

USI CORPORATION AND
SUBSIDIARIES

Consolidated Financial Statements and
Independent Auditor's Review Report

For the Six Months Ended June 30, 2024 and 2023

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Independent Auditor's Review Report

To USI Corporation:

Introduction

We have reviewed the Consolidated Balance Sheets of USI Corporation and its subsidiaries (the Group) as of June 30, 2024 and 2023, the Consolidated Statements of Comprehensive Income for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, the Consolidated Statements of Changes in Equity and Consolidated Statements of Cash Flows for the six months ended June 30, 2024 and 2023, and Notes to the Consolidated Financial Statements (including the Summary of Significant Accounting Policies). 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 of the consolidated financial statements, the financial statements of some non-essential subsidiaries and investments 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, 2024 and 2023, were NT\$19,998,011 thousand and NT\$23,322,170 thousand, accounting for 27.36% and 30.77% of total consolidated assets, respectively. The total liabilities were NT\$5,219,833 thousand and NT\$5,318,135 thousand, accounting for 19.52% and 19.47% of total liabilities, respectively. Total comprehensive income and share of income from associates and joint ventures accounted for using the equity method for the three months ended June 30 and for the six months ended June 30, 2024 and 2023, were a loss of NT\$842,889 thousand, NT\$1,093,418 thousand, NT\$1,626,122 thousand, and NT\$2,427,332 thousand, accounting for 388.57%, 155.39%, 453.47%, and 210.85% of total comprehensive income, respectively. In addition, the information related to the aforesaid subsidiary and investment in other notes and schedules to the consolidated financial statements has not been reviewed by auditors.

Qualified Conclusion

According to the results of the auditor's review, except that the financial statements of some of the non-significant subsidiaries and investments accounted for using 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 International Accounting Standards NO.34 "Interim Financial Reporting" as endorsed and promulgated by the Financial Supervisory Commission, making it impossible to properly express the consolidated financial position of USI Corporation and its subsidiaries as of June 30, 2024 and 2023, the consolidated financial performance for the three months ended June 30, 2024 and 2023, and consolidated cash flow for the six months ended June 30, 2024 and 2023.

The engagement partners 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 8, 2024

Notice to Readers

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

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

USI CORPORATION AND SUBSIDIARIES
Consolidated Balance Sheets
June 30, 2024, December 31, 2023, and June 30, 2023

(In Thousands of New Taiwan Dollars)

Assets	June 30, 2024		December 31, 2023		June 30, 2023	
	Amount	%	Amount	%	Amount	%
Current assets (Note 4)						
Cash and cash equivalents (Notes 3 and 6)	\$ 8,260,405	11	\$ 11,059,546	15	\$ 11,648,191	15
Financial assets at fair value through profit or loss (FVTPL) - current (Notes 7, 34 and 35)	1,963,551	3	3,120,700	4	3,062,282	4
Financial assets at fair value through profit or loss (FVTOCI) - current (Note 8)	37,660	-	40,841	-	115,439	-
Financial assets at amortized cost - current (Notes 3, 9 and 34)	3,964,915	6	1,699,176	2	367,216	-
Notes receivables, net (Notes 10 and 26)	517,347	1	479,270	1	498,921	1
Accounts receivable, net (Notes 10, 26 and 33)	5,320,109	7	5,031,335	7	5,895,027	8
Other receivables (Notes 10 and 33)	308,836	-	323,794	1	288,765	-
Current tax assets (Notes 4 and 28)	40,362	-	13,111	-	7,378	-
Inventories (Note 11)	7,372,118	10	6,922,989	9	7,298,257	10
Prepayments	935,520	1	817,337	1	967,452	1
Other current assets (Note 14)	55,181	-	49,401	-	433,308	1
Total current assets	28,776,004	39	29,557,500	40	30,582,236	40
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income (FVTOCI) - non-current (Note 8)	2,527,582	3	2,127,088	3	2,137,385	3
Financial assets at amortized cost - non-current (Notes 3, 9, 34 and 35)	549,637	1	353,024	-	351,984	-
Investments accounted for using the equity method (Note 13)	7,927,423	11	9,357,571	13	11,002,716	15
Property, plant and equipment (Notes 14 and 34)	26,904,411	37	26,380,393	36	25,770,349	34
Right-of-use assets (Notes 15 and 34)	2,539,169	4	2,571,037	3	2,642,249	4
Investment properties, net (Note 16)	615,074	1	587,321	1	602,183	1
Goodwill (Note 17)	270,211	-	270,211	-	270,211	-
Other intangible assets, net (Note 17)	49,115	-	50,403	-	46,877	-
Deferred tax assets (Notes 4 and 28)	2,221,317	3	1,985,468	3	1,715,325	2
Other non-current assets (Note 34)	715,750	1	832,789	1	676,442	1
Total non-current assets	44,319,689	61	44,515,305	60	45,215,721	60
Total Assets	\$ 73,095,693	100	\$ 74,072,805	100	\$ 75,797,957	100
Liabilities and Equity						
CURRENT LIABILITIES (Note 4)						
Short-term borrowings (Notes 18 and 34)	\$ 4,890,268	7	\$ 3,256,357	5	\$ 2,304,028	3
Short-term notes payable (Note 18)	77,984	-	-	-	24,968	-
Financial liabilities at fair value through profit or loss (FVTPL) - current (Note 7)	197	-	2,804	-	417	-
Account payables (Note 20)	3,059,671	4	3,017,667	4	2,631,422	3
Dividends payable	824,580	1	46,742	-	1,459,955	2
Other payables (Note 21)	1,975,916	3	2,182,597	3	1,979,630	2
Current tax liabilities (Notes 4 and 28)	91,671	-	645,044	1	500,649	1
Lease liabilities - current (Note 15)	146,801	-	143,820	-	152,357	-
Current portion of long-term borrowings (Notes 18, 19 and 34)	1,689,590	2	2,283,668	3	2,000,799	3
Refund liabilities - current (Note 21)	29,908	-	30,704	-	24,345	-
Other current liabilities (Note 26)	431,982	1	239,932	-	602,407	1
Total current liabilities	13,218,568	18	11,849,335	16	11,680,977	15
NON-CURRENT LIABILITIES						
Bonds payable (Note 19)	3,496,026	5	3,994,990	5	3,994,195	5
Long-term borrowings (Notes 18 and 34)	5,721,849	8	6,441,427	9	7,240,985	10
Provision for liabilities - non-current (Notes 22 and 35)	136,375	-	136,375	-	136,375	-
Deferred tax liabilities (Notes 4 and 28)	1,427,870	2	1,298,084	2	1,391,905	2
Lease liabilities - non-current (Note 15)	1,979,433	3	1,992,525	3	2,028,310	3
Net defined benefit liabilities - non-current (Notes 4 and 23)	612,477	1	663,943	1	695,691	1
Other non-current liabilities (Note 24)	153,914	-	152,226	-	152,415	-
Total non-current liabilities	13,527,944	19	14,679,570	20	15,639,876	21
Total Liabilities	26,746,512	37	26,528,905	36	27,320,853	36
Equity attributable to owners of the Company (Notes 8, 12, 25 and 28)						
Share capital	11,887,635	16	11,887,635	16	11,887,635	16
Capital surplus	490,125	1	476,799	1	475,076	1
Retained Earnings						
Legal reserve	4,036,296	6	4,036,296	5	4,036,296	5
Special reserve	375,127	-	375,127	-	375,127	-
Unappropriated earnings	6,054,092	8	7,115,479	10	7,257,834	10
Total retained earnings	10,465,515	14	11,526,902	15	11,669,257	15
Other equity	289,030	1	(161,445)	-	(115,558)	-
Treasury shares	(475,606)	(1)	(475,606)	(1)	(475,606)	(1)
Total equity attributable to owners of the Company	22,656,699	31	23,254,285	31	23,440,804	31
Non-controlling interests	23,692,482	32	24,289,615	33	25,036,300	33
Total equity	46,349,181	63	47,543,900	64	48,477,104	64
Total Liabilities and Equity	\$ 73,095,693	100	\$ 74,072,805	100	\$ 75,797,957	100

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 and Six Months Ended June 30, 2024 and 2023
(In Thousands of New Taiwan Dollars, except for Earnings (Loss) Per Share)

	For the Three Months Ended June 30, 2024		For the Three Months Ended June 30, 2023		For the Six Months Ended June 30, 2024		For the Six Months Ended June 30, 2023	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 26 and 33)	\$ 13,460,094	100	\$ 12,759,120	100	\$ 25,484,522	100	\$ 25,934,676	100
COST OF GOODS SOLD (Notes 11, 14, 15, 17, 23, 27 and 33)	<u>12,351,610</u>	<u>92</u>	<u>11,252,953</u>	<u>88</u>	<u>23,853,560</u>	<u>93</u>	<u>22,679,759</u>	<u>87</u>
GROSS PROFIT	<u>1,108,484</u>	<u>8</u>	<u>1,506,167</u>	<u>12</u>	<u>1,630,962</u>	<u>7</u>	<u>3,254,917</u>	<u>13</u>
OPERATING EXPENSES (Notes 10, 13, 14, 15, 17, 23, 27 and 33)								
Selling and marketing expenses	640,408	5	525,259	4	1,158,924	5	1,085,099	4
Administrative expenses	303,484	2	300,270	3	632,526	2	632,994	3
Research and development expenses	113,330	1	125,020	1	225,657	1	243,175	1
Expected credit impairment loss (reversal gain)	<u>1,560</u>	<u>-</u>	<u>26</u>	<u>-</u>	<u>2,486</u>	<u>-</u>	<u>(199)</u>	<u>-</u>
Total operating expenses	<u>1,058,782</u>	<u>8</u>	<u>950,575</u>	<u>8</u>	<u>2,019,593</u>	<u>8</u>	<u>1,961,069</u>	<u>8</u>
NET PROFIT (LOSS) FROM OPERATIONS	<u>49,702</u>	<u>-</u>	<u>555,592</u>	<u>4</u>	<u>(388,631)</u>	<u>(1)</u>	<u>1,293,848</u>	<u>5</u>
NON-OPERATING INCOME AND EXPENSES								
Interest income (Note 27)	93,109	1	77,056	1	168,608	1	135,015	1
Other income (Notes 24, 27 and 33)	113,873	1	173,879	1	169,958	1	249,138	1
Other gains and losses (Notes 16, 27 and 37)	66,283	-	43,233	-	202,617	1	(5,203)	-
Finance costs (Notes 18, 19 and 27)	(78,281)	(1)	(66,664)	-	(148,098)	(1)	(130,912)	(1)
Share of loss of associates and joint ventures accounted for using the equity method (Note 13)	<u>(970,678)</u>	<u>(7)</u>	<u>(1,053,541)</u>	<u>(8)</u>	<u>(1,870,490)</u>	<u>(8)</u>	<u>(2,368,722)</u>	<u>(9)</u>
Total non-operating income and expenses	<u>(775,694)</u>	<u>(6)</u>	<u>(826,037)</u>	<u>(6)</u>	<u>(1,477,405)</u>	<u>(6)</u>	<u>(2,120,684)</u>	<u>(8)</u>
Net loss before income tax	(725,992)	(6)	(270,445)	(2)	(1,866,036)	(7)	(826,836)	(3)
Income tax gain (expense) (Notes 4 and 28)	<u>95,693</u>	<u>1</u>	<u>(108,404)</u>	<u>(1)</u>	<u>259,170</u>	<u>1</u>	<u>(140,036)</u>	<u>(1)</u>
Net loss for the period	<u>(630,299)</u>	<u>(5)</u>	<u>(378,849)</u>	<u>(3)</u>	<u>(1,606,866)</u>	<u>(6)</u>	<u>(966,872)</u>	<u>(4)</u>
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized gain on equity instruments at FVTOCI (Note 25)	243,842	2	24,193	-	392,046	2	93,248	1
Income tax relating to items that will not be reclassified (Notes 4, 25 and 28)	<u>(6,337)</u>	<u>-</u>	<u>(220)</u>	<u>-</u>	<u>(6,834)</u>	<u>-</u>	<u>(974)</u>	<u>-</u>
	<u>237,505</u>	<u>2</u>	<u>23,973</u>	<u>-</u>	<u>385,212</u>	<u>2</u>	<u>92,274</u>	<u>1</u>
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating the financial statements of foreign operations (Note 25)	197,206	1	(401,714)	(3)	970,569	4	(327,866)	(1)
Income tax relating to items that may be reclassified subsequently to profit or loss (Notes 4, 25 and 28)	<u>(21,330)</u>	<u>-</u>	<u>52,939</u>	<u>-</u>	<u>(107,508)</u>	<u>(1)</u>	<u>51,234</u>	<u>-</u>
	<u>175,876</u>	<u>1</u>	<u>(348,775)</u>	<u>(3)</u>	<u>863,061</u>	<u>3</u>	<u>(276,632)</u>	<u>(1)</u>
Other comprehensive income (loss) for the period (net of income tax)	<u>413,381</u>	<u>3</u>	<u>(324,802)</u>	<u>(3)</u>	<u>1,248,273</u>	<u>5</u>	<u>(184,358)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>(\$ 216,918)</u>	<u>(2)</u>	<u>(\$ 703,651)</u>	<u>(6)</u>	<u>(\$ 358,593)</u>	<u>(1)</u>	<u>(\$ 1,151,230)</u>	<u>(4)</u>
NET LOSS ATTRIBUTABLE TO								
Owners of the Company	(\$ 251,420)	(2)	\$ 27,063	-	(\$ 645,320)	(2)	(\$ 69,460)	-
Non-controlling interests	<u>(378,879)</u>	<u>(3)</u>	<u>(405,912)</u>	<u>(3)</u>	<u>(961,546)</u>	<u>(4)</u>	<u>(897,412)</u>	<u>(4)</u>
	<u>(\$ 630,299)</u>	<u>(5)</u>	<u>(\$ 378,849)</u>	<u>(3)</u>	<u>(\$ 1,606,866)</u>	<u>(6)</u>	<u>(\$ 966,872)</u>	<u>(4)</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO								
Owners of the Company	(\$ 72,733)	(1)	(\$ 182,392)	(2)	(\$ 194,845)	(1)	(\$ 193,914)	(1)
Non-controlling interests	<u>(144,185)</u>	<u>(1)</u>	<u>(521,259)</u>	<u>(4)</u>	<u>(163,748)</u>	<u>-</u>	<u>(957,316)</u>	<u>(3)</u>
	<u>(\$ 216,918)</u>	<u>(2)</u>	<u>(\$ 703,651)</u>	<u>(6)</u>	<u>(\$ 358,593)</u>	<u>(1)</u>	<u>(\$ 1,151,230)</u>	<u>(4)</u>
EARNINGS (LOSSES) PER SHARE (NOTE 29)								
Basic (loss) earnings per share	<u>(\$ 0.23)</u>		<u>\$ 0.03</u>		<u>(\$ 0.60)</u>		<u>(\$ 0.06)</u>	
Diluted (loss) earnings per share	<u>(\$ 0.23)</u>		<u>\$ 0.03</u>		<u>(\$ 0.60)</u>		<u>(\$ 0.06)</u>	

