u>                                      | <u>\$ 2,069</u>   | <u>(\$ 148,140)</u>                                   | <u>\$ 20,162</u>                                      |
| Total comprehensive income<br>attributable to:         |   |   |   |   |
| Owners of ACME   | (\$ 52,115)   | (\$ 8,195)  | (\$ 79,855)   | \$ 18,420   |
| Non-controlling<br>interests of ACME                   | ( 58,953)   | ( 10,265)   | ( 90,334)   | 23,074  |
| Non-controlling<br>interests of ACME's<br>subsidiaries | <u>( 26,725)</u>  | <u>( 21,654)</u>  | <u>( 39,565)</u>                                      | <u>4,987</u>  |
|  | <u>(\$ 137,793)</u>                                     | <u>(\$ 40,114)</u>                                      | <u>(\$ 209,754)</u>                                   | <u>\$ 46,481</u>                                      |

|                                     | <u>For the Six Months<br/>Ended June 30, 2023</u> | <u>For the Six Months<br/>Ended June 30, 2022</u> |
|-------------------------------------|---|---|
| Cash Flows                          |   |   |
| Operating activities                | \$ 236,150  | (\$ 282,289)                                      |
| Investing activities                | ( 227,597)  | ( 258,894)  |
| Financing activities                | 191,052   | 415,421   |
| Effects of exchange rate<br>changes | ( 32,666)   | 8,615   |
| Net cash inflow (outflow)           | <u>\$ 166,939</u>                                 | <u>(\$ 117,147)</u>                               |

APC and APC's subsidiaries

|                                     | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|-------------------------------------|----------------------|--------------------------|----------------------|
| Current assets                      | \$ 3,643,875         | \$ 3,784,733             | \$ 4,315,175         |
| Non-current assets                  | 12,185,559           | 12,605,336               | 13,456,430           |
| Current liabilities                 | ( 1,508,603)         | ( 1,550,109)             | ( 2,852,635)         |
| Non-current liabilities             | ( 712,591)           | ( 623,002)               | ( 1,361,754)         |
| Equity                              | <u>\$13,608,240</u>  | <u>\$14,216,958</u>      | <u>\$13,557,216</u>  |
| Equity attributable to:             |                      |                          |                      |
| Owners of APC                       | \$ 5,143,702         | \$ 5,425,629             | \$ 5,124,265         |
| Non-controlling<br>interests of APC | <u>8,464,538</u>     | <u>8,791,329</u>         | <u>8,432,951</u>     |
|                                     | <u>\$13,608,240</u>  | <u>\$14,216,958</u>      | <u>\$13,557,216</u>  |

|  | <u>For the Three<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Three<br/>Months Ended<br/>June 30, 2022</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2022</u> |
|--|---|---|---|---|
| Revenue  | <u>\$ 1,659,326</u>                                     | <u>\$ 2,348,179</u>                                     | <u>\$ 3,228,503</u>                                   | <u>\$ 4,489,795</u>                                   |
| Net profit for the period                      | \$ 128,323  | \$ 462,232  | \$ 103,196  | \$ 693,052  |
| Other comprehensive<br>income (loss)           | ( 480,418)  | ( 920,372)  | 7,182   | ( 816,652)  |
| Total comprehensive income                     | <u>(\$ 352,095)</u>                                     | <u>(\$ 458,140)</u>                                     | <u>\$ 110,378</u>                                     | <u>(\$ 123,600)</u>                                   |
| Net profit attributable to:                    |   |   |   |   |
| Owners of APC                                  | \$ 41,510   | \$ 149,522  | \$ 33,382   | \$ 224,187  |
| Non-controlling<br>interests of APC            | <u>86,813</u>   | <u>312,710</u>  | <u>69,814</u>   | <u>468,865</u>  |
|  | <u>\$ 128,323</u>                                       | <u>\$ 462,232</u>                                       | <u>\$ 103,196</u>                                     | <u>\$ 693,052</u>                                     |
| Total comprehensive income<br>attributable to: |   |   |   |   |
| Owners of APC                                  | (\$ 211,886)  | (\$ 493,239)  | (\$ 44,344)   | (\$ 356,039)  |
| Non-controlling<br>interests of APC            | <u>( 140,209)</u>                                       | <u>35,099</u>   | <u>154,722</u>  | <u>232,439</u>  |
|  | <u>(\$ 352,095)</u>                                     | <u>(\$ 458,140)</u>                                     | <u>\$ 110,378</u>                                     | <u>(\$ 123,600)</u>                                   |

|                                     | <u>For the Six Months<br/>Ended June 30, 2023</u> | <u>For the Six Months<br/>Ended June 30, 2022</u> |
|-------------------------------------|---|---|
| Cash Flows                          |   |   |
| Operating activities                | (\$ 65,764)                                       | \$ 1,222,502                                      |
| Investing activities                | ( 193,934)  | ( 133,643)  |
| Financing activities                | ( 29,555)   | ( 706,941)  |
| Effects of exchange rate<br>changes | ( <u>1,842</u> )                                  | <u>11,014</u>                                     |
| Net cash (outflow) inflow           | ( <u>\$ 291,095</u> )                             | <u>\$ 392,932</u>                                 |

EVGL and EVGL's subsidiaries

|  | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|--|----------------------|--------------------------|----------------------|
| Current assets   | \$ 1,417,362         | \$ 1,384,612             | \$ 1,328,692         |
| Non-current assets                                     | 10,912,695           | 13,527,463               | 16,968,165           |
| Current liabilities                                    | ( <u>13,075</u> )    | ( <u>14,868</u> )        | ( <u>10,931</u> )    |
| Equity   | <u>\$12,316,982</u>  | <u>\$14,897,207</u>      | <u>\$18,285,926</u>  |
| Equity attributable to:                                |                      |                          |                      |
| Owners of EVGL   | \$ 7,154,706         | \$ 8,629,305             | \$10,566,366         |
| Non-controlling<br>interests of EVGL                   | 3,460,164            | 4,173,312                | 5,110,114            |
| Non-controlling<br>interests of EVGL's<br>subsidiaries | <u>1,702,112</u>     | <u>2,094,590</u>         | <u>2,609,446</u>     |
|  | <u>\$12,316,982</u>  | <u>\$14,897,207</u>      | <u>\$18,285,926</u>  |

|  | <u>For the Three<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Three<br/>Months Ended<br/>June 30, 2022</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2022</u> |
|--|---|---|---|---|
| Loss for the period                                    | (\$ 1,047,253)  | (\$ 1,629,191)  | (\$ 2,349,780)  | (\$ 2,769,845)  |
| Other comprehensive<br>income (loss)                   | ( <u>289,021</u> )                                      | ( <u>280,812</u> )                                      | ( <u>230,446</u> )                                    | <u>482,067</u>  |
| Total comprehensive income                             | ( <u>\$ 1,336,274</u> )                                 | ( <u>\$ 1,910,003</u> )                                 | ( <u>\$ 2,580,226</u> )                               | ( <u>\$ 2,287,778</u> )                               |
| Loss attributable to:                                  |   |   |   |   |
| Owners of EVGL   | (\$ 598,808)  | (\$ 933,224)  | (\$ 1,343,938)  | (\$ 1,586,679)  |
| Non-controlling<br>interests of EVGL                   | ( 289,596)  | ( 451,326)  | ( 649,957)  | ( 767,350)  |
| Non-controlling<br>interests of EVGL's<br>subsidiaries | ( <u>158,849</u> )                                      | ( <u>244,641</u> )                                      | ( <u>355,885</u> )                                    | ( <u>415,816</u> )                                    |
|  | ( <u>\$ 1,047,253</u> )                                 | ( <u>\$ 1,629,191</u> )                                 | ( <u>\$ 2,349,780</u> )                               | ( <u>\$ 2,769,845</u> )                               |
| Total comprehensive income<br>attributable to:         |   |   |   |   |
| Owners of EVGL   | (\$ 762,233)  | (\$ 1,090,798)  | (\$ 1,474,601)  | (\$ 1,304,329)  |
| Non-controlling<br>interests of EVGL                   | ( 368,631)  | ( 527,533)  | ( 713,147)  | ( 630,800)  |
| Non-controlling<br>interests of EVGL's<br>subsidiaries | ( <u>205,410</u> )                                      | ( <u>291,672</u> )                                      | ( <u>392,478</u> )                                    | ( <u>352,649</u> )                                    |
|  | ( <u>\$ 1,336,274</u> )                                 | ( <u>\$ 1,910,003</u> )                                 | ( <u>\$ 2,580,226</u> )                               | ( <u>\$ 2,287,778</u> )                               |

|                                     | <u>For the Six Months<br/>Ended June 30, 2023</u> | <u>For the Six Months<br/>Ended June 30, 2022</u> |
|-------------------------------------|---|---|
| Cash Flows                          |   |   |
| Operating activities                | \$ 16,888   | (\$ 9,032)  |
| Effects of exchange rate<br>changes | <u>19,501</u>                                     | <u>90,861</u>                                     |
| Net cash inflow                     | <u>\$ 36,389</u>                                  | <u>\$ 81,829</u>                                  |

### 13. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

|   | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|---|----------------------|--------------------------|----------------------|
| Investments in joint ventures                                   |                      |                          |                      |
| Associates that are<br>individually material                    |                      |                          |                      |
| Fujian Gulei<br>Petrochemical Co., Ltd.<br>(Gulei)              | <u>\$ 10,912,695</u> | <u>\$ 13,527,463</u>     | <u>\$ 16,968,165</u> |
| Investments in associates                                       |                      |                          |                      |
| Investments in associates that<br>are not individually material |                      |                          |                      |
| Delmind Inc. (Delmind)  | 80,127               | 83,922                   | 89,156               |
| Chem Union Renewable<br>Energy Corporation<br>(CURE)            | <u>9,894</u>         | <u>-</u>                 | <u>-</u>             |
|   | <u>90,021</u>        | <u>83,922</u>            | <u>89,156</u>        |
|   | <u>\$ 11,002,716</u> | <u>\$ 13,611,385</u>     | <u>\$ 17,057,321</u> |

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

a. Associates that are individually material - Gulei

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 Xutent. 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, 2023 to acquire 15% equity in DEIL.

As of June 30, 2023, the Company and APC cumulatively invested US\$246,670 thousand (approximately NT\$7,645,981 thousand) and US\$170,475 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, 2023, December 31, 2022 and June 30, 2022. 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, 2023              | December 31, 2022          | June 30, 2022            |                          |
|--|----------------------------|----------------------------|--------------------------|--------------------------|
| Cash   | <u>\$ 4,582,595</u>        | <u>\$ 8,680,668</u>        | <u>\$ 4,770,140</u>      |                          |
| Current assets                                   | \$ 20,661,528              | \$ 23,308,566              | \$ 24,672,794            |                          |
| Non-current assets                               | 100,214,406                | 103,732,189                | 106,923,310              |                          |
| Current liabilities                              | ( 39,493,862)              | ( 37,477,886)              | ( 38,674,962)            |                          |
| Non-current liabilities                          | ( 59,556,682)              | ( 62,507,943)              | ( 58,984,812)            |                          |
| Equity   | 21,825,390                 | 27,054,926                 | 33,936,330               |                          |
| Proportion of the Group's ownership              | <u>50%</u>                 | <u>50%</u>                 | <u>50%</u>               |                          |
| Equity attributable to the Group                 | <u>\$ 10,912,695</u>       | <u>\$ 13,527,463</u>       | <u>\$ 16,968,165</u>     |                          |
| Investment Carrying amount                       | <u>\$ 10,912,695</u>       | <u>\$ 13,527,463</u>       | <u>\$ 16,968,165</u>     |                          |
|  | For the Three Months Ended | For the Three Months Ended | For the Six Months Ended | For the Six Months Ended |
|  | <u>June 30, 2023</u>       | <u>June 30, 2022</u>       | <u>June 30, 2023</u>     | <u>June 30, 2022</u>     |
| Revenue  | <u>\$ 16,940,876</u>       | <u>\$ 19,988,702</u>       | <u>\$ 32,799,543</u>     | <u>\$ 39,317,983</u>     |
| Net loss for the period/total comprehensive loss | ( <u>\$ 2,103,557</u> )    | ( <u>\$ 3,246,829</u> )    | ( <u>\$ 4,729,641</u> )  | ( <u>\$ 5,517,188</u> )  |

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, 2023 and 2022 shall be calculated on the basis of the financial statements which have not been reviewed by CPAs.

b. Summarized information of associates that are not individually material

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 Company's board of directors approved the establishment of Chem Union Renewable Energy Corporation (CURE), a joint venture with Chang Chun Petrochemical Co., Ltd. and Chimei Corporation on November 3, 2022. CURE will purchase offshore wind power in an integrated manner to achieve the Group's carbon neutrality plan. In December, 2022, the Company invested NT\$10,000 thousand in CURE. On April 13, 2012, the Company completed the registration of the establishment of CURE with a registered capital of NT\$30,000 thousand and the Company holds 33.3% of the shares of CURE.

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<br>Months Ended<br>June 30, 2023 | For the Three<br>Months Ended<br>June 30, 2022 | For the Six<br>Months Ended<br>June 30, 2023 | For the Six<br>Months Ended<br>June 30, 2022 |
|--|--|--|--|--|
| The Group's share of:<br>Loss for the period | ( \$ <u>1,762</u> )                            | ( \$ <u>844</u> )                              | ( \$ <u>3,901</u> )                          | ( \$ <u>844</u> )                            |

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, 2023 and 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

|  | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|--|----------------------|--------------------------|----------------------|
| Freehold Land  | \$ 4,715,293         | \$ 4,715,293             | \$ 4,689,001         |
| Land improvements  | 20,275               | 22,029                   | 7,858                |
| Buildings and Improvements                                   | 3,672,502            | 3,829,355                | 3,822,529            |
| Machinery and Equipment                                      | 11,783,124           | 11,119,442               | 10,828,993           |
| Transportation equipment                                     | 42,022               | 42,634                   | 37,666               |
| Other equipment  | 286,423              | 319,771                  | 277,532              |
| Construction in progress and<br>equipment under installation | <u>5,250,710</u>     | <u>5,471,580</u>         | <u>5,502,060</u>     |
|  | <u>\$ 25,770,349</u> | <u>\$ 25,520,104</u>     | <u>\$ 25,165,639</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 returned on May 2, 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, 2023, the Group had paid NT\$2,480,403 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 at December 31, 2022 and 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. As evaluated by the management of the Group, there was no significant change in fair value as of June 30, 2023 and 2022, compared to December 31, 2022 and 2021. No impairment or reversal was made on the property, plant and equipment of the Group from January 1 to June 30, 2023 and 2022.

SPC has completed the construction and acceptance of the plant before the end of 2022, which is expected to be sold and transferred in the future, thus transferring NT\$170,823 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.

On August 1, 2023, the board of directors approved CGPC to introduce a new generation of production technology that comes the establishment of 5 new integrated tanks and processing equipment. The estimated investment amount is NT\$4.5 billion. The estimated investment amount is NT\$4.5 billion.

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

|  |             |
|--|-------------|
| Freehold Land - land improvements      | 7~20 years  |
| Buildings and improvements             |             |
| Plant, machine room and improvements   | 2~55 years  |
| Office building, labs and improvements | 10~50 years |
| General plants and improvements        | 3~60 years  |
| Others                                 | 2~45 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 (d) finance cost.

## 15. LEASE ARRANGEMENTS

### a. Right-of-use assets

|   | <u>June 30, 2023</u>                            | <u>December 31, 2022</u>                        | <u>June 30, 2022</u>                          |
|---|---|---|---|
| Carrying amount of right-of-use assets      |   |   |   |
| Leasehold land                              | \$1,906,260                                     | \$1,090,942                                     | \$ 148,294                                    |
| Land use rights                             | 578,793   | 388,680   | 88,568  |
| Buildings                                   | 93,551  | 82,699  | 397,403                                       |
| Machinery and Equipment                     | 62,710  | 71,104  | 78,381  |
| Transportation equipment                    | <u>935</u>                                      | <u>1,229</u>                                    | <u>1,523</u>                                  |
|   | <u>\$2,642,249</u>                              | <u>\$1,634,654</u>                              | <u>\$ 714,169</u>                             |
|   | <u>For the Three Months Ended June 30, 2023</u> | <u>For the Three Months Ended June 30, 2022</u> | <u>For the Six Months Ended June 30, 2023</u> |
| Addition for right-of-use assets            |   |   | <u>\$ 1,090,839</u>                           |
| Depreciation expense of right-of-use assets |   |   | <u>\$ 13,958</u>                              |
| Leasehold land                              | \$ 26,970                                       | \$ 4,293  | \$ 50,278                                     |
| Land use rights                             | 5,126   | 4,427   | 9,611   |
| Buildings                                   | 6,934   | 6,411   | 13,916  |
| Machinery and Equipment                     | 3,449   | 3,506   | 6,946   |
| Transportation equipment                    | <u>147</u>                                      | <u>148</u>                                      | <u>294</u>                                    |
|   | <u>\$ 42,626</u>                                | <u>\$ 18,785</u>                                | <u>\$ 81,045</u>                              |
|   |   |   | <u>\$ 37,483</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 six months ended June 30, 2023 and 2022.

The Group leases the office in Taipei and sublets it to another company on an 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, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|--------------------------------------|----------------------|--------------------------|----------------------|
| Carrying amount of lease liabilities |                      |                          |                      |
| Current                              | <u>\$ 152,357</u>    | <u>\$ 102,435</u>        | <u>\$ 68,648</u>     |
| Non-current                          | <u>\$2,028,310</u>   | <u>\$1,262,591</u>       | <u>\$ 370,270</u>    |

Range of discount rate for lease liabilities was as follows:

|                          | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|--------------------------|----------------------|--------------------------|----------------------|
| Leasehold land           | 0.83% ~ 9.25%        | 0.83% ~ 9.25%            | 0.83% ~ 9.25%        |
| Buildings                | 0.83% ~ 8.00%        | 0.83% ~ 4.75%            | 0.83% ~ 1.25%        |
| Machinery and Equipment  | 1.11% ~ 1.93%        | 1.11%                    | 1.04% ~ 1.25%        |
| 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 3 to 21 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<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Three<br/>Months Ended<br/>June 30, 2022</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2022</u> |
|---|---|---|---|---|
| Expenses relating to short-term leases  | <u>\$ 9,381</u>   | <u>\$ 10,633</u>  | <u>\$ 20,949</u>                                      | <u>\$ 22,129</u>                                      |
| Expenses relating to low-value asset leases   | <u>\$ 712</u>   | <u>\$ 40</u>  | <u>\$ 1,391</u>                                       | <u>\$ 78</u>  |
| Expenses relating to variable lease payments not included in the measurement of lease liabilities | <u>\$ 18,199</u>  | <u>\$ 21,999</u>  | <u>\$ 34,931</u>                                      | <u>\$ 39,337</u>                                      |
| Total cash (outflow) for leases   |   |   | <u>(\$ 150,891)</u>                                   | <u>(\$ 102,443)</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

|                                 | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|---------------------------------|----------------------|--------------------------|----------------------|
| Completed investment properties |                      |                          |                      |
| Land                            | \$ 199,289           | \$ 198,760               | \$ 198,172           |
| Buildings                       | 279,935              | 291,878                  | 293,349              |
| Right-of-use assets             | <u>122,959</u>       | <u>133,924</u>           | <u>142,108</u>       |
|                                 | <u>\$ 602,183</u>    | <u>\$ 624,562</u>        | <u>\$ 633,629</u>    |

|  | Land              | Buildings         | Right-of-use<br>assets | Total               |
|--|-------------------|-------------------|------------------------|---------------------|
| <u>Cost</u>                                    |                   |                   |                        |                     |
| Balance as of January 1, 2023                  | \$ 202,729        | \$ 693,434        | \$ 206,337             | \$ 1,102,500        |
| Additions                                      | 529               | -                 | -                      | 529                 |
| Net foreign currency exchange differences      | -                 | ( 5,657 )         | ( 2,198 )              | ( 7,855 )           |
| Balance as of June 30, 2023                    | <u>\$ 203,258</u> | <u>\$ 687,777</u> | <u>\$ 204,139</u>      | <u>\$ 1,095,174</u> |
| <u>Accumulated depreciation and impairment</u> |                   |                   |                        |                     |
| Balance as of January 1, 2023                  | \$ 3,969          | \$ 401,556        | \$ 72,413              | \$ 477,938          |
| Depreciation expense                           | -                 | 11,440            | 9,115                  | 20,555              |
| Net foreign currency exchange differences      | -                 | ( 5,154 )         | ( 348 )                | ( 5,502 )           |
| Balance as of June 30, 2023                    | <u>\$ 3,969</u>   | <u>\$ 407,842</u> | <u>\$ 81,180</u>       | <u>\$ 492,991</u>   |
| Net amount as of June 30, 2023                 | <u>\$ 199,289</u> | <u>\$ 279,935</u> | <u>\$ 122,959</u>      | <u>\$ 602,183</u>   |
| <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      | -                 | 12,220            | 1,912                  | 14,132              |
| 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      | -                 | 7,333             | 202                    | 7,535               |
| 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>   |

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 2 to 6 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, 2023, December 31 and June 30, 2022 is as follows:

|                   | June 30, 2023     | December 31, 2022 | June 30, 2022     |
|-------------------|-------------------|-------------------|-------------------|
| Year 1            | \$ 71,508         | \$ 74,738         | \$ 96,398         |
| Year 2            | 30,753            | 42,284            | 64,960            |
| Year 3            | 17,911            | 21,461            | 34,404            |
| Year 4            | 13,887            | 14,859            | 20,781            |
| Year 5            | 10,970            | 11,942            | 13,693            |
| More than 5 years | 10,970            | 16,455            | 21,552            |
|                   | <u>\$ 155,999</u> | <u>\$ 181,739</u> | <u>\$ 251,788</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, 2023 and 2022.

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 | 4-50 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, 2023, December 31 and June 30, 2022 were as follows:

|            | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|------------|----------------------|--------------------------|----------------------|
| Fair Value | <u>\$ 1,662,979</u>  | <u>\$ 1,555,675</u>      | <u>\$ 1,512,793</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.

## 17. GOODWILL AND OTHER INTANGIBLE ASSETS

|                                       | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|---------------------------------------|----------------------|--------------------------|----------------------|
| Goodwill a.                           | <u>\$ 270,211</u>    | <u>\$ 270,211</u>        | <u>\$ 270,211</u>    |
| Other intangible assets b.            |                      |                          |                      |
| Technology royalties and patent right | \$ 333               | \$ 533                   | \$ 733               |
| Computer software                     | 15,516               | 15,082                   | 6,203                |
| Plant design fee                      | 1,199                | 2,001                    | 2,800                |
| Field project                         | <u>29,829</u>        | <u>30,658</u>            | <u>31,486</u>        |
|                                       | <u>\$ 46,877</u>     | <u>\$ 48,274</u>         | <u>\$ 41,222</u>     |

### a. Goodwill

The goodwill of the Group is regularly assessed for impairment at the end of each year. No impairment assessment was performed periodically as there was no indication of impairment on June 30, 2023 and 2022.

### b. Other intangible assets

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, 2023 and 2022.

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 | 3 - 10 Years |
| Computer software                     | 1 - 10 Years |
| Field project                         | 20 Years     |
| Others                                | 3 - 10 Years |

## 18. BORROWINGS

### a. Short-term borrowings

|                             | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|-----------------------------|----------------------|--------------------------|----------------------|
| <u>Unsecured borrowings</u> |                      |                          |                      |
| - Line of credit borrowings | <u>\$ 2,304,028</u>  | <u>\$ 2,400,326</u>      | <u>\$ 1,639,241</u>  |
| Range of interest rate      | 1.58% ~ 7.51%        | 1.06% ~ 7.62%            | 0.74% ~ 3.43%        |

### b. Short-term bills payable

|   | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|---|----------------------|--------------------------|----------------------|
| Commercial note payable                     | \$ 25,000            | \$ 291,000               | \$ 50,000            |
| Less: Unamortized discount on bills payable | ( <u>32</u> )        | ( <u>387</u> )           | <u>-</u>             |
|   | <u>\$ 24,968</u>     | <u>\$ 290,613</u>        | <u>\$ 50,000</u>     |
| Range of interest rate                      | 1.84%                | 1.66% ~ 1.85%            | 1.24%                |



c. Long-term borrowings

|                                   | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|-----------------------------------|----------------------|--------------------------|----------------------|
| Secured loans                     | \$ 1,047,714         | \$ 1,000,000             | \$ 1,000,000         |
| Credit borrowings                 | <u>6,194,802</u>     | <u>5,366,223</u>         | <u>4,112,997</u>     |
| Sub-total                         | 7,242,516            | 6,366,223                | 5,112,997            |
| Less: Portion due within one year | ( <u>1,531</u> )     | <u>-</u>                 | ( <u>190,000</u> )   |
| Long-term borrowings              | <u>\$ 7,240,985</u>  | <u>\$ 6,366,223</u>      | <u>\$ 4,922,997</u>  |
| The range of interest rate        |                      |                          |                      |
| Secured loans                     | 1.45% ~ 4.35%        | 1.45%                    | 0.83% ~ 0.96%        |
| Credit borrowings                 | 0.89% ~ 2.03%        | 0.76% ~ 1.96%            | 0.50% ~ 1.50%        |

The Company 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 May 2026 with a total credit limit of NT\$4,500,000 thousand, which is used cyclically during the validity period. As of June 30, 2023, the Company has not made any draw down from the line of credit.

UPIIC 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 of NT\$1,300,000 thousand, which is used cyclically during the validity period. As of June 30, 2023, UPIIC has not made any draw down from the line of credit.

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 May 2026 with a total credit limit of NT\$1,500,000 thousand, which is used cyclically during the validity period. As of June 30, 2023, CGPC had borrowed NT\$400,000 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 May 2026 with a total credit limit of NT\$800,000 thousand, which is used cyclically during the validity period. As of June 30, 2023, CGPCPOL had borrowed NT\$200,000 thousand.

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, 2023, TVCM has not made any draw down from the line of credit.

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 May 2026 with a total credit limit of NT\$2,772,384 thousand, which is used cyclically during the validity period. As of June 30, 2023, TTC had borrowed NT\$270,000 thousand.