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

USI CORPORATION AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the Six Months Ended June 30, 2024 and 2023

(In Thousands of New Taiwan Dollars)

	Equity attributable to owners of the Company											Non-controlling interests (Notes 8, 12 and 25)	Total equity
	Capital surplus				Retained Earnings			Other equity					
	Common share capital (Note 25)	Treasury share transaction (Note 25)	Share of changes in capital surplus of associates (Notes 12 and 25)	Others (Note 25)	Legal reserve (Note 25)	Special reserve (Note 25)	Unappropriated earnings (Notes 12 and 25)	Exchange differences on translating the financial statements of foreign operations (Notes 25 and 28)	Unrealized gain (loss) on financial assets at FVTOCI (Notes 8, 25 and 28)	Treasury shares (Note 25)	Total		
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
Appropriation of 2022 earnings													
Provision for legal reserve	-	-	-	-	164,106	-	(164,106)	-	-	-	-	-	-
Cash dividends to shareholders of the Company	-	-	-	-	-	-	(832,134)	-	-	-	(832,134)	-	(832,134)
Cash dividends to shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(722,518)	(722,518)
Net loss for the six months ended June 30, 2023	-	-	-	-	-	-	(69,460)	-	-	-	(69,460)	(897,412)	(966,872)
Other comprehensive income for the six months ended June 30, 2023, net of income tax	-	-	-	-	-	-	-	(99,458)	(24,996)	-	(124,454)	(59,904)	(184,358)
Total comprehensive income for the six months ended June 30, 2023	-	-	-	-	-	-	(69,460)	(99,458)	(24,996)	-	(193,914)	(957,316)	(1,151,230)
Changes in equity of subsidiaries recognized by equity method	-	-	(1,228)	-	-	-	(54,356)	-	-	-	(55,584)	55,503	(81)
Changes in other capital surplus	-	-	-	(486)	-	-	-	-	-	-	(486)	-	(486)
Adjustment to capital surplus for dividends paid to subsidiaries	-	26,830	-	-	-	-	-	-	-	-	26,830	-	26,830
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	231,838	231,838
Balance as of June 30, 2023	<u>\$ 11,887,635</u>	<u>\$ 414,131</u>	<u>\$ 38,719</u>	<u>\$ 22,226</u>	<u>\$ 4,036,296</u>	<u>\$ 375,127</u>	<u>\$ 7,257,834</u>	<u>(\$ 470,651)</u>	<u>\$ 355,093</u>	<u>(\$ 475,606)</u>	<u>\$ 23,440,804</u>	<u>\$ 25,036,300</u>	<u>\$ 48,477,104</u>
Balance as of January 1, 2024	\$ 11,887,635	\$ 414,131	\$ 39,748	\$ 22,920	\$ 4,036,296	\$ 375,127	\$ 7,115,479	(\$ 452,386)	\$ 290,941	(\$ 475,606)	\$ 23,254,285	\$ 24,289,615	\$ 47,543,900
Appropriation of 2023 earnings													
Cash dividends to shareholders of the Company	-	-	-	-	-	-	(416,067)	-	-	-	(416,067)	-	(416,067)
Cash dividends to shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(420,285)	(420,285)
Net loss for the six months ended June 30, 2024	-	-	-	-	-	-	(645,320)	-	-	-	(645,320)	(961,546)	(1,606,866)
Other comprehensive income for the six months ended June 30, 2024	-	-	-	-	-	-	-	370,276	80,199	-	450,475	797,798	1,248,273
Total comprehensive income for the six months ended June 30, 2024	-	-	-	-	-	-	(645,320)	370,276	80,199	-	(194,845)	(163,748)	(358,593)
Changes in equity of subsidiaries recognized by equity method	-	-	(8)	-	-	-	-	-	-	-	(8)	(20)	(28)
Changes in other capital surplus	-	-	-	(81)	-	-	-	-	-	-	(81)	-	(81)
Adjustment to capital surplus for dividends paid to subsidiaries	-	13,415	-	-	-	-	-	-	-	-	13,415	-	13,415
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(13,080)	(13,080)
Balance as of June 30, 2024	<u>\$ 11,887,635</u>	<u>\$ 427,546</u>	<u>\$ 39,740</u>	<u>\$ 22,839</u>	<u>\$ 4,036,296</u>	<u>\$ 375,127</u>	<u>\$ 6,054,092</u>	<u>(\$ 82,110)</u>	<u>\$ 371,140</u>	<u>(\$ 475,606)</u>	<u>\$ 22,656,699</u>	<u>\$ 23,692,482</u>	<u>\$ 46,349,181</u>

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

USI CORPORATION AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the Six Months Ended June 30, 2024 and 2023

(In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss before income tax for the period	(\$ 1,866,036)	(\$ 826,836)
Income (expenses) items		
Depreciation expense	1,341,297	1,241,570
Amortization expense	27,696	29,967
Expected credit impairment loss (reversal gain)	2,486	(199)
Net gain on financial assets and liabilities at FVTPL	(65,564)	(57,184)
Finance costs	148,098	130,912
Interest income	(168,608)	(135,015)
Dividend income	(45,373)	(107,868)
Share of loss of associates and joint ventures accounted for using the equity method	1,870,490	2,368,722
Net loss (gain) on disposal and scrapping of property, plant and equipment	6,084	(10,789)
Loss on lease modification	160	-
Reversal of write-downs of inventories and obsolescence losses	(42,955)	(42,136)
Impairment loss	982	-
Changes in operating assets and liabilities		
Decrease (increase) in financial assets and liabilities mandatorily classified at FVTPL	1,220,106	(308,023)
(Increase) decrease in notes receivables	(38,077)	45,625
(Increase) decrease in accounts receivable	(291,916)	1,500,476
Decrease (increase) in other receivables	1,740	(43,834)
Increase in inventories	(410,401)	(55,509)
(Increase) decrease in prepayments	(118,183)	253,329
Increase in other current assets	(5,780)	(216,401)
Increase (decrease) in accounts payable	42,004	(717,618)
Decrease in accounts payable	(113,702)	(343,034)
Decrease in refund liabilities	(796)	(3,902)
Decrease in net defined benefit liabilities	(51,466)	(59,031)
Increase (decrease) in other current liabilities	<u>192,050</u>	<u>(65,531)</u>
Cash from operating activities	1,634,336	2,577,691
Interest received	169,032	122,486
Interest paid	(147,371)	(145,727)
Income tax paid	<u>(541,859)</u>	<u>(1,601,965)</u>
Net cash generated from operating activities	<u>1,114,138</u>	<u>952,485</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
(Acquisition) disposal of financial assets at amortized cost	(2,462,352)	55,814
Acquisition of property, plant and equipment	(1,674,718)	(1,400,908)
Proceeds from disposal of property, plant and equipment	36,300	23,666
Decrease in refundable deposits	27,092	13,316
Acquisitions of other intangible assets	(2,799)	(3,104)
Acquisition of right-of-use of land	-	(200,271)
Acquisition of investment properties	(317)	(529)
(Increase) decrease in other non-current assets	(12,207)	12,548
Dividends received	214	13,497
Increase in long-term deferred revenues	-	<u>6,090</u>
Net cash used in investing activities	<u>(4,088,787)</u>	<u>(1,479,881)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term borrowings	1,633,911	(96,298)
Increase (decrease) in short-term notes payable	78,000	(266,000)
Bonds payable	(2,000,000)	-
Proceeds from mid- to long-term borrowings	4,352,877	6,914,546
Repayment of mid- to long-term borrowings	(4,178,752)	(6,034,000)
Decrease in refundable deposits	(5,248)	(157)
Repayment of the principal portion of lease liabilities	(74,774)	(73,504)
Increase in other non-current liabilities	6,936	12,969
Change in non-controlling interests	<u>(13,080)</u>	<u>231,838</u>
Net cash (used in) generated from financing activities	<u>200,130</u>	<u>689,394</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>375,638</u>	<u>(35,816)</u>
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS FOR THE PERIOD	(2,799,141)	126,182
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD (Note 3)	<u>11,059,546</u>	<u>11,522,009</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (Note 3)	<u>\$ 8,260,405</u>	<u>\$ 11,648,191</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, 2024 and 2023
 (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 8, 2024.

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

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

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

b. FSC-approved IFRSs applicable in 2025

<u>New/Amended/Revised Standards and Interpretations</u> Amendments to IAS 21 "Lack of Exchangeability"	<u>Effective Date Announced</u> <u>by IASB</u> January 1, 2025 (Note 1)
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Note 1: Applicable for the annual reporting periods beginning on or after January 1, 2025. When adopting the amended standards for the first time, the Group shall not restate information for the comparative periods but shall instead recognize the impact in retained earnings or exchange differences of foreign operations under equity (whichever is appropriate) as well as the affected assets and liabilities on the day of first adoption.

Amendments to IAS 21 "Lack of Exchangeability"

Under the amendments, a currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. If a currency is not exchangeable into another currency on the measurement date, the Group is required to estimate the spot exchange rate in such a manner that reflects the rate at which an orderly exchange transaction would take place on the measurement date between market participants under prevailing economic conditions. In this case, the Group shall disclose information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the Group's financial performance, financial position and cash flows.

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

- c. IFRS Accounting Standard that has been issued by IASB but not yet endorsed by the FSC

<u>New/Amended/Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
"Annual Improvements to IFRS Accounting Standards - Volume 11"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture"	Undetermined
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendment to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
IFRS 18 - "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 - "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

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

IFRS 18 - "Presentation and Disclosure in Financial Statements"

IFRS 18 will replace IAS 1 - "Presentation of Financial Statements"; key changes of the standard include:

- The statement of profit or loss shall classify income and expense into the following categories: operating, investing, financing, income taxes, and discontinued operations.

- The statement of profit or loss shall present subtotals and totals for: operating profit or loss, profit or loss before financing, and income taxes and profit or loss.
- Provides guidelines for enhanced aggregation and disaggregation: The Group shall identify assets, liabilities, equity, income, expenses, and cash flows given rise by individual transactions or events, and classify and aggregate them based on shared characteristics, so that single-line items presented on the main financial statements have at least one shared characteristic. Items of different characteristics shall be disaggregated in main financial statements and notes. The Group will label an item as "Other" only if it is unable to find a more informative name.
- Introduction of disclosure for management-defined performance measure: When publishing financial statements or communicating with financial statement users about the management's perspective on a certain aspect of the Group's overall financial performance, the Group shall disclose, in a single note, information relating to management-defined performance measures (MPMs), including a description of MPM, the method of calculation, and a reconciliation with the subtotal or total required by IFRS Accounting Standards, including the income tax effect and the effect on non-controlling interests for each item disclosed in the reconciliation.

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 aside from those explained above, and will disclose the relevant impact when the assessment is completed.

d. Reclassification of Expression

The management of the Group asserts that the limitations imposed on the utilization of funds repatriated under "The Management, Utilization, and Taxation of Repatriated Offshore Funds Act" for significant investments and financial endeavors have not altered the essence of the deposit. They maintain the right to request these funds immediately upon receipt. Hence, it is deemed more appropriate to classify the special account deposit as cash and cash equivalents. Consequently, there have been changes in the presentation of both the consolidated balance sheet and the consolidated cash flow statement. As of June 30 and January 1, 2023, the carrying amounts of financial assets measured at amortized cost reclassified as cash and cash equivalents were NT\$11,027 thousand and NT\$23,594 thousand, respectively. The impact on cash flow items for the period for the six months ended June 30, 2023 is as follows:

	<u>Adjustment Amount</u>
Net cash used in investing activities	(\$ 12,567)
Net decrease in cash and cash equivalents	(\$ 12,567)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and FSC-approved IAS 34 - "Interim Financial Reporting." The consolidated financial statements do not contain all IFRSs disclosures required in a full-year report.

b. Basis of preparation

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

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

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities on measurement day.
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., prices) or indirectly (i.e., derived from prices).
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries). 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. Adjustments have been made to the financial statements of subsidiaries to bring their accounting policies in line with those of 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, Tables 7 and 8 for detailed information on subsidiaries, percentages of ownership and main businesses.

d. Other significant accounting policies

In addition to the explanations provided below, please refer to the 2023 financial statements for a summary of significant accounting policies.

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

Current assets include:

- (1) Assets held primarily for the purpose of trading;
- (2) Assets expected to be realized within 12 months after the reporting period; and
- (3) Cash and cash equivalents (not including the asset restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period).

Current liabilities include:

- (1) Liabilities held primarily for the purpose of trading;
- (2) Liabilities that are due to be settled within 12 months after the balance sheet date; and
- (3) Liabilities for which the Company does not have a substantive right to defer settlement for at least 12 months after the balance sheet date.

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

2) Retirement benefits - defined benefit plan

Interim retirement costs are calculated from the beginning until the end of the interim period using the actuarial pension cost rate determined at the end of the previous year, and adjusted for major market changes, plan modifications, settlements and other one-time events that took place in the current period.

3) Income tax

The income tax expense represents the sum of the tax currently payable and deferred tax. Income taxes for the interim period are assessed by determining the tax rate applicable to expected total annual earnings, and applying the tax rate to interim pre-tax profit.

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.

Please refer to the 2023 consolidated financial statements for critical accounting judgments and key sources of estimation and uncertainty.

6. CASH AND CASH EQUIVALENTS

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Cash on hand and petty cash	\$ 3,756	\$ 2,718	\$ 3,065
Checking accounts and demand deposits	2,894,713	3,110,734	2,945,588
Cash equivalents			
Time deposits	3,107,120	5,353,843	6,508,367
Reserve repurchase agreements collateralized by bonds	<u>2,254,816</u>	<u>2,592,251</u>	<u>2,191,171</u>
	<u>\$ 8,260,405</u>	<u>\$ 11,059,546</u>	<u>\$ 11,648,191</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, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Time deposits	1.43%~6.80%	1.05%~6.80%	1.00%~5.40%
Reserve repurchase agreements collateralized by bonds	1.42%~5.35%	1.30%~5.50%	1.23%~5.15%

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

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
<u>Financial assets mandatorily classified at FVTPL</u>			
Derivative financial assets (not under hedge accounting)			
- Foreign exchange forward contracts	\$ 3,549	\$ 5,061	\$ 24,488
Non-derivative financial assets			
- Domestic listed (OTC) shares	449,144	478,329	199,796
- Fund beneficiary certificates	1,186,444	2,365,052	2,562,146
- Beneficiary securities	271,456	272,258	275,771
- Overseas listed shares	52,958	-	81
Subtotal	<u>1,960,002</u>	<u>3,115,639</u>	<u>3,037,794</u>
	<u>\$ 1,963,551</u>	<u>\$ 3,120,700</u>	<u>\$ 3,062,282</u>
<u>Financial liabilities held for trading</u>			
Derivative financial assets (not under hedge accounting)			
- Foreign exchange forward contracts	\$ 197	\$ 2,804	\$ 417

At the end of the balance sheet date, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	<u>Currency</u>	<u>Maturity date</u>	<u>Contract Amount (In Thousands)</u>	
<u>June 30, 2024</u>				
Sell	RMB/NTD	2024.07.05	RMB 3,600 /NTD	15,990
Sell	USD/MYR	2024.07.11-2024.12.23	USD 2,800 /MYR	13,054
Sell	EUR/MYR	2024.09.27-2024.12.20	EUR 500 /MYR	2,535
Buy	NTD/USD	2024.07.09-2024.08.05	NTD 185,007 /USD	5,762
Buy	JPY/USD	2024.07.19-2024.08.23	JPY 110,000 /USD	717
<u>December 31, 2023</u>				
Sell	RMB/NTD	2024.01.03-2024.02.01	RMB 71,700 /NTD	315,018
Sell	USD/MYR	2024.01.08-2024.07.11	USD 1,800 /MYR	8,281
Buy	USD/NTD	2024.01.02-2024.01.08	USD 1,400 /NTD	43,839
Buy	NTD/USD	2024.01.10-2024.02.20	NTD 92,539 /USD	3,000
Buy	JPY/USD	2024.01.26-2024.02.22	JPY 120,000 /USD	817
<u>June 30, 2023</u>				
Sell	RMB/NTD	2023.07.07-2023.09.21	RMB 227,500 /NTD	989,759
Sell	USD/MYR	2023.08.18-2023.12.20	USD 1,180 /MYR	5,332
Buy	NTD/USD	2023.07.04-2023.09.13	NTD 338,279 /USD	11,120
Buy	JPY/USD	2024.07.21	JPY 50,000 /USD	376

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.

For information on pledged financial instruments at FVTPL, please refer to Notes 34 and 35.

8. OTHER FINANCIAL ASSETS AT FVTOCI

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
<u>Current</u>			
Investments in equity instruments			
Domestic investments			
Listed (OTC) shares	\$ 37,660	\$ 40,841	\$ 115,439
<u>Non-current</u>			
Investments in equity instruments			
Domestic investments			
Listed (OTC) shares	\$ 1,964,592	\$ 1,593,383	\$ 1,604,898
Unlisted shares	323,809	366,003	351,641
	<u>2,288,401</u>	<u>1,959,386</u>	<u>1,956,539</u>
Overseas investments			
Listed shares	14,098	16,457	27,008
Unlisted shares	225,083	151,245	153,838
	<u>239,181</u>	<u>167,702</u>	<u>180,846</u>
	<u>\$ 2,527,582</u>	<u>\$ 2,127,088</u>	<u>\$ 2,137,385</u>

The Group had invested in domestic and foreign listed 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.

For the six months ended June 30, 2024 and 2023, the Group recognized NT\$43,396 thousand and NT\$101,708 thousand of dividend income, respectively.

9. FINANCIAL ASSETS AT AMORTIZED COST

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
<u>Current</u>			
Pledged time deposits	\$ 369,610	\$ 368,673	\$ 367,216
Constricted time deposits	20,868	-	-
Bank fixed-term deposits with a maturity over 3 months	2,107,551	625,694	-
Reserve repurchase agreements collateralized by bonds with a maturity over 3 months	<u>1,466,886</u>	<u>704,809</u>	<u>-</u>
	<u>\$ 3,964,915</u>	<u>\$ 1,699,176</u>	<u>\$ 367,216</u>
<u>Non-current</u>			
Pledged time deposits	\$ 337,912	\$ 333,278	\$ 331,959
Constricted time deposits	-	19,746	20,025
Bank fixed-term deposits with a maturity over 12 months	<u>211,725</u>	<u>-</u>	<u>-</u>
	<u>\$ 549,637</u>	<u>\$ 353,024</u>	<u>\$ 351,984</u>
<u>The range of interest rate</u>			
Pledged time deposits	0.54%~2.70%	0.54%~2.80%	0.41%~2.75%
Constricted time deposits	5.28%	5.05%	5.05%
Bank fixed-term deposits with a maturity over 3 months	1.25%~6.80%	1.25%~5.72%	-
Reserve repurchase agreements collateralized by bonds with a maturity over 3 months	1.53%~1.95%	1.50%~1.61%	-
Bank fixed-term deposits with a maturity over 12 months	2.50%~3.05%	-	-

Pledged time deposits represent deposits pledged as collateral for the gas explosion incident and subjected to third-party applications for court seizure and execution.

Constricted time deposits represent surplus funds repatriated by subsidiaries, for which the Group had filed an application in accordance the Management, Utilization and Taxation for Patriated Offshore Funds Act and received approval to repatriate the funds from the Ministry of Finance in 2020, and deposited the net value after tax to the foreign currency deposit account. The deposit is limited for free utilization by laws and regulations that a three-year withdrawal is not permitted until five years after the deposit, except for financial investment or physical investments with partially free utilization by law (Please refer to Note 3).

Please refer to Notes 34 and 35 for information related to financial assets at amortized cost.

10. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
<u>Notes receivable (a)</u>			
Measured at amortized cost			
Gross carrying amount	\$ 517,347	\$ 479,270	\$ 498,921
<u>Accounts receivable (a)</u>			
Measured at amortized cost			
Gross carrying amount	\$ 5,355,823	\$ 5,063,907	\$ 5,981,138
Less: allowance for loss	<u>35,714</u>	<u>32,572</u>	<u>86,111</u>
	<u>\$ 5,320,109</u>	<u>\$ 5,031,335</u>	<u>\$ 5,895,027</u>
<u>Other receivables (b)</u>			
Tax refund receivable	\$ 211,711	\$ 223,170	\$ 185,359
Interest receivable	49,718	50,142	44,135
Others	<u>47,407</u>	<u>50,482</u>	<u>59,271</u>
	<u>\$ 308,836</u>	<u>\$ 323,794</u>	<u>\$ 288,765</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 expected credit losses (ECLs). ECLs 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, 2024

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	\$ 2,547,229	\$ 1,272	\$ 4,195	\$ 2,552,696
Loss allowance (Lifetime ECLs)	(12,329)	(908)	(4,195)	(17,432)
Amortized cost	<u>\$ 2,534,900</u>	<u>\$ 364</u>	<u>\$ -</u>	<u>\$ 2,535,264</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	\$ 186,170	\$ 1,028,135	\$ 290,836	\$ 1,815,333	\$ 3,320,474
Loss allowance (Lifetime ECLs)	-	(3,406)	(3,664)	(11,212)	(18,282)
Amortized cost	<u>\$ 186,170</u>	<u>\$ 1,024,729</u>	<u>\$ 287,172</u>	<u>\$ 1,804,121</u>	<u>\$ 3,302,192</u>

December 31, 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	\$ 2,493,009	\$ 68,765	\$ 2,843	\$ 2,564,617
Loss allowance (Lifetime ECLs)	(13,670)	(60)	(2,843)	(16,573)
Amortized cost	<u>\$ 2,479,339</u>	<u>\$ 68,705</u>	<u>\$ -</u>	<u>\$ 2,548,044</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	\$ 178,083	\$ 849,743	\$ 269,017	\$ 1,681,717	\$ 2,978,560
Loss allowance (Lifetime ECLs)	-	(3,550)	(3,649)	(8,800)	(15,999)
Amortized cost	<u>\$ 178,083</u>	<u>\$ 846,193</u>	<u>\$ 265,368</u>	<u>\$ 1,672,917</u>	<u>\$ 2,962,561</u>

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>

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

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Not overdue	\$ 3,192,922	\$ 2,891,050	\$ 3,039,535

Up to 60 Days	121,711	84,497	99,568
Over 61 days	<u>5,841</u>	<u>3,013</u>	<u>59,414</u>
	<u>\$ 3,320,474</u>	<u>\$ 2,978,560</u>	<u>\$ 3,198,517</u>

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

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

	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Opening balance	\$ 32,572	\$ 86,579
Impairment losses provided (reversed) for the period	2,486 (199)
Foreign exchange translation gains and losses	656 (269)
Closing balance	<u>\$ 35,714</u>	<u>\$ 86,111</u>

b. Other receivables

Other receivables mainly consisted of tax refund receivable, interest receivable and Refund of engineering receivables, etc. 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 unrecognized allowance for doubtful accounts in the Group as of June 30, 2024, December 31, 2023, and June 30, 2023.

11. INVENTORIES

	June 30, 2024	December 31, 2023	June 30, 2023
Finished goods	\$ 4,787,699	\$ 4,488,826	\$ 4,755,612
Work in progress	553,642	550,565	563,073
Raw materials	1,605,541	1,530,905	1,495,266
Supplies	382,305	336,743	432,240
Inventory in transit	<u>42,931</u>	<u>15,950</u>	<u>52,066</u>
	<u>\$ 7,372,118</u>	<u>\$ 6,922,989</u>	<u>\$ 7,298,257</u>

The Group's cost of inventories recognized as cost of goods sold for the three months and six months ended June 30, 2024 and 2023, were NT\$12,351,610 thousand, NT\$11,252,953 thousand, NT\$23,853,560 thousand, and NT\$22,679,759 thousand, respectively.

Cost of goods sold for the three months and six months ended June 30, 2024 and 2023, included gains (losses) from recovery (decrease) of net realizable value totaling NT\$7,800 thousand, NT\$(66,889) thousand, NT\$42,955 thousand, and NT\$42,136 thousand, respectively. The recovery of inventory net realizable value was mainly attributed to the rise of oil price.