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 May 2026 with a total credit limit of NT\$5,300,000 thousand, which is used cyclically during the validity period. As of June 30, 2023, APC has not made any draw down from the line of credit.

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 May 2043 with a total credit limit of NT\$1,961,184 thousand, which is used cyclically during the validity period. As of June 30, 2023, ACME had borrowed NT\$1,297,714 thousand.

SPC 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 October, 2025 with a total credit limit of NT\$1,550,000 thousand, which is used cyclically during the validity period. As of June 30, 2023, SPC had borrowed NT\$750,000 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 October 2025 with a total credit limit of NT\$1,300,000 thousand, which is used cyclically during the validity period. As of June 30, 2023, USIGE had borrowed 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, 2023, 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\$4,222,000 thousand in June 2023, 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, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|---|----------------------|--------------------------|----------------------|
| Domestic unsecured bonds 106-1<br>- issuance on October 27,<br>2017, 5 years, total amount<br>NT\$2,000,000 thousand,<br>coupon rate 1.10%, bullet<br>repayment   | \$ -                 | \$ -                     | \$ 2,000,000         |
| Domestic unsecured bonds 108-1<br>- issuance on April 26, 2019, 5<br>years, total amount<br>NT\$2,000,000 thousand,<br>coupon rate 0.98%, bullet<br>repayment   | 2,000,000            | 2,000,000                | 2,000,000            |
| Domestic unsecured bonds A<br>110-1 - issuance on June 23,<br>2021, 5 years, total amount<br>NT\$1,000,000 thousand,<br>coupon rate 0.63%, repaid<br>NT\$500,000 thousand in the<br>4th and 5th years respectively<br>from the issuance date    | 1,000,000            | 1,000,000                | 1,000,000            |
| Domestic unsecured bonds B<br>110-1 - issuance on June 23,<br>2021, 7 years, total amount<br>NT\$1,000,000 thousand,<br>coupon rate 0.73%, repaid<br>NT\$500,000 thousand in the<br>6th and 7th years respectively<br>from the issuance date    | 1,000,000            | 1,000,000                | 1,000,000            |
| Domestic unsecured bonds A<br>110-2 - issuance on October<br>26, 2021, 5 years, total amount<br>NT\$700,000 thousand, coupon<br>rate 0.63%, repaid<br>NT\$350,000 thousand in the<br>4th and 5th years respectively<br>from the issuance date   | 700,000              | 700,000                  | 700,000              |
| Domestic unsecured bonds B<br>110-2 - issuance on October<br>26, 2021, 7 years, total amount<br>NT\$1,300,000 thousand,<br>coupon rate 0.77%, repaid<br>NT\$650,000 thousand in the<br>6th and 7th years respectively<br>from the issuance date | <u>1,300,000</u>     | <u>1,300,000</u>         | <u>1,300,000</u>     |
|   | 6,000,000            | 6,000,000                | 8,000,000            |
| Discounts on bonds payable  | ( 6,537)             | ( 7,772)                 | ( 9,303)             |
|   | 5,993,463            | 5,992,228                | 7,990,697            |
| Less: Portion due within one year   | ( <u>1,999,268</u> ) | <u>-</u>                 | ( <u>1,999,699</u> ) |
|   | <u>\$ 3,994,195</u>  | <u>\$ 5,992,228</u>      | <u>\$ 5,990,998</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-to-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 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. The Company repaid due in October 2022.

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. As of the date the consolidated financial statements were authorized for issue, the unsecured ordinary corporate bonds have not yet been issued.

20. ACCOUNTS PAYABLE

|                  | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|------------------|----------------------|--------------------------|----------------------|
| <u>Operating</u> |                      |                          |                      |
| Accounts payable | <u>\$ 2,631,422</u>  | <u>\$ 3,349,040</u>      | <u>\$ 4,147,951</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, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|--------------------------------------|----------------------|--------------------------|----------------------|
| <u>Current</u>                       |                      |                          |                      |
| Other payables                       |                      |                          |                      |
| Payables for salaries and bonuses    | \$ 588,501           | \$ 910,720               | \$ 660,648           |
| Payables for purchases of equipment  | 391,102              | 292,673                  | 411,206              |
| Payables for utilities and fuel fees | 334,635              | 273,101                  | 254,162              |
| Payables for fares                   | 131,584              | 184,562                  | 305,967              |
| Payables for insurance               | 41,699               | 40,077                   | 36,953               |
| Payable for taxes                    | 40,077               | 36,932                   | 41,530               |
| Payables for interests               | 18,090               | 30,242                   | 31,385               |
| Others                               | <u>433,942</u>       | <u>466,773</u>           | <u>503,140</u>       |
|                                      | 1,979,630            | 2,235,080                | 2,244,991            |
| Other liabilities                    |                      |                          |                      |
| Refund liabilities                   | <u>24,345</u>        | <u>28,247</u>            | <u>25,802</u>        |
|                                      | <u>\$ 2,003,975</u>  | <u>\$ 2,263,327</u>      | <u>\$ 2,270,793</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, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</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 three months ended June 30, 2023 and 2022 and for the six months ended June 30, 2023 and 2022 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 2022 and 2021 and are separately recognized as the following items:

|                                   | For the Three<br>Months Ended<br>June 30, 2023 | For the Three<br>Months Ended<br>June 30, 2022 | For the Six<br>Months Ended<br>June 30, 2023 | For the Six<br>Months Ended<br>June 30, 2022 |
|-----------------------------------|--|--|--|--|
| Operating costs                   | \$ 5,056                                       | \$ 5,139                                       | \$ 10,115                                    | \$ 10,294                                    |
| Selling and marketing expenses    | 545  | 545  | 1,079  | 1,114  |
| Administrative expenses           | 571  | 624  | 1,159  | 1,273  |
| Research and development expenses | <u>256</u>                                     | <u>228</u>                                     | <u>505</u>                                   | <u>455</u>                                   |
|                                   | <u>\$ 6,428</u>                                | <u>\$ 6,536</u>                                | <u>\$ 12,858</u>                             | <u>\$ 13,136</u>                             |

## 24. GOVERNMENT SUBSIDY

Acme Electronics (Kunshan) reached an agreement with Kunshan Zhoushizhen People's Government in 2006 in which Acme Electronics (Kunshan) Co., Ltd. promised to relocate its new plant and raise its investment amount. Furthermore, Kunshan Zhoushizhen People's Government subsidized Acme Electronics (Kunshan)'s acquisition of the land for its new plant and the external line project for high voltage power during the relocation process. Acme Electronics (Kunshan) recognized the subsidy amount as long-term deferred revenues and it will be amortized over the use of the related assets.

In 2023, Acme Electronics (Guang-Zhou) received subsidies from the local government to cover depreciation arising from the use of assets. Acme Electronics (Guang-Zhou) recognized the subsidy amount as long-term deferred revenues and it will be amortized over the use of the related asset.

As of June 30, 2023 and December 31 and June 30, 2022, the amount of unamortized deferred revenues (recorded as other non-current liabilities) were RMB8,384 thousand (NT\$36,133 thousand), RMB7,303 thousand (NT\$32,201 thousand) and RMB7,568 thousand (NT\$33,512 thousand), respectively.

## 25. EQUITY

|                           | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|---------------------------|----------------------|--------------------------|----------------------|
| Share capital             | \$ 11,887,635        | \$ 11,887,635            | \$ 11,887,635        |
| Capital surplus           | 475,076              | 449,960                  | 450,510              |
| Retained Earnings         | 11,669,257           | 12,625,207               | 11,862,472           |
| Other Equity              | ( 115,558)           | 8,896                    | 83,443               |
| Treasury shares           | ( 475,606)           | ( 475,606)               | ( 475,606)           |
| Non-controlling Interests | <u>25,036,300</u>    | <u>26,428,793</u>        | <u>27,968,351</u>    |
|                           | <u>\$ 48,477,104</u> | <u>\$ 50,924,885</u>     | <u>\$ 51,776,805</u> |

### a. Share capital

|  | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|--|----------------------|--------------------------|----------------------|
| Number of shares authorized<br>(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<br>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 shares 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 (g).

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, 2023 and May 31, 2022, respectively, were as follows:

|                | Appropriation of Earnings |                     | Dividends Per Share (NT\$) |        |
|----------------|---------------------------|---------------------|----------------------------|--------|
|                | 2022                      | 2021                | 2022                       | 2021   |
| Legal reserve  | \$ 164,106                | \$ 529,104          |                            |        |
| Cash dividends | <u>832,134</u>            | <u>2,615,280</u>    | \$ 0.7                     | \$ 2.2 |
|                | <u>\$ 996,240</u>         | <u>\$ 3,144,384</u> |                            |        |

d. Other equity

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

|   | <u>For the Six Months<br/>Ended June 30, 2023</u> | <u>For the Six Months<br/>Ended June 30, 2022</u> |
|---|---|---|
| Beginning balance   | (\$ 371,193)                                      | (\$ 710,973)                                      |
| Recognized for the period   |   |   |
| Exchange differences on<br>translating the<br>financial statements of<br>foreign operations | ( 128,122)  | 386,628   |
| Related income tax  | <u>28,664</u>                                     | <u>( 67,747)</u>                                  |
| Ending balance  | <u>(\$ 470,651)</u>                               | <u>(\$ 392,092)</u>                               |

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

|  | <u>For the Six Months<br/>Ended June 30, 2023</u> | <u>For the Six Months<br/>Ended June 30, 2022</u> |
|--|---|---|
| Beginning balance  | \$ 380,089  | \$ 795,331  |
| Recognized for the period  |   |   |
| Unrealized gains (losses)  |   |   |
| Equity instruments   | ( 24,681)   | ( 329,690)  |
| Related income tax   | ( 315)  | ( 552)  |
| Cumulative unrealized gain<br>(loss) of equity instruments<br>transferred to retained<br>earnings due to disposals | <u>-</u>  | <u>10,446</u>                                     |
| Ending balance   | <u>\$ 355,093</u>                                 | <u>\$ 475,535</u>                                 |

e. Non-controlling interests

|   | <u>For the Six Months<br/>Ended June 30, 2023</u> | <u>For the Six Months<br/>Ended June 30, 2022</u> |
|---|---|---|
| Beginning balance   | \$ 26,428,793                                     | \$ 30,182,962                                     |
| Cash dividends distributed by<br>subsidiaries   | ( 722,518)  | ( 2,804,905)                                      |
| Loss for the period   | ( 897,412)  | ( 141,674)  |
| Other comprehensive income<br>(loss) for the period   |   |   |
| Exchange differences on<br>translating the financial<br>statements of foreign<br>operations | ( 199,744)  | 429,739   |
| Income tax relating to<br>exchange difference on<br>translating foreign<br>operations       | 22,570  | ( 32,971)   |
| Unrealized gain (loss) on<br>financial assets at FVTOCI                                     | 117,929   | 289,398   |

(Continued)



(Continued)

|   | <u>For the Six Months<br/>Ended June 30, 2023</u> | <u>For the Six Months<br/>Ended June 30, 2022</u> |
|---|---|---|
| Income tax relating to<br>unrealized gain on<br>financial assets at FVTOCI  | ( 659 )   | ( 1,154 )   |
| Adjustments relating to changes<br>accounted for using the equity<br>method | 55,503  | ( 6 )   |
| Change in non-controlling<br>interests                                      | <u>231,838</u>                                    | <u>46,962</u>                                     |
| Ending balance  | <u>\$ 25,036,300</u>                              | <u>\$ 27,968,351</u>                              |

f. Treasury shares

| <u>Purpose of Buy-Back</u>   | <u>Number of<br/>Shares,<br/>Beginning<br/>(In Thousands<br/>of Shares)</u> | <u>Increase<br/>During the<br/>Period</u> | <u>Decrease<br/>During the<br/>Period</u> | <u>Number of<br/>Shares,<br/>Ending<br/>(In Thousands<br/>of Shares)</u> |
|--|---|---|---|--|
| <u>For the Six Months Ended<br/>June 30, 2023</u>  |   |   |   |  |
| Transfer from investment<br>shares to treasury shares<br>held by subsidiaries under<br>equity method | <u>116,466</u>  | <u>-</u>                                  | <u>-</u>                                  | <u>116,466</u>   |
| <u>For the Six Months Ended<br/>June 30, 2022</u>  |   |   |   |  |
| Transfer from investment<br>shares to treasury shares<br>held by subsidiaries under<br>equity method | <u>116,466</u>  | <u>-</u>                                  | <u>-</u>                                  | <u>116,466</u>   |

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

| <u>Name of Subsidiary</u> | <u>Number of Shares Held<br/>(In Thousands of<br/>Shares)</u> | <u>Carrying<br/>Amount</u> | <u>Market Price</u> |
|---------------------------|---|----------------------------|---------------------|
| <u>June 30, 2023</u>      |   |                            |                     |
| APC                       | 101,356   | \$ 1,377,381               | \$ 2,270,367        |
| TTC                       | 15,110  | <u>81,875</u>              | <u>338,462</u>      |
|                           |   | <u>\$ 1,459,256</u>        | <u>\$ 2,608,829</u> |
| <u>December 31, 2022</u>  |   |                            |                     |
| APC                       | 101,356   | \$ 1,377,381               | \$ 2,239,960        |
| TTC                       | 15,110  | <u>81,875</u>              | <u>333,929</u>      |
|                           |   | <u>\$ 1,459,256</u>        | <u>\$ 2,573,889</u> |
| <u>June 30, 2022</u>      |   |                            |                     |
| APC                       | 101,356   | \$ 1,377,381               | \$ 2,285,571        |
| TTC                       | 15,110  | <u>81,875</u>              | <u>340,728</u>      |
|                           |   | <u>\$ 1,459,256</u>        | <u>\$ 2,626,299</u> |

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, 2023, December 31 and June 30, 2022. The carrying amounts of investments accounted for using the equity method and the unrealized gain or loss on financial assets at FVTOCI were NT\$382,971 thousand, NT\$371,473 thousand and NT\$388,721 thousand, respectively.

## 26. REVENUE

|                                | For the Three<br>Months Ended<br>June 30, 2023 | For the Three<br>Months Ended<br>June 30, 2022 | For the Six<br>Months Ended<br>June 30, 2023 | For the Six<br>Months Ended<br>June 30, 2022 |
|--------------------------------|--|--|--|--|
| Revenue from the sale of goods |  |  |  |  |
| Plastic raw materials          | \$ 12,008,345                                  | \$ 16,918,472                                  | \$ 24,416,043                                | \$ 33,150,826                                |
| Electronic materials           | 591,157  | 764,359  | 1,110,722                                    | 1,467,791                                    |
| Others                         | <u>159,618</u>                                 | <u>168,771</u>                                 | <u>407,911</u>                               | <u>330,906</u>                               |
|                                | <u>\$ 12,759,120</u>                           | <u>\$ 17,851,602</u>                           | <u>\$ 25,934,676</u>                         | <u>\$ 34,949,523</u>                         |

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

### Contract balances

|  | June 30, 2023       | December 31, 2022   | June 30, 2022       | January 1, 2022     |
|--|---------------------|---------------------|---------------------|---------------------|
| Notes and accounts receivables<br>(Note 10)                      | <u>\$ 6,393,948</u> | <u>\$ 7,939,581</u> | <u>\$ 7,719,166</u> | <u>\$ 9,391,222</u> |
| Contract liabilities (presented in<br>other current liabilities) |                     |                     |                     |                     |
| Merchandise sales  | <u>\$ 507,931</u>   | <u>\$ 404,236</u>   | <u>\$ 448,069</u>   | <u>\$ 363,049</u>   |

## 27. PROFIT (LOSS) FOR THE PERIOD

Net profit (loss) for the period includes the following:

### a. Interest income

|  | For the Three<br>Months Ended<br>June 30, 2023 | For the Three<br>Months Ended<br>June 30, 2022 | For the Six<br>Months Ended<br>June 30, 2023 | For the Six<br>Months Ended<br>June 30, 2022 |
|--|--|--|--|--|
| Interest income                                |  |  |  |  |
| Cash and cash equivalents                      | \$ 68,635                                      | \$ 32,105                                      | \$ 123,853                                   | \$ 46,544                                    |
| Financial assets at<br>FVTPL                   | 6,117  | 3,991  | 6,117  | 3,991  |
| Financial assets measured<br>at amortized cost | 528  | 69   | 1,113  | 431  |
| Others   | <u>1,776</u>                                   | <u>1,031</u>                                   | <u>3,932</u>                                 | <u>1,948</u>                                 |
|  | <u>\$ 77,056</u>                               | <u>\$ 37,196</u>                               | <u>\$ 135,015</u>                            | <u>\$ 52,914</u>                             |

b. Other income

|  | For the Three<br>Months Ended<br>June 30, 2023 | For the Three<br>Months Ended<br>June 30, 2022 | For the Six<br>Months Ended<br>June 30, 2023 | For the Six<br>Months Ended<br>June 30, 2022 |
|--|--|--|--|--|
| Dividend income                              | \$ 96,497                                      | \$ 317,289                                     | \$ 107,868                                   | \$ 333,303                                   |
| Rental income                                | 31,293   | 34,213   | 64,590                                       | 70,834                                       |
| Income from grants (Notes<br>18 and 24)      | 22,847   | 5,432  | 31,864                                       | 6,754  |
| Income from management<br>services (Note 34) | 8,413  | 8,101  | 18,228                                       | 16,350                                       |
| Settlement income                            | 1,525  | 407  | 1,539  | 241,493                                      |
| Others                                       | <u>13,304</u>                                  | <u>23,897</u>                                  | <u>25,049</u>                                | <u>27,853</u>                                |
|  | <u>\$ 173,879</u>                              | <u>\$ 389,339</u>                              | <u>\$ 249,138</u>                            | <u>\$ 696,587</u>                            |

c. Other gains and losses

|  | For the Three<br>Months Ended<br>June 30, 2023 | For the Three<br>Months Ended<br>June 30, 2022 | For the Six<br>Months Ended<br>June 30, 2023 | For the Six<br>Months Ended<br>June 30, 2022 |
|--|--|--|--|--|
| Net gain (loss) on disposal of<br>property, plant and<br>equipment—net | \$ 8,325                                       | \$ 3,827                                       | \$ 10,789                                    | \$ 4,839                                     |
| Foreign exchange gain (loss)<br>- net                                  | 7,649  | 98,319   | ( 6,482 )                                    | 337,778                                      |
| Gain (loss) on financial<br>assets and liabilities at<br>FVTPL - net   | 56,098   | ( 108,504 )                                    | 57,184                                       | ( 149,570 )                                  |
| Depreciation expense   | ( 11,828 )                                     | ( 11,240 )                                     | ( 23,803 )                                   | ( 22,477 )                                   |
| Other gains and losses   | <u>( 17,011 )</u>                              | <u>( 21,784 )</u>                              | <u>( 42,891 )</u>                            | <u>( 41,244 )</u>                            |
|  | <u>\$ 43,233</u>                               | <u>( \$ 39,382 )</u>                           | <u>( \$ 5,203 )</u>                          | <u>\$ 129,326</u>                            |

d. Finance costs

|   | For the Three<br>Months Ended<br>June 30, 2023 | For the Three<br>Months Ended<br>June 30, 2022 | For the Six<br>Months Ended<br>June 30, 2023 | For the Six<br>Months Ended<br>June 30, 2022 |
|---|--|--|--|--|
| Interest on bank loans  | \$ 44,044                                      | \$ 17,208                                      | \$ 88,063                                    | \$ 32,507                                    |
| Interest on bonds payable   | 12,523   | 17,560   | 25,045                                       | 37,417                                       |
| Other interest expense  | 22   | 719  | 46   | 1,371  |
| Interest on lease liabilities   | 10,728   | 1,633  | 20,116                                       | 3,329  |
| Less: Capitalized interest<br>(presented under<br>construction in progress) | <u>( 653 )</u>                                 | <u>( 747 )</u>                                 | <u>( 2,358 )</u>                             | <u>( 1,425 )</u>                             |
|   | <u>\$ 66,664</u>                               | <u>\$ 36,373</u>                               | <u>\$ 130,912</u>                            | <u>\$ 73,199</u>                             |

Information about capitalized interest is as follows:

|                      | For the Three<br>Months Ended<br>June 30, 2023 | For the Three<br>Months Ended<br>June 30, 2022 | For the Six<br>Months Ended<br>June 30, 2023 | For the Six<br>Months Ended<br>June 30, 2022 |
|----------------------|--|--|--|--|
| Capitalized interest | \$ 653   | \$ 747   | \$ 2,358                                     | \$ 1,425                                     |
| Capitalization rate  | 0.84% ~ 1.65%                                  | 0.50% ~ 1.03%                                  | 0.84% ~ 1.65%                                | 0.50% ~ 1.03%                                |

e. Depreciation and amortization

|  | For the Three<br>Months Ended<br>June 30, 2023 | For the Three<br>Months Ended<br>June 30, 2022 | For the Six<br>Months Ended<br>June 30, 2023 | For the Six<br>Months Ended<br>June 30, 2022 |
|--|--|--|--|--|
| Property, Plant and<br>Equipment           | \$ 573,922                                     | \$ 549,895                                     | \$ 1,139,970                                 | \$ 1,098,300                                 |
| Right-of-use assets                        | 42,626   | 18,785   | 81,045                                       | 37,483                                       |
| Investment properties                      | 10,255   | 10,820   | 20,555                                       | 21,521                                       |
| Intangible assets                          | 2,192  | 1,535  | 4,252  | 3,061  |
| Others                                     | <u>12,792</u>                                  | <u>12,228</u>                                  | <u>25,715</u>                                | <u>23,836</u>                                |
|  | <u>\$ 641,787</u>                              | <u>\$ 593,263</u>                              | <u>\$ 1,271,537</u>                          | <u>\$ 1,184,201</u>                          |
| An analysis of depreciation<br>by function |  |  |  |  |
| Operating costs                            | \$ 573,941                                     | \$ 532,512                                     | \$ 1,134,160                                 | \$ 1,061,541                                 |
| Operating expenses                         | 41,034   | 35,748   | 83,607                                       | 73,286                                       |
| Other gains and losses                     | <u>11,828</u>                                  | <u>11,240</u>                                  | <u>23,803</u>                                | <u>22,477</u>                                |
|  | <u>\$ 626,803</u>                              | <u>\$ 579,500</u>                              | <u>\$ 1,241,570</u>                          | <u>\$ 1,157,304</u>                          |
| An analysis of amortization<br>by function |  |  |  |  |
| Operating costs                            | \$ 12,872                                      | \$ 12,294                                      | \$ 25,795                                    | \$ 23,924                                    |
| Selling and marketing<br>expenses          | 484  | 1  | 1,022  | 1  |
| Administrative<br>expenses                 | 1,504  | 1,368  | 2,902  | 2,772  |
| Research and<br>development expenses       | <u>124</u>                                     | <u>100</u>                                     | <u>248</u>                                   | <u>200</u>                                   |
|  | <u>\$ 14,984</u>                               | <u>\$ 13,763</u>                               | <u>\$ 29,967</u>                             | <u>\$ 26,897</u>                             |

f. Employee benefits expense

|  | For the Three<br>Months Ended<br>June 30, 2023 | For the Three<br>Months Ended<br>June 30, 2022 | For the Six<br>Months Ended<br>June 30, 2023 | For the Six<br>Months Ended<br>June 30, 2022 |
|--|--|--|--|--|
| Retirement benefits (Note<br>23)                           |  |  |  |  |
| Defined contribution<br>plans                              | \$ 39,533                                      | \$ 42,556                                      | \$ 83,069                                    | \$ 86,578                                    |
| Defined benefit plans                                      | <u>6,428</u>                                   | <u>6,536</u>                                   | <u>12,858</u>                                | <u>13,136</u>                                |
|  | 45,961   | 49,092   | 95,927                                       | 99,714                                       |
| Other employee benefits                                    | <u>1,074,288</u>                               | <u>1,130,738</u>                               | <u>2,212,709</u>                             | <u>2,345,993</u>                             |
| Total employee benefits<br>expenses                        | <u>\$ 1,120,249</u>                            | <u>\$ 1,179,830</u>                            | <u>\$ 2,308,636</u>                          | <u>\$ 2,445,707</u>                          |
| An analysis of employee<br>benefits expense by<br>function |  |  |  |  |
| Operating costs  | \$ 776,873                                     | \$ 823,596                                     | \$ 1,593,245                                 | \$ 1,674,363                                 |
| Operating expenses   | <u>343,376</u>                                 | <u>356,234</u>                                 | <u>715,391</u>                               | <u>771,344</u>                               |
|  | <u>\$ 1,120,249</u>                            | <u>\$ 1,179,830</u>                            | <u>\$ 2,308,636</u>                          | <u>\$ 2,445,707</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. Employees' compensation and remuneration of directors were not estimated due to losses for the six months ended June 30, 2023.

For the three months ended June 30, 2023 and 2022, and for the six months ended June 30, 2023 and 2022, the remuneration of employees and directors were as follows:

Accrual rate

|                           |   |
|---------------------------|---|
|                           | <u>For the Six Months<br/>Ended June 30, 2022</u> |
| Employees' compensation   | 1.00%   |
| Remuneration of directors | 0.13%   |

Amount

|                           |   |   |
|---------------------------|---|---|
|                           | <u>For the Three Months<br/>Ended June 30, 2022</u> | <u>For the Six Months<br/>Ended June 30, 2022</u> |
| Employees' compensation   | <u>\$ 5,477</u>                                     | <u>\$ 11,404</u>                                  |
| Remuneration of directors | <u>\$ 750</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 and recognized in the next year.

The employees' compensation and remuneration of directors for the years ended December 31, 2022 and 2021 were resolved by the Company's board of directors on March 7, 2023 and March 10, 2022, respectively, as follows:

|                           |   |   |
|---------------------------|---|---|
|                           | <u>For the Year Ended<br/>December 31, 2022</u> | <u>For the Year Ended<br/>December 31, 2021</u> |
| Employees' compensation   | <u>\$ 19,543</u>                                | <u>\$ 59,332</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, 2022 and 2021.