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, 2024	December 31, 2023	June 30, 2023	
The Company	USI Investment Co., Ltd. (USII)	Investment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Swanlake Traders Ltd.(Swanlake)	Trading and investment	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	USI (Hong Kong) Company Ltd.	Trading and investment	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	USI Management Consulting Corp (UM)	Providing management services	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Chong Loong Trading Co., Ltd. (CLT)	Import and export trade	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	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>	12.
	USIG (Shanghai) Co., Ltd. (USIG)	Import and distribution of various types of chemical raw materials and products	<u>-</u>	<u>-</u>	<u>100.0%</u>	11.
	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. (TUVC)	Venture capital	70.0%	70.0%	70.0%	
Asia Polymer Corporation			<u>8.3%</u>	<u>8.3%</u>	<u>8.3%</u>	
			<u>78.3%</u>	<u>78.3%</u>	<u>78.3%</u>	14.
The Company	Swanson Plastics Corp. (SPC)	Production and sales 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>6.6%</u>	<u>6.6%</u>	<u>6.4%</u>	2.
			<u>55.2%</u>	<u>55.2%</u>	<u>55.0%</u>	
The Company	ACME Electronics Corporation (ACME)	Production and sales of manganese-zinc soft ferrite powder	29.0%	29.0%	29.0%	
China General Plastics Corporation			1.7%	1.7%	1.7%	
USIFE Investment Co., Ltd.			9.5%	9.5%	9.5%	
Asia Polymer Corporation			3.2%	3.2%	3.2%	
Taita Chemical Company, Ltd.			2.3%	2.3%	2.3%	
APC Investment Corporation			<u>1.5%</u>	<u>1.5%</u>	<u>1.5%</u>	
			<u>47.2%</u>	<u>47.2%</u>	<u>47.2%</u>	3. and 16.
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 Corporation	ACME Electronics (Cayman) Corp.(ACME(Cayman))	Reinvestment business	60.1%	60.1%	60.1%	
Swanlake Traders Ltd.			18.9%	18.9%	18.9%	
APC (BVI) Holding Co., Ltd.			13.6%	13.6%	13.6%	
TAITA (BVI) Holding Co, Ltd.			4.4%	4.4%	4.4%	
			97.0%	97.0%	97.0%	4.
ACME Electronics Corporation	Golden Amber Enterprises Limited	Reinvestment business	100.0%	100.0%	100.0%	
ACME Electronics (Cayman) Corp.	ACME Electronics (Kunshan) Co., Ltd. (ACME (KS))	Manufacturing and sales of manganese-zinc soft ferrite core	100.0%	100.0%	100.0%	
	ACME Components (Malaysia) Sdn. Bhd. (ACME(MA))	Reinvestment business	100.0%	100.0%	100.0%	
Golden Amber Enterprises Limited	ACME Electronics (Guang-Zhou) Co., Ltd. (ACME (GZ))	Manufacturing and sales of manganese-zinc soft ferrite core	100.0%	100.0%	100.0%	

(Continued)

(Continued)

Investor	Name of Subsidiary	Nature of Activities	Proportion of Ownership (%)			Remark
			June 30, 2024	December 31, 2023	June 30, 2023	
Union Polymer International Investment Corporation	Asia Polymer Corporation (APC)	Production and sales 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 Corporation			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>	16.
Asia Polymer Corporation	APC (BVI) Holding Co., Ltd. (APC (BVI))	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Asia Polymer Corporation	USI International Corporation	Reinvestment business	70.0%	70.0%	70.0%	
APC (BVI) Holding Co., Ltd.			<u>30.0%</u>	<u>30.0%</u>	<u>30.0%</u>	
			<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Asia Polymer Corporation	APC Investment Corporation (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 sales 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 Corporation			0.6%	0.6%	0.6%	
USIFE Investment Co., Ltd.			<u>0.4%</u>	<u>0.4%</u>	<u>0.4%</u>	
			<u>37.8%</u>	<u>37.8%</u>	<u>37.8%</u>	16.
Taita Chemical Company, Ltd.	TAITA (BVI) Holding Co, Ltd.(TAITA (BVI))	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
TAITA (BVI) Holding Co, Ltd.	Taita Chemical (Zhong Shan) Co., Ltd. (TTC (ZS))	Production and sales of polystyrene derivatives	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Taita Chemical (Tianjin) Co., Ltd. (TTC (TJ))	Production and sales of polystyrene derivatives	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	1.
	Zhangzhou Taita Chemical Company, Limited (TTCZZ)	Production and sales of polystyrene derivatives	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Swanlake Traders Ltd.	Zhangzhou USI Trading Co., Ltd.	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>	
			<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Swanlake Traders Ltd.	Xiamen USI Trading Co., Ltd. (XUL)	Sales of chemical products	70.0%	70.0%	-	
APC (BVI) Holding Co., Ltd.			<u>30.0%</u>	<u>30.0%</u>	-	
			<u>100.0%</u>	<u>100.0%</u>	-	7.
Union Polymer International Investment Corporation	China General Plastics Corporation (CGPC)	Production and sales of plastic cloths, plastic skins, plastic tubes, plastic pellets, plastic powder and other related products	25.0%	25.0%	25.0%	
Asia Polymer Corporation			8.0%	8.0%	8.0%	
Taita Chemical Company, Ltd.			2.0%	2.0%	2.0%	
China General Terminal & Distribution Corporation			0.5%	0.5%	0.5%	
USIFE Investment Co., Ltd.			0.1%	0.1%	0.1%	
			35.6%	35.6%	35.6%	16.
China General Plastics Corporation	Taiwan VCM Corporation (TVCM)	Manufacturing and marketing of vinyl chloride monomer and related petrochemical products	87.3%	87.3%	87.3%	
	CGPC (BVI) Holding Co., Ltd.(CGPC(BVI))	Reinvestment business	100.0%	100.0%	100.0%	9.
	CGPC America Corporation	Marketing of PVC two- or three-time processed products	100.0%	100.0%	100.0%	
	CGPC Polymer Corporation (CGPCPOL)	Manufacture and marketing of PVC powder	100.0%	100.0%	100.0%	10.
Taiwan VCM Corporation	Global Green Technology Corporation (GGT)	Environmental detection services	100.0%	100.0%	100.0%	5.

(Continued)

(Continued)

Investor	Name of Subsidiary	Nature of Activities	Proportion of Ownership (%)			Remark
			June 30, 2024	December 31, 2023	June 30, 2023	
CGPC (BVI) Holding Co., Ltd.	China General Plastics (Zhong Shan) Co., Ltd.	Manufacturing and sales of PVC film and third-time processed products	100.0%	100.0%	100.0%	6.
	CGPC Consumer Products Corporation CGPC (CP)	Manufacturing and sales of PVC film and third-time processed products	-	-	100.0%	
China General Plastics Corporation	China General Terminal & Distribution Corporation (CGTD)	Warehousing petrochemical raw materials	33.3%	33.3%	33.3%	
Taita Chemical Company, Ltd. Asia Polymer Corporation			33.3%	33.3%	33.3%	
			33.4%	33.4%	33.4%	
USIFE Investment Co., Ltd.	Taiwan United Venture Management Corp. (TUVVM)	Business management consulting	100.0%	100.0%	100.0%	
Swanson Plastics Corporation	Forever Young Company Ltd.	Trading and agency businesses	100.0%	100.0%	100.0%	
	Swanson Plastics (Singapore) Pte., Ltd.	Production and marketing of plastic products	100.0%	100.0%	100.0%	
Swanson Plastics Corporation	Swanson International Ltd.	Import and export trade	100.0%	100.0%	100.0%	
	PT. Swanson Plastics Indonesia Ltd.	Production and marketing of plastic products	1.0%	1.0%	1.0%	
Swanson Plastics (Singapore) Pte., Ltd.			99.0%	99.0%	99.0%	
Swanson Plastics Corporation	Swanson Technologies Corporation (STC)	Production, marketing and development of EVA packaging film and other value added plastic products	100.0%	100.0%	100.0%	
APC Investment Corporation USIFE Investment Co., Ltd.			15.0%	15.0%	15.0%	
			15.0%	15.0%	15.0%	
Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	Production and marketing of plastic products	100.0%	100.0%	100.0%	
	Swanson Plastics (India) Private Limited	Production and marketing of plastic products	100.0%	100.0%	100.0%	
Swanson International Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	Production, sales and development of multi-functional film and light-solution film	100.0%	100.0%	100.0%	
	A.S. Holdings (UK) Limited	Reinvestment business	100.0%	100.0%	100.0%	
A.S. Holdings (UK) Limited	Swanson Plastics (Kunshan) Co., Ltd.	Production, sales and development of multi-functional film and light-solution film	100.0%	100.0%	100.0%	
	ASK-Swanson (Kunshan) Co., Ltd.	Production and sales of PE release film and other release products	100.0%	100.0%	100.0%	
The Company	Ever Conquest Global Limited(ECGL)	Investment business	59.1%	59.1%	59.1%	
Asia Polymer Corporation			40.9%	40.9%	40.9%	
			100.0%	100.0%	100.0%	15.
Ever Conquest Global Limited	Ever Victory Global Limited(EVGL)	Investment business	67.4%	67.4%	67.4%	16.
Ever Victory Global Limited	Dynamic Ever Investments Limited(DEI)	Investment business	85.0%	85.0%	85.0%	15.
Dynamic Ever Investments Ltd.	(DEIL) Zhangzhou Dynamic Ever Property Co., Ltd.	Property Management	100.0%	100.0%	-	8.

- 1) The management of TTC decided to suspend the main production of expanded polystyrene (EPS) by TTC (TJ) from April 2019 due to the assessment of the demand reduction of its subsidiary TTC (TJ) in the local market. Please refer to Note 14 for relevant explanation.
- 2) USII acquired 0.2% equity from external shareholders of SPC in 2023 based on medium and long-term investment strategies and the cost of acquisition amounted to NT\$4,361 thousand.

- 3) 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 on 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.
- 4) 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\$947 thousand and a decrease in retained earnings of NT\$580 thousand. In February 2024, the board of directors of ACME (Cayman) passed a resolution to organize a cash issue of US\$6,000 thousand, for which the existing shareholders will subscribe at their current shareholding percentages. The Group's shareholding percentage in the entity is 97.0% before and after the cash issue.
- 5) On May 20, 2024 and May 22, 2023, the board of directors of GGT exercised shareholders' authority on behalf and passed resolutions to capitalize NT\$1,152 thousand and NT\$2,000 thousand of earnings and issue 115 thousand and 200 thousand new shares, respectively. The respective baseline dates for capital increase were set at August 5, 2024 and August 7, 2023.
- 6) The board of directors resolved to liquidate CGPC (CP) and finalized its dissolution and liquidation procedures on July 17, 2023.
- 7) In accordance to sell the products produced by Gulei the board of directors of our company resolved on August 3, 2023 to establish a Xiamen joint venture company, XUL in Fujian Province, China. The company completed registration on November 6, 2023, established a capital of RMB10,000 thousand, and completed the capital verification on December 21, 2023. The capital was invested by Swanlake and APC (BVI) on December 14, 2023 in the amount of RMB7,000 thousand and RMB3,000 thousand, respectively.

- 8) On November 7, 2023, the Company's board of directors approved the investment by Investment DEIL to establish Zhangzhou Dynamic Ever Property Co., Ltd. The registration for establishment was completed on August 29, 2023, with a registered capital of RMB21,000 thousand. DEIL completed its capital injection on September 27, 2023, and the verification of capital was completed on October 19, 2023.
- 9) On November 21, 2023, the board of directors of CGPC (BVI) passed a resolution to reduce capital against losses and to repatriate US\$1,500 thousand of capital.
- 10) On November 27, 2023, the board of directors of CGPCPOL passed a resolution to reduce capital against losses totaling NT\$298,293 thousand and to retire 29,829 thousand outstanding shares. The baseline date for capital reduction was set at November 28, 2023.
- 11) Because of the under achievement of the expected target, the board of directors resolved to dissolve and liquidate USIG on August 8, 2023, and finalized its dissolution and liquidation procedures on December 1, 2023.
- 12) To improve the financial structure and activate the company's capital utilization, INOMA Corporation passed the resolution of the extraordinary shareholders' meeting on November 30, 2023 to reduce capital with the aim to cover losses of NT\$83,806 thousand, cancel the issued shares of 8,381 thousand shares. The capital reduction ratio was 85.56%, and the base date for it was December 6, 2023. After the capital reduction, the paid-in share capital of INOMA Corporation was NT\$14,144 thousand. INOMA Corporation resolved to undergo liquidation on March 7, 2024. As of the date of approval of these consolidated financial statements, the liquidation process of INOMA Corporation has not been completed.
- 13) ACME (MA) founded ACME Advanced in January 2024; main business activities of the newly founded entity are the production and sale of silicon carbide for communication, information, consumer electronics, and auto electronics.
- 14) TUVVC held annual general meetings on June 5, 2024 and June 28, 2023, during which the shareholders passed resolutions to refund capital in cash; the baseline dates for capital reduction were set at June 18, 2024 and August 22, 2023, and the Group recovered capital totaling NT\$78,327 thousand and NT\$133,155 thousand in June 2024 and August 2023, respectively.
- 15) As of June 30, 2024, the Company and APC had invested 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.

16) Details of subsidiaries that have material non-controlling interests

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

Name of Subsidiary	Proportion of Ownership and Voting Rights Held by Non-controlling Interests		
	June 30, 2024	December 31, 2023	June 30, 2023
CGPC	64.4%	64.4%	64.4%
TTC	62.2%	62.2%	62.2%
ACME	52.8%	52.8%	52.8%
APC	62.7%	62.7%	62.7%
EVGL	32.6%	32.6%	32.6%

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

Name of Subsidiary	Profit (Loss) Allocated to Non-controlling Interests				Non-controlling interests		
	For the Three Months Ended	For the Three Months Ended	For the Six Months Ended	For the Six Months Ended	June 30, 2024	December 31, 2023	June 30, 2023
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023			
CGPC	\$ 62,065	\$ 455	\$ 41,244	\$ 153,224	\$ 6,081,210	\$ 6,122,254	\$ 6,057,890
TTC	(\$ 24,957)	(\$ 10,421)	(\$ 89,267)	(\$ 55,829)	\$ 3,994,895	\$ 4,141,709	\$ 4,261,224
ACME	\$ 44,185	(\$ 34,863)	\$ 73,814	(\$ 67,915)	\$ 1,028,099	\$ 931,293	\$ 947,567
APC	(\$ 48,669)	\$ 86,813	(\$ 175,657)	\$ 69,814	\$ 8,047,453	\$ 8,338,151	\$ 8,464,538
EVGL	(\$ 263,863)	(\$ 289,596)	(\$ 508,427)	(\$ 649,957)	\$ 2,645,650	\$ 3,007,117	\$ 3,460,164

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, 2024	December 31, 2023	June 30, 2023
Current assets	\$ 7,090,061	\$ 6,966,745	\$ 7,486,779
Non-current assets	10,953,294	10,783,487	10,305,508
Current liabilities	(4,384,043)	(3,421,831)	(2,976,761)
Non-current liabilities	(3,607,761)	(4,100,913)	(4,686,697)
Equity	<u>\$ 10,051,551</u>	<u>\$ 10,227,488</u>	<u>\$ 10,128,829</u>
Equity attributable to:			
Owners of the Company	\$ 3,366,407	\$ 3,459,223	\$ 3,435,382
Non-controlling interests of CGPC	6,081,210	6,122,254	6,057,890
Non-controlling interests of CGPC's subsidiaries	<u>603,934</u>	<u>646,011</u>	<u>635,557</u>
	<u>\$ 10,051,551</u>	<u>\$ 10,227,488</u>	<u>\$ 10,128,829</u>

	For the Three Months Ended June 30, 2024	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Revenue	<u>\$ 3,075,862</u>	<u>\$ 3,339,951</u>	<u>\$ 5,980,637</u>	<u>\$ 7,120,017</u>
Net profit for the period	\$ 93,315	\$ 20,113	\$ 51,039	\$ 274,191
Other comprehensive income (loss)	<u>1,303</u>	<u>(11,390)</u>	<u>6,700</u>	<u>(13,530)</u>
Total comprehensive income	<u>\$ 94,618</u>	<u>\$ 8,723</u>	<u>\$ 57,739</u>	<u>\$ 260,661</u>
Net profit attributable to:				
Owners of the Company	\$ 32,331	\$ 236	\$ 21,485	\$ 79,818
Non-controlling interests of CGPC	62,065	455	41,244	153,224
Non-controlling interests of CGPC's subsidiaries	<u>(1,081)</u>	<u>19,422</u>	<u>(11,690)</u>	<u>41,149</u>
	<u>\$ 93,315</u>	<u>\$ 20,113</u>	<u>\$ 51,039</u>	<u>\$ 274,191</u>
Total comprehensive income attributable to:				
Owners of the Company	\$ 19,451	(\$ 27,357)	(\$ 19,904)	\$ 50,747
Non-controlling interests of CGPC	76,283	16,717	89,438	168,813
Non-controlling interests of CGPC's subsidiaries	<u>(1,116)</u>	<u>19,363</u>	<u>(11,795)</u>	<u>41,101</u>
	<u>\$ 94,618</u>	<u>\$ 8,723</u>	<u>\$ 57,739</u>	<u>\$ 260,661</u>

	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Cash flow		
Operating activities	\$ 470,715	\$ 513,884
Investing activities	(534,308)	(561,455)
Financing activities	396,912	1,020,265
Effects of exchange rate changes	<u>1,208</u>	<u>(2,400)</u>
Net cash inflow	<u>\$ 334,527</u>	<u>\$ 970,294</u>

TTC and TTC's subsidiaries

	June 30, 2024	December 31, 2023	June 30, 2023
Current assets	\$ 6,198,200	\$ 5,515,323	\$ 5,498,015
Non-current assets	3,346,237	3,376,030	3,384,354
Current liabilities	(2,763,888)	(1,920,663)	(1,403,975)
Non-current liabilities	<u>(358,822)</u>	<u>(322,699)</u>	<u>(620,379)</u>
Equity	<u>\$ 6,421,727</u>	<u>\$ 6,647,991</u>	<u>\$ 6,858,015</u>
Equity attributable to:			
Owners of the Company	\$ 2,426,832	\$ 2,506,282	\$ 2,596,791
Non-controlling interests of TTC	<u>3,994,895</u>	<u>4,141,709</u>	<u>4,261,224</u>
	<u>\$ 6,421,727</u>	<u>\$ 6,647,991</u>	<u>\$ 6,858,015</u>

	For the Three Months Ended June 30, 2024	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Revenue	<u>\$ 4,943,005</u>	<u>\$ 3,587,679</u>	<u>\$ 8,733,754</u>	<u>\$ 7,162,750</u>
Net loss for the period	(\$ 39,409)	(\$ 16,455)	(\$ 140,962)	(\$ 88,160)
Other comprehensive income (loss)	<u>3,370</u>	<u>(141,608)</u>	<u>33,975</u>	<u>(63,304)</u>
Total comprehensive income	<u>(\$ 36,039)</u>	<u>(\$ 158,063)</u>	<u>(\$ 106,987)</u>	<u>(\$ 151,464)</u>
Loss attributable to:				
Owners of the Company	(\$ 14,452)	(\$ 6,034)	(\$ 51,695)	(\$ 32,331)
Non-controlling interests of TTC	<u>(24,957)</u>	<u>(10,421)</u>	<u>(89,267)</u>	<u>(55,829)</u>
	<u>(\$ 39,409)</u>	<u>(\$ 16,455)</u>	<u>(\$ 140,962)</u>	<u>(\$ 88,160)</u>
Total comprehensive income attributable to:				
Owners of the Company	(\$ 8,294)	(\$ 62,068)	(\$ 36,911)	(\$ 62,930)
Non-controlling interests of TTC	<u>(27,745)</u>	<u>(95,995)</u>	<u>(70,076)</u>	<u>(88,534)</u>
	<u>(\$ 36,039)</u>	<u>(\$ 158,063)</u>	<u>(\$ 106,987)</u>	<u>(\$ 151,464)</u>

	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Cash flow		
Operating activities	\$ 13,938	(\$ 130,050)
Investing activities	(289,263)	(265,054)
Financing activities	302,285	37,474
Effects of exchange rate changes	<u>65,348</u>	<u>(34,442)</u>
Net cash inflow (outflow)	<u>\$ 92,308</u>	<u>(\$ 392,072)</u>

ACME and ACME's subsidiaries

	June 30, 2024	December 31, 2023	June 30, 2023
Current assets	\$ 2,315,796	\$ 1,953,313	\$ 2,189,871
Non-current assets	2,836,598	2,626,131	2,519,441
Current liabilities	(1,062,482)	(721,123)	(811,230)
Non-current liabilities	<u>(1,468,282)</u>	<u>(1,533,742)</u>	<u>(1,521,954)</u>
Equity	<u>\$ 2,621,630</u>	<u>\$ 2,324,579</u>	<u>\$ 2,376,128</u>
Equity attributable to:			
Owners of the Company	\$ 941,832	\$ 838,172	\$ 856,232
Non-controlling interests of ACME	1,028,099	931,293	947,567
Non-controlling interests of ACME's subsidiaries	<u>651,699</u>	<u>555,114</u>	<u>572,329</u>
	<u>\$ 2,621,630</u>	<u>\$ 2,324,579</u>	<u>\$ 2,376,128</u>

	For the Three Months Ended June 30, 2024	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Revenue	<u>\$ 820,787</u>	<u>\$ 611,923</u>	<u>\$ 1,538,780</u>	<u>\$ 1,246,510</u>
Net profit (loss) for the period	\$ 88,690	(\$ 74,231)	\$ 141,750	(\$ 148,140)
Other comprehensive income (loss)	<u>13,077</u>	<u>(63,562)</u>	<u>80,321</u>	<u>(61,614)</u>
Total comprehensive income	<u>\$ 101,767</u>	<u>(\$ 137,793)</u>	<u>\$ 222,071</u>	<u>(\$ 209,754)</u>
Net profit (loss) attributable to:				
Owners of the Company	\$ 39,058	(\$ 30,818)	\$ 65,251	(\$ 60,036)
Non-controlling interests of ACME	44,185	(34,863)	73,814	(67,915)
Non-controlling interests of ACME's subsidiaries	<u>5,447</u>	<u>(8,550)</u>	<u>2,685</u>	<u>(20,189)</u>
	<u>\$ 88,690</u>	<u>(\$ 74,231)</u>	<u>\$ 141,750</u>	<u>(\$ 148,140)</u>
Total comprehensive income attributable to:				
Owners of the Company	\$ 44,031	(\$ 52,115)	\$ 94,060	(\$ 79,855)
Non-controlling interests of ACME	49,812	(58,953)	106,406	(90,334)
Non-controlling interests of ACME's subsidiaries	<u>7,924</u>	<u>(26,725)</u>	<u>21,605</u>	<u>(39,565)</u>
	<u>\$ 101,767</u>	<u>(\$ 137,793)</u>	<u>\$ 222,071</u>	<u>(\$ 209,754)</u>

	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Cash flow		
Operating activities	\$ 56,269	\$ 236,150
Investing activities	(352,538)	(227,597)
Financing activities	349,178	191,052
Effects of exchange rate changes	<u>30,673</u>	<u>(32,666)</u>
Net cash inflow	<u>\$ 83,582</u>	<u>\$ 166,939</u>

APC and APC's subsidiaries

	June 30, 2024	December 31, 2023	June 30, 2023
Current assets	<u>\$ 3,468,521</u>	<u>\$ 3,335,197</u>	<u>\$ 3,647,760</u>
Non-current assets	11,256,716	11,676,492	12,181,674
Current liabilities	(1,517,275)	(1,028,661)	(1,508,603)
Non-current liabilities	<u>(571,587)</u>	<u>(643,944)</u>	<u>(712,591)</u>
Equity	<u>\$ 12,636,375</u>	<u>\$ 13,339,084</u>	<u>\$ 13,608,240</u>
Equity attributable to:			
Owners of the Company	\$ 4,588,922	\$ 5,000,933	\$ 5,143,702
Non-controlling interests of APC	<u>8,047,453</u>	<u>8,338,151</u>	<u>8,464,538</u>
	<u>\$ 12,636,375</u>	<u>\$ 13,339,084</u>	<u>\$ 13,608,240</u>

	For the Three Months Ended June 30, 2024	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Revenue	<u>\$ 1,494,815</u>	<u>\$ 1,659,326</u>	<u>\$ 3,056,168</u>	<u>\$ 3,228,503</u>
Net (loss) profit for the period	(\$ 71,939)	\$ 128,323	(\$ 259,647)	\$ 103,196
Other comprehensive income (loss)	<u>29,985</u>	<u>(480,418)</u>	<u>(175,875)</u>	<u>7,182</u>
Total comprehensive income	<u>(\$ 41,954)</u>	<u>(\$ 352,095)</u>	<u>(\$ 435,522)</u>	<u>\$ 110,378</u>
Net (loss) profit attributable to:				
Owners of the Company	(\$ 23,270)	\$ 41,510	(\$ 83,990)	\$ 33,382
Non-controlling interests of APC	<u>(48,669)</u>	<u>86,813</u>	<u>(175,657)</u>	<u>69,814</u>
	<u>(\$ 71,939)</u>	<u>\$ 128,323</u>	<u>(\$ 259,647)</u>	<u>\$ 103,196</u>
Total comprehensive income attributable to:				
Owners of the Company	(\$ 71,537)	(\$ 211,886)	(\$ 314,782)	(\$ 44,344)
Non-controlling interests of APC	<u>29,583</u>	<u>(140,209)</u>	<u>(120,740)</u>	<u>154,722</u>
	<u>(\$ 41,954)</u>	<u>(\$ 352,095)</u>	<u>(\$ 435,522)</u>	<u>\$ 110,378</u>

	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Cash flow		
Operating activities	\$ 122,364	(\$ 65,756)
Investing activities	(754,900)	(198,407)
Financing activities	372,704	(29,580)
Effects of exchange rate changes	<u>9,153</u>	<u>(1,817)</u>
Net cash Outflows	<u>(\$ 250,679)</u>	<u>(\$ 295,560)</u>

EVGL and EVGL's subsidiaries

	June 30, 2024	December 31, 2023	June 30, 2023
Current assets	<u>\$ 1,490,580</u>	<u>\$ 1,387,024</u>	<u>\$ 1,417,362</u>
Non-current assets	7,880,483	9,305,640	10,912,695
Current liabilities	<u>(10,916)</u>	<u>(13,087)</u>	<u>(13,075)</u>
Equity	<u>\$ 9,360,147</u>	<u>\$ 10,679,577</u>	<u>\$ 12,316,982</u>
Equity attributable to:			
Owners of the Company	\$ 5,470,505	\$ 6,217,923	\$ 7,154,706
Non-controlling interests of EVGL	2,645,650	3,007,117	3,460,164
Non-controlling interests of EVGL's subsidiaries	<u>1,243,992</u>	<u>1,454,537</u>	<u>1,702,112</u>
	<u>\$ 9,360,147</u>	<u>\$ 10,679,577</u>	<u>\$ 12,316,982</u>

	For the Three Months Ended June 30, 2024	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Net loss for the period	(\$ 954,891)	(\$ 1,047,253)	(\$ 1,839,884)	(\$ 2,349,780)
Other comprehensive income (loss)	<u>390</u>	<u>(289,021)</u>	<u>520,454</u>	<u>(230,446)</u>
Total comprehensive income	<u>(\$ 954,501)</u>	<u>(\$ 1,336,274)</u>	<u>(\$ 1,319,430)</u>	<u>(\$ 2,580,226)</u>
Loss attributable to:				
Owners of the Company	(\$ 545,682)	(\$ 598,808)	(\$ 1,051,293)	(\$ 1,343,938)
Non-controlling interests of EVGL	(263,863)	(289,596)	(508,427)	(649,957)
Non-controlling interests of EVGL's subsidiaries	<u>(145,346)</u>	<u>(158,849)</u>	<u>(280,164)</u>	<u>(355,885)</u>
	<u>(\$ 954,891)</u>	<u>(\$ 1,047,253)</u>	<u>(\$ 1,839,884)</u>	<u>(\$ 2,349,780)</u>
Total comprehensive income attributable to:				
Owners of the Company	(\$ 588,020)	(\$ 762,233)	(\$ 747,418)	(\$ 1,474,601)
Non-controlling interests of EVGL	(234,466)	(368,631)	(361,467)	(713,147)
Non-controlling interests of EVGL's subsidiaries	<u>(132,015)</u>	<u>(205,410)</u>	<u>(210,545)</u>	<u>(392,478)</u>
	<u>(\$ 954,501)</u>	<u>(\$ 1,336,274)</u>	<u>(\$ 1,319,430)</u>	<u>(\$ 2,580,226)</u>

	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Cash flow		
Operating activities	\$ 9,674	\$ 16,888
Investing activities	(1,279,371)	-
Effects of exchange rate changes	<u>80,112</u>	<u>19,501</u>
Net cash (outflow) inflow	<u>(\$ 1,189,585)</u>	<u>\$ 36,389</u>

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	June 30, 2024	December 31, 2023	June 30, 2023
Investments in joint ventures			
Associates that are individually material			
Fujian Gulei Petrochemical Co., Ltd. (Gulei)	<u>\$ 7,840,687</u>	<u>\$ 9,267,749</u>	<u>\$ 10,912,695</u>
Investments in associates			
Investments in associates that are not individually material			
Delmind Inc. (Delmind)	77,163	79,987	80,127
Chem Union Renewable Energy Corporation (CURE)	<u>9,573</u>	<u>9,835</u>	<u>9,894</u>
	<u>86,736</u>	<u>89,822</u>	<u>90,021</u>
	<u>\$ 7,927,423</u>	<u>\$ 9,357,571</u>	<u>\$ 11,002,716</u>

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

a. Associates that are individually material - Gulei

The Company and 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: (a) 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, whose 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; (b) DEIL shall establish a joint venture company with Fujian Petrochemical Chemical Co., Ltd. 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 shall acquire 50% of the issued shares of Gulei as the basis for the joint investment.