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. Foreign exchange gains and losses

|                         |   |   |   |   |
|-------------------------|---|---|---|---|
|                         | <u>For the Three<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Three<br/>Months Ended<br/>June 30, 2022</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2022</u> |
| Foreign exchange gains  | \$ 100,123  | \$ 238,132  | \$ 209,080  | \$ 573,840  |
| Foreign exchange losses | ( 92,474 )  | ( 139,813 )   | ( 215,562 )   | ( 236,062 )   |
| Net gain (loss)         | <u>\$ 7,649</u>   | <u>\$ 98,319</u>  | <u>( \$ 6,482 )</u>                                   | <u>\$ 337,778</u>                                     |

## 28. INCOME TAX

### a. Income tax recognized in profit or loss

The major components of income tax expense were as follows:

|   | For the Three<br>Months Ended<br>June 30, 2023 | For the Three<br>Months Ended<br>June 30, 2022 | For the Six<br>Months Ended<br>June 30, 2023 | For the Six<br>Months Ended<br>June 30, 2022 |
|---|--|--|--|--|
| Current tax                                     |  |  |  |  |
| In respect of the current period                | \$ 181,207                                     | \$ 454,027                                     | \$ 399,172                                   | \$ 796,924                                   |
| Surtax on undistributed earnings                | 59,353   | 192,520  | 59,353                                       | 192,520                                      |
| Adjustments for prior years                     | <u>23,897</u>                                  | <u>( 12,988 )</u>                              | <u>10,001</u>                                | <u>( 29,425 )</u>                            |
|   | <u>264,457</u>                                 | <u>633,559</u>                                 | <u>468,526</u>                               | <u>960,019</u>                               |
| Deferred tax                                    |  |  |  |  |
| In respect of the current period                | ( 157,196 )                                    | ( 241,414 )                                    | ( 318,680 )                                  | ( 310,295 )                                  |
| Adjustments for prior years                     | <u>1,143</u>                                   | <u>635</u>                                     | <u>( 9,810 )</u>                             | <u>633</u>                                   |
|   | <u>( 156,053 )</u>                             | <u>( 240,779 )</u>                             | <u>( 328,490 )</u>                           | <u>( 309,662 )</u>                           |
| Income tax expense recognized in profit or loss | <u>\$ 108,404</u>                              | <u>\$ 392,780</u>                              | <u>\$ 140,036</u>                            | <u>\$ 650,357</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<br>Months Ended<br>June 30, 2023 | For the Three<br>Months Ended<br>June 30, 2022 | For the Six<br>Months Ended<br>June 30, 2023 | For the Six<br>Months Ended<br>June 30, 2022 |
|--|--|--|--|--|
| <u>Deferred tax</u>                                    |  |  |  |  |
| Recognized for the period                              |  |  |  |  |
| - Translation of foreign operations                    | \$ 52,939                                      | \$ 39,940                                      | \$ 51,234                                    | ( \$ 100,718 )                               |
| - Unrealized gain (loss) on financial assets at FVTOCI | <u>( 220 )</u>                                 | <u>( 537 )</u>                                 | <u>( 974 )</u>                               | <u>( 1,706 )</u>                             |
| Income tax recognized in other comprehensive income    | <u>\$ 52,719</u>                               | <u>\$ 39,403</u>                               | <u>\$ 50,260</u>                             | <u>( \$ 102,424 )</u>                        |

### c. Income tax assessments

The income tax return of ACME and CGPCPOL as of December 31, 2020 has been assessed by the tax authorities; the income tax return of the Company, USIO, TTC, CGPC, TVCM, APC, APCIC, INOMA, CGTD, UM, USII, TUVV, TUVV, CLT, UPIIC, SPC, STC and USIGE as of December 31, 2021 has been assessed by the tax authorities.

## 29. EARNINGS (LOSSES) PER SHARE

|                                     | Unit: NT\$ Per Share                           |  |  |  |
|-------------------------------------|--|--|--|--|
|                                     | For the Three<br>Months Ended<br>June 30, 2023 | For the Three<br>Months Ended<br>June 30, 2022 | For the Six<br>Months Ended<br>June 30, 2023 | For the Six<br>Months Ended<br>June 30, 2022 |
| Basic earnings (losses) per share   | \$ 0.03  | \$ 0.33  | ( \$ 0.06 )                                  | \$ 0.83                                      |
| Diluted earnings (losses) per share | \$ 0.03  | \$ 0.33  | ( \$ 0.06 )                                  | \$ 0.83                                      |

The earnings (losses) and weighted average number of ordinary shares outstanding in the computation of earnings (losses) per share were as follows:

### Profit (loss) for the period

|  | For the Three<br>Months Ended<br>June 30, 2023 | For the Three<br>Months Ended<br>June 30, 2022 | For the Six<br>Months Ended<br>June 30, 2023 | For the Six<br>Months Ended<br>June 30, 2022 |
|--|--|--|--|--|
| Profit (loss) attributable to owners of the Company (used in computation of basic and diluted earnings (losses) per share) | \$ 27,063                                      | \$ 354,012                                     | ( \$ 69,460 )                                | \$ 888,771                                   |

### Number of share

|  | Unit: Thousands of shares                      |  |  |  |
|--|--|--|--|--|
|  | For the Three<br>Months Ended<br>June 30, 2023 | For the Three<br>Months Ended<br>June 30, 2022 | For the Six<br>Months Ended<br>June 30, 2023 | For the Six<br>Months Ended<br>June 30, 2022 |
| 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  | -  | 506  | -  | 1,313  |
| Weighted average number of ordinary shares used in the computation of diluted earnings per share | <u>1,072,298</u>                               | <u>1,072,804</u>                               | <u>1,072,298</u>                             | <u>1,073,611</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.

The Company's net loss for the three months ended and six months ended June 30, 2023 is not included in the calculation of diluted earnings per share because the effect of dilutive potential common shares from employee compensation is anti-dilutive.

### 30. SHARE-BASED PAYMENT ARRANGEMENTS

USIO did not issue employee share options for the six months ended June 30, 2022. Information on employee share options which were issued was as follows (for the six months ended June 30, 2023: None):

|  | For the Six Months Ended June 30, 2022 |  |
|--|--|--|
|  | Unit                                   | Weighted average Exercise Price (NT\$) |
| Employee share options                     |  |  |
| Outstanding at the beginning of the period | 133                                    | \$ 10.8                                |
| Expired during the period                  | ( 133 )                                | 10.8                                   |
| Outstanding at the end of the period       | -                                      |  |
| Exercisable at the end of the period       | -                                      |  |

### 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 for the six months ended June 30, 2023 and 2022 were as follows:

- As of June 30, 2023, December 31 and June 30, 2022, the amounts of payables for purchases of equipment were NT\$391,102 thousand, NT\$292,673 thousand and NT\$411,206 thousand, respectively.
- As of June 30, 2023, December 31 and June 30, 2022, the amounts of payables for dividends declared but not issued were NT\$1,459,955 thousand, NT\$27,294 thousand and NT\$5,062,351 thousand, respectively.

#### b. Changes in liabilities arising from financing activities

|  | January 1, 2023      | Cash Flows        | Non-cash Changes  |                               |  |                      | June 30, 2023        |
|--|----------------------|-------------------|-------------------|-------------------------------|--|----------------------|----------------------|
|  |                      |                   | New Leases        | Amortization of Finance Costs | Changes in Foreign Currency Exchange Rates | Others               |                      |
| Short-term borrowings                                    | \$ 2,400,326         | ( \$ 96,298 )     | \$ -              | \$ -                          | \$ -                                       | \$ -                 | \$ 2,304,028         |
| Short-term bills payable                                 | 290,613              | ( 266,000 )       | -                 | -                             | -  | 355                  | 24,968               |
| Bonds payable (including those due within 1 year)        | 5,992,228            | -                 | -                 | 1,235                         | -  | -                    | 5,993,463            |
| Long-term borrowings (including those due within 1 year) | 6,366,223            | 880,546           | -                 | ( 4,253 )                     | -  | -                    | 7,242,516            |
| Guarantee deposits received                              | 46,189               | ( 157 )           | -                 | -                             | -  | -                    | 46,032               |
| Lease liabilities (including those due within 1 year)    | 1,365,026            | ( 73,504 )        | 890,568           | 20,116                        | ( 661 )                                    | ( 20,878 )           | 2,180,667            |
| Other non-current liabilities                            | 87,324               | 12,969            | -                 | -                             | -  | 6,090                | 106,383              |
|  | <u>\$ 16,547,929</u> | <u>\$ 457,556</u> | <u>\$ 890,568</u> | <u>\$ 17,098</u>              | <u>( \$ 661 )</u>                          | <u>( \$ 14,433 )</u> | <u>\$ 17,898,057</u> |

|  | 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        |

(Continued)



(Continued)

|   | January 1, 2022      | Cash Flows            | Non-cash Changes |                               |  | Others            | June 30, 2022        |
|---|----------------------|-----------------------|------------------|-------------------------------|--|-------------------|----------------------|
|   |                      |                       | New Leases       | Amortization of Finance Costs | Changes in Foreign Currency Exchange Rates |                   |                      |
| 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> |

### 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, 2023

|   | Carrying Amount | Fair Value |              |         |              |
|---|-----------------|------------|--------------|---------|--------------|
|   |                 | Level 1    | Level 2      | Level 3 | Total        |
| <u>Financial liabilities</u>            |                 |            |              |         |              |
| Financial liabilities at amortized cost |                 |            |              |         |              |
| - Domestic corporate bonds              | \$ 5,993,463    | \$ -       | \$ 5,923,531 | \$ -    | \$ 5,923,531 |

##### December 31, 2022

|   | Carrying Amount | Fair Value |              |         |              |
|---|-----------------|------------|--------------|---------|--------------|
|   |                 | Level 1    | Level 2      | Level 3 | Total        |
| <u>Financial liabilities</u>            |                 |            |              |         |              |
| Financial liabilities at amortized cost |                 |            |              |         |              |
| - Domestic corporate bonds              | \$ 5,992,228    | \$ -       | \$ 5,950,888 | \$ -    | \$ 5,950,888 |

##### 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              | \$ 7,990,697    | \$ -       | \$ 8,009,041 | \$ -    | \$ 8,009,041 |

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, 2023

|                                  | <u>Level 1</u>      | <u>Level 2</u>   | <u>Level 3</u> | <u>Total</u>        |
|----------------------------------|---------------------|------------------|----------------|---------------------|
| <u>Financial assets at FVTPL</u> |                     |                  |                |                     |
| Derivatives                      | \$ -                | \$ 24,488        | \$ -           | \$ 24,488           |
| Domestic listed (OTC) shares     | 199,796             | -                | -              | 199,796             |
| Fund beneficiary certificates    | 2,562,146           | -                | -              | 2,562,146           |
| Beneficiary securities           | 275,771             | -                | -              | 275,771             |
| Foreign listed stocks            | 81                  | -                | -              | 81                  |
| Total                            | <u>\$ 3,037,794</u> | <u>\$ 24,488</u> | <u>\$ -</u>    | <u>\$ 3,062,282</u> |

Financial assets at FVTOCI

|   |                     |             |                   |                     |
|---|---------------------|-------------|-------------------|---------------------|
| Investments in equity instruments                     |                     |             |                   |                     |
| - Domestic listed (OTC) shares                        | \$ 1,720,337        | \$ -        | \$ -              | \$ 1,720,337        |
| - Domestic unlisted shares and emerging market shares | -                   | -           | 351,641           | 351,641             |
| - Foreign listed (OTC) shares                         | 27,008              | -           | -                 | 27,008              |
| - Overseas unlisted equity investments                | -                   | -           | 153,838           | 153,838             |
| Total   | <u>\$ 1,747,345</u> | <u>\$ -</u> | <u>\$ 505,479</u> | <u>\$ 2,252,824</u> |

Financial liabilities at FVTPL

|             |             |               |             |               |
|-------------|-------------|---------------|-------------|---------------|
| Derivatives | <u>\$ -</u> | <u>\$ 417</u> | <u>\$ -</u> | <u>\$ 417</u> |
|-------------|-------------|---------------|-------------|---------------|

December 31, 2022

|                                  | <u>Level 1</u>      | <u>Level 2</u>  | <u>Level 3</u> | <u>Total</u>        |
|----------------------------------|---------------------|-----------------|----------------|---------------------|
| <u>Financial assets at FVTPL</u> |                     |                 |                |                     |
| Derivatives                      | \$ -                | \$ 2,121        | \$ -           | \$ 2,121            |
| Domestic listed (OTC) shares     | 228,677             | -               | -              | 228,677             |
| Fund beneficiary certificates    | 2,259,780           | -               | -              | 2,259,780           |
| Beneficiary securities           | 233,828             | -               | -              | 233,828             |
| Foreign listed stocks            | 91                  | -               | -              | 91                  |
| Total                            | <u>\$ 2,722,376</u> | <u>\$ 2,121</u> | <u>\$ -</u>    | <u>\$ 2,724,497</u> |

Financial assets at FVTOCI

|   |                     |             |                   |                     |
|---|---------------------|-------------|-------------------|---------------------|
| Investments in equity instruments                     |                     |             |                   |                     |
| - Domestic listed (OTC) shares                        | \$ 1,629,053        | \$ -        | \$ -              | \$ 1,629,053        |
| - Domestic unlisted shares and emerging market shares | -                   | -           | 359,548           | 359,548             |
| - Foreign listed (OTC) shares                         | 30,041              | -           | -                 | 30,041              |
| - Overseas unlisted equity investments                | -                   | -           | 139,376           | 139,376             |
| Total   | <u>\$ 1,659,094</u> | <u>\$ -</u> | <u>\$ 498,924</u> | <u>\$ 2,158,018</u> |

Financial liabilities at FVTPL

|             |             |                  |             |                  |
|-------------|-------------|------------------|-------------|------------------|
| Derivatives | <u>\$ -</u> | <u>\$ 27,839</u> | <u>\$ -</u> | <u>\$ 27,839</u> |
|-------------|-------------|------------------|-------------|------------------|

June 30, 2022

|   | <u>Level 1</u>      | <u>Level 2</u>   | <u>Level 3</u>    | <u>Total</u>        |
|---|---------------------|------------------|-------------------|---------------------|
| <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   | <u>\$ -</u>         | <u>\$ 11,377</u> | <u>\$ -</u>       | <u>\$ 11,377</u>    |

There were no transfers between Levels 1 and 2 for the six months ended June 30, 2023 and 2022.

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

|   | <u>For the Six<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2022</u> |
|---|---|---|
| <u>Financial assets at FVTOCI</u>   |   |   |
| Beginning balance   | \$ 498,924  | \$ 573,021  |
| Recognized in other comprehensive income (included in unrealized gain (loss) on financial assets at FVTOCI) | 6,555   | ( 32,687)   |
| Disposal  | -   | ( 6,162)  |
| Ending balance  | <u>\$ 505,479</u>                                     | <u>\$ 534,172</u>                                     |

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

| Categories of financial instruments              | Valuation Technique 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 would have decreased/increased by \$50,548 thousand and \$53,417 thousand, respectively for the six months ended June 30, 2023 and 2022.

c. Categories of financial instruments

|  | June 30, 2023 | December 31, 2022 | June 30, 2022 |
|--|---------------|-------------------|---------------|
| <u>Financial assets</u>  |               |                   |               |
| Financial assets at FVTPL                                      |               |                   |               |
| Financial assets mandatorily classified as at FVTPL            | \$ 3,062,282  | \$ 2,724,497      | \$ 4,095,051  |
| Financial assets measured at amortized cost                    |               |                   |               |
| Cash and cash equivalents                                      | 11,637,164    | 11,498,415        | 11,650,381    |
| Pledged time and demand deposits                               | 730,227       | 798,608           | 722,288       |
| Notes receivable   | 498,921       | 544,546           | 637,869       |
| Accounts receivable  | 5,895,027     | 7,395,035         | 7,081,297     |
| Other receivables (including related parties)                  | 103,406       | 59,146            | 72,129        |
| Refundable deposits  | 208,889       | 222,205           | 192,398       |
| Financial assets at FVTOCI - investments in equity instruments | 2,252,824     | 2,158,018         | 2,392,647     |

(Continued)

(Continued)

|  | June 30, 2023 | December 31, 2022 | June 30, 2022 |
|--|---------------|-------------------|---------------|
| <u>Financial liabilities</u>                                     |               |                   |               |
| Financial liabilities at FVTPL - held for trading                | \$ 417        | \$ 27,839         | \$ 11,377     |
| Financial liabilities measured at amortized cost                 |               |                   |               |
| Short-term borrowings  | 2,304,028     | 2,400,326         | 1,639,241     |
| Short-term bills payable   | 24,968        | 290,613           | 50,000        |
| Accounts payable   | 2,631,422     | 3,349,040         | 4,147,951     |
| Dividends payable  | 1,459,955     | 27,294            | 5,062,351     |
| Other payables (not including salaries payable or taxes payable) | 1,351,052     | 1,287,428         | 1,542,813     |
| Current portion of long-term borrowings                          | 2,000,799     | -                 | 2,189,699     |
| Bonds payable  | 3,994,195     | 5,992,228         | 5,990,998     |
| Long-term borrowings   | 7,240,985     | 6,366,223         | 4,922,997     |
| Guarantee deposits received                                      | 46,032        | 46,189            | 41,258        |

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 38. For carrying amount of derivatives exposed to exchange rate risk, please refer to Note 7.

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 US\$ and RMB appreciates/depreciates by 3%, the Group's profit before tax for the six months ended June 30, 2023 would have decreased/increased by \$110,492 thousand; the profit before tax for the six months ended June 30, 2022 would have decreased/increased by \$132,912 thousand.

Since the sensitivity analysis is based on the computation of foreign currency exposure at balance sheet date, the management concedes that this analysis cannot properly reflect the mid-year exposures.

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, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|-------------------------------|----------------------|--------------------------|----------------------|
| Fair value interest rate risk |                      |                          |                      |
| - Financial assets            | \$ 9,266,014         | \$ 9,261,151             | \$ 9,033,379         |
| - Financial liabilities       | 11,230,199           | 10,608,268               | 10,847,615           |
| Cash flow interest rate risk  |                      |                          |                      |
| - Financial assets            | 2,573,314            | 2,921,919                | 3,083,386            |
| - Financial liabilities       | 6,515,443            | 5,806,148                | 4,384,238            |

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 loss before tax for the six months ended June 30, 2023 would have increased/decreased by NT\$9,855 thousand; and the Group's profit before tax for the six months ended June 30, 2023 would have decreased/increased by NT\$3,252 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 loss before tax for the six months ended June 30, 2023 would have increased/decreased by NT\$23,782 thousand, as a result of the changes in fair value of financial assets at FVTPL (excluding fund beneficiary certificates); the profit before tax for the six months ended June 30, 2022 would have increased/decreased by NT\$26,075 thousand.

The other comprehensive income before tax for the six months ended June 30, 2023 and 2022 would have increased/decreased by NT\$112,641 thousand and NT\$119,632 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, 2023

|   | Weighted<br>Average Interest<br>Rate (%) | On Demand or<br>Less than 1<br>Year | 1-5 Years           | More than 5<br>years |
|---|--|-------------------------------------|---------------------|----------------------|
| <u>Non-derivative<br/>financial liabilities</u> |  |                                     |                     |                      |
| Non-interest bearing liabilities                |  | \$ 5,442,429                        | \$ -                | \$ -                 |
| Lease liabilities                               | 0.83-9.25                                | 203,116                             | 659,309             | 1,850,216            |
| Floating interest rate liabilities              | 0.89-7.51                                | 1,032,057                           | 5,973,940           | 53,642               |
| Fixed interest rate liabilities                 | 0.63-2.03                                | <u>1,454,178</u>                    | <u>6,617,420</u>    | <u>1,151,668</u>     |
|   |  | <u>\$ 8,131,780</u>                 | <u>\$13,250,669</u> | <u>\$ 3,055,526</u>  |

Additional information about the maturity analysis for lease liabilities:

|                   | Less than<br>1 Year | 1-5 years         | 5-10 years        | 10-15 years       | 15-20 years       | More than<br>20 years |
|-------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-----------------------|
| Lease liabilities | <u>\$ 203,116</u>   | <u>\$ 659,309</u> | <u>\$ 618,984</u> | <u>\$ 613,321</u> | <u>\$ 527,316</u> | <u>\$ 90,595</u>      |



December 31, 2022

|                                    | Weighted<br>Average Interest<br>Rate (%) | On Demand or<br>Less than 1<br>Year | 1-5 Years            | More than 5<br>years |
|------------------------------------|--|-------------------------------------|----------------------|----------------------|
| <u>Non-derivative</u>              |  |                                     |                      |                      |
| <u>financial liabilities</u>       |  |                                     |                      |                      |
| Non-interest bearing liabilities   |  | \$ 4,663,762                        | \$ -                 | \$ -                 |
| Lease liabilities                  | 0.83-9.25                                | 126,352                             | 441,267              | 1,143,962            |
| Floating interest rate liabilities | 0.76-7.62                                | 1,054,236                           | 4,985,850            | -                    |
| Fixed interest rate liabilities    | 0.63-1.96                                | <u>1,771,843</u>                    | <u>6,509,349</u>     | <u>1,155,996</u>     |
|                                    |  | <u>\$ 7,616,193</u>                 | <u>\$ 11,936,466</u> | <u>\$ 2,299,958</u>  |

Additional information about the maturity analysis for lease liabilities:

|                   | Less than<br>1 Year | 1-5 years         | 5-10 years        | 10-15 years       | 15-20 years       | More than<br>20 years |
|-------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-----------------------|
| Lease liabilities | <u>\$ 126,352</u>   | <u>\$ 441,267</u> | <u>\$ 361,156</u> | <u>\$ 354,805</u> | <u>\$ 337,406</u> | <u>\$ 90,595</u>      |

June 30, 2022

|                                    | Weighted<br>Average Interest<br>Rate (%) | On Demand or<br>Less than 1<br>Year | 1-5 Years           | More than 5<br>years |
|------------------------------------|--|-------------------------------------|---------------------|----------------------|
| <u>Non-derivative</u>              |  |                                     |                     |                      |
| <u>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<br>1 Year | 1-5 years         | 5-10 years       | 10-15 years      | 15-20 years      | More than<br>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>      |

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, 2023

|                                       | <u>On Demand or<br/>Less than 1 Month</u> | <u>1-3 Months</u> | <u>3 months to 1<br/>year</u> |
|---------------------------------------|---|-------------------|-------------------------------|
| <u>Gross settled</u>                  |   |                   |                               |
| Foreign exchange<br>forward contracts |   |                   |                               |
| - Inflows                             | \$ 390,131                                | \$ 974,213        | \$ 17,444                     |
| - Outflows                            | ( 379,779)                                | ( 967,740)        | ( 18,684)                     |
|                                       | <u>\$ 10,352</u>                          | <u>\$ 6,473</u>   | <u>(\$ 1,240)</u>             |

December 31, 2022

|                                       | <u>On Demand or<br/>Less than 1 Month</u> | <u>1-3 Months</u>  | <u>3 months to 1<br/>year</u> |
|---------------------------------------|---|--------------------|-------------------------------|
| <u>Gross settled</u>                  |   |                    |                               |
| Foreign exchange<br>forward contracts |   |                    |                               |
| - Inflows                             | \$ 1,188,165                              | \$ 1,750,606       | \$ -                          |
| - Outflows                            | ( 1,197,036)                              | ( 1,768,780)       | -                             |
|                                       | <u>(\$ 8,871)</u>                         | <u>(\$ 18,174)</u> | <u>\$ -</u>                   |

June 30, 2022

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

## 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, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|----------------------|----------------------|--------------------------|----------------------|
| Bank loan facilities |                      |                          |                      |
| - Amount unused      | <u>\$45,555,033</u>  | <u>\$46,856,940</u>      | <u>\$40,546,786</u>  |

34. RELATED PARTY TRANSACTIONS

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                     |
| Delmind Inc.                         | Associate                          |
| USI Educational Foundation (USIF)    | Other related parties              |

b. Other operating income (classified as sales revenue)

| <u>Related Party<br/>Category/Name</u> | <u>For the Three<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Three<br/>Months Ended<br/>June 30, 2022</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2022</u> |
|--|---|---|---|---|
| Joint ventures                         | <u>\$ 3,557</u>   | <u>\$ -</u>   | <u>\$ 3,557</u>                                       | <u>\$ -</u>   |

Sales to related parties had no material differences in price or collection terms compared to transactions with unrelated parties.

c. Purchase (classified as cost of goods sold)

| <u>Related Party<br/>Category/Name</u> | <u>For the Three<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Three<br/>Months Ended<br/>June 30, 2022</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2022</u> |
|--|---|---|---|---|
| Joint ventures                         | <u>\$ 627,848</u>                                       | <u>\$ 648,071</u>                                       | <u>\$ 1,510,300</u>                                   | <u>\$ 1,245,740</u>                                   |

Purchases from related parties had no material differences in price or payment terms compared to transactions with unrelated parties.

d. Donation (classified as administrative expenses)

| <u>Related Party Category</u> | <u>For the Three<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Three<br/>Months Ended<br/>June 30, 2022</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2022</u> |
|-------------------------------|---|---|---|---|
| Other related parties         |   |   |   |   |
| USIF                          | <u>\$ -</u>   | <u>\$ -</u>   | <u>\$ 10,000</u>                                      | <u>\$ 20,000</u>                                      |

e. Management service income (classified as other revenue)

| <u>Related Party<br/>Category/Name</u> | <u>For the Three<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Three<br/>Months Ended<br/>June 30, 2022</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2022</u> |
|--|---|---|---|---|
| Joint ventures                         | <u>\$ 7,289</u>   | <u>\$ 6,643</u>   | <u>\$ 15,914</u>                                      | <u>\$ 14,892</u>                                      |
| Associate                              | <u>1,124</u>  | <u>-</u>  | <u>2,314</u>  | <u>-</u>  |
|  | <u>\$ 8,413</u>   | <u>\$ 6,643</u>   | <u>\$ 18,228</u>                                      | <u>\$ 14,892</u>                                      |

f. Rental income (classified as other income)

| <u>Related Party<br/>Category/Name</u> | <u>For the Three<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Three<br/>Months Ended<br/>June 30, 2022</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2022</u> |
|--|---|---|---|---|
| Associate                              | <u>\$ 78</u>  | <u>\$ -</u>   | <u>\$ 162</u>   | <u>\$ -</u>   |

The Group lease the office buildings to the associates and the rental income was received monthly according to the contract. The associates has no rights to ease at the end of the lease terms.

g. Accounts receivable, net

| <u>Related Party Category/Name</u> | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|------------------------------------|----------------------|--------------------------|----------------------|
| Joint ventures                     | \$ <u>3,709</u>      | \$ <u>-</u>              | \$ <u>-</u>          |

No guarantee deposits were received for the outstanding accounts receivable from related parties. Allowance for bad-debt was not allocated for accounts receivable from related parties for the six months ended June 30, 2023 (for the six months ended June 30, 2022: None).

h. Other receivables

| <u>Related Party Category/Name</u> | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|------------------------------------|----------------------|--------------------------|----------------------|
| Joint ventures                     | \$ 21,348            | \$ 15,819                | \$ 14,038            |
| Associate                          | <u>82</u>            | <u>-</u>                 | <u>-</u>             |
|                                    | \$ <u>21,430</u>     | \$ <u>15,819</u>         | \$ <u>14,038</u>     |

i. Compensation of key management personnel

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

|                              | <u>For the Three<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Three<br/>Months Ended<br/>June 30, 2022</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2023</u> | <u>For the Six<br/>Months Ended<br/>June 30, 2022</u> |
|------------------------------|---|---|---|---|
| Short-term employee benefits | \$ 9,594  | \$ 10,656   | \$ 18,678   | \$ 19,338   |
| Retirement benefits          | <u>178</u>  | <u>177</u>  | <u>508</u>  | <u>509</u>  |
|                              | \$ <u>9,772</u>   | \$ <u>10,833</u>  | \$ <u>19,186</u>                                      | \$ <u>19,847</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:

|  | <u>June 30, 2023</u> | <u>December 31, 2022</u> | <u>June 30, 2022</u> |
|--|----------------------|--------------------------|----------------------|
| Pledged time deposits (classified as financial assets at amortized cost) | \$ 367,216           | \$ 424,685               | \$ 348,565           |
| Property, plant and equipment  | 331,452              | 225,314                  | 226,984              |
| Land use right (classified as right-of-use assets)                       | 43,388               | 20,099                   | 29,770               |
| Refundable deposits (classified as other non-current assets)             | <u>129,076</u>       | <u>127,211</u>           | <u>126,827</u>       |
|  | \$ <u>871,132</u>    | \$ <u>797,309</u>        | \$ <u>732,146</u>    |

36. SIGNIFICANT CONTINGENT LIABILITY AND UNRECOGNIZED CONTRACTUAL COMMITMENTS

- a. As of June 30, 2023, December 31 and June 30, 2022, the Group's unused letters of credit amounted to NT\$1,715,057 thousand, NT\$2,952,429 thousand and NT\$3,444,459 thousand, respectively.
- b. As of June 30, 2023 and December 31, 2022, the amount of performance guarantee provided by the bank for the application made by ACME to the Taiwan government for the Industrial Upgrading Platform Innovation Counseling Program was NT\$11,000 thousand.
- c. 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\$229,532 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\$10,557 thousand.

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

judgments of this case. Follow-up still awaits the determination of the civil lawsuit, and then make up for it according to the determined liability proportion.

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

As of July 26, 2023, the victims and victims' families had written letters or filed civil lawsuits (including criminal lawsuits) against CGTD, LCY 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 \$1,470,793 thousand) have been gradually announced, starting from June 22, 2018. The proportion of fault liability of the Kaohsiung City Government, LCY and CGTD is 4 : 3 : 3 in most judgments. The total amount of compensation that CGTD, LCY and the other defendants should pay is around NT\$401,979 thousand. (In particular, CGTD was exempted 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\$1,882,829 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.                         | 2023.01.01-2023.12.31            |
| Taiwan VCM Corporation                               | 2023.01.01-2023.12.31            |
| USI Corporation                                      | 2023.01.01-2023.12.31            |
| Asia Polymer Corporation                             | 2023.01.01-2023.12.31            |
| LCY Chemical Corp.                                   | 2023.01.01-2023.06.30            |
| TSRC Corporation                                     | 2023.01.01-2023.06.30            |
| Nantex Industry Co., Ltd.                            | 2023.01.01-2025.12.31            |
| Xin Long Guang Plastics Co., Ltd.                    | 2023.01.01-2023.06.30            |
| Oriental Union Chemical Corporation                  | 2023.01.01-2023.12.31            |
| Formosa Plastics Corporation                         | 2023.01.01-2023.12.31            |
| LCY Grit Corp.                                       | 2023.01.01-2023.06.30            |
| Shin Foong Specialty And Applied Materials Co., Ltd. | 2023.01.01-2023.06.30            |

The aforesaid operation contracts may be renewed upon expiration.

### 38. 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

|                                | <u>June 30, 2023</u>        |  |           |                                  |              |
|--------------------------------|-----------------------------|--|-----------|----------------------------------|--------------|
|                                | <u>Foreign<br/>Currency</u> | <u>Exchange Rate (In Single<br/>Dollars)</u> |           | <u>Functional<br/>Currencies</u> | <u>NT\$</u>  |
| <u>Foreign currency assets</u> |                             |  |           |                                  |              |
| <u>Monetary items</u>          |                             |  |           |                                  |              |
| USD                            | \$ 129,052                  | 31.14  | (USD/NTD) | \$ 4,018,702                     | \$ 4,018,702 |
| USD                            | 3,562                       | 7.23   | (USD/RMB) | 25,732                           | 110,896      |
| USD                            | 5,192                       | 4.88   | (USD/MYR) | 25,323                           | 161,665      |
| RMB                            | 350,857                     | 4.31   | (RMB/NTD) | 1,512,076                        | 1,512,076    |
| RMB                            | 3,797                       | 0.14   | (RMB/USD) | 526                              | 16,362       |
| AUD                            | 775                         | 20.62  | (AUD/NTD) | 15,988                           | 15,988       |
| EUR                            | 1,393                       | 33.81  | (EUR/NTD) | 47,065                           | 47,065       |

(Continued)

(Continued)

June 30, 2023

|  | Foreign<br>Currency | Exchange Rate (In Single<br>Dollars) | Functional<br>Currencies | NT\$          |
|--|---------------------|--------------------------------------|--------------------------|---------------|
| <u>Non-monetary items</u>                                  |                     |                                      |                          |               |
| Joint ventures accounted<br>for using the equity<br>method |                     |                                      |                          |               |
| RMB  | \$ 2,532,208        | 0.14 (RMB/USD)                       | \$ 350,440               | \$ 10,912,695 |
| Derivatives  |                     |                                      |                          |               |
| Purchase USD   | 11,120              | 31.14 (USD/NTD)                      | 6,834                    | 6,834         |
| Sell USD   | 400                 | 4.88 (USD/MYR)                       | 4                        | 24            |
| Sell RMB   | 220,700             | 4.31 (RMB/NTD)                       | 16,697                   | 16,697        |
| Purchase JPY   | 50,000              | 0.01 (JPY/USD)                       | 30                       | 933           |
| Foreign currency<br>liabilities                            |                     |                                      |                          |               |
| <u>Monetary items</u>                                      |                     |                                      |                          |               |
| USD  | 50,426              | 31.14 (USD/NTD)                      | 1,570,270                | 1,570,270     |
| USD  | 15,435              | 7.23 (USD/RMB)                       | 111,527                  | 480,641       |
| USD  | 2,050               | 4.88 (USD/MYR)                       | 10,001                   | 63,846        |
| RMB  | 5,079               | 4.31 (RMB/NTD)                       | 21,890                   | 21,890        |
| <u>Non-monetary items</u>                                  |                     |                                      |                          |               |
| Derivatives  |                     |                                      |                          |               |
| Sell USD   | 780                 | 4.88 (USD/MYR)                       | 61                       | 388           |
| Sell RMB   | 6,800               | 4.31 (RMB/NTD)                       | 29                       | 29            |

December 31, 2022

|  | Foreign<br>Currency | Exchange Rate (In Single<br>Dollars) | Functional<br>Currencies | NT\$         |
|--|---------------------|--------------------------------------|--------------------------|--------------|
| <u>Foreign currency assets</u>                             |                     |                                      |                          |              |
| <u>Monetary items</u>                                      |                     |                                      |                          |              |
| USD  | \$ 161,638          | 30.71 (USD/NTD)                      | \$ 4,963,909             | \$ 4,963,909 |
| USD  | 4,274               | 6.96 (USD/RMB)                       | 29,764                   | 131,242      |
| USD  | 4,612               | 4.58 (USD/MYR)                       | 21,141                   | 141,621      |
| RMB  | 604,397             | 4.41 (RMB/NTD)                       | 2,665,028                | 2,665,028    |
| RMB  | 3,542               | 0.14 (RMB/USD)                       | 508                      | 15,607       |
| AUD  | 707                 | 20.83 (AUD/NTD)                      | 14,732                   | 14,732       |
| EUR  | 851                 | 32.72 (EUR/NTD)                      | 27,839                   | 27,839       |
| <u>Non-monetary items</u>                                  |                     |                                      |                          |              |
| Joint ventures accounted<br>for using the equity<br>method |                     |                                      |                          |              |
| RMB  | 3,067,840           | 0.14 (RMB/USD)                       | 440,490                  | 13,527,463   |
| Derivatives  |                     |                                      |                          |              |
| Sell USD   | 3,220               | 30.71 (USD/NTD)                      | 40                       | 40           |
| Sell USD   | 100                 | 4.58 (USD/MYR)                       | 8                        | 51           |
| Sell RMB   | 82,900              | 4.41 (RMB/NTD)                       | 1,631                    | 1,631        |
| Sell Euro  | 270                 | 4.88 (EUR/MYR)                       | 60                       | 399          |
| Foreign currency<br>liabilities                            |                     |                                      |                          |              |
| <u>Monetary items</u>                                      |                     |                                      |                          |              |
| USD  | 69,686              | 30.71 (USD/NTD)                      | 2,140,067                | 2,140,067    |
| USD  | 19,924              | 6.96 (USD/RMB)                       | 139,213                  | 613,091      |
| USD  | 1,659               | 4.58 (USD/MYR)                       | 7,607                    | 50,958       |
| RMB  | 12,295              | 4.41 (RMB/NTD)                       | 54,214                   | 54,214       |
| <u>Non-monetary items</u>                                  |                     |                                      |                          |              |
| Derivatives  |                     |                                      |                          |              |
| Purchase USD   | 18,400              | 30.71 (USD/NTD)                      | 9,529                    | 9,529        |
| Sell RMB   | 428,200             | 4.41 (RMB/NTD)                       | 16,781                   | 16,781       |
| Purchase JPY   | 120,000             | 0.01 (JPY/USD)                       | 862                      | 1,529        |



| June 30, 2022  |                     |                                      |           |                          |              |
|--|---------------------|--------------------------------------|-----------|--------------------------|--------------|
|  | Foreign<br>Currency | Exchange Rate (In Single<br>Dollars) |           | Functional<br>Currencies | NT\$         |
| <u>Foreign currency assets</u>                             |                     |                                      |           |                          |              |
| <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 accounted<br>for using the equity<br>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<br>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          |
| Purchase JPY   | 266,600             | 4.43                                 | (RMB/NTD) | 8,699                    | 8,699        |

The net realized and unrealized foreign currency exchange profit or loss of the Group for the three months ended June 30, 2023 and 2022 and the six months ended June 30, 2023 and 2022 were NT\$7,649 thousand (profit), NT\$98,319 thousand (profit), NT\$6,482 thousand (loss) and NT\$337,778 thousand (profit), 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.

### 39. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions and b. reinvestment business:

- 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) Marketable securities acquired or disposed of at costs or prices of 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)
- c. 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:
    - a) 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.
    - b) 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.
    - c) The amount of property transactions and the amount of the resultant gains or losses: None.
    - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: Table 2.
    - e) The highest balance during the period, the end of period balance, the interest rate range, and total current period interest with respect to the financing of funds: Table 1.

- f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services: None.
- d. Information on major shareholders: Name, number of shares held, and shareholding percentage of shareholders with shareholding percentage exceeding 5%. (Table 10)

#### 40. 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, 2023 |                              |                            |                              |                            |               |               |
|---|--|------------------------------|----------------------------|------------------------------|----------------------------|---------------|---------------|
|   | 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                                   | \$ 5,938,980                           | \$ 7,120,017                 | \$ 7,162,750               | \$ 1,246,510                 | \$ 3,228,503               | \$ 2,127,895  | \$ 26,824,655 |
| Interest income                                   | 10,658                                 | 14,291                       | 23,175                     | 6,111                        | 11,729                     | 69,051        | 135,015       |
| Finance costs                                     | ( 29,804 )                             | ( 32,462 )                   | ( 5,744 )                  | ( 25,992 )                   | ( 4,595 )                  | ( 35,695 )    | ( 134,292 )   |
| Depreciation and amortization                     | ( 282,037 )                            | ( 367,110 )                  | ( 106,335 )                | ( 135,521 )                  | ( 157,097 )                | ( 239,945 )   | ( 1,288,045 ) |
| Pre-tax (loss) profit of reporting segment        | ( 54,871 )                             | 393,823                      | ( 110,168 )                | ( 170,245 )                  | 150,712                    | ( 2,358,352 ) | ( 2,149,101 ) |
| Income tax(expenses) profits of reporting segment | ( 14,589 )                             | ( 119,632 )                  | 22,008                     | 22,105                       | ( 47,516 )                 | ( 2,412 )     | ( 140,036 )   |
| Net (loss) profit of reporting segment            | ( 69,460 )                             | 274,191                      | ( 88,160 )                 | ( 148,140 )                  | 103,196                    | ( 2,360,764 ) | ( 2,289,137 ) |

  

|  | 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 (loss) 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 (loss) of reporting segment     | 888,771                                | 412,248                      | 418,428                    | 20,162                       | 693,052                    | ( 2,215,369 ) | 217,292       |

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

###### 1) Segment revenue and results

|  | For the Six Months Ended June 30, 2023 | For the Six Months Ended June 30, 2022 |
|--|--|--|
| Pre-tax profit of reporting segment                | \$ 209,251                             | \$ 3,042,341                           |
| Income tax expenses of reporting segment           | ( 137,624 )                            | ( 609,680 )                            |
| Total of net after-tax profit of reporting segment | 71,627                                 | 2,432,661                              |
| Loss of other non-reporting segments               | ( 2,360,764 )                          | ( 2,215,369 )                          |
| Deduction of inter-segment loss                    | 1,322,265                              | 529,805                                |
| Consolidated net after-tax (loss) profit           | ( \$ 966,872 )                         | \$ 747,097                             |

## 2) Other significant items reconciliation

|                                  | For the Six Months Ended June 30, 2023 |                                    |                               |                                    |                               |            |             |              |
|----------------------------------|--|------------------------------------|-------------------------------|------------------------------------|-------------------------------|------------|-------------|--------------|
|                                  | USI                                    | CGPC and<br>CGPC's<br>subsidiaries | TTC and TTC's<br>subsidiaries | ACME and<br>ACME's<br>subsidiaries | APC and APC's<br>subsidiaries | Others     | Adjustments | Total        |
| Interest income                  | \$ 10,658                              | \$ 14,291                          | \$ 23,175                     | \$ 6,111                           | \$ 11,729                     | \$ 69,051  | \$ -        | \$ 135,015   |
| Finance costs                    | ( 29,804)                              | ( 32,462)                          | ( 5,744)                      | ( 25,992)                          | ( 4,595)                      | ( 35,695)  | 1,022       | ( 133,270)   |
| Depreciation and<br>amortization | ( 282,037)                             | ( 367,110)                         | ( 106,335)                    | ( 135,521)                         | ( 157,097)                    | ( 239,945) | 16,508      | ( 1,271,537) |

|                                  | For the Six Months Ended June 30, 2022 |                                    |                               |                                    |                               |            |             |              |
|----------------------------------|--|------------------------------------|-------------------------------|------------------------------------|-------------------------------|------------|-------------|--------------|
|                                  | USI                                    | CGPC and<br>CGPC's<br>subsidiaries | TTC and TTC's<br>subsidiaries | ACME and<br>ACME's<br>subsidiaries | APC and APC's<br>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<br>amortization | ( 317,206)                             | ( 351,794)                         | ( 104,244)                    | ( 110,456)                         | ( 150,981)                    | ( 167,901) | 18,381      | ( 1,184,201) |

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  
Swanson Plastics Corporation  
FINANCING PROVIDED TO OTHERS  
For the six months ended June 30, 2023

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(Notes 3 and 4) | 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 |  |                                    |        |
| 2   | ASK-Swanson (Kunshan) Co., Ltd. | Swanson Plastics (Tianjin) Co., Ltd. | Other receivables           | Yes                    | \$ 175,491                     | \$ 170,229                    | \$ 170,229                              | 3.65                        | 2                            | \$ -                         | Business turnover                | \$ -                          | -          | -     | \$ 551,195                                 | \$ 551,195                         |        |

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, 2023.

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

USI CORPORATION AND SUBSIDIARIES  
China General Plastics Corporation  
FINANCING PROVIDED TO OTHERS  
For the six months ended June 30, 2023

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 (Note 3) | 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   | China General Plastics Corporation | CGPC Polymer Corporation | Other receivables from related parties | Yes                    | \$ 300,000                              | \$ 300,000     | \$ -                    | -                           | 2                            | \$ -                         | Business turnover                | \$ -                          | -          | -     | \$ 3,797,309                               | \$ 3,797,309                       |        |

Note 1: 40% of the most recent CGPC's financial statements audited or reviewed by CPA.

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: 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, 2023

Table 2

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

| No. | Endorsement and<br>guarantee Company<br>Name | Endorsee/Guarantee                      |  | Limits on<br>Endorsement/<br>Guarantee Made for<br>Each Party (Note 1) | Maximum Amount<br>Endorsed/ Guaranteed<br>During the Period<br>(Note 2) | Outstanding<br>Endorsement/<br>Guarantee at the End<br>of the Period (Note<br>2) | Actual Borrowing<br>Amount | Amount Endorsed/<br>Guaranteed by<br>Collateral | Ratio of<br>Accumulated<br>Endorsement/<br>Guarantee to Net<br>Equity in Latest<br>Financial<br>Statements (%) | Aggregate<br>Endorsement/<br>Guarantee Limit (Note<br>1) | Endorsement/<br>Guarantee<br>Made by<br>Parent for<br>Subsidiaries | Endorsement/<br>Guarantee<br>Made by<br>Subsidiaries<br>for Parent | Endorsement/<br>Guarantee<br>Made for<br>Companies in<br>Mainland<br>China | Remark |
|-----|--|---|--|--|---|--|----------------------------|---|--|--|--|--|--|--------|
|     |  | Company Name                            | Relationship   |  |   |  |                            |   |  |  |  |  |  |        |
| 0   | USI Corporation                              | Union Polymer Int'l<br>Investment Corp. | Subsidiary which<br>directly held more<br>than 50% of<br>ordinary shares | \$ 11,720,402  | \$ 2,600,000  | \$ 2,300,000   | \$ -                       | \$ -  | 9.81   | \$ 14,064,482  | Yes  | No   | No   |        |
| 0   | USI Corporation                              | USI Green Energy<br>Corporation         | Subsidiary which<br>directly held more<br>than 50% of<br>ordinary shares | 11,720,402   | 1,300,000   | 1,300,000  | 150,746                    | -   | 5.55   | 14,064,482   | Yes  | No   | No   |        |
| 0   | USI Corporation                              | Chong Loong Trading Co.,<br>Ltd.        | Subsidiary which<br>directly held more<br>than 50% of<br>ordinary shares | 11,720,402   | 325,700<br>(US\$ 5,000<br>thousand )<br>(NTD 170,000<br>thousand )      | 325,700<br>(US\$ 5,000<br>thousand )<br>(NTD 170,000<br>thousand )               | 31,321                     | -   | 1.39   | 14,064,482   | 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, 2023.

USI CORPORATION AND SUBSIDIARIES  
Acme Electronics Corporation  
ENDORSEMENTS/GUARANTEES PROVIDED  
For the six months ended June 30, 2023

Table 2-1

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

| No. | Endorsement and<br>guarantee Company<br>Name | Endorsee/Guarantee                            |                                | Limits on<br>Endorsement/<br>Guarantee Made for<br>Each Party (Note 2) | Maximum Amount<br>Endorsed/ Guaranteed<br>During the Period           | Outstanding<br>Endorsement/<br>Guarantee at the End<br>of the Period (Note<br>3) | Actual Borrowing<br>Amount (Note 3)                                  | Amount Endorsed/<br>Guaranteed by<br>Collateral | Ratio of<br>Accumulated<br>Endorsement/<br>Guarantee to Net<br>Equity in Latest<br>Financial<br>Statements (%)<br>(Note 1) | Aggregate<br>Endorsement/<br>Guarantee Limit<br>(Note 2) | Endorsement/<br>Guarantee<br>Made by<br>Parent for<br>Subsidiaries | Endorsement/<br>Guarantee<br>Made by<br>Subsidiaries<br>for Parent | Endorsement/<br>Guarantee<br>Made for<br>Companies in<br>Mainland<br>China | Remark |
|-----|--|---|--------------------------------|--|---|--|--|---|--|--|--|--|--|--------|
|     |  | Company Name                                  | Relationship                   |  |   |  |  |   |  |  |  |  |  |        |
| 0   | Acme Electronics<br>Corporation              | Acme Electronics<br>(Kunshan) Co., Ltd.       | Subsidiary of ACME<br>(Cayman) | \$ 2,705,699   | \$ 778,716<br>(US\$ 18,500<br>thousand )<br>(RMB 49,000<br>thousand ) | \$ 413,580<br>(US\$ 6,500<br>thousand )<br>(RMB 49,000<br>thousand )             | \$ 284,926<br>(US\$ 4,633<br>thousand )<br>(RMB 32,637<br>thousand ) | \$ -  | 22.93  | \$ 3,607,598   | No   | No   | Yes  |        |
|     |  | Acme Electronics<br>(Guang-Zhou) Co.,<br>Ltd. | Subsidiary of GAEL             | 2,705,699  | 62,280<br>(US\$ 2,000<br>thousand )                                   | 62,280<br>(US\$ 2,000<br>thousand )  | -  | -   | 3.45   | 3,607,598  | No   | No   | Yes  |        |
|     |  | ACME Electronics<br>(Cayman) Corp.            | Subsidiary of ACME             | 2,705,699  | 311,400<br>(US\$ 10,000<br>thousand )                                 | 311,400<br>(US\$ 10,000<br>thousand )  | -  | -   | 17.26  | 3,607,598  | No   | No   | No   |        |
| 1   | ACME Components<br>(Malaysia) Sdn.Bhd.       | ACME Ferrite<br>Products Sdn. Bhd.            | Subsidiary of ACME<br>(MA)     | 475,564  | 63,427<br>(MYR 9,584<br>thousand )                                    | 61,184<br>(MYR 9,584<br>thousand )   | 47,714<br>(MYR 7,474<br>thousand )                                   | -   | 9.01   | 543,502  | No   | No   | No   |        |

Note 1: The rate was calculated by the equity of ACME as of June 30, 2023.

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, 2023.

The total amount of ACME (MA)'s external endorsement guarantee shall not exceed 80% of its net worth; the limit of ACME (MA)'s endorsement guarantee for a single company shall not exceed 70% of its net worth. The maximum amount of endorsement/guarantee was calculated based on the equity of the endorser/guarantor as of June 30, 2023.

Note 3: The foreign currency amount was calculated based on the spot exchange rate of June 30, 2023.



USI CORPORATION AND SUBSIDIARIES  
Swanson Plastics Corporation  
ENDORSEMENTS/GUARANTEES PROVIDED  
For the six months ended June 30, 2023

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 Company Limited           | Subsidiary   | \$ 5,176,028  | \$ 1,335,906  | \$ 1,335,906   | \$ -                             | \$ -                                      | 51.62  | \$ 6,470,035                                    | No   | No   | No  |        |
| 0   | Swanson Plastics Corporation           | Swanson Plastics (Singapore) Pte., Ltd. | Subsidiary   | 5,176,028   | 55,741  | 55,741   | -                                | -   | 2.15   | 6,470,035                                       | No   | No   | No  |        |
| 0   | Swanson Plastics Corporation           | Swanson Plastics (Malaysia) Sdn. Bhd.   | Sub-subsiary | 5,176,028   | 37,368  | 37,368   | -                                | -   | 1.44   | 6,470,035                                       | No   | No   | No  |        |
| 0   | Swanson Plastics Corporation           | Swanson Plastics (Kunshan) Co., Ltd.    | Sub-subsiary | 5,176,028   | 90,105  | 62,280   | -                                | -   | 2.41   | 6,470,035                                       | No   | No   | Yes   |        |
| 0   | Swanson Plastics Corporation           | Swanson Technologies Corporation        | Subsidiary   | 5,176,028   | 415,707   | 415,707  | 56,100                           | -   | 16.06  | 6,470,035                                       | No   | No   | No  |        |
| 0   | Swanson Plastics Corporation           | Swanson Plastics (Tianjin) Co., Ltd.    | Sub-subsiary | 5,176,028   | 31,140  | 31,140   | -                                | -   | 1.20   | 6,470,035                                       | No   | No   | Yes   |        |
| 0   | Swanson Plastics Corporation           | PT. Swanson Plastics Indonesia          | Subsidiary   | 5,176,028   | 62,280  | 62,280   | -                                | -   | 2.41   | 6,470,035                                       | 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, 2023.

USI CORPORATION AND SUBSIDIARIES  
China General Plastics Corporation  
ENDORSEMENTS/GUARANTEES PROVIDED  
For the six months ended June 30, 2023

Table 2-3

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

| No. | Endorsement and<br>guarantee Company<br>Name | Endorsee/Guarantee          |              | Limits on<br>Endorsement/<br>Guarantee Made for<br>Each Party<br>(Note 2) | Maximum Amount<br>Endorsed/<br>Guaranteed During<br>the Period | Outstanding<br>Endorsement/<br>Guarantee at the End<br>of the Period | Actual Borrowing<br>Amount | Amount Endorsed/<br>Guaranteed by<br>Collateral | Ratio of<br>Accumulated<br>Endorsement/<br>Guarantee to Net<br>Equity in Latest<br>Financial Statements<br>(%)<br>(Note 1) | Aggregate<br>Endorsement/<br>Guarantee Limit<br>(Note 2) | Endorsemen<br>t/Guarantee<br>Made by<br>Parent for<br>Subsidiaries | Endorsemen<br>t/Guarantee<br>Made by<br>Subsidiaries<br>for Parent | Endorsemen<br>t/Guarantee<br>Made for<br>Companies<br>in Mainland<br>China | Remark |
|-----|--|-----------------------------|--------------|---|--|--|----------------------------|---|--|--|--|--|--|--------|
|     |  | Company Name                | Relationship |   |  |  |                            |   |  |  |  |  |  |        |
| 0   | China General Plastics<br>Corporation        | CGPC Polymer<br>Corporation | Subsidiary   | \$ 5,695,963  | \$ 800,000   | \$ 800,000   | \$ 200,000                 | \$ -  | 8.43   | \$ 9,493,272   | No   | No   | No   |        |

Note 1: The ratio was calculated by the equity of CGPC as of June 30, 2023.