DEIL 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 Gulei, EVGL signed a joint venture agreement with the Hong Kong-based company DOR PO INVESTMENT COMPANY LIMITED (hereinafter referred to as "DOR PO") on June 5, 2019 to jointly invest in Xulent. In accordance with the terms of the joint venture agreement, DOR PO shall contribute US\$109,215 thousand to increase the capital of DEIL, of which US\$103,915 thousand had been contributed as of June 30, 2024 to acquire 15% equity in DEIL.

As of June 30, 2024, the Company and APC had 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%. DEIL has invested capital amounted to RMB4,657,200 thousand in Gulei.

The percentage of the Group's ownership and voting rights were 50% of the outstanding shares of Gulei as of June 30, 2024, December 31, 2023, and June 30, 2023.

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 IFRS accounting standards adjusted by the Group for equity accounting purposes.

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Cash	<u>\$ 4,479,087</u>	<u>\$ 8,256,575</u>	<u>\$ 4,582,595</u>
Current assets	\$ 13,179,141	\$ 19,052,475	\$ 20,661,528
Non-current assets	99,050,641	96,541,823	100,214,406
Current liabilities	(34,506,283)	(36,894,817)	(39,493,862)
Non-current liabilities	(<u>62,042,125</u>)	(<u>60,163,983</u>)	(<u>59,556,682</u>)
Equity	15,681,374	18,535,498	21,825,390
Proportion of the Group's ownership	<u>50%</u>	<u>50%</u>	<u>50%</u>
Equity attributable to the Group	<u>\$ 7,840,687</u>	<u>\$ 9,267,749</u>	<u>\$ 10,912,695</u>
Carrying amount	<u>\$ 7,840,687</u>	<u>\$ 9,267,749</u>	<u>\$ 10,912,695</u>

	<u>For the Three Months Ended June 30, 2024</u>	<u>For the Three Months Ended June 30, 2023</u>	<u>For the Six Months Ended June 30, 2024</u>	<u>For the Six Months Ended June 30, 2023</u>
Revenue	<u>\$ 19,006,374</u>	<u>\$ 16,940,876</u>	<u>\$ 37,343,967</u>	<u>\$ 32,799,543</u>
Net loss/total comprehensive income for the period	<u>(\$ 1,937,644)</u>	<u>(\$ 2,103,557)</u>	<u>(\$ 3,734,808)</u>	<u>(\$ 4,729,641)</u>

The Group's share of profit or loss and other comprehensive income in equity-accounted joint ventures for the six months ended June 30, 2024 and 2023, was calculated using financial statements that were not reviewed by CPA.

b. Summarized information of associates that is not individually material

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, 2023, 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 associates' financial statements prepared in accordance with IFRS accounting standards adjusted by the Group for equity accounting purposes.

	For the Three Months Ended June 30, 2024	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
The Group's share of:				
Net loss for the period	(\$ 1,856)	(\$ 1,762)	(\$ 3,086)	(\$ 3,901)

The Group's share of profit or loss and other comprehensive income in equity-accounted associates for the six months ended June 30, 2024 and 2023, was calculated using financial statements that were not reviewed by CPA.

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

	June 30, 2024	December 31, 2023	June 30, 2023
Freehold Land	\$ 4,715,293	\$ 4,715,293	\$ 4,715,293
Land improvements	17,433	19,203	20,275
Buildings and Improvements	3,680,167	3,794,046	3,672,502
Machinery and Equipment	12,336,578	12,485,955	11,783,124
Transportation equipment	36,275	40,418	42,022
Other equipment	302,874	299,600	286,423
Construction in progress and equipment under installation	5,815,791	5,025,878	5,250,710
	<u>\$ 26,904,411</u>	<u>\$ 26,380,393</u>	<u>\$ 25,770,349</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 delivered for redevelopment and returned on May 2, 2023. On August 8, 2024, the board of directors passed a resolution to construct an innovative R&D center by commissioning an outside contractor.

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 board 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, 2024, the Group had paid a total of NT\$2,623,578 thousand for the project.

Due to the shrinking demand for EPS in the local market, the main product of TAITA (TJ), the management decided to suspend the production of TAITA (TJ) starting from April 2019. TAITA (TJ) determined the recoverable amounts of the property, plant and equipment (including right-of-use assets), on the basis of fair values less costs of disposal. The fair value was measured by Level 3 inputs as of December 31, 2023 and 2022 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 December 31, 2023 and 2022, and June 30, 2024 and 2023.

The Group recognized impairment losses of NT\$982 thousand for the six months ended June 30, 2024 (and none for the six months ended June 30, 2023) on idle assets that were no longer needed for production, and presented them as operating expenses. Recoverable value of such equipment was determined based on the estimated disposal value, which was considered a Level 3 fair value input.

SPC had 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\$178,157 thousand of relevant buildings and structures to non-current assets available for sale. The disposal was completed in October 2023.

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

Land improvements	7-20 years
Buildings and Improvements	
Plant, machine room and improvements	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 34.

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

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Carrying amount of right-of-use assets			
Leasehold land	\$ 1,824,034	\$ 1,873,131	\$ 1,906,260
Land use rights	566,813	556,507	578,793
Buildings	95,987	84,499	93,551
Machinery and Equipment	51,919	56,259	62,710
Transportation equipment	416	641	935
	<u>\$ 2,539,169</u>	<u>\$ 2,571,037</u>	<u>\$ 2,642,249</u>
	For the Three Months Ended	For the Three Months Ended	For the Six Months Ended
	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2024</u>
Addition for right-of-use assets			<u>\$ 25,561</u>
Depreciation expense of right-of-use assets			<u>\$ 1,090,839</u>
Leasehold land	\$ 24,151	\$ 26,970	\$ 48,298
Land use rights	5,470	5,126	10,863
Buildings	7,325	6,934	14,439
Machinery and Equipment	3,585	3,449	7,069
Transportation equipment	97	147	226
	<u>\$ 40,628</u>	<u>\$ 42,626</u>	<u>\$ 80,895</u>
			<u>\$ 81,045</u>

Except for the additions and recognition of depreciation expense described above, the Group's right-of-use assets did not experience significant sub-lease or impairments for the six months ended June 30, 2024 and 2023.

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 34.

b. Lease liabilities

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Carrying amount of lease liabilities			
Current	<u>\$ 146,801</u>	<u>\$ 143,820</u>	<u>\$ 152,357</u>
Non-current	<u>\$ 1,979,433</u>	<u>\$ 1,992,525</u>	<u>\$ 2,028,310</u>

Range of discount rate for lease liabilities was as follows:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Leasehold land	0.83%~9.25%	0.83%~9.25%	0.83%~9.25%
Buildings	0.83%~8.00%	0.83%~8.00%	0.83%~8.00%
Machinery and Equipment	1.11%~1.93%	1.11%~1.93%	1.11%~1.93%
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 Months Ended June 30, 2024</u>	<u>For the Three Months Ended June 30, 2023</u>	<u>For the Six Months Ended June 30, 2024</u>	<u>For the Six Months Ended June 30, 2023</u>
Expenses relating to short-term leases	<u>\$ 22,940</u>	<u>\$ 9,381</u>	<u>\$ 36,401</u>	<u>\$ 20,949</u>
Expenses relating to low-value asset leases	<u>\$ 596</u>	<u>\$ 712</u>	<u>\$ 1,168</u>	<u>\$ 1,391</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 18,696</u>	<u>\$ 18,199</u>	<u>\$ 36,032</u>	<u>\$ 34,931</u>
Total cash (outflow) for leases			<u>(\$ 169,168)</u>	<u>(\$ 150,891)</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>Completed investment properties</u>		Right-of-use assets	Total
	Land	Buildings		
<u>Costs</u>				
Balance as of January 1, 2024	\$ 202,475	\$ 688,067	\$ 210,044	\$ 1,100,586
Addition	317	-	33,741	34,058
Reclassification	-	4,878	(34)	4,844
Net foreign currency exchange differences	-	21,950	4,802	26,752
Balance as of June 30, 2024	<u>\$ 202,792</u>	<u>\$ 714,895</u>	<u>\$ 248,553</u>	<u>\$ 1,166,240</u>
<u>Accumulated depreciation and impairment</u>				
Balance as of January 1, 2024	\$ 3,969	\$ 419,157	\$ 90,139	\$ 513,265
Depreciation expense	-	11,253	9,092	20,345
Reclassification	-	-	802	802
Net foreign currency exchange differences	-	15,892	862	16,754
Balance as of June 30, 2024	<u>\$ 3,969</u>	<u>\$ 446,302</u>	<u>\$ 100,895</u>	<u>\$ 551,166</u>
Net amount as of June 30, 2024	<u>\$ 198,823</u>	<u>\$ 268,593</u>	<u>\$ 147,658</u>	<u>\$ 615,074</u>
<u>Costs</u>				
Balance as of January 1, 2023	\$ 202,729	\$ 693,434	\$ 206,337	\$ 1,102,500
Addition	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>

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, 2024, December 31, 2023, and June 30, 2023 is as follows:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Year 1	\$ 69,934	\$ 75,668	\$ 71,508
Year 2	45,870	47,904	30,753
Year 3	33,574	33,254	17,911
Year 4	25,647	26,619	13,887
Year 5	25,647	25,648	10,970
More than 5 years	<u>102,590</u>	<u>12,824</u>	<u>10,970</u>
	<u>\$ 303,262</u>	<u>\$ 221,917</u>	<u>\$ 155,999</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, 2024 and 2023.

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. 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, 2024, December 31, 2023, and June 30, 2023 are as follows:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Fair Value	<u>\$ 1,567,340</u>	<u>\$ 1,617,250</u>	<u>\$ 1,662,979</u>

17. GOODWILL AND OTHER INTANGIBLE ASSETS

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Goodwill (1)	<u>\$ 270,211</u>	<u>\$ 270,211</u>	<u>\$ 270,211</u>
Other intangible assets b.			
Technology royalties and patent right	\$ -	\$ -	\$ 333
Computer software	20,943	21,002	15,516
Field project	28,172	29,001	29,829
Plant design fee	<u>-</u>	<u>400</u>	<u>1,199</u>
	<u>\$ 49,115</u>	<u>\$ 50,403</u>	<u>\$ 46,877</u>

a. Goodwill

The goodwill of the Group is regularly assessed for impairment at the end of each year. No impairment assessment was performed as of June 30, 2024 and 2023, as there was no indication of impairment.

b. Other intangible assets

Except for the recognition of amortization expenses, the Group's other intangible assets did not experience significant additions, disposals, or impairments for the six months ended June 30, 2024 and 2023.

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
Plant design fee	3-10 years

18. BORROWINGS

a. Short-term borrowings

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
<u>Secured loans</u>			
- Bank loan	\$ -	\$ 6,525	\$ -
<u>Unsecured borrowings</u>			
- Line of credit borrowings	<u>4,890,268</u>	<u>3,249,832</u>	<u>2,304,028</u>
	<u>\$ 4,890,268</u>	<u>\$ 3,256,357</u>	<u>\$ 2,304,028</u>
The range of interest rate	1.75%~3.45%	1.66%~4.74%	1.58%~7.51%

For details on assets pledged for secured borrowing, please refer to Note 34.

b. Short-term notes payable (December 31, 2023: None)

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Commercial note payable	\$ 78,000	\$ 25,000
Less: Unamortized discount on bills payable	<u>16</u>	<u>32</u>
	<u>\$ 77,984</u>	<u>\$ 24,968</u>
The range of interest rate	1.91%	1.84%

c. Long-term borrowings

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Secured loans	\$ 1,310,526	\$ 1,235,439	\$ 1,047,714
Credit borrowings	<u>5,601,151</u>	<u>5,489,942</u>	<u>6,194,802</u>
	6,911,677	6,725,381	7,242,516
Less: Portion maturing within one year	<u>1,189,828</u>	<u>283,954</u>	<u>1,531</u>
	<u>\$ 5,721,849</u>	<u>\$ 6,441,427</u>	<u>\$ 7,240,985</u>
The range of interest rate			
Secured loans	1.12%~4.35%	1.00%~4.35%	1.45%~4.35%
Credit borrowings	1.03%~2.01%	0.89%~1.92%	0.89%~2.03%

The Group entered into medium and long-term credit contracts with banks to replenish the medium and long-term working capital, which is used cyclically during the validity period. Total credit limits obtained by each company are as follows:

<u>Company Name</u>	<u>Total credit limit</u>	<u>Credit contract expiration date</u>
USI	\$ 3,300,000	October, 2026
UPIIC	300,000	September, 2025
CGPC	1,500,000	March, 2027
CGPCPOL	900,000	December, 2026
TVCM	300,000	November, 2025
TTC	2,200,000	May, 2027
APC	3,350,000	October, 2026
ACME	1,891,235	May, 2044
SPC	1,200,000	February, 2026
USIGE	800,000	October, 2025

For details on assets pledged for secured borrowing, please refer to Note 34.

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, 2024, the subsidiaries did not violate any of the financial ratio requirements stated above.

The Group has acquired a special low-interest bank credit facility of NT\$7,950,800 thousand in accordance with the "Action Plan for Accelerated Investment by Domestic Corporations," "Action Plan for Accelerated Investment by SMEs," and "Investment Incentives for Returning Taiwanese Businesses" and had drawn NT\$4,947,165 thousand as of June 2024, recognized and measured the loan at the market interest rate. The difference between the market interest rate and the actual preferential repayment rate is recognized as government subsidy.

19. BONDS PAYABLE

	June 30, 2024	December 31, 2023	June 30, 2023
Domestic unsecured bonds 108-1 - issuance on April 26, 2019, 5 years, total amount NT\$2,000,000 thousand, coupon rate 0.98%, bullet repayment	\$ -	\$2,000,000	\$2,000,000
Domestic unsecured bonds A 110-1 - issuance on June 23 2021, 5 years, total amount NT\$1,000,000 thousand, coupon rate 0.63%, bullet repayment, repaid NT\$500,000 thousand in the 4th and 5th years respectively from the issuance date	1,000,000	1,000,000	1,000,000
Domestic unsecured bonds B 110-1- issuance on June 23 2021, 7 years, total amount NT\$1,000,000 thousand, coupon rate 0.73%, bullet repayment, repaid NT\$500,000 thousand in the 6th and 7th years respectively from the issuance date	1,000,000	1,000,000	1,000,000
Domestic unsecured bonds A 110-2 - issuance on October 26, 2021, 5 years, total amount NT\$700,000 thousand, coupon rate 0.63%, repaid NT\$350,000 thousand in the 4th and 5th years respectively from the issuance date	700,000	700,000	700,000
Domestic unsecured bonds B 110-2 - issuance on October 26, 2021, 7 years, total amount NT\$1,300,000 thousand, coupon rate 0.77%, repaid NT\$650,000 thousand in the 6th and 7th years respectively from the issuance date	1,300,000	1,300,000	1,300,000
	<u>4,000,000</u>	<u>6,000,000</u>	<u>6,000,000</u>

	June 30, 2024	December 31, 2023	June 30, 2023
Discounts on bonds payable	(4,212)	(5,296)	(6,537)
	3,995,788	5,994,704	5,993,463
Less: Listed as maturity within one year	<u>499,762</u>	<u>1,999,714</u>	<u>1,999,268</u>
	<u>\$ 3,496,026</u>	<u>\$3,994,990</u>	<u>\$3,994,195</u>

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 repay bank loans. The unsecured ordinary corporate bonds have a 5-year tenor and are repayable at maturity. The bonds were fully issued in April 2019 and are due for repayment in April 2024.

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

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Operating</u>			
Accounts payable	<u>\$ 3,059,671</u>	<u>\$ 3,017,667</u>	<u>\$ 2,631,422</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

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Current</u>			
Other payables			
Payables for salaries and bonuses	\$ 492,335	\$ 780,045	\$ 588,501
Payables for purchases of equipment	311,788	392,863	391,102
Payables for water electricity and gas	353,595	282,701	334,635
Payables for fares	229,998	149,557	131,584
Payables for insurance	36,105	38,080	41,699
Payable for taxes	42,416	40,459	40,077

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Payables for interests	17,121	29,633	18,090
Others	<u>492,558</u>	<u>469,259</u>	<u>433,942</u>
	1,975,916	2,182,597	1,979,630
Other liabilities			
Refund liabilities	<u>29,908</u>	<u>30,704</u>	<u>24,345</u>
	<u>\$ 2,005,824</u>	<u>\$ 2,213,301</u>	<u>\$ 2,003,975</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, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</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 35 for the explanation related to the provision.

23. RETIREMENT BENEFIT PLANS

Defined benefit plan expenses for the three months and six months ended June 30, 2024 and 2023, were calculated based on actuarial assumptions and pension cost rates determined as of December 31, 2023 and 2022, for which the Group had recognized the following expenses:

	<u>For the Three Months Ended June 30, 2024</u>	<u>For the Three Months Ended June 30, 2023</u>	<u>For the Six Months Ended June 30, 2024</u>	<u>For the Six Months Ended June 30, 2023</u>
Operating costs	\$ 4,050	\$ 5,056	\$ 8,284	\$ 10,115
Selling and marketing expenses	427	545	883	1,079
Administrative expenses	517	571	1,055	1,159
Research and development expenses	<u>193</u>	<u>256</u>	<u>401</u>	<u>505</u>
	<u>\$ 5,187</u>	<u>\$ 6,428</u>	<u>\$ 10,623</u>	<u>\$ 12,858</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, 2024, December 31, 2023, and June 30, 2023, the amount of unamortized deferred revenues was RMB 7,993 thousand (NT\$36,392 thousand), RMB 8,032 thousand (NT\$34,822 thousand), and RMB 8,384 thousand (NT\$36,133 thousand), respectively.

25. EQUITY

a. Share capital

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Number of shares authorized (in thousands)	<u>1,342,602</u>	<u>1,342,602</u>	<u>1,342,602</u>
Share capital authorized	<u>\$ 13,426,024</u>	<u>\$ 13,426,024</u>	<u>\$ 13,426,024</u>
Number of shares issued and fully paid (in thousands)	<u>1,188,763</u>	<u>1,188,763</u>	<u>1,188,763</u>
Share capital issued	<u>\$ 11,887,635</u>	<u>\$ 11,887,635</u>	<u>\$ 11,887,635</u>

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

b. Capital surplus

The capital surplus generated from donations and the excess of the issuance price over the par value of share capital (including the issuance of ordinary shares in excess of par value, the capital stock premium of shares issued due to merger, and treasury 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 2023 and 2022 as resolved in the shareholders' meetings on May 31, 2024 and 2023, respectively, are as follows:

	<u>Appropriation of Earnings</u>		<u>Dividends Per Share (NT\$)</u>	
	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Legal reserve	\$ -	\$ 164,106		
Cash dividends	<u>416,067</u>	<u>832,134</u>	\$ 0.35	\$ 0.7
	<u>\$ 416,067</u>	<u>\$ 996,240</u>		

d. Other equity

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

	<u>For the Six Months Ended June 30, 2024</u>	<u>For the Six Months Ended June 30, 2023</u>
Opening balance	(\$ 452,386)	(\$ 371,193)
Incurring in the current period		
Exchange differences on translating the financial statements of foreign operations	438,905	(128,122)
Related income tax	(68,629)	28,664
Closing balance	<u>(\$ 82,110)</u>	<u>(\$ 470,651)</u>

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

	<u>For the Six Months Ended June 30, 2024</u>	<u>For the Six Months Ended June 30, 2023</u>
Opening balance	\$ 290,941	\$ 380,089
Incurring in the current period		
Unrealized gains (losses)		
Equity instruments	82,410	(24,681)
Related income tax	(2,211)	(315)
Closing balance	<u>\$ 371,140</u>	<u>\$ 355,093</u>

e. Non-controlling interests

	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Opening balance	\$ 24,289,615	\$ 26,428,793
Cash dividends to shareholders of subsidiaries	(420,285)	(722,518)
Net loss for the period	(961,546)	(897,412)
Other comprehensive (loss) income for the period		
Exchange differences on translating the financial statements of foreign operations	531,664	(199,744)
Income tax relating to exchange difference on translating foreign operations	(38,879)	22,570
Unrealized gain (loss) on financial assets at FVTOCI	309,636	117,929
Income tax relating to unrealized gain on financial assets at FVTOCI	(4,623)	(659)
Adjustments relating to changes accounted for using the equity method	(20)	55,503
Change in non-controlling interests	(13,080)	231,838
Closing balance	<u>\$ 23,692,482</u>	<u>\$ 25,036,300</u>

f. Treasury shares

Purpose of Buy-Back	Opening number of shares(in thousands)	Increase in the current period(in thousands)	Decrease in the current period (in thousands)	Closing number of shares(in thousands)
<u>For the Six Months Ended June 30, 2024</u>				
Subsidiaries' holding of the Company's shares reclassified from investment into treasury stock	<u>116,466</u>	-	-	<u>116,466</u>
<u>For the Six Months Ended June 30, 2023</u>				
Subsidiaries' holding of the Company's shares reclassified from investment into treasury stock	<u>116,466</u>	-	-	<u>116,466</u>

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

Name of Subsidiary	Number of Shares Held (in thousands)	Carrying Amount (NT\$ thousands)	Market Price (NT\$ thousands)
<u>June 30, 2024</u>			
APC	101,356	\$ 1,377,381	\$ 1,515,267
TTC	15,110	81,875	225,893
		\$ 1,459,256	\$ 1,741,160
<u>December 31, 2023</u>			
APC	101,356	\$ 1,377,381	\$ 2,001,775
TTC	15,110	81,875	298,421
		\$ 1,459,256	\$ 2,300,196
<u>June 30, 2023</u>			
APC	101,356	\$ 1,377,381	\$ 2,270,367
TTC	15,110	81,875	338,462
		\$ 1,459,256	\$ 2,608,829

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

APC and TTC held shares of the Company that were presented as financial assets at FVTOCI. Using closing prices on the final trading dates as of June 30, 2024, December 31, 2023, and June 30, 2023, the two entities reported unrealized gains (losses) on financial assets at FVTOCI, for which the Company had adjusted the value of equity-accounted investments and unrealized gain on valuation of financial assets at FVTOCI by NT\$97,418 thousand, NT\$281,399 thousand and NT\$382,971 thousand, respectively, based on the prevailing shareholding percentages.

26. REVENUE

	For the Three Months Ended June 30, 2024	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Revenue from the sale of goods				
Plastic Raw Materials	\$ 12,398,418	\$ 12,008,345	\$ 23,454,672	\$ 24,416,043
Electronic Materials	647,223	591,157	1,198,759	1,110,722
Others	414,453	159,618	831,091	407,911
	\$ 13,460,094	\$ 12,759,120	\$ 25,484,522	\$ 25,934,676

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

Contract balances

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>	<u>January 1, 2023</u>
Notes and accounts receivables (Note 10)	<u>\$ 5,837,456</u>	<u>\$ 5,510,605</u>	<u>\$ 6,393,948</u>	<u>\$ 7,939,581</u>
Contract liabilities (presented in other current liabilities)				
Merchandise sales	<u>\$ 338,870</u>	<u>\$ 196,129</u>	<u>\$ 507,931</u>	<u>\$ 404,236</u>

27. NET LOSS FOR THE PERIOD

Net loss for the period includes the following:

a. Interest income

	<u>For the Three Months Ended June 30, 2024</u>	<u>For the Three Months Ended June 30, 2023</u>	<u>For the Six Months Ended June 30, 2024</u>	<u>For the Six Months Ended June 30, 2023</u>
Bank deposits	<u>\$ 75,105</u>	<u>\$ 65,873</u>	<u>\$ 140,748</u>	<u>\$ 119,570</u>
Reserve repurchase agreements collateralized by bonds	9,126	3,290	17,653	5,396
Beneficiary securities	6,742	6,117	6,742	6,117
Others	<u>2,136</u>	<u>1,776</u>	<u>3,465</u>	<u>3,932</u>
	<u>\$ 93,109</u>	<u>\$ 77,056</u>	<u>\$ 168,608</u>	<u>\$ 135,015</u>

b. Other income

	<u>For the Three Months Ended June 30, 2024</u>	<u>For the Three Months Ended June 30, 2023</u>	<u>For the Six Months Ended June 30, 2024</u>	<u>For the Six Months Ended June 30, 2023</u>
Dividend income	<u>\$ 45,373</u>	<u>\$ 96,497</u>	<u>\$ 45,373</u>	<u>\$ 107,868</u>
Rental income	30,274	31,293	61,485	64,590
Income from grants (Note 24)	7,915	22,847	17,528	31,864
Income from management services (Note 33)	9,185	8,413	18,500	18,228
Others	<u>21,126</u>	<u>14,829</u>	<u>27,072</u>	<u>26,588</u>
	<u>\$ 113,873</u>	<u>\$ 173,879</u>	<u>\$ 169,958</u>	<u>\$ 249,138</u>

c. Other gains and losses

	<u>For the Three Months Ended June 30, 2024</u>	<u>For the Three Months Ended June 30, 2023</u>	<u>For the Six Months Ended June 30, 2024</u>	<u>For the Six Months Ended June 30, 2023</u>
Depreciation expense	<u>(\$ 11,727)</u>	<u>(\$ 11,828)</u>	<u>(\$ 23,095)</u>	<u>(\$ 23,803)</u>
Net gain on financial assets and liabilities at FVTPL	55,338	56,098	65,564	57,184
Net gain (loss) on disposal of property, plant and equipment	<u>(6,564)</u>	8,325	<u>(6,084)</u>	10,789
Net foreign exchange gain (loss)	55,618	7,649	209,948	(6,482)
Other gains and losses	<u>(26,382)</u>	<u>(17,011)</u>	<u>(43,716)</u>	<u>(42,891)</u>
	<u>\$ 66,283</u>	<u>\$ 43,233</u>	<u>\$ 202,617</u>	<u>(\$ 5,203)</u>

d. Finance costs

	For the Three Months Ended June 30, 2024	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Interest on bank loans	\$ 59,468	\$ 44,066	\$ 106,729	\$ 88,109
Interest on bonds payable	8,827	12,523	21,354	25,045
Interest on lease liabilities	10,337	10,728	20,793	20,116
Less: Capitalized interest (presented under construction in progress)	<u>351</u>	<u>653</u>	<u>778</u>	<u>2,358</u>
	<u>\$ 78,281</u>	<u>\$ 66,664</u>	<u>\$ 148,098</u>	<u>\$ 130,912</u>