Note 2: The total amount of guarantee that may be provided by CGPC shall not exceed 100% of the net worth of shareholders' equity stated on the latest financial statements. The amount of guarantee that may be provided to any individual entity shall not exceed 60% of the net worth of shareholders' equity stated on the latest financial statements.

USI CORPORATION AND SUBSIDIARIES  
Taita Chemical Company, Ltd.  
ENDORSEMENTS/GUARANTEES PROVIDED  
For the six months ended June 30, 2023

Table 2-4

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

| No. | Endorsement and guarantee Company Name | Endorsee/Guarantee                   |  | Limits on Endorsement/ Guarantee Made for Each Party (Note 2) | Maximum Amount Endorsed/ Guaranteed During the Period (Note 1) | Outstanding Endorsement/ Guarantee at the End of the Period (Note 1) | Actual Borrowing Amount (Note 1) | 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       | \$ 6,858,015  | \$ 186,840<br>( US\$6,000 thousand )                           | \$ 186,840<br>( US\$6,000 thousand)                                  | \$ -                             | \$ -                                      | 2.72   | \$ 10,287,023                                   | No   | No   | No  |        |
| 0   | Taita Chemical Company, Ltd.           | Taita Chemical (Zhongshan) Co., Ltd. | Subsidiaries that TTC's subsidiaries hold 100% of common equity directly | 6,858,015   | 344,768<br>( RMB80,000 thousand)                               | 215,480<br>( RMB50,000 thousand)                                     | -                                | -   | 3.14   | 10,287,023                                      | No   | No   | Yes   |        |

Note 1: The calculation was based on the spot exchange rate of June 30, 2023.

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 individual 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, 2023

Table 3

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

| Holding Company Name                      | Type and Name of Marketable Securities | Relationship with the Holding Company                           | Financial Statement Account                                     | Ending       |                 |                             |            | Remark |        |
|---|--|---|---|--------------|-----------------|-----------------------------|------------|--------|--------|
|   |  |   |   | Unit / Share | Carrying Amount | Percentage of Ownership (%) | Fair Value |        |        |
| USI Corporation                           | Shares                                 |   |   |              |                 |                             |            |        |        |
|   | CTCI Corporation                       | -   | Financial assets at FVTOCI - non-current                        | 15,130,656   | \$ 637,001      | 1.89                        | \$ 637,001 |        |        |
|   | KHL IB Venture Capital Co., Ltd.       | -   | "   | 9,954,950    | 131,206         | 11.90                       | 131,206    |        |        |
|   | AU Optronics Corporation               | -   | "   | 6,811,204    | 126,688         | 0.09                        | 126,688    |        |        |
|   | Hon Hai Precision Industry Co., Ltd.   | -   | Financial assets at fair value through profit or loss - current | 100,000      | 11,300          | -                           | 11,300     |        |        |
|   | China Steel Corporation                | -   | "   | 350,000      | 10,290          | -                           | 10,290     |        |        |
|   | Tungho Steel Corporation               | -   | "   | 169,500      | 10,085          | 0.02                        | 10,085     |        |        |
|   | UPC Technology Corporation             | -   | "   | 290,000      | 4,307           | -                           | 4,307      |        |        |
|   | Taiwan Cement Corporation              | -   | "   | 100,000      | 3,805           | -                           | 3,805      |        |        |
|   | Teratech Corporation                   | -   | Financial assets at FVTPL - non-current                         | 110,000      | -               | 0.65                        | -          | -      | Note 2 |
|   | Fund beneficiary certificates          |   |   |              |                 |                             |            |        |        |
|   | Fubon Chi-Hsiang Money Market Fund     | -   | Financial assets at fair value through profit or loss - current | 9,401,675    | 150,466         | -                           | 150,466    |        |        |
|   | SinoPac TWD Money Market Fund          | -   | "   | 10,562,191   | 150,090         | -                           | 150,090    |        |        |
|   | Capital Money Market Fund              | -   | "   | 7,888,044    | 130,013         | -                           | 130,013    |        |        |
|   | Taishin 1699 Money Market Fund         | -   | "   | 7,262,234    | 100,604         | -                           | 100,604    |        |        |
|   | Hua Nan Phoenix Money Market Fund      | -   | "   | 5,117,891    | 85,058          | -                           | 85,058     |        |        |
|   | Jih Sun Money Market Fund              | -   | "   | 2,375,626    | 36,011          | -                           | 36,011     |        |        |
|   | CTBC Hwa-Win Money Market Fund         | -   | "   | 889,616      | 10,003          | -                           | 10,003     |        |        |
|   | Nomura Taiwan Money Market Fund        | -   | "   | 600,875      | 10,003          | -                           | 10,003     |        |        |
|   | KGI Victory Money Market Fund          | -   | "   | 845,966      | 10,003          | -                           | 10,003     |        |        |
|   | UPAMC James Bond Money Market Fund     | -   | "   | 586,916      | 10,003          | -                           | 10,003     |        |        |
|   | Shin Kong Chi-Shin Money-Market Fund   | -   | "   | 632,923      | 10,003          | -                           | 10,003     |        |        |
|   | Beneficiary securities                 |   |   |              |                 |                             |            |        |        |
| Cathay No. 1 Real Estate Investment Trust | -                                      | Financial assets at fair value through profit or loss - current | 3,895,000   | 69,799       | -               | 69,799                      |            |        |        |

(Continued)

(Continued)

| 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 |        |
| 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   | \$ 561,217      | 3.74                        | \$ 561,217 |        |
|                                      | China General Plastics Corporation           | "   | "   | 4,469,307    | 103,241         | 0.77                        | 103,241    |        |
|                                      | Taita Chemical Company, Ltd.                 | "   | "   | 456,253      | 8,988           | 0.11                        | 8,988      |        |
|                                      | Fund beneficiary certificates                |   |   |              |                 |                             |            |        |
|                                      | Taishin 1699 Money Market Fund               | -   | Financial assets at fair value through profit or loss - current             | 651,316      | 9,023           | -                           | 9,023      |        |
| Swanlake Traders Ltd.                | Shares                                       |   |   |              |                 |                             |            |        |
|                                      | SOHware 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 | 1,012,849    | 18,839          | 0.01                        | 18,839     |        |
|                                      | AU Optronics Corporation                     | -   | Financial assets at FVTOCI - non-current                                    | 1,012,849    | 18,839          | 0.01                        | 18,839     |        |
|                                      | Wafer Works Corporation                      | -   | "   | 1,502,433    | 71,065          | 0.28                        | 71,065     |        |
|                                      | Solargiga Energy Holdings Limited            | -   | "   | 11,876,111   | 11,563          | 0.37                        | 11,563     |        |
|                                      | Dah Chung Bills Finance Corp.                | -   | "   | 482,757      | 6,957           | 0.10                        | 6,957      |        |
|                                      | Swanson Plastics Corporation                 | Same chairman                                     | "   | 9,818,087    | 138,435         | 6.36                        | 138,435    |        |
|                                      | USI Optronics Corporation                    | "   | "   | 165,279      | 122             | 0.25                        | 122        |        |
|                                      | Digimax Inc.                                 | -   | "   | 23,234       | -               | 0.05                        | -          |        |
|                                      | Silicon Technology Investment (Cayman) Corp. | -   | "   | 911,849      | 68,370          | 1.77                        | 68,370     |        |
|                                      | Taiwan Cement Corporation                    | -   | Financial assets at fair value through profit or loss - current             | 50,000       | 1,903           | -                           | 1,903      |        |
|                                      | China General Plastics Corporation           | Same chairman                                     | "   | 550,722      | 12,722          | 0.09                        | 12,722     |        |
|                                      | Asia Polymer Corporation                     | "   | "   | 1,714,180    | 43,369          | 0.29                        | 43,369     |        |
|                                      | Taita Chemical Company, Ltd.                 | "   | "   | 1,415,368    | 27,883          | 0.36                        | 27,883     |        |
| UPC Technology Corporation           | -  | "   | 127,000   | 1,885        | 0.01            | 1,885                       |            |        |
| China Steel Corporation              | -  | "   | 175,000   | 5,145        | -               | 5,145                       |            |        |
| Tungho Steel Corporation             | -  | "   | 87,250  | 5,191        | 0.01            | 5,191                       |            |        |

(Continued)

(Continued)

| 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 |        |        |
| Taiwan United Venture Capital Corp.  | Hon Hai Precision Industry Co., Ltd.   | -   | Financial assets at fair value through profit or loss - current             | 50,000                                   | \$ 5,650        | -                           | \$ 5,650   |        |        |
|                                      | Acme Electronics Corporation           | Same chairman   | "   | 500,000                                  | 14,500          | 0.23                        | 14,500     |        |        |
|                                      | Superactive Group Company Limited      | -   | "   | 678,000                                  | 81              | -                           | 81         |        |        |
|                                      | Fund beneficiary certificates          |   |   |  |                 |                             |            |        |        |
|                                      | Yuanta De-Li Money Market Fund         | -   | Financial assets at fair value through profit or loss - current             | 3,707,988                                | 61,790          | -                           | 61,790     |        |        |
|                                      | Fuh Hwa Money Market                   | -   | "   | 3,440,659                                | 50,592          | -                           | 50,592     |        |        |
|                                      | Cathay Taiwan Money Market Fund        | -   | "   | 5,844,200                                | 74,150          | -                           | 74,150     |        |        |
|                                      | Innovation & Infinity Global Corp.     |   | -   | Financial assets at FVTPL - non- current | 720,804         | -                           | 0.73       | -      | Note 2 |
|                                      | Teratech Corporation                   | -   | "   | 90,000                                   | -               | 0.58                        | -          | Note 2 |        |
|                                      | MiTAC Holdings Corporation             | -   | Financial assets at fair value through other comprehensive income - current | 2,062,000                                | 72,067          | 0.17                        | 72,067     |        |        |
|                                      | Leadwell Cnc Machines Mfg., Corp.      | -   | Financial assets at FVTOCI - non-current                                    | 419,753                                  | 15,610          | 0.68                        | 15,610     |        |        |
|                                      | Digimax Inc.                           | -   | "   | 518,898                                  | -               | 1.18                        | -          | Note 2 |        |
|                                      | Hexawave Inc.                          | -   | "   | 109,109                                  | 546             | 0.27                        | 546        |        |        |
|                                      | Uranus Chemicals Co., Ltd.             | -   | "   | 15,351                                   | 491             | 0.03                        | 491        |        |        |
|                                      | Neuro Sky, Inc. Preferred Stock A      | -   | "   | 10,000,000                               | -               | 1.42                        | -          | Note 2 |        |
|                                      | Neuro Sky, Inc. Preferred Stock B      | -   | "   | 12,595,523                               | -               | 1.78                        | -          | Note 2 |        |
|                                      | Neuro Sky, Inc. Preferred Stock C      | -   | "   | 4,532,823                                | -               | 0.64                        | -          | Note 2 |        |
|                                      | Fund beneficiary certificates          |   |   |  |                 |                             |            |        |        |
|                                      | Fuh Hwa Money Market                   | -   | Financial assets at fair value through profit or loss - current             | 3,399,556                                | 49,988          | -                           | 49,988     |        |        |
| Cathay Taiwan Money Market Fund      | -                                      | "   | 4,391,849   | 55,723                                   | -               | 55,723                      |            |        |        |
| Taiwan United Management Corporation | Fund beneficiary certificates          |   |   |  |                 |                             |            |        |        |
| Fuh Hwa Money Market                 | -                                      | Financial assets at fair value through profit or loss - current | 91,730  | 1,349                                    | -               | 1,349                       |            |        |        |

(Continued)

(Continued)

| 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 |        |
| INOMA Corporation             | Fund beneficiary certificates<br>Taishin 1699 Money Market Fund     | -                                     | Financial assets at fair value through profit or loss - current | 208,476      | \$ 2,888        | -                           | \$ 2,888   |        |
| USI Optronics Corporation     | Fund beneficiary certificates<br>Taishin Ta-Chong Money Market Fund | -                                     | Financial assets at fair value through profit or loss - current | 347,133      | 5,040           | -                           | 5,040      |        |
|                               | Taishin 1699 Money Market Fund                                      | -                                     | "   | 776,598      | 10,758          | -                           | 10,758     |        |
| USI Green Energy Corporation  | Fund beneficiary certificates<br>Fubon Chi-Hsiang Money Market Fund | -                                     | Financial assets at fair value through profit or loss - current | 4,999,156    | 80,008          | -                           | 80,008     |        |
|                               | Taishin 1699 Money Market Fund                                      | -                                     | "   | 7,218,914    | 100,004         | -                           | 100,004    |        |
| Chong Loong Trading Co., Ltd. | Fund beneficiary certificates<br>Fubon Chi-Hsiang Money Market Fund | -                                     | Financial assets at fair value through profit or loss - current | 313,358      | 5,015           | -                           | 5,015      |        |

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, 2023

TABLE 3-1

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

| Holding Company Name               | Type and Name of Marketable Securities    | Relationship with the Holding Company   | Financial Statement Account                                     | Ending       |                 |                             | Fair Value | Remark |
|------------------------------------|---|---|---|--------------|-----------------|-----------------------------|------------|--------|
|                                    |   |   |   | Unit / Share | Carrying Amount | Percentage of Ownership (%) |            |        |
| China General Plastics Corporation | Beneficiary securities                    |   |   |              |                 |                             |            |        |
|                                    | Cathay No. 1 Real Estate Investment Trust | -                                       | Financial assets at fair value through profit or loss - current | 3,806,000    | \$ 68,203       | -                           | \$ 68,203  | Note 1 |
|                                    | Shares                                    |   |   |              |                 |                             |            |        |
|                                    | Hon Hai Precision Industry Co., Ltd.      | -                                       | Financial assets at fair value through profit or loss - current | 100,000      | 11,300          | -                           | 11,300     | Note 1 |
|                                    | China Steel Corporation                   | -                                       | "   | 350,000      | 10,290          | -                           | 10,290     | Note 1 |
|                                    | Tungho Steel Corporation                  | -                                       | "   | 95,500       | 5,682           | -                           | 5,682      | Note 1 |
| Taiwan VCM Corporation             | Taiwan Cement Corporation                 | -                                       | "   | 100,000      | 3,805           | -                           | 3,805      | Note 1 |
|                                    | KHL IB Venture Capital Co., Ltd.          | -                                       | Financial assets at FVTOCI - non-current                        | 4,977,475    | 65,603          | 5.95                        | 65,603     | Note 1 |
|                                    | Fund beneficiary certificates             |   |   |              |                 |                             |            |        |
|                                    | SinoPac TWD Money Market Fund             | -                                       | Financial assets at fair value through profit or loss - current | 17,639,711   | 250,662         | -                           | 250,662    | Note 1 |
|                                    | Taishin 1699 Money Market Fund            | -                                       | "   | 17,374,180   | 240,685         | -                           | 240,685    | Note 1 |
|                                    | Hua Nan Phoenix Money Market Fund         | -                                       | "   | 6,545,690    | 108,788         | -                           | 108,788    | Note 1 |
| CGPC Polymer Corporation           | Fubon Chi-Hsiang Money Market Fund        | -                                       | "   | 6,698,441    | 107,204         | -                           | 107,204    | Note 1 |
|                                    | Shares                                    |   |   |              |                 |                             |            |        |
|                                    | Asia Polymer Corporation                  | With the same main shareholders as CGPC | Financial assets at FVTOCI - non-current                        | 130,244      | 3,295           | 0.02                        | 3,295      | Note 1 |
| CGPC Polymer Corporation           | Fund beneficiary certificates             |   |   |              |                 |                             |            |        |
|                                    | SinoPac TWD Money Market Fund             | -                                       | Financial assets at fair value through profit or loss - current | 1,198,170    | 17,026          | -                           | 17,026     | Note 1 |

(Continued)



(Continued)

| 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 |                  |
| CGPC ( BVI ) Holding Co., Ltd. | Shares                                 |                                       |   |              |                 |                             |            |                  |
|                                | 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.

Note 3: As of June 30, 2023, 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, 2023

TABLE 3-2

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

| Holding Company Name          | Type and Name of Marketable Securities    | Relationship with the Holding Company | Financial Statement Account                                     | 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   | \$ 338,461          | 1.27                        | \$ 338,461          | Note 1 |
|                               | Harbinger Venture Capital Corp.           | -                                     | "   | 990          | 7                   | 0.50                        | 7                   | Note 2 |
|                               | Taiwan Cement Corporation                 | -                                     | Financial assets at fair value through profit or loss - current | 100,000      | 3,805               | -                           | 3,805               | Note 1 |
|                               | UPC Technology Corporation                | -                                     | "   | 282,000      | 4,188               | 0.02                        | 4,188               | Note 1 |
|                               | China Steel Corporation                   | -                                     | "   | 350,000      | 10,290              | -                           | 10,290              | Note 1 |
|                               | Tungho Steel Corporation                  | -                                     | "   | 91,500       | 5,444               | 0.01                        | 5,444               | Note 1 |
|                               | Hon Hai Precision Industry Co., Ltd.      | -                                     | "   | 100,000      | 11,300              | -                           | 11,300              | Note 1 |
|                               | Beneficiary securities                    |                                       |   |              |                     |                             |                     |        |
|                               | Cathay No. 1 Real Estate Investment Trust | -                                     | Financial assets at fair value through profit or loss - current | 3,838,000    | 68,777              | -                           | 68,777              | Note 1 |
| TAITA (BVI) Holding Co., Ltd. | Shares                                    |                                       |   |              |                     |                             |                     |        |
|                               | Budworth Investment Ltd.                  | -                                     | Financial assets at FVTOCI - non-current                        | 20,219       | 6                   | 2.22                        | 6                   | Note 2 |
|                               | Teratech Corporation                      | -                                     | Financial assets at FVTPL - non-current                         | 112,000      | ( US\$ - thousand ) | 0.73                        | ( US\$ - thousand ) | Note 3 |
|                               | SOHWARE, Inc - preferred shares           | -                                     | "   | 100,000      | -                   | -                           | -                   | Note 3 |

Note 1: The fair value was based on the Taiwan Stock Exchange closing price on the last trading day of June 2023.

Note 2: The fair value is evaluated by the asset method, and is determined by referring to the most recent net worth of the investee company and its observable financial and operating status.

Note 3: As of June 30, 2023, the fair value of equity investment was evaluated by TTC as 0.

Note 4: 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, 2023

TABLE 3-3

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

| Holding Company Name     | Type and Name of Marketable Securities    | Relationship with the Holding Company | Financial Statement Account   | Ending       |                 |                             |            | Remark |
|--------------------------|---|---------------------------------------|---|--------------|-----------------|-----------------------------|------------|--------|
|                          |   |                                       |   | Unit / Share | Carrying Amount | Percentage of Ownership (%) | Fair Value |        |
| Asia Polymer Corporation | Shares                                    |                                       |   |              |                 |                             |            |        |
|                          | Harbinger Venture Capital Corp.           | -                                     | Financial assets at FVTOCI - non-current                                    | 2,377        | \$ 15           | 1.20                        | \$ 15      |        |
|                          | KHL IB Venture Capital Co., Ltd.          | -                                     | "   | 9,954,950    | 131,206         | 11.90                       | 131,206    |        |
|                          | USI Corporation                           | Ultimate parent company               | "   | 101,355,673  | 2,270,367       | 8.53                        | 2,270,367  |        |
|                          | CTCI Corporation                          | -                                     | "   | 14,446,107   | 608,181         | 1.80                        | 608,181    |        |
|                          | AU Optronics Corporation                  | -                                     | "   | 7,694,812    | 143,124         | 0.10                        | 143,124    |        |
|                          | Wafer Works Corporation                   | -                                     | Financial assets at fair value through other comprehensive income - current | 518,668      | 24,533          | 0.10                        | 24,533     |        |
|                          | Taiwan Cement Corporation                 | -                                     | Financial assets at fair value through profit or loss - current             | 100,000      | 3,805           | -                           | 3,805      |        |
|                          | Hon Hai Precision Industry Co., Ltd.      | -                                     | "   | 100,000      | 11,300          | -                           | 11,300     |        |
|                          | Tungsho Steel Corporation                 | -                                     | "   | 169,500      | 10,086          | 0.02                        | 10,086     |        |
|                          | China Steel Corporation                   | -                                     | "   | 350,000      | 10,290          | -                           | 10,290     |        |
|                          | UPC Technology Corporation                | -                                     | "   | 293,000      | 4,351           | 0.02                        | 4,351      |        |
|                          | Beneficiary securities                    |                                       |   |              |                 |                             |            |        |
|                          | Cathay No. 1 Real Estate Investment Trust | -                                     | Financial assets at fair value through profit or loss - current             | 3,850,000    | 68,992          | -                           | 68,992     |        |
|                          | Fund beneficiary certificates             |                                       |   |              |                 |                             |            |        |
|                          | Capital Money Market Fund                 | -                                     | Financial assets at fair value through profit or loss - current             | 1,821,870    | 30,029          | -                           | 30,029     |        |
|                          | Taishin 1699 Money Market Fund            | -                                     | "   | 18,260,735   | 252,966         | -                           | 252,966    |        |
|                          | Fubon Chi-Hsiang Money Market Fund        | -                                     | "   | 6,277,582    | 100,468         | -                           | 100,468    |        |
|                          | SinoPac TWD Money Market Fund             | -                                     | "   | 11,202,715   | 159,192         | -                           | 159,192    |        |
|                          | Hua Nan Phoenix Money Market Fund         | -                                     | "   | 3,011,323    | 50,047          | -                           | 50,047     |        |

(Continued)

(Continued)

| 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 |        |
| APC (BVI) Holding Co., Ltd.        | Shares  |   |   |              |                 |                             |            |        |
|                                    | Budworth Investment Ltd.  | -   | Financial assets at FVTOCI - non-current                        | 40,467       | \$ 3            | 4.45                        | \$ 3       |        |
|                                    | Silicon Technology Investment (Cayman) Corp. - Preferred Shares | -   | "   | 1,139,776    | 85,459          | 2.21                        | 85,459     |        |
|                                    | Neurosky Inc. - Preferred Stock D                               | -   | "   | 2,397,364    | -               | 0.37                        | -          | Note 1 |
|                                    | Solargiga Energy Holdings Ltd.                                  | -   | "   | 15,863,333   | 15,445          | 0.48                        | 15,445     |        |
|                                    | Teratech Corporation  | -   | "   | 112,000      | -               | 0.67                        | -          | Note 1 |
|                                    | TGF Linux Communication, Inc. - Preferred Shares                | -   | Financial assets at FVTPL - non-current                         | 300,000      | -               | -                           | -          | Note 1 |
|                                    | Sohoware Inc. - Preferred Shares                                | -   | "   | 450,000      | -               | -                           | -          | Note 1 |
| Boldworks, Inc. - Preferred Shares | -   | "   | 689,266   | -            | -               | -                           | Note 1     |        |
| APC Investment Corporation         | Shares  |   |   |              |                 |                             |            |        |
|                                    | USI Corporation   | Ultimate parent company   | Financial assets at fair value through profit or loss - current | 44,808       | 1,004           | -                           | 1,004      |        |
|                                    | UPC Technology Corporation                                      | -   | "   | 116,000      | 1,723           | 0.01                        | 1,723      |        |
|                                    | China Steel Corporation   | -   | "   | 175,000      | 5,145           | -                           | 5,145      |        |
|                                    | Tungsho Steel Corporation                                       | -   | "   | 87,250       | 5,191           | 0.01                        | 5,191      |        |
|                                    | Taiwan Cement Corporation                                       | -   | "   | 50,000       | 1,902           | -                           | 1,902      |        |
|                                    | Hon Hai Precision Industry Co., Ltd.                            | -   | "   | 50,000       | 5,650           | -                           | 5,650      |        |
| Fund beneficiary certificates      |   |   |   |              |                 |                             |            |        |
| Cathay Taiwan Money Market Fund    | -   | Financial assets at fair value through profit or loss - current | 1,292,518   | 16,399       | -               | 16,399                      |            |        |

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, 2023

Table 3-4

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

| Holding Company Name                      | Type and Name of Marketable Securities                          | Relationship with the Holding Company           | Financial Statement Account                                     | 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    | \$ 133,849      | 0.89                        | \$ 133,849 | Note 1 |
|   | China General Plastics Corporation                              | "   | "   | 2,940,788    | 67,932          | 0.51                        | 67,932     | Note 1 |
|   | Taita Chemical Company, Ltd.                                    | "   | "   | 2,278,217    | 44,881          | 0.57                        | 44,881     | Note 1 |
|   | China Steel Corporation   | -   | Financial assets at fair value through profit or loss - current | 499,552      | 14,687          | -                           | 14,687     | Note 2 |
|   | Fund beneficiary certificates<br>Taishin 1699 Money Market Fund | -   | Financial assets at fair value through profit or loss - current | 1,405,621    | 20,095          | -                           | 20,095     |        |

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, 2023

TABLE 4

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

| Buyer/Seller                   | Type and Name of Marketable Securities | Financial Statement Account                       | Counterparty | Relationship | Beginning (Note) |            | Acquisition  |            | Sell         |               |               |                  | Ending (Note) |              |
|--------------------------------|--|---|--------------|--------------|------------------|------------|--------------|------------|--------------|---------------|---------------|------------------|---------------|--------------|
|                                |  |   |              |              | Unit / Share     | Amount     | Unit / Share | Amount     | Unit / Share | Selling price | Carrying Cost | Gain on disposal | Unit / Share  | Amount       |
| USI Corporation                | Shares                                 |   |              |              |                  |            |              |            |              |               |               |                  |               |              |
|                                | Acme Electronics Corporation           | Investments accounted for using the equity method | -            | Subsidiary   | 61,682,967       | \$ 898,361 | 12,432,234   | \$ 248,645 | -            | \$ -          | \$ -          | \$ -             | 74,115,201    | \$ 1,147,006 |
|                                | Fund beneficiary certificates          |   |              |              |                  |            |              |            |              |               |               |                  |               |              |
|                                | Fubon Chi-Hsiang Money Market Fund     | Financial assets at FVTPL - current               | -            | -            | -                | -          | 10,656,986   | 170,000    | 1,255,311    | 20,080        | 20,000        | 80               | 9,401,675     | 150,000      |
|                                | Hua Nan Phoenix Money Market Fund      | "   | -            | -            | -                | -          | 8,131,555    | 135,000    | 3,013,664    | 50,024        | 50,000        | 24               | 5,117,891     | 85,000       |
|                                | Yuanta De-Li Money Market Fund         | "   | -            | -            | 10,265,239       | 170,000    | 7,837,289    | 130,000    | 18,102,528   | 300,950       | 300,000       | 950              | -             | -            |
|                                | Capital Money Market Fund              | "   | -            | -            | -                | -          | 7,888,044    | 130,000    | -            | -             | -             | -                | 7,888,044     | 130,000      |
|                                | Taishin Ta-Chong Money Market Fund     | "   | -            | -            | -                | -          | 13,839,873   | 200,000    | 13,839,873   | 200,693       | 200,000       | 693              | -             | -            |
|                                | SinoPac TWD Money Market Fund          | "   | -            | -            | 3,540,976        | 50,000     | 15,496,842   | 220,000    | 8,475,627    | 120,069       | 120,000       | 69               | 10,562,191    | 150,000      |
| Taishin 1699 Money Market Fund | "                                      | -   | -            | 12,357,362   | 170,000          | 11,608,020 | 160,000      | 16,703,148 | 231,090      | 230,000       | 1,090         | 7,262,234        | 100,000       |              |
| USIFE Investment Co., Ltd.     | Shares                                 |   |              |              |                  |            |              |            |              |               |               |                  |               |              |
|                                | Acme Electronics Corporation           | Investments accounted for using the equity method | -            | Associate    | 19,780,230       | 167,099    | 3,355,988    | 67,120     | -            | -             | -             | -                | 23,136,218    | 234,219      |
|                                | Fund beneficiary certificates          |   |              |              |                  |            |              |            |              |               |               |                  |               |              |
|                                | Yuanta De-Li Money Market Fund         | Financial assets at FVTPL - current               | -            | -            | 4,907,988        | 80,284     | -            | -          | 1,200,000    | 19,904        | 19,630        | 274              | 3,707,988     | 60,654       |
| USI Corporation                | Fund beneficiary certificates          |   |              |              |                  |            |              |            |              |               |               |                  |               |              |
|                                | Taishin Ta-Chong Money Market Fund     | Financial assets at FVTPL - current               | -            | -            | 417,233          | 6,000      | 138,179      | 2,000      | 208,279      | 3,020         | 3,000         | 20               | 347,133       | 5,000        |
|                                | Taishin 1699 Money Market Fund         | "   | -            | -            | 887,541          | 12,000     | -            | -          | 110,943      | 1,533         | 1,500         | 33               | 776,598       | 10,500       |
| INOMA Corporation              | Fund beneficiary certificates          |   |              |              |                  |            |              |            |              |               |               |                  |               |              |
|                                | Taishin 1699 Money Market Fund         | Financial assets at FVTPL - current               | -            | -            | 230,813          | 3,100      | -            | -          | 22,337       | 308           | 300           | 8                | 208,476       | 2,800        |
| Chong Loong Trading Co., Ltd.  | Fund beneficiary certificates          |   |              |              |                  |            |              |            |              |               |               |                  |               |              |
|                                | Fubon Chi-Hsiang Money Market Fund     | Financial assets at FVTPL - current               | -            | -            | -                | -          | 1,065,417    | 17,000     | 752,059      | 12,008        | 12,000        | 8                | 313,358       | 5,000        |

(Continued)

(Continued)

| Buyer/Seller                              | Type and Name of Marketable Securities  | Financial Statement Account              | Counterparty | Relationship | Beginning (Note) |        | Acquisition  |           | Sell         |               |               | Ending (Note)    |              |           |
|---|---|--|--------------|--------------|------------------|--------|--------------|-----------|--------------|---------------|---------------|------------------|--------------|-----------|
|   |   |  |              |              | Unit / Share     | Amount | Unit / Share | Amount    | Unit / Share | Selling price | Carrying Cost | Gain on disposal | Unit / Share | Amount    |
| China General Terminal & Distribution Co. | Fund beneficiary certificates<br>Taishin 1699 Money Market Fund                                       | Financial assets at FVTPL - current      | -            | -            | -                | \$ -   | 1,450,621    | \$ 20,000 | -            | \$ -          | \$ -          | \$ -             | 1,450,621    | \$ 20,000 |
| Union Polymer Int'l Investment Corp.      | Fund beneficiary certificates<br>Taishin Ta-Chong Money Market Fund<br>Taishin 1699 Money Market Fund | Financial assets at FVTPL - current<br>" | -            | -            | -                | -      | 6,911,997    | 100,000   | 6,911,997    | 100,032       | 100,000       | 32               | -            | -         |
|   |   |  | -            | -            | 726,718          | 10,000 | 2,168,319    | 30,000    | 2,243,721    | 31,055        | 31,000        | 55               | 651,316      | 9,000     |

Note 1: The beginning and ending amounts of investments accounted for by the equity method include the original acquisition cost, investment income or loss recognized by the equity method, exchange rate translation and adjustments for changes in net worth.

Note 2: The ending amount of fund beneficiary certificates denotes 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, 2023

TABLE 4-1

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

| Buyer/Seller                       | Type and Name of Marketable Securities | Financial Statement Account                       | Counterparty | Relationship | Beginning (Note) |            | Acquisition  |            | Sell         |               |               |                  | Ending (Note) |           |
|------------------------------------|--|---|--------------|--------------|------------------|------------|--------------|------------|--------------|---------------|---------------|------------------|---------------|-----------|
|                                    |  |   |              |              | Unit / Share     | Amount     | Unit / Share | Amount     | Unit / Share | Selling price | Carrying Cost | Gain on disposal | Unit / Share  | Amount    |
| China General Plastics Corporation | Shares                                 |   |              |              |                  |            |              |            |              |               |               |                  |               |           |
|                                    | Acme Electronics Corporation           | Investments accounted for using the equity method | -            | Associate    | 3,566,526        | \$ 54,497  | 390,507      | \$ 7,810   | -            | \$ -          | \$ -          | \$ -             | 3,957,033     | \$ 62,307 |
|                                    | Fund beneficiary certificates          |   |              |              |                  |            |              |            |              |               |               |                  |               |           |
|                                    | Fubon Chi-Hsiang Money Market Fund     | Financial assets at FVTPL current                 | -            | -            | -                | -          | 4,381,353    | 70,000     | 4,381,353    | 70,016        | 70,000        | 16               | -             | -         |
|                                    | Hua Nan Phoenix Money Market Fund      | "   | -            | -            | -                | -          | 14,068,128   | 233,000    | 14,068,128   | 233,160       | 233,000       | 160              | -             | -         |
|                                    | Yuanta De-Li Money Market Fund         | "   | -            | -            | 3,019,311        | 50,000     | 6,029,035    | 100,000    | 9,048,346    | 150,104       | 150,000       | 104              | -             | -         |
|                                    | Capital Money Market Fund              | "   | -            | -            | -                | -          | 3,647,993    | 60,000     | 3,647,993    | 60,038        | 60,000        | 38               | -             | -         |
|                                    | Taishin Ta-Chong Money Market Fund     | "   | -            | -            | -                | -          | 6,920,176    | 100,000    | 6,920,176    | 100,028       | 100,000       | 28               | -             | -         |
| SinoPac TWD Money Market Fund      | "                                      | -   | -            | -            | -                | 10,591,865 | 150,000      | 10,591,865 | 150,095      | 150,000       | 95            | -                | -             |           |
| Taishin 1699 Money Market Fund     | "                                      | -   | -            | 9,445,668    | 130,000          | 9,059,935  | 125,000      | 18,505,603 | 255,575      | 255,000       | 575           | -                | -             |           |
| Taiwan Corporation                 | VCM Fund beneficiary certificates      |   |              |              |                  |            |              |            |              |               |               |                  |               |           |
|                                    | Fubon Chi-Hsiang Money Market Fund     | Financial assets at FVTPL current                 | -            | -            | -                | -          | 20,679,465   | 330,000    | 13,981,024   | 223,214       | 223,000       | 214              | 6,698,441     | 107,000   |
|                                    | Hua Nan Phoenix Money Market Fund      | "   | -            | -            | 2,119,619        | 35,000     | 13,880,565   | 230,000    | 9,454,494    | 156,650       | 156,484       | 166              | 6,545,690     | 108,516   |
|                                    | Yuanta De-Li Money Market Fund         | "   | -            | -            | 6,037,918        | 100,000    | 3,010,452    | 50,000     | 9,048,370    | 150,166       | 150,000       | 166              | -             | -         |
|                                    | Capital Money Market Fund              | "   | -            | -            | -                | -          | 3,044,344    | 50,000     | 3,044,344    | 50,012        | 50,000        | 12               | -             | -         |
|                                    | Taishin Ta-Chong Money Market Fund     | "   | -            | -            | 8,593,337        | 123,800    | 3,454,900    | 50,000     | 12,048,237   | 174,188       | 173,800       | 388              | -             | -         |
|                                    | SinoPac TWD Money Market Fund          | "   | -            | -            | -                | -          | 17,639,711   | 250,000    | -            | -             | -             | -                | 17,639,711    | 250,000   |
|                                    | Taishin 1699 Money Market Fund         | "   | -            | -            | 8,735,968        | 120,000    | 17,374,180   | 240,000    | 8,735,968    | 120,429       | 120,000       | 429              | 17,374,180    | 240,000   |
| CGPC Corporation                   | Polymer Fund beneficiary certificates  |   |              |              |                  |            |              |            |              |               |               |                  |               |           |
|                                    | Yuanta De-Li Money Market Fund         | Financial assets at FVTPL current                 | -            | -            | 1,811,091        | 30,000     | -            | -          | 1,811,091    | 30,053        | 30,000        | 53               | -             | -         |
|                                    | Taishin Ta-Chong Money Market Fund     | "   | -            | -            | -                | -          | 19,716,800   | 285,000    | 19,716,800   | 285,125       | 285,000       | 125              | -             | -         |
| SinoPac TWD Money Market Fund      | "                                      | -   | -            | -            | -                | 5,923,235  | 84,000       | 4,725,065  | 67,032       | 67,000        | 32            | 1,198,170        | 17,000        |           |

Note 1: The beginning and ending amounts of investments accounted for by the equity method include the original acquisition cost, investment income or loss recognized by the equity method, exchange rate translation and adjustments for changes in net worth.

Note 2: The ending amount of fund beneficiary certificates denotes 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, 2023

Table 4-2

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

| Buyer/Seller                 | Type and Name of Marketable Securities | Financial Statement Account                       | Counterparty | Relationship | Beginning (Note) |           | Acquisition  |           | Sell         |               |               | Ending (Note)    |              |           |
|------------------------------|--|---|--------------|--------------|------------------|-----------|--------------|-----------|--------------|---------------|---------------|------------------|--------------|-----------|
|                              |  |   |              |              | Unit / Share     | Amount    | Unit / Share | Amount    | Unit / Share | Selling price | Carrying Cost | Gain on disposal | Unit / Share | Amount    |
| Taita Chemical Company, Ltd. | Shares                                 |   |              |              |                  |           |              |           |              |               |               |                  |              |           |
|                              | Acme Electronics Corporation           | Investments accounted for using the equity method | -            | Associate    | 4,991,556        | \$ 76,353 | 546,537      | \$ 10,931 | -            | \$ -          | \$ -          | \$ -             | 5,538,093    | \$ 87,284 |
|                              | Fund beneficiary certificates          |   |              |              |                  |           |              |           |              |               |               |                  |              |           |
|                              | Hua Nan Phoenix Money Market Fund      | Financial assets at FVTPL - current               | -            | -            | 1,816,596        | 30,000    | 3,980,820    | 66,000    | 5,797,416    | 96,056        | 96,000        | 56               | -            | -         |
|                              | Yuanta De-Li Money Market Fund         | "   | -            | -            | 3,018,303        | 50,000    | -            | -         | 3,018,303    | 50,077        | 50,000        | 77               | -            | -         |
|                              | Capital Money Market Fund              | "   | -            | -            | -                | -         | 2,067,825    | 34,000    | 2,067,825    | 34,008        | 34,000        | 8                | -            | -         |
|                              | Taishin Ta-Chong Money Market Fund     | "   | -            | -            | 3,465,868        | 50,000    | -            | -         | 3,465,868    | 50,087        | 50,000        | 87               | -            | -         |
|                              | Taishin 1699 Money Market Fund         | "   | -            | -            | 6,539,203        | 90,000    | 6,526,342    | 90,000    | 13,065,545   | 180,303       | 180,000       | 303              | -            | -         |

Note 1: The beginning and ending amounts of investments accounted for by the equity method include the original acquisition cost, investment income or loss recognized by the equity method, exchange rate translation and adjustments for changes in net worth.

Note 2: The ending amount of fund beneficiary certificates denotes 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, 2023

Table 4-3

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

| Buyer/Seller               | Type and Name of Marketable Securities | Financial Statement Account                       | Counterparty | Relationship | Beginning (Note) |            | Acquisition  |           | Sell         |               |               | Ending (Note)    |              |            |
|----------------------------|--|---|--------------|--------------|------------------|------------|--------------|-----------|--------------|---------------|---------------|------------------|--------------|------------|
|                            |  |   |              |              | Unit / Share     | Amount     | Unit / Share | Amount    | Unit / Share | Selling price | Carrying Cost | Gain on disposal | Unit / Share | Amount     |
| Asia Polymer Corporation   | Shares                                 |   |              |              |                  |            |              |           |              |               |               |                  |              |            |
|                            | Acme Electronics Corporation           | Investments accounted for using the equity method | -            | Associate    | 6,801,315        | \$ 104,951 | 744,692      | \$ 14,894 | -            | \$ -          | \$ -          | \$ -             | 7,546,007    | \$ 119,845 |
|                            | Fund beneficiary certificates          |   |              |              |                  |            |              |           |              |               |               |                  |              |            |
|                            | Fubon Chi-Hsiang Money Market Fund     | Financial assets at FVTPL - current               | -            | -            | -                | -          | 9,102,494    | 145,000   | 2,824,912    | 45,175        | 45,000        | 175              | 6,277,582    | 100,000    |
|                            | Hua Nan Phoenix Money Market Fund      | "   | -            | -            | 605,752          | 10,000     | 3,011,323    | 50,000    | 605,752      | 10,056        | 10,000        | 56               | 3,011,323    | 50,000     |
|                            | Yuanta De-Li Money Market Fund         | "   | -            | -            | -                | -          | 3,016,264    | 50,000    | 3,016,264    | 50,207        | 50,000        | 207              | -            | -          |
|                            | Capital Money Market Fund              | "   | -            | -            | -                | -          | 1,821,870    | 30,000    | -            | -             | -             | -                | 1,821,870    | 30,000     |
|                            | Taishin Ta-Chong Money Market Fund     | "   | -            | -            | 4,519,224        | 65,000     | 12,448,775   | 180,000   | 16,967,999   | 246,070       | 245,000       | 1,070            | -            | -          |
|                            | SinoPac TWD Money Market Fund          | "   | -            | -            | 7,101,315        | 100,000    | 4,101,400    | 58,000    | -            | -             | -             | -                | 11,202,715   | 158,000    |
|                            | Taishin 1699 Money Market Fund         | "   | -            | -            | 726,470          | 10,000     | 17,534,265   | 242,000   | -            | -             | -             | -                | 18,260,735   | 252,000    |
| APC Investment Corporation | Shares                                 |   |              |              |                  |            |              |           |              |               |               |                  |              |            |
|                            | Acme Electronics Corporation           | Investments accounted for using the equity method | -            | Associate    | 3,116,262        | 29,533     | 1,231,714    | 24,634    | -            | -             | -             | -                | 4,347,976    | 54,167     |

Note 1: The beginning and ending amounts of investments accounted for by the equity method include the original acquisition cost, investment income or loss recognized by the equity method, exchange rate translation and adjustments for changes in net worth.

Note 2: The ending amount of fund beneficiary certificates denotes 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, 2023

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            | \$ 427,907 | 10.94                               | Within 60 days after purchasing on credit | No significant difference | No significant difference | (\$ 143,667)                        | ( 17.34)  | Note   |
|                                  | Asia Polymer Corporation             | Subsidiary     | Sale                | ( 90,512)  | ( 1.52)                             | Within 60 days after selling on credit    | "                         | "                         | 159,114                             | 10.57   | Note   |
|                                  | Fujian Gulei Petrochemical Co., Ltd. | Joint ventures | Purchase            | 472,640    | 12.08                               | Current Letter of Credit                  | "                         | "                         | -                                   | -   | -      |
|                                  | USI (Hong Kong) Company Ltd.         | Subsidiary     | Sale                | ( 58,997)  | ( 0.99)                             | Within 60 days after selling on credit    | "                         | "                         | 2,663                               | 0.18  | Note   |
|                                  | USI Trading (Shanghai) Co., Ltd.     | Subsidiary     | Sale                | ( 65,123)  | ( 1.10)                             | Within 60 days after selling on credit    | "                         | "                         | 26,309                              | 1.75  | Note   |
|                                  | Forever Young Company Limited        | Subsidiary     | Sale                | ( 79,981)  | ( 1.35)                             | Within 60 days after selling on credit    | "                         | "                         | 31,613                              | 2.10  | Note   |
| USI (Hong Kong) Company Ltd.     | USI Corporation                      | Parent company | Purchase            | 58,997     | 1.51                                | Within 60 days after purchasing on credit | "                         | "                         | ( 2,663)                            | ( 0.32)   | Note   |
| USI Trading (Shanghai) Co., Ltd. | USI Corporation                      | Parent company | Purchase            | 65,123     | 1.66                                | Within 60 days after purchasing on credit | "                         | "                         | ( 26,309)                           | ( 3.18)   | Note   |
| Forever Young Company Limited    | USI Corporation                      | Parent company | Purchase            | 79,981     | 2.04                                | Within 60 days after purchasing on credit | "                         | "                         | ( 31,613)                           | ( 3.82)   | Note   |

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

For the six months ended June 30, 2023

TABLE 5-1

(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) (%) |        |
| Acme Electronics Corporation            | Acme Electronics (Guang-Zhou) Co., Ltd. | Subsidiary of GAEL | Purchase (including processing expenses) | \$ 111,619 | 37                                  | 55 days      | No significant difference | No significant difference | (\$ 21,763)                         | ( 44)   | Note   |
| Acme Electronics (Guang-Zhou) Co., Ltd. | Acme Electronics Corporation            | Subsidiary of GAEL | Sale (including processing expenses)     | ( 111,619) | 29                                  | 55 days      | "                         | "                         | 21,763                              | 10  | 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, 2023

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 (Sales) (%) | 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                | (\$ 174,491) | ( 39 )                              | 90 days      | No significant difference | No significant difference | Accounts receivable - related parties \$ 116,604  | 68  | Note   |
| Forever Young Company Limited         | Swanson Plastics (Malaysia) Sdn. Bhd. | Have the same ultimate parent company | Sale                | ( 154,257 )  | ( 35 )                              | 90 days      | "                         | "                         | Accounts receivable - related parties 25,312      | 15  | Note   |
| Swanson Plastics (Kunshan) Co., Ltd.  | Forever Young Company Limited         | Have the same ultimate parent company | Purchase            | 174,491      | 38                                  | 90 days      | "                         | "                         | Accounts receivable - related parties ( 116,604 ) | ( 54 )  | Note   |
| Swanson Plastics (Malaysia) Sdn. Bhd. | Forever Young Company Limited         | Have the same ultimate parent company | Purchase            | 154,257      | 41                                  | 90 days      | "                         | "                         | Accounts receivable - related parties ( 25,312 )  | ( 49 )  | Note   |

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, 2023

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 Accounts Receivable (Payable) (%) |        |      |
| China General Plastics Corporation | CGPC America Corporation             | Subsidiary                 | Sale                | ( \$ 205,314 ) | ( 5 )                               | 90 days                  | No significant difference | No significant difference | Accounts receivable - related parties | \$ 141,272  | 16     | Note |
| Taiwan VCM Corporation             | China General Plastics Corporation   | Parent company             | Sale                | ( 2,102,229 )  | ( 46 )                              | 45 days                  | "                         | "                         | Accounts receivable - related parties | 674,282   | 47     | Note |
|                                    | CGPC Polymer Corporation             | Fellow company             | Sale                | ( 2,071,649 )  | ( 45 )                              | 45 days                  | "                         | "                         | Accounts receivable - related parties | 661,332   | 46     | Note |
|                                    | Fujian Gulei Petrochemical Co., Ltd. | Related party in substance | Purchase            | 606,525        | 18                                  | Current Letter of Credit | "                         | "                         | Accounts receivable - 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, 2023

Table 5-4

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

| Buyer/Seller             | Counterparty                         | Relationship            | Transaction Details |                |                                     |                  | Abnormal Transaction      |                           | Notes/Accounts Receivable (Payable)          |   |
|--------------------------|--------------------------------------|-------------------------|---------------------|----------------|-------------------------------------|------------------|---------------------------|---------------------------|--|---|
|                          |                                      |                         | Purchase (Sale)     | Amount         | Ratio to Total Purchase (Sales) (%) | 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                | ( \$ 427,818 ) | ( 13.25 )                           | 60 days          | No significant difference | No significant difference | Accounts receivable - \$ 147,360             | 25.93   |
|                          | USI Trading (Shanghai) Co., Ltd.     | Subsidiary              | Sale                | ( 123,021 )    | ( 3.81 )                            | 90 days          | "                         | "                         | Accounts receivable - related parties 60,836 | 10.70   |
|                          | Fujian Gulei Petrochemical Co., Ltd. | Associate               | Purchase            | 429,740        | 21.83                               | Letter of Credit | "                         | "                         | -  | -   |

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, 2023

TABLE 6

(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 |  |                               |
| USI Corporation | Taiwan VCM Corporation   | Subsidiary   | Other receivables from related parties \$ 147,876       | -                 | \$ -    | -             | \$ 147,876                                     | Note 1                        |
|                 | Asia Polymer Corporation | Subsidiary   | Other receivables from related parties 159,114          | -                 | -       | -             | 159,114  | 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 3, 2023.

Note 3: 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, 2023**

TABLE 6-1

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

| Company Name                    | Counterparty                         | Relationship                          | Financial Statement Account and Ending Balance<br>(Note 3)                         | Turnover Rate<br>(%) | Overdue |               | Amounts Received in<br>Subsequent Period<br>(Note 2) | Allowance for<br>Impairment Loss |
|---------------------------------|--------------------------------------|---------------------------------------|--|----------------------|---------|---------------|--|----------------------------------|
|                                 |                                      |                                       |  |                      | Amount  | Actions Taken |  |                                  |
| ASK-Swanson (Kunshan) Co., Ltd. | Swanson Plastics (Tianjin) Co., Ltd. | Have the same ultimate parent company | Other receivables from related parties<br>\$ 174,039<br><br>(RMB 40,384 thousand ) | -                    | \$ -    | -             | \$ -   | 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 3, 2023.

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, 2023

TABLE 6-2

(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 |  |                               |
| China General Plastics Corporation | CGPC America Corporation           | Subsidiary     | Accounts receivables - related parties<br><u>\$ 141,272</u> | 2.88              | \$ -    | -             | \$ 26,137                                      | Note 1                        |
| Taiwan VCM Corporation             | China General Plastics Corporation | Parent company | Accounts receivables - related parties<br><u>\$ 674,282</u> | 5.74              | -       | -             | 427,638  | Note 1                        |
|                                    | CGPC Polymer Corporation           | Fellow company | Accounts receivables - related parties<br><u>\$ 661,332</u> | 5.95              | -       | -             | 402,541  | 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 25, 2023.

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, 2023

TABLE 6-3

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

| Company Name                 | Counterparty                       | Relationship   | Financial Statement Account and Ending Balance<br>(Note 3)                 | Turnover Rate<br>(%) | Overdue    |                       | Amounts Received in<br>Subsequent Period<br>(Note 2) | Allowance for<br>Impairment Loss |
|------------------------------|------------------------------------|----------------|--|----------------------|------------|-----------------------|--|----------------------------------|
|                              |                                    |                |  |                      | Amount     | Actions Taken         |  |                                  |
| Taita Chemical Company, Ltd. | Taita Chemical (Tianjin) Co., Ltd. | Sub-subsidiary | Other receivables \$ 285,809<br>(US\$ 9,178 thousand)<br>( Notes 1 and 3 ) | -                    | \$ 285,809 | 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 1, 2023.

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, 2023

TABLE 6-4

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

| Company Name             | Counterparty    | Relationship            | Financial Statement Account and Ending Balance<br>(Note 3) | Turnover<br>Rate (%) | Overdue<br>Amount |               | Amounts Received in<br>Subsequent Period<br>(Note 2)<br>Actions Taken | Allowance for<br>Impairment Loss |        |
|--------------------------|-----------------|-------------------------|--|----------------------|-------------------|---------------|---|----------------------------------|--------|
|                          |                 |                         |  |                      | Amount            | Actions Taken |   |                                  |        |
| Asia Polymer Corporation | USI Corporation | Ultimate parent company | Trade receivables - related parties                        | \$ 147,360           | 5.10              | \$ -          | -   | \$ 69,806                        | Note 1 |
|                          |                 |                         | Other receivables from related parties                     | 73,651               |                   | -             | -   | 2,677                            | 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, 2023.