Information about capitalized interest is as follows:

	For the Three Months Ended June 30, 2024	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Capitalized interest	\$ 351	\$ 653	\$ 778	\$ 2,358
Capitalization rate	0.84%~1.22%	0.84%~1.65%	0.84%~1.22%	0.84%~1.65%

e. Depreciation and amortization

	For the Three Months Ended June 30, 2024	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Property, plant and equipment	\$ 621,022	\$ 573,922	\$ 1,240,056	\$ 1,139,970
Right-of-use assets	40,628	42,626	80,895	81,045
Investment properties	10,355	10,255	20,346	20,555
Intangible assets	2,223	2,192	4,553	4,252
Others	<u>9,836</u>	<u>12,792</u>	<u>23,143</u>	<u>25,715</u>
	<u>\$ 684,064</u>	<u>\$ 641,787</u>	<u>\$ 1,368,993</u>	<u>\$ 1,271,537</u>

Summary of depreciation by
function

Operating costs	\$ 614,226	\$ 573,941	\$ 1,227,489	\$ 1,134,160
Operating expenses	46,052	41,034	90,713	83,607
Other gains and losses	<u>11,727</u>	<u>11,828</u>	<u>23,095</u>	<u>23,803</u>
	<u>\$ 672,005</u>	<u>\$ 626,803</u>	<u>\$ 1,341,297</u>	<u>\$ 1,241,570</u>

An analysis of amortization by
function

Operating costs	\$ 10,008	\$ 12,872	\$ 22,875	\$ 25,795
Selling and marketing expenses	605	484	1,160	1,022
Administrative expenses	1,421	1,504	2,612	2,902
Research and development expenses	<u>25</u>	<u>124</u>	<u>1,049</u>	<u>248</u>
	<u>\$ 12,059</u>	<u>\$ 14,984</u>	<u>\$ 27,696</u>	<u>\$ 29,967</u>

f. Employee benefits expense

	For the Three Months Ended June 30, 2024	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Retirement benefits				
Defined contribution plans	\$ 43,550	\$ 39,533	\$ 85,770	\$ 83,069
Defined benefit plan (Note 23)	<u>5,187</u>	<u>6,428</u>	<u>10,623</u>	<u>12,858</u>
	48,737	45,961	96,393	95,927
Other employee benefits	<u>1,161,302</u>	<u>1,074,288</u>	<u>2,232,279</u>	<u>2,212,709</u>
Total employee benefits expenses	<u>\$ 1,210,039</u>	<u>\$ 1,120,249</u>	<u>\$ 2,328,672</u>	<u>\$ 2,308,636</u>
An analysis of employee benefits expense by function				
Operating costs	\$ 846,031	\$ 776,873	\$ 1,606,355	\$ 1,593,245
Operating expenses	<u>364,008</u>	<u>343,376</u>	<u>722,317</u>	<u>715,391</u>
	<u>\$ 1,210,039</u>	<u>\$ 1,120,249</u>	<u>\$ 2,328,672</u>	<u>\$ 2,308,636</u>

g. Employees' compensation and remuneration of directors

The Company accrued employees' compensation and remuneration of directors at the rate of no less than 1% and no higher than 1%, respectively, of net profit before income tax.

For the six months ended June 30, 2024 and 2023, due to the company's net loss, employees' compensation and remuneration of directors were not estimated.

h. Foreign exchange gains (losses)

	For the Three Months Ended June 30, 2024	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Gross foreign exchange gains	\$ 104,796	\$ 100,123	\$ 334,821	\$ 209,080
Foreign exchange losses	(<u>49,178</u>)	(<u>92,474</u>)	(<u>124,873</u>)	(<u>215,562</u>)
Net profit (loss)	<u>\$ 55,618</u>	<u>\$ 7,649</u>	<u>\$ 209,948</u>	(<u>\$ 6,482</u>)

28. INCOME TAX

a. Income tax recognized in profit or loss

The major components of income tax (Gain) expense were as follows:

	<u>For the Three Months Ended June 30, 2024</u>	<u>For the Three Months Ended June 30, 2023</u>	<u>For the Six Months Ended June 30, 2024</u>	<u>For the Six Months Ended June 30, 2023</u>
Current tax				
Incurring in the current period	\$ 37,237	\$ 181,207	\$ 51,478	\$ 399,172
Additional tax on unappropriated earnings	-	59,353	-	59,353
Adjustments for previous years	<u>(14,209)</u>	<u>23,897</u>	<u>(30,657)</u>	<u>10,001</u>
	<u>23,028</u>	<u>264,457</u>	<u>20,821</u>	<u>468,526</u>
Deferred tax				
Incurring in the current period	(118,632)	(157,196)	(279,902)	(318,680)
Adjustments for previous years	<u>(89)</u>	<u>1,143</u>	<u>(89)</u>	<u>(9,810)</u>
	<u>(118,721)</u>	<u>(156,053)</u>	<u>(279,991)</u>	<u>(328,490)</u>
Income tax (Gain) expense recognized in profit or loss	<u>(\$ 95,693)</u>	<u>\$ 108,404</u>	<u>(\$ 259,170)</u>	<u>\$ 140,036</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 generated by other jurisdictions is calculated based on the applicable tax rate in each relevant jurisdiction.

b. Income tax recognized in other comprehensive income

	<u>For the Three Months Ended June 30, 2024</u>	<u>For the Three Months Ended June 30, 2023</u>	<u>For the Six Months Ended June 30, 2024</u>	<u>For the Six Months Ended June 30, 2023</u>
<u>Deferred tax</u>				
Incurring in the current period				
- Translation of foreign operations	(\$ 21,330)	\$ 52,939	(\$ 107,508)	\$ 51,234
- Unrealized gain (loss) on financial assets at FVTOCI	<u>(6,337)</u>	<u>(220)</u>	<u>(6,834)</u>	<u>(974)</u>
Income tax benefit (expense) recognized in other comprehensive income	<u>(\$ 27,667)</u>	<u>\$ 52,719</u>	<u>(\$ 114,342)</u>	<u>\$ 50,260</u>

c. Income tax assessments

The Company, USII, APC, TVCM, USIO, APCIC, INOMA, TUVK, TUVK, USIGE and UPIIC have had income tax filings certified by the tax authority up to 2022. ACME, TTC, CGPC, CGPCPOL, CGTD, UM, CLT, SPC and STC have had income tax filings certified by the tax authority up to 2021.

d. Pillar 2 income tax

The Pillar 2 income tax law of UK, the place of registration for the Company's subsidiary - A.S. Holdings (UK) Limited, was substantively enacted in December 2023 and effected on January 1, 2024. Operating performance of the subsidiary does not have material effect on the Group; nevertheless, the Group will continue to monitor how the Pillar 2 income tax law affects its future financial performance.

29. EARNINGS (LOSSES) PER SHARE

	Unit: NT\$ Per Share			
	For the Three Months Ended June 30, 2024	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Basic earning (loss) per share	(\$ 0.23)	\$ 0.03	(\$ 0.60)	(\$ 0.06)
Diluted earning (loss) per share	(\$ 0.23)	\$ 0.03	(\$ 0.60)	(\$ 0.06)

The earnings (losses) and weighted average number of shares used for calculating earning (loss) per share is explained below:

Net (loss) profit for the period

	For the Three Months Ended June 30, 2024	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Net profit (loss) attributable to owners of the Company (the net earning (loss) used for calculating basic and diluted earning (loss) per share)	(\$ 251,420)	\$ 27,063	(\$ 645,320)	(\$ 69,460)

Number of Shares

	Unit: thousands of shares			
	For the Three Months Ended June 30, 2024	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Weighted average number of ordinary shares used in the computation of basic and diluted earning (loss) per share	1,072,298	1,072,298	1,072,298	1,072,298

30. 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, 2024 and 2023, were:

- 1) As of June 30, 2024, December 31, 2023, and June 30, 2023, the amounts of payables for purchases of equipment were NT\$311,788 thousand, NT\$392,863 thousand, and NT\$391,102 thousand, respectively.

- 2) As of June 30, 2024, December 31, 2023, and June 30, 2023, the amounts of payables for dividends declared but not issued were NT\$824,580 thousand, NT\$46,742 thousand, and NT\$1,459,955 thousand, respectively.

b. Changes in liabilities arising from financing activities

	January 1, 2024	Cash flow	Non-cash Changes				June 30, 2024
			New Leases	Amortization of Finance Costs	Changes in Foreign Currency Exchange Rates	Others	
Short-term borrowings	\$ 3,256,357	\$ 1,633,911	\$ -	\$ -	\$ -	\$ -	\$ 4,890,268
Short-term bills payable	-	78,000	-	-	-	(16)	77,984
Bonds payable (including those due within 1 year)	5,994,704	(2,000,000)	-	1,084	-	-	3,995,788
Long-term borrowings (including those due within 1 year)	6,725,381	174,125	-	12,171	-	-	6,911,677
Guarantee deposits received	47,300	(5,248)	-	-	-	-	42,052
Lease liabilities (including those due within 1 year)	2,136,345	(74,774)	59,302	20,793	4,407	(19,839)	2,126,234
Other non-current liabilities	104,926	6,936	-	-	-	-	111,862
	<u>\$ 18,265,013</u>	<u>(\$ 187,050)</u>	<u>\$ 59,302</u>	<u>\$ 34,048</u>	<u>\$ 4,407</u>	<u>(\$ 19,855)</u>	<u>\$ 18,155,865</u>

	January 1, 2023	Cash flow	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>

31. 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.

32. FINANCIAL INSTRUMENTS

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

June 30, 2024

	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
- Domestic corporate bonds	\$ 3,995,788	\$ -	\$ 3,953,714	\$ -	\$ 3,953,714

December 31, 2023

	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
- Domestic corporate bonds	\$ 5,994,704	\$ -	\$ 5,939,899	\$ -	\$ 5,939,899

June 30, 2023

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

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, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivatives	\$ -	\$ 3,549	\$ -	\$ 3,549
Domestic listed (OTC) shares	449,144	-	-	449,144
Overseas listed shares	52,958	-	-	52,958
Fund beneficiary certificates	1,186,444	-	-	1,186,444
Beneficiary securities	271,456	-	-	271,456
Total	<u>\$ 1,960,002</u>	<u>\$ 3,549</u>	<u>\$ -</u>	<u>\$ 1,963,551</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
- Domestic listed (OTC) shares	\$ 2,002,252	\$ -	\$ -	\$ 2,002,252
- Domestic unlisted shares and emerging market shares	-	-	323,809	323,809
- Overseas listed shares	14,098	-	-	14,098
- Overseas unlisted equity investments	-	-	225,083	225,083
Total	<u>\$ 2,016,350</u>	<u>\$ -</u>	<u>\$ 548,892</u>	<u>\$ 2,565,242</u>
<u>Financial liabilities at FVTPL</u>				
Derivatives	\$ -	\$ 197	\$ -	\$ 197

December 31, 2023

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivatives	\$ -	\$ 5,061	\$ -	\$ 5,061
Domestic listed (OTC) shares	478,329	-	-	478,329
Fund beneficiary certificates	2,365,052	-	-	2,365,052
Beneficiary securities	272,258	-	-	272,258
Total	<u>\$ 3,115,639</u>	<u>\$ 5,061</u>	<u>\$ -</u>	<u>\$ 3,120,700</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
- Domestic listed (OTC) shares	\$ 1,634,224	\$ -	\$ -	\$ 1,634,224
- Domestic unlisted shares and emerging market shares	-	-	366,003	366,003
- Overseas listed shares	16,457	-	-	16,457
- Overseas unlisted equity investments	-	-	151,245	151,245
Total	<u>\$ 1,650,681</u>	<u>\$ -</u>	<u>\$ 517,248</u>	<u>\$ 2,167,929</u>
<u>Financial liabilities at FVTPL</u>				
Derivatives	<u>\$ -</u>	<u>\$ 2,804</u>	<u>\$ -</u>	<u>\$ 2,804</u>

June 30, 2023

	Level 1	Level 2	Level 3	Total
<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
Overseas listed shares	81	-	-	81
Total	<u>\$ 3,037,794</u>	<u>\$ 24,488</u>	<u>\$ -</u>	<u>\$ 3,062,282</u>
<u>Financial assets at FVTOCI</u>				
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
- Overseas listed 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>
<u>Financial liabilities at FVTPL</u>				
Derivatives	<u>\$ -</u>	<u>\$ 417</u>	<u>\$ -</u>	<u>\$ 417</u>

There were no transfers between Levels 1 and 2 fair value measurement for the six months ended June 30, 2024 and 2023.

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

	<u>For the Six Months Ended June 30, 2024</u>	<u>For the Six Months Ended June 30, 2023</u>
<u>Financial assets at FVTOCI</u>		
Opening balance	\$ 517,248	\$ 498,924
Transfer to Level 3	(39,950)	-
Recognized in other comprehensive income (included in unrealized gain (loss) on financial assets at FVTOCI