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, 2023

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 for the period | Investment (loss) income for the period | Remark            |
|--------------------------------------|---|--|--|---------------------------------------|---------------------------------------|-----------------------|------------|--------------------------------------|--|---|-------------------|
|                                      |   |  |  | Ending of the current year            | Ending of the prior year              | Number of Shares      | Percentage | Carrying Amount                      |  |   |                   |
| USI Corporation                      | USIFE Investment Co., Ltd.              | 12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)                     | Investments in production, transportation, warehousing, construction, banking, securities investment companies and trading companies   | \$ 550,000                            | \$ 550,000                            | 89,647,000            | 100.00     | \$ 947,591                           | (\$ 18,096)                                  | (\$ 18,096)                             | 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     | 1,419,315                            | 12,043                                       | 12,043                                  | 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     | 66,994                               | ( 2,995)                                     | ( 2,995)                                | 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                             | 897,354,122           | 100.00     | 9,884,581                            | 85,499                                       | 58,668                                  | 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      | 195,685                              | 749  | 524                                     | Subsidiary        |
|                                      | Chong Loong Trading Co., Ltd.           | 12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)                     | Import and export trade  | 28,323                                | 28,323                                | 5,749,062             | 99.96      | 80,241                               | 6,438  | 6,436                                   | Subsidiary        |
|                                      | Swanson Plastics Corporation            | 12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)                     | Production and marketing of stretch film, embossed film and industrial-use multilayer wrap   | 171,210                               | 171,210                               | 62,616,299            | 40.58      | 1,033,554                            | ( 58,149)                                    | ( 23,596)                               | 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   | 470,158                               | 221,513                               | 61,682,967            | 28.96      | 507,040                              | ( 127,951)                                   | ( 37,054)                               | Subsidiary        |
|                                      | INOMA Corporation                       | 12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)                     | Optical products and fire protection materials   | 250,354                               | 250,354                               | 9,243,369             | 94.37      | 12,700                               | ( 686)                                       | ( 648)                                  | Subsidiary        |
|                                      | USI Management Consulting Corp.         | 12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)                     | Providing management services  | 1,000                                 | 1,000                                 | 671,400               | 100.00     | 3,213                                | 1  | 1                                       | 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      | 4,230,786                            | ( 1,343,938)                                 | ( 794,710)                              | Subsidiary        |
|                                      | USI Optronics Corporation               | 12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)                     | Manufacturing and marketing of sapphire single crystal   | 330,000                               | 330,000                               | 33,000,000            | 50.85      | 28,857                               | ( 10,131)                                    | ( 5,151)                                | Subsidiary        |
|                                      | USI Green Energy Corporation            | 12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)                     | Solar power generation business  | 357,506                               | 70,100                                | 36,616,004            | 100.00     | 397,415                              | ( 721)                                       | ( 1,550)                                | Subsidiary        |
|                                      | Delmind Inc.                            | Xinglong Rd., Taoyuan Dist., Taoyuan City  | Manufacturing of machinery and equipment   | 90,000                                | 90,000                                | 9,000,000             | 30.00      | 80,127                               | ( 12,650)                                    | ( 3,795)                                | Associate         |
|                                      | Chem Union Renewable Energy Corporation | 9F-3, No. 301, Songjiang Rd., Zhongshan Dist., Taipei City                             | Energy Technology Services   | 10,000                                | -                                     | 1,000,000             | 33.33      | 9,893                                | ( 320)                                       | ( 107)                                  | Associate         |
| Ever Conquest Global Limited         | Ever Victory Global Limited             | Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110           | Investment business  | 12,989,895<br>(US\$ 417,145 thousand) | 12,989,895<br>(US\$ 417,145 thousand) | 417,145,000           | 67.40      | 7,154,705<br>(US\$ 229,759 thousand) | ( 1,993,895)<br>(US\$ -65,304 thousand)      |   | Sub-subsubsidiary |
| Ever Victory Global Limited          | Dynamic Ever Investments Limited        | 6/F, Caltex House, 258 Hennessy Road, Hong Kong  | Investment business  | 18,336,789<br>(US\$ 588,850 thousand) | 18,336,789<br>(US\$ 588,850 thousand) | 588,850,000           | 85.00      | 9,645,276<br>(US\$ 309,739 thousand) | ( 2,372,560)<br>(US\$ -77,706 thousand)      |   | Sub-subsubsidiary |
| 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, acrylonitrile, butadiene, ABS resin, SAN resin, glass wool insulation products and plastic materials  | 1,749,212                             | 1,749,212                             | 145,807,007           | 36.67      | 2,728,038                            | ( 88,160)                                    |   | Sub-subsubsidiary |
|                                      | 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      | 4,901,446                            | 103,196                                      |   | Sub-subsubsidiary |
|                                      | China General Plastics Corporation      | 12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)                     | 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      | 2,426,977                            | 233,042                                      |   | Sub-subsubsidiary |

(Continued)

(Continued)

| Investor                   | Investee                                     | Location   | Main Businesses and Products   | Original Investment Amount      |                                 | Hold at End of Period |            |                                 | Net Income (Loss) of Investee for the period | Investment (loss) income for the period | Remark |
|----------------------------|--|--|--|---------------------------------|---------------------------------|-----------------------|------------|---------------------------------|--|---|--------|
|                            |  |  |  | Ending of the current year      | Ending of the prior year        | Number of Shares      | Percentage | Carrying Amount                 |  |   |        |
| USIFE Investment Co., Ltd. | 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   | \$ 222,752                      | \$ 155,632                      | 19,780,230            | 9.29       | \$ 176,987                      | (\$ 127,951)                                 | Subsidiary                              |        |
|                            | 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 | 22,500                          | 22,500                          | 2,250,015             | 15.00      | ( 3,165)                        | ( 18,905)                                    | Sub-subsidiary                          |        |
|                            | Taiwan United Venture Management Corporation | 12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)   | Corporate management consulting  | 8,000                           | 8,000                           | 800,000               | 100.00     | 15,492                          | 443  | Sub-subsidiary                          |        |
| Swanlake Traders Ltd.      | ACME Electronics (Cayman) Corp.              | Ugland House P.O. Box 309 George Town, Grand Cayman, Cayman Islands  | Corporate investments  | 267,452<br>(US\$8,589 thousand) | 267,452<br>(US\$8,589 thousand) | 11,553,462            | 18.93      | 270,985<br>(US\$8,702 thousand) | ( 44,193)<br>(US\$-1,447 thousand)           | Sub-subsidiary                          |        |

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

Note 2: Except for Delmind Inc. and Chem Union Renewable Energy Corporation, the carrying amount of other investee companies and the recognized investment gain (loss) for the period have been fully written off when preparing the consolidated financial statements.

USI CORPORATION AND SUBSIDIARIES

Acme Electronics Corporation

INFORMATION ON INVESTEES

For the six months ended June 30, 2023

TABLE 7-1

(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 for the period | Investment (loss) income for the period | Remark |
|--------------------------------------|--------------------------------------|---|---|-----------------------------------|-----------------------------------|-----------------------|------------|------------------------------------|--|---|--------|
|                                      |                                      |   |   | Ending of the current year        | Ending of the prior year          | Number of Shares      | Percentage | Carrying Amount                    |  |   |        |
| Acme Electronics Corporation         | ACME Electronics (Cayman) Corp.      | Ugland House P.O. Box 309 George Town, Grand Cayman, Cayman Islands                                   | Corporate investments                                       | \$ 880,420                        | \$ 605,182                        | 36,675,541            | 60.10      | \$ 882,467                         | (\$ 44,193)<br>(US\$-1,448 thousand)         | (\$ 3,716)<br>(US\$ -122 thousand)      | Note 1 |
|                                      | Golden Amber Enterprises Limited     | CITCO Building, Wickhams Cay Road Town, Tortola, British Virgin Islands                               | Corporate investments                                       | 669,072                           | 669,072                           | 20,800,000            | 100.00     | 997,929                            | ( 38,543)                                    | ( 35,692)                               | Note 1 |
|                                      | USI Optronics Corporation            | 12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)                                    | Manufacturing and marketing of sapphire single crystal      | 646,200                           | 646,200                           | 22,064,224            | 34.00      | 19,294                             | ( 10,131)                                    | ( 3,444)                                |        |
| 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                                       | 370,286<br>(US\$11,891 thousand)  | 370,286<br>(US\$11,891 thousand)  | 42,600,000            | 100.00     | 688,608<br>(US\$22,113 thousand)   | 13,493<br>(MYR2,041 thousand)                |   | Note 1 |
| 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 | 242,362<br>(MYR 37,964 thousand ) | 242,362<br>(MYR 37,964 thousand ) | 9,120,000             | 100.00     | 679,748<br>(MYR 106,477 thousand ) | 13,769<br>(MYR2,083 thousand)                |   | Note 1 |

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, 2023.

Note 3: The amount is calculated based on the average exchange rate from January 1 to June 30, 2023.

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, 2023

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 for the period | Investment (loss) income for the period | Remark |
|--|--|--|--|------------------------------------|------------------------------------|-----------------------|------------|------------------------------------|--|---|--------|
|  |  |  |  | Ending of the current year         | Ending of the prior year           | Number of Shares      | Percentage | Carrying Amount                    |  |   |        |
| Swanson Plastics Corporation           | Swanson Plastics (Singapore) Pte. Ltd. | 2 Venture Drive Vision Exchange #12-10 Singapore 608526  | Production and marketing of plastic products   | \$ 808,506                         | \$ 808,506                         | 36,862,980            | 100.00     | \$ 1,862,463                       | \$ 19,608                                    | \$ 19,608                               |        |
|  | Forever Young Company Limited          | Flemming House, Wickhams Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands. VG1110   | Trading and agency businesses  | 1,297                              | 1,297                              | 50,000                | 100.00     | 39,936                             | 1,289  | 1,289                                   |        |
|  | Swanson International Ltd.             | PO Box 309 Uglan House Grand Cayman KY1-1104 Cayman Islands  | Investment   | 499,996                            | 499,996                            | 16,041,205            | 100.00     | 1,589,759                          | ( 16,555)                                    | ( 16,555 )                              |        |
|  | 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 | 245,000                            | 245,000                            | 10,500,070            | 70.00      | ( 14,772 )                         | ( 18,905 )                                   | ( 13,234 )                              |        |
|  | 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                              | 261,010               | 1.00       | 8,269                              | 10,630                                       | 106                                     |        |
|  | Swanson Plastics (India) Private Ltd.  | Phase II, Plot No.2, GIDC, Bhuipal Honda, Sattari, Goa (India) 403 530,  | Manufacturing and marketing of plastic products  | 0.007                              | 0.007                              | 1                     | -          | 0.007                              | 1,648  | -                                       |        |
| 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, Pulau Pinang, Malaysia. | Manufacturing and marketing of plastic products  | 205,318<br>( US\$6,593 thousand )  | 205,318<br>( US\$6,593 thousand )  | 20,000,000            | 100.00     | 515,564<br>( US\$16,556 thousand ) | 17,224<br>( US\$ 563 thousand )              |   |        |
|  | Swanson Plastics (India) Private Ltd.  | Phase II, Plot No.2, GIDC, Bhuipal Honda, Sattari, Goa (India) 403 530,  | Manufacturing and marketing of plastic products  | 514,148<br>( US\$16,511 thousand ) | 514,148<br>( US\$16,511 thousand ) | 107,351,389           | 100.00     | 287,094<br>( US\$9,219 thousand )  | 1,648<br>( INR4,376 thousand )               |   |        |
|  | PT. Swanson Plastics Indonesia         | Ngoro Industrial Park Blok D2-3 Ds. Lolawang Kec. Ngoro Kab. Mojokerto   | Manufacturing and marketing of plastic products  | 804,659<br>( US\$25,840 thousand ) | 804,659<br>( US\$25,840 thousand ) | 25,840,033            | 99.00      | 818,668<br>( US\$26,290 thousand ) | 10,630<br>( IDR 5,172,842 thousand )         |   |        |
| Swanson International Ltd.             | A.S. Holdings (UK) Limited             | 5TH Floor 7-10 Chandos Street London W1G 9DQ   | Investment   | 220,910<br>( US\$7,094 thousand )  | 220,910<br>( US\$7,094 thousand )  | 3,156,993             | 100.00     | 563,918<br>( US\$18,109 thousand ) | 12,397<br>( US\$ 406 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, 2023.

Note 3: The amount is calculated based on the average exchange rate from January 1 to June 30, 2023.

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, 2023

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 for the period | Investment (loss) income for the period | Remark  |
|------------------------------------|---|--|--|----------------------------|--------------------------|-----------------------|------------|-----------------|--|---|---|
|                                    |   |  |  | Ending of the current year | Ending of the prior year | 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      | \$ 4,358,734    | \$ 413,832                                   | \$ 282,209                              | Subsidiary                                      |
|                                    | CGPC Polymer Corporation                  | 12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)                     | Manufacturing and marketing of PVC resins                      | 800,000                    | 800,000                  | 100,000,000           | 100.00     | 631,177         | ( 70,530 )                                   | ( 70,530 )                              | 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     | 337,667         | 7,288  | 7,288                                   | 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                   | 23,892,872            | 33.33      | 340,914         | ( 12,895 )                                   | ( 4,298 )                               | Associate accounted for using the equity method |
|                                    | CGPC America Corporation                  | 4 Latitude Way, Suite 108 Corona, CA 92881, U.S.A                                      | Marketing of PVC two- or three-time processed products         | 648,931                    | 648,931                  | 100                   | 100.00     | 202,866         | ( 10,291 )                                   | ( 10,291 )                              | 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 | 41,805<br>( Note 1 )       | 33,995                   | 3,566,526             | 1.67       | 30,204          | ( 127,951 )                                  | ( 2,143 )                               | Associate accounted for using the equity method |
| Taiwan VCM Corporation             | Global Green Technology Corporation       | 12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)                     | Environmental detection services                               | 50,000                     | 50,000                   | 5,000,000             | 100.00     | 54,889          | 2,624  | -                                       | Subsidiary                                      |

Note 1: CGPC failed to subscribe for the cash capital increase of ACME in proportion to its shareholding, resulting in a decrease in its shareholding from 1.74% to 1.67%.

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

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

USI CORPORATION AND SUBSIDIARIES

Taita Chemical Company, Ltd.

INFORMATION ON INVESTEEES

For the six months ended June 30, 2023

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 for the period | Investment (loss) income for the period | Remark  |
|-------------------------------|---|------------------------|---|--|--|-----------------------|------------|--|--|---|---|
|                               |   |                        |   | Ending of the current year               | Ending of the prior year                 | Number of Shares      | Percentage | Carrying Amount                          |  |   |   |
| Taita Chemical Company, Ltd.  | TAITA (BVI) Holding Co., Ltd.             | British Virgin Islands | Reinvestment  | \$ 2,794,441<br>( US\$ 89,738 thousand ) | \$ 2,794,441<br>( US\$ 89,738 thousand ) | 89,738,000            | 100.00     | \$ 3,053,579<br>( US\$ 98,060 thousand ) | ( \$ 20,718 )<br>( US\$ -674 thousand )      | ( \$ 20,718 )<br>( US\$ -674 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       | 188,153                                  | 233,042                                      | 4,619                                   | Investee companies using equity method (Note 1) |
|                               | China General Terminal & Distribution Co. | Taipei City            | Warehousing of petrochemical raw materials                      | 41,082                                   | 41,082                                   | 23,892,871            | 33.33      | 340,914                                  | ( 12,895 )                                   | ( 4,298 )                               | Investee companies using equity method (Note 2) |
|                               | Acme Electronics Corporation              | Taipei City            | Production and marketing of manganese-zinc soft ferrite powder  | 55,702                                   | 44,771                                   | 4,991,556             | 2.34       | 42,272                                   | ( 127,951 )                                  | ( 2,999 )                               | Investee companies using equity method (Note 1) |
| TAITA (BVI) Holding Co., Ltd. | ACME Electronics (Cayman) Corp.           | British Cayman Islands | Reinvestment  | 52,939<br>( US\$ 1,700 thousand )        | 52,939<br>( US\$ 1,700 thousand )        | 2,695,619             | 4.42       | 63,225<br>( US\$ 2,030 thousand )        | ( 44,193 )<br>( US\$ -1,448 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, 2023

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 for the period | Investment (loss) income for the period           | Remark  |
|-----------------------------|---|------------------------|--|---|---|-----------------------|------------|--|--|---|---|
|                             |   |                        |  | Ending of the current year              | Ending of the prior year                | Number of Shares      | Percentage | Carrying Amount                        |  |   |   |
| Asia Polymer Corporation    | APC (BVI) Holding Co., Ltd.               | British Virgin Islands | Reinvestment business  | \$ 428,947<br>( US\$13,775 thousand )   | \$ 428,947<br>( US\$13,775 thousand )   | 11,342,594            | 100.00     | \$ 589,550                             | \$ 4,635                                     | \$ 4,635  | Subsidiary  |
|                             | APC Investment Corporation                | Taipei City            | Investment business  | 200,000                                 | 200,000                                 | 20,000,000            | 100.00     | 143,211                                | ( 2,304 )                                    | ( 2,304 )   | Subsidiary  |
|                             | USI International Corp.                   | British Virgin Islands | Reinvestment business  | 65,394<br>( US\$2,100 thousand )        | 65,394<br>( US\$2,100 thousand )        | 2,100,000             | 70.00      | 68,895                                 | ( 1,987 )                                    | ( 1,391 )   | 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       | 766,032                                | 233,042                                      | 18,805  | Investments accounted for using the equity method                             |
|                             | China General Terminal & Distribution Co. | Taipei City            | Petrochemical materials storage and transportation operations  | 41,082                                  | 41,082                                  | 23,892,871            | 33.33      | 340,913                                | ( 12,895 )                                   | ( 4,299 )   | 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       | 203,452                                | ( 58,149 )                                   | ( 4,623 )   | Investments accounted for using the equity method                             |
|                             | Acme Electronics Corporation              | Taipei City            | Manufacturing & marketing of Mn-Zn and Ni-Zn ferrite cores   | 76,241                                  | 61,348                                  | 6,801,315             | 3.19       | 57,599                                 | ( 127,951 )                                  | ( 4,086 )   | 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       | 23,277                                 | 749  | 62  | 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       | 5,223                                  | ( 10,131 )                                   | ( 932 )   | Investments accounted for using the equity method                             |
| Ever Conquest Global Ltd.   | British Virgin Islands                    | Reinvestment business  | 5,308,592<br>( US\$ 170,475 thousand )   | 5,308,592<br>( US\$ 170,475 thousand )  | 170,475,000                             | 40.87                 | 2,923,920  | ( 1,343,938 )                          | ( 549,228 )                                  | Investments accounted for using the equity method |   |
| APC (BVI) Holding Co., Ltd. | ACME Electronics (Cayman) Corp.           | British Cayman Islands | Reinvestment business  | 163,326<br>( US\$5,245 thousand )       | 163,326<br>( US\$5,245 thousand )       | 8,316,450             | 13.63      | 195,061                                | ( 44,193 )                                   | -   | APC (BVI) Holding Co., Ltd. Investments accounted for using the equity method |
|                             | USI International Corp.                   | British Virgin Islands | Reinvestment business  | 28,026<br>( US\$ 900 thousand )         | 28,026<br>( US\$ 900 thousand )         | 900,000               | 30.00      | 29,527                                 | ( 1,987 )                                    | -   | APC (BVI) Holding Co., Ltd. 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   | 39,523                                  | 14,889                                  | 3,116,262             | 1.46       | 26,391                                 | ( 127,951 )                                  | -   | APC Investment Corporation Investments accounted for using the equity method  |
|                             | Swanson Technologies Corporation          | Taipei City            | Planting agriculture, marketing, research and development of agricultural products, production, sale, and development of EVA packaging films and other high value-added plastic products | 22,500                                  | 22,500                                  | 2,250,015             | 15.00      | ( 3,165 )                              | ( 18,905 )                                   | -   | APC Investment Corporation Investments accounted for using the equity method  |
| Ever Conquest Global Ltd.   | Ever Victory Global Ltd.                  | British Virgin Islands | Reinvestment business  | 12,989,895<br>( US\$ 417,145 thousand ) | 12,989,895<br>( US\$ 417,145 thousand ) | 417,145,000           | 67.40      | 7,154,705<br>( US\$ 229,759 thousand ) | ( 1,993,895 )<br>( US\$ -65,304 thousand )   | -   | Ever Conquest Global Ltd. Investments accounted for using the equity method   |
| Ever Victory Global Ltd.    | Dynamic Ever Investments Ltd.             | Hong Kong              | Reinvestment business  | 18,336,789<br>( US\$ 588,850 thousand ) | 18,336,789<br>( US\$ 588,850 thousand ) | 588,850,000           | 85.00      | 9,645,276<br>( US\$ 309,739 thousand ) | ( 2,372,560 )<br>( US\$ -77,706 thousand )   | -   | Ever Victory Global Ltd. 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 8-5 for relevant information of mainland investee companies.

USI CORPORATION AND SUBSIDIARIES  
INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
For the six months ended June 30, 2023

TABLE 8

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

| Investee Company                     | Main Businesses and Products  | Paid-in Capital (Note 6)               | Method of Investment | Accumulated Outward Remittance for Investment from Taiwan as of the beginning of the Period (Note 6) | Investment Flows for the Year Ended December 31, 2023 (Note 6) |        | Accumulated Outward Remittance for Investment from Taiwan as of the ending of the Period (Note 6) | Net Income (Loss) of Investee(Note 8)   | Ownership of Direct or Indirect Investment (%) | Investment Gain (Loss) (Notes 7 and 8) | Carrying Amount as of the End of Period (Notes 6 and 7) | Accumulated Repatriation of Investment Income as of the End of Period |
|--------------------------------------|---|--|----------------------|--|--|--------|---|---|--|--|---|---|
|                                      |   |  |                      |  | Outflow  | Inflow |   |   |  |  |   |   |
| Acme Electronics (Kunshan) Co., Ltd. | Manufacturing and sales of manganese-zinc soft ferrite core                     | \$ 956,777<br>(US\$ 30,725 thousand)   | (Note 1)             | \$ 87,738<br>(US\$ 2,818 thousand)   | \$ -   | \$ -   | \$ 87,738<br>(US\$ 2,818 thousand)  | (\$ 50,716)<br>(US\$ -1,662 thousand)   | 18.93  | (\$ 4,920)<br>(US\$ -161 thousand)     | \$ 137,547<br>(US\$ 4,417 thousand)                     | \$ -  |
| Zhangzhou Taiju Trading Co., Ltd.    | Import and distribution of various types of chemical raw materials and products | 43,096<br>(RMB 10,000 thousand)        | (Note 1)             | 32,279<br>(RMB 1,037 thousand)   | -  | -      | 32,279<br>(RMB 1,037 thousand)  | ( 6,895)<br>(US\$ -226 thousand)        | 70.00  | ( 4,827)<br>(US\$ -158 thousand)       | 23,403<br>(US\$ 752 thousand)                           | -   |
| USIG (Shanghai) Co., Ltd.            | Import and distribution of various types of chemical raw materials and products | 155,700<br>(US\$ 5,000 thousand)       | (Note 2)             | 155,700<br>(US\$ 5,000 thousand)   | -  | -      | 155,700<br>(US\$ 5,000 thousand)  | 83<br>(US\$ 2 thousand)                 | 100.00   | 83<br>(US\$ 2 thousand)                | 127,888<br>(US\$ 4,107 thousand)                        | -   |
| Fujian Gulei Petrochemical Co., Ltd. | Crude oil processing and petroleum products manufacturing                       | 40,141,338<br>(RMB 9,314,400 thousand) | (Note 3)             | 7,113,925<br>(US\$228,450 thousand)  | -  | -      | 7,113,925<br>(US\$228,450 thousand)   | ( 4,729,611)<br>(US\$-154,907 thousand) | 16.94  | ( 801,168)<br>(US\$ -26,240 thousand)  | 3,697,065<br>(US\$118,724 thousand)                     | -   |

| Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period (Notes 6 and 9) | Investment Amounts Authorized by Investment Commission, MOEA (Notes 6 and 9) | Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA |
|---|--|---|
| \$ 7,575,158  | \$ 9,620,650   | - (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: The Company directly invested in China-based companies (100%).

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. 11251003100 on February 7, 2023, the upper limit on investment in mainland China is not applicable.

Note 5: 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 6: The calculation was based on the spot exchange rate of June 30, 2023.

Note 7: 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 8: The amount is calculated based on the average exchange rate from January 1 to June 30, 2023.

Note 9: Accumulated outward remittance of investment to Mainland China from Taiwan and the investment amounts authorized by Investment Commission, MOEA at the end of the current period amounted US\$243,261 thousand and US\$308,948 thousand.

USI CORPORATION AND SUBSIDIARIES  
Acme Electronics Corporation  
INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
For the six months ended June 30, 2023

TABLE 8-1

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

| Investee Company                        | Main Businesses and Products                                | Paid-in Capital (Note 6)            | Method of Investment                   | Accumulated Outward Remittance for Investment from Taiwan as of the beginning of the Period (Note 4) | Investment Flows for the Year Ended December 31, 2023 |        | Accumulated Outward Remittance for Investment from Taiwan as of the ending of the Period (Note 4) | Net Income (Loss) of Investee (Note 5) | Ownership of Direct or Indirect Investment (%) | Investment Gain (Loss) (Notes 3, 5 and 7) | Carrying Amount as of the End of Period (Notes 6 and 7) | Accumulated Repatriation of Investment Income as of the End of Period |
|---|---|-------------------------------------|--|--|---|--------|---|--|--|---|---|---|
|   |   |                                     |  |  | Outflow   | Inflow |   |  |  |   |   |   |
| Acme Electronics (Kunshan) Co., Ltd.    | Manufacturing and sales of manganese-zinc soft ferrite core | \$ 956,777<br>(US\$30,725 thousand) | Indirect investment via ACME (Cayman). | \$ 374,188<br>(US\$11,144 thousand)  | \$ -  | \$ -   | \$ 374,188<br>(US\$11,144 thousand)   | (\$ 50,716)<br>(RMB -11,480 thousand)  | 60.10  | (\$ 27,791)<br>(RMB-6,294 thousand)       | \$ 436,631<br>(RMB 101,316 thousand)                    | \$ -  |
| Acme Electronics (Guang-Zhou) Co., Ltd. | Manufacturing and sales of manganese-zinc soft ferrite core | 597,888<br>(US\$19,200 thousand)    | Indirect investment via GAEL.          | 619,676<br>(US\$19,200 thousand)   | -   | -      | 619,676<br>(US\$19,200 thousand)  | ( 38,625)<br>(RMB-8,710 thousand)      | 100.00   | ( 38,625)<br>(RMB-8,710 thousand)         | 986,599<br>(RMB 228,931 thousand)                       | -   |

| Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period | Investment Amounts Authorized by Investment Commission, MOEA | Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA |
|---|--|---|
| \$944,912 ( US\$ 30,344 thousand )<br>(Notes 2 and 6)   | \$1,140,752 ( US\$ 36,633 thousand )<br>(Notes 2 and 6)      | \$ -<br>(Note 1)  |

Note 1: 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 2: It includes the capital increase transferred from surplus of Acme Electronics (Kunshan) Co., Ltd., and ACME increased the amount of US\$6,289 thousand at its ownership percentage.

Note 3: 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 4: The calculation was based on the exchange rate of the original investment.

Note 5: The amount is calculated based on the average exchange rate from January 1 to June 30, 2023.

Note 6: The calculation was based on the spot exchange rate of June 30, 2023.

Note 7: 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, 2023

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 the Period | Investment Flows for the Year Ended December 31, 2023 |        | Accumulated Outward Remittance for Investment from Taiwan as of the ending of the 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 | Remark        |
|--------------------------------------|--|--------------------------------------|---|---|---|--------|--|---------------------------------------|--|------------------------------------|--|---|---------------|
|                                      |  |                                      |   |   | Outflow   | Inflow |  |                                       |  |                                    |  |   |               |
| Swanson Plastics (Kunshan) Co., Ltd. | Production, sales and development of multi-functional film, optical film, etc. | \$ 413,851<br>(US\$ 13,290 thousand) | Indirect investment via Swanson International Ltd. of British Cayman Islands.                               | \$ 223,930  | \$ -  | \$ -   | \$ 223,930   | (\$ 28,862)<br>(US\$-943 thousand)    | 100.00   | (\$ 28,862)<br>(US\$-943 thousand) | \$ 1,023,453<br>(US\$ 32,866 thousand)           | \$ 49,018<br>(US\$1,600 thousand)                                     | Notes 7 and 8 |
| ASK-Swanson (Kunshan) Co., Ltd.      | Production and sales of PE release film and other release products             | 283,374<br>(US\$ 9,100 thousand)     | Indirect investment in A.S. Holdings (UK) Limited via Swanson International Ltd. of British Cayman Islands. | 193,447   | -   | -      | 193,447  | 12,688<br>(US\$ 415 thousand)         | 100.00   | 12,688<br>(US\$415 thousand)       | 563,588<br>(US\$ 18,099 thousand)                | 64,395<br>(US\$2,327 thousand)  | Notes 6 and 8 |
| Swanson Plastics (Tianjin) Co., Ltd. | Production, sales and development of multi-functional film, optical film, etc. | 333,198<br>(US\$ 10,700 thousand)    | Indirect investment via Swanson (Singapore) Private Ltd. in the third region.                               | 170,754   | -   | -      | 170,754  | ( 11,602)<br>(US\$-380 thousand)      | 100.00   | ( 11,602)<br>(US\$-380 thousand)   | 39,847<br>(US\$1,280 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) | Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA |
|---|---|---|
| \$ 588,131  | \$ 1,020,948<br>(US\$ 32,786 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, 2023.

Note 2: As SPC had obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11251024920 on May 31, 2023, 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, 2023.

Note 5: The calculation was based on the spot exchange rate of June 30, 2023.

Note 6: Swanson International Ltd received a cash dividend of US\$2,327 thousand from its reinvestment company API-Swanson (Kunshan) Co., Ltd. in 2021, which has been remitted to Swanson Plastics Corporation.

Note 7: Swanson International Ltd received a cash dividend of US\$1,600 thousand from its reinvestment company Swanson Plastics (Kunshan) Co., Ltd. in 2022, which has been remitted to Swanson Plastics Corporation.

Note 8: Calculated at the spot exchange rate at remittance.

USI CORPORATION AND SUBSIDIARIES  
China General Plastics Corporation  
INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
For the six months ended June 30, 2023

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 the Period (Note 1) | Investment Flows for the Year Ended December 31, 2023 |        | Accumulated Outward Remittance for Investment from Taiwan as of the ending of the 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)") | Manufacturing and sales of PVC film and third-time processed products | \$ 622,800 (US\$ 20,000 thousand) | Investment through CGPC (BVI) Holding Co., Ltd. (CGPC (BVI)) | \$ 622,800 (US\$ 20,000 thousand)  | \$ -  | \$ -   | \$ 622,800 (US\$ 20,000 thousand)   | \$ 6,341 (US\$ 208 thousand)           | 100.00   | \$ 6,341 (US\$ 208 thousand)    | \$ 240,985 (US\$7,739 thousand)                         | \$ -  |
| CGPC Consumer Products Corporation                               | Manufacturing and sales of PVC film and third-time processed products | - (US\$ - thousand)               | Investment through CGPC (BVI) Holding Co., Ltd. (CGPC (BVI)) | 46,710 (US\$1,500 thousand)  | -   | -      | 46,710 (US\$ 1,500 thousand)  | 8 (US\$ - thousand)                    | 100.00   | 8 (US\$ - thousand)             | - (US\$ - 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) | Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 2) |
|---|---|--|
| \$ 843,333 ( US\$ 27,082 thousand )   | \$ 977,796 ( US\$ 31,400 thousand )                                   | \$ -   |

Note 1: The calculation was based on the spot exchange rate of June 30, 2023.

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 China General Plastics Co., Ltd. ("CGPC (QZ)"), Union (Zhong Shan) Co., Ltd. ("Union (ZS)") and CGPC Consumer Products Corporation ("CGPC (CP)") completed dissolution procedures, and CGPC (BVI) retrieved the residual assets. The shares of China 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, the investment amount of CGPC (SH) of US\$4,000 thousand and the investment amount of CGPC (CP) US\$1,500 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, 2023

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 the Period | Investment Flows for the Year Ended December 31, 2023 |        | Accumulated Outward Remittance for Investment from Taiwan as of the ending of the Period | Net Income (Loss) of Investee(Note 6) | Ownership of Direct or Indirect Investment (%) | Investment Gain (Loss) (Note 6)                   | Carrying Amount as of the End of Period (Notes 1 and 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             | \$ 1,440,225<br>(US\$ 46,250 thousand)<br>( Note 1 ) | Reinvest in the mainland companies by establishing a company through investment in the third region                       | \$ 1,339,020<br>(US\$ 43,000 thousand)  | \$ -  | \$ -   | \$ 1,339,020<br>(US\$ 43,000 thousand)   | (\$ 20,338)<br>(US\$ -664 thousand)   | 100.00   | (\$ 20,338)<br>(US\$ -664 thousand)<br>( Note 7 ) | \$ 1,765,388<br>(US\$ 56,692 thousand)<br>( Note 7 )    | \$ -  |
| Taita Chemical (Tianjin) Co., Ltd. ("TAITA(TJ)")<br>( Note 8 ) | Production and marketing of polystyrene derivatives             | 851,679<br>(US\$ 27,350 thousand)<br>( Note 2 )      | Reinvest in the mainland companies by establishing a company through investment in the third region                       | 809,640<br>(US\$ 26,000 thousand)   | -   | -      | 809,640<br>(US\$ 26,000 thousand)  | ( 16,081 )<br>(US\$ -523 thousand)    | 100.00   | ( 16,081 )<br>(US\$ -523 thousand)<br>( Note 7 )  | ( 165,074 )<br>(US\$ -5,301 thousand)<br>( Note 7 )     | -   |
| Zhangzhou Taita Chemical Company, Limited (ZTC)                | Production and marketing of polystyrene derivatives             | 1,512,768<br>(US\$ 48,580 thousand)<br>( Note 3 )    | Reinvest in the mainland companies by establishing a company through investment in the third region                       | -   | -   | -      | -  | 19,814<br>(US\$ 648 thousand)         | 100.00   | 19,814<br>(US\$ 648 thousand)<br>( Note 7 )       | 1,353,966<br>(US\$ 43,480 thousand)<br>( Note 7 )       | -   |
| Acme Electronics (Kunshan) Co., Ltd. ("ACME (KS)")             | Manufacturing and marketing of manganese-zinc soft ferrite core | 956,777<br>(US\$ 30,725 thousand)                    | Reinvest in a mainland company by reinvesting in the existing company in the third region, ACME Electronics(Cayman) Corp. | 42,164<br>(US\$ 1,354 thousand)   | -   | -      | 42,164<br>(US\$ 1,354 thousand)  | ( 50,716 )<br>(US\$ -1,662 thousand)  | 4.42   | ( 2,538 )<br>(US\$ -83 thousand)                  | 32,092<br>(US\$ 1,031 thousand)                         | -   |

| Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period | Investment Amounts Authorized by Investment Commission, MOEA | Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA |
|---|--|---|
| \$ 2,190,824<br>(US\$ 70,354 thousand)  | \$ 3,917,951<br>(US\$ 125,817 thousand) (Note 4)             | \$ - (Note 5)   |

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

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

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

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

Note 5: As 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 SUBSIDIARIES  
Asia Polymer Corporation  
INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
For the six months ended June 30, 2023

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 the Period | Investment Flows for the Year Ended December 31, 2023 |        | Accumulated Outward Remittance for Investment from Taiwan as of the ending of the Period | Net Income (Loss) of Investee(Note 3) | Ownership of Direct or Indirect Investment (%) | Investment Gain (Loss) (Note 3) | Carrying Amount as of the End of Period (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 ferritecore | \$ 956,777<br>(US\$ 30,725 thousand)   | (2)<br>ACME Electronics (Cayman) Corp.        | \$ 130,083<br>(US\$ 4,177 thousand)   | \$ -  | \$ -   | \$ 130,083<br>(US\$ 4,177 thousand)  | B (\$ 50,716)                         | 13.63  | (\$ 7,830)                      | \$ 99,009  | \$ -  |
| USI Trading (Shanghai) Co., Ltd.     | Sales of chemical products and equipment, etc.            | 77,850<br>(US\$ 2,500 thousand)        | (2)<br>APC (BVI) Holding Co.,Ltd.             | 94,529<br>(US\$ 3,036 thousand)   | -   | -      | 94,529<br>(US\$ 3,036 thousand)  | C 7,903                               | 100.00   | 7,903                           | 155,083  | -   |
| Fujian Gulei Petrochemical Co., Ltd. | Crude oil processing and petroleum products manufacturing | 40,141,338<br>(RMB 9,314,400 thousand) | (2)<br>Dynamic Ever Investments Ltd. (Note 2) | 4,916,473<br>(US\$ 157,883 thousand)  | -   | -      | 4,916,473<br>(US\$ 157,883 thousand)   | C ( 4,729,611)                        | 11.71  | ( 553,688)                      | 2,575,008  | -   |
| Zhangzhou Taiju Trading Co., Ltd.    | Sales of chemical products and equipment, etc.            | 43,096<br>(RMB 10,000 thousand)        | (2)<br>APC (BVI) Holding Co.,Ltd.             | 12,929<br>(RMB 3,000 thousand)  | -   | -      | 12,929<br>(RMB 3,000 thousand)   | C ( 6,895)                            | 30.00  | ( 2,068)                        | 10,030   | -   |

| Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period | Investment Amounts Authorized by Investment Commission, MOEA | Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA |
|---|--|---|
| \$ 5,305,017 (Note 5)<br>( US\$170,360 thousand )   | \$ 6,970,241<br>( US\$223,836 thousand )                     | \$ -<br>( 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: Investment income (loss) recognized for the period:

- (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 audited 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, 2023.

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. 11120425760 on August 23, 2022, 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, 2023

TABLE 9

(In Thousands of New Taiwan Dollars)

| No. (Note 1) | Trading Company                    | Counterparty                              | Relationships with trader(Note 2) | Transactions Details            |                |                           | % of Total Consolidated Operating Revenue or Total Asset (Note 4) |
|--------------|------------------------------------|---|-----------------------------------|---------------------------------|----------------|---------------------------|---|
|              |                                    |   |                                   | Financial Statement Accounts    | Amount(Note 3) | Transaction Terms         |   |
| 0            | USI Corporation                    | Swanson Plastics Corporation              | 1                                 | Sales revenue                   | \$ 30,622      | No significant difference | 0.12%   |
| 0            | USI Corporation                    | Forever Young Company Limited             | 1                                 | Sales revenue                   | 79,981         | No significant difference | 0.31%   |
| 0            | USI Corporation                    | USI Trading (Shanghai) Co., Ltd.          | 1                                 | Sales revenue                   | 65,123         | No significant difference | 0.25%   |
| 0            | USI Corporation                    | USI (Hong Kong) Company Ltd.              | 1                                 | Sales revenue                   | 58,997         | No significant difference | 0.23%   |
| 0            | USI Corporation                    | Asia Polymer Corporation                  | 1                                 | Purchase                        | 427,907        | No significant difference | 1.65%   |
| 0            | USI Corporation                    | Swanson Plastics Corporation              | 1                                 | Purchase                        | 31,634         | No significant difference | 0.12%   |
| 0            | USI Corporation                    | Asia Polymer Corporation                  | 1                                 | Sales revenue                   | 90,512         | No significant difference | 0.35%   |
| 0            | USI Corporation                    | Forever Young Company Limited             | 1                                 | Accounts receivable             | 27,578         | No significant difference | 0.04%   |
| 0            | USI Corporation                    | USI Trading (Shanghai) Co., Ltd.          | 1                                 | Accounts receivable             | 26,309         | No significant difference | 0.03%   |
| 0            | USI Corporation                    | Asia Polymer Corporation                  | 1                                 | Other receivables               | 159,114        | No significant difference | 0.21%   |
| 0            | USI Corporation                    | Taiwan VCM Corporation                    | 1                                 | Other receivables               | 147,876        | No significant difference | 0.20%   |
| 0            | USI Corporation                    | USI Management Consulting Corp.           | 1                                 | Management service expenses     | 73,697         | No significant difference | 0.28%   |
| 0            | USI Corporation                    | Asia Polymer Corporation                  | 1                                 | Accounts payable                | 143,667        | No significant difference | 0.19%   |
| 0            | USI Corporation                    | China General Terminal & Distribution Co. | 1                                 | Storage tank operating expenses | 21,641         | No significant difference | 0.08%   |
| 0            | USI Corporation                    | Taiwan VCM Corporation                    | 1                                 | Accounts receivable             | 147,876        | No significant difference | 0.20%   |
| 0            | USI Corporation                    | Asia Polymer Corporation                  | 1                                 | Dividends payable               | 70,949         | No significant difference | 0.09%   |
| 0            | USI Corporation                    | Taita Chemical Company, Ltd.              | 1                                 | Dividends payable               | 10,577         | No significant difference | 0.01%   |
| 1            | Asia Polymer Corporation           | China General Terminal & Distribution Co. | 3                                 | Storage tank operating expenses | 21,680         | No significant difference | 0.08%   |
| 1            | Asia Polymer Corporation           | Swanson Plastics Corporation              | 3                                 | Purchase                        | 20,978         | No significant difference | 0.08%   |
| 1            | Asia Polymer Corporation           | Swanson Plastics Corporation              | 3                                 | Sales revenue                   | 11,050         | No significant difference | 0.04%   |
| 1            | Asia Polymer Corporation           | USI Trading (Shanghai) Co., Ltd.          | 3                                 | Accounts receivable             | 60,836         | No significant difference | 0.08%   |
| 1            | Asia Polymer Corporation           | USI Trading (Shanghai) Co., Ltd.          | 3                                 | Sales revenue                   | 123,021        | No significant difference | 0.47%   |
| 1            | Asia Polymer Corporation           | Union Polymer Int'l Investment Corp.      | 3                                 | Dividends payable               | 257,095        | No significant difference | 0.34%   |
| 2            | China General Plastics Corporation | Swanson Plastics Corporation              | 3                                 | Purchase                        | 27,090         | No significant difference | 0.10%   |
| 2            | China General Plastics Corporation | USI Management Consulting Corp.           | 3                                 | Management service expenses     | 38,211         | No significant difference | 0.15%   |
| 2            | China General Plastics Corporation | Taiwan VCM Corporation                    | 3                                 | Accounts payable                | 674,282        | No significant difference | 0.89%   |
| 2            | China General Plastics Corporation | Taiwan VCM Corporation                    | 3                                 | Purchase                        | 2,102,229      | No significant difference | 8.11%   |
| 2            | China General Plastics Corporation | CGPC America Corporation                  | 3                                 | Accounts receivable             | 141,272        | No significant difference | 0.19%   |
| 2            | China General Plastics Corporation | CGPC America Corporation                  | 3                                 | Sales revenue                   | 205,314        | No significant difference | 0.79%   |
| 2            | China General Plastics Corporation | CGPC Polymer Corporation                  | 3                                 | Purchase                        | 13,893         | No significant difference | 0.05%   |
| 2            | China General Plastics Corporation | Union Polymer Int'l Investment Corp.      | 3                                 | Dividends payable               | 43,524         | 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) |
| 3            | Taita Chemical Company, Ltd.              | USI Management Consulting Corp.           | 3                                 | Management service expenses                            | \$ 36,138      | No significant difference | 0.14%   |
| 3            | Taita Chemical Company, Ltd.              | Taita Chemical (Tianjin) Co., Ltd.        | 3                                 | Other receivables                                      | 285,809        | No significant difference | 0.38%   |
| 3            | Taita Chemical Company, Ltd.              | Union Polymer Int'l Investment Corp.      | 3                                 | Dividends payable                                      | 73,132         | No significant difference | 0.10%   |
| 4            | USI Management Consulting Corp.           | Taiwan VCM Corporation                    | 3                                 | Management service revenue                             | 12,796         | No significant difference | 0.05%   |
| 4            | USI Management Consulting Corp.           | Asia Polymer Corporation                  | 3                                 | Management service revenue                             | 27,830         | No significant difference | 0.11%   |
| 4            | USI Management Consulting Corp.           | Swanson Plastics Corporation              | 3                                 | Management service revenue                             | 16,022         | No significant difference | 0.06%   |
| 4            | USI Management Consulting Corp.           | China General Terminal & Distribution Co. | 3                                 | Management service revenue                             | 10,437         | No significant difference | 0.04%   |
| 4            | USI Management Consulting Corp.           | USI Corporation                           | 2                                 | Management service revenue                             | 73,697         | No significant difference | 0.28%   |
| 5            | CGPC Polymer Corporation                  | Taiwan VCM Corporation                    | 3                                 | Accounts payable                                       | 661,332        | No significant difference | 0.87%   |
| 5            | CGPC Polymer Corporation                  | Taiwan VCM Corporation                    | 3                                 | Other payables   | 28,786         | No significant difference | 0.04%   |
| 5            | CGPC Polymer Corporation                  | Taiwan VCM Corporation                    | 3                                 | Purchase   | 2,071,649      | No significant difference | 7.99%   |
| 6            | China General Terminal & Distribution Co. | Taiwan VCM Corporation                    | 3                                 | Storage tank operating expenses                        | 55,594         | No significant difference | 0.21%   |
| 6            | China General Terminal & Distribution Co. | Taiwan VCM Corporation                    | 3                                 | Accounts receivable                                    | 21,486         | No significant difference | 0.03%   |
| 7            | Acme Electronics Corporation              | Acme Electronics (Kunshan) Co., Ltd.      | 3                                 | Sales revenue  | 84,793         | No significant difference | 0.33%   |
| 7            | Acme Electronics Corporation              | Acme Electronics (Guang-Zhou) Co., Ltd.   | 3                                 | Sales revenue  | 55,275         | No significant difference | 0.21%   |
| 7            | Acme Electronics Corporation              | Acme Electronics (Kunshan) Co., Ltd.      | 3                                 | Royalty revenue  | 10,603         | No significant difference | 0.04%   |
| 7            | Acme Electronics Corporation              | Acme Electronics (Kunshan) Co., Ltd.      | 3                                 | Accounts receivable                                    | 48,352         | No significant difference | 0.06%   |
| 7            | Acme Electronics Corporation              | Acme Electronics (Kunshan) Co., Ltd.      | 3                                 | Other receivables                                      | 10,835         | No significant difference | 0.01%   |
| 7            | Acme Electronics Corporation              | Acme Electronics (Guang-Zhou) Co., Ltd.   | 3                                 | Notes and accounts payable                             | 21,763         | No significant difference | 0.03%   |
| 8            | Acme Electronics (Kunshan) Co., Ltd.      | ACME Ferrite Product Sdn. Bhd.            | 3                                 | Sales revenue  | 58,965         | No significant difference | 0.23%   |
| 8            | Acme Electronics (Kunshan) Co., Ltd.      | ACME Ferrite Product Sdn. Bhd.            | 3                                 | Accounts receivable                                    | 19,294         | No significant difference | 0.03%   |
| 9            | Union Polymer Int'l Investment Corp.      | USI Corporation                           | 2                                 | Dividends payable                                      | 373,750        | No significant difference | 0.49%   |
| 10           | Swanson Plastics Corporation              | USI Corporation                           | 2                                 | Sales revenue  | 35,315         | No significant difference | 0.14%   |
| 10           | Swanson Plastics Corporation              | USI Corporation                           | 2                                 | Cost of goods sold                                     | 30,622         | No significant difference | 0.12%   |
| 10           | Swanson Plastics Corporation              | USI Corporation                           | 2                                 | Right-of-use assets - cost of buildings and structures | 11,514         | No significant difference | 0.04%   |
| 10           | Swanson Plastics Corporation              | Asia Polymer Corporation                  | 3                                 | Cost of goods sold                                     | 11,050         | No significant difference | 0.04%   |
| 10           | Swanson Plastics Corporation              | Asia Polymer Corporation                  | 3                                 | Sales revenue  | 20,978         | No significant difference | 0.08%   |
| 10           | Swanson Plastics Corporation              | China General Plastics Corporation        | 3                                 | Sales revenue  | 27,090         | No significant difference | 0.10%   |
| 10           | Swanson Plastics Corporation              | USI Management Consulting Corp.           | 3                                 | Management service expenses                            | 16,022         | No significant difference | 0.06%   |
| 10           | Swanson Plastics Corporation              | Forever Young Company Limited             | 3                                 | Other income   | 10,991         | No significant difference | 0.04%   |
| 10           | Swanson Plastics Corporation              | Swanson Plastics (Kunshan) Co., Ltd.      | 3                                 | Accounts receivable                                    | 15,597         | No significant difference | 0.02%   |
| 10           | Swanson Plastics Corporation              | Swanson Plastics (Kunshan) Co., Ltd.      | 3                                 | Cost of goods sold                                     | 20,802         | No significant difference | 0.08%   |
| 10           | Swanson Plastics Corporation              | Swanson Plastics (Kunshan) Co., Ltd.      | 3                                 | Sales revenue  | 13,272         | No significant difference | 0.05%   |
| 11           | Forever Young Company Limited             | Swanson Plastics (India) Private Ltd.     | 3                                 | Sales revenue  | 35,196         | No significant difference | 0.14%   |

(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) |
| 11           | Forever Young Company Limited           | Swanson Plastics (Kunshan) Co., Ltd.  | 3                                 | Accounts receivable          | \$ 116,604     | No significant difference | 0.15%   |
| 11           | Forever Young Company Limited           | Swanson Plastics (Kunshan) Co., Ltd.  | 3                                 | Sales revenue                | 174,491        | No significant difference | 0.67%   |
| 11           | Forever Young Company Limited           | Swanson Plastics (Malaysia) Sdn. Bhd. | 3                                 | Accounts receivable          | 25,312         | No significant difference | 0.03%   |
| 11           | Forever Young Company Limited           | Swanson Plastics (Malaysia) Sdn. Bhd. | 3                                 | Cost of goods sold           | 19,553         | No significant difference | 0.08%   |
| 11           | Forever Young Company Limited           | Swanson Plastics (Malaysia) Sdn. Bhd. | 3                                 | Sales revenue                | 154,257        | No significant difference | 0.59%   |
| 11           | Forever Young Company Limited           | PT. Swanson Plastics Indonesia        | 3                                 | Accounts receivable          | 14,477         | No significant difference | 0.02%   |
| 11           | Forever Young Company Limited           | PT. Swanson Plastics Indonesia        | 3                                 | Sales revenue                | 62,540         | No significant difference | 0.24%   |
| 11           | Forever Young Company Limited           | USI Corporation                       | 2                                 | Accounts payable             | 27,578         | No significant difference | 0.04%   |
| 11           | Forever Young Company Limited           | USI Corporation                       | 2                                 | Cost of goods sold           | 84,743         | No significant difference | 0.33%   |
| 12           | Swanson Plastics (Singapore) Pte., Ltd. | Swanson Plastics (India) Private Ltd. | 3                                 | Accounts receivable          | 10,149         | No significant difference | 0.01%   |
| 12           | Swanson Plastics (Singapore) Pte., Ltd. | PT. Swanson Plastics Indonesia        | 3                                 | Cost of goods sold           | 24,014         | No significant difference | 0.09%   |
| 12           | Swanson Plastics (Singapore) Pte., Ltd. | Swanson Plastics (Malaysia) Sdn. Bhd. | 3                                 | Accounts payable             | 35,719         | No significant difference | 0.05%   |
| 12           | Swanson Plastics (Singapore) Pte., Ltd. | Swanson Plastics (Malaysia) Sdn. Bhd. | 3                                 | Cost of goods sold           | 96,887         | No significant difference | 0.37%   |
| 13           | Swanson Plastics (Kunshan) Co., Ltd.    | ASK-Swanson (Kunshan) Co., Ltd.       | 3                                 | Accounts receivable          | 21,814         | No significant difference | 0.03%   |
| 13           | Swanson Plastics (Kunshan) Co., Ltd.    | ASK-Swanson (Kunshan) Co., Ltd.       | 3                                 | Sales revenue                | 77,076         | No significant difference | 0.30%   |
| 13           | Swanson Plastics (Kunshan) Co., Ltd.    | Swanson Plastics (Tianjin) Co., Ltd.  | 3                                 | Accounts payable             | 48,241         | No significant difference | 0.06%   |
| 14           | ASK-Swanson (Kunshan) Co., Ltd.         | Swanson Plastics (Tianjin) Co., Ltd.  | 3                                 | Other receivables            | 174,039        | No significant difference | 0.23%   |

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 ending accumulated amount of total consolidated sales revenue.

USI CORPORATION  
INFORMATION ON MAJOR SHAREHOLDERS  
June 30, 2023

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 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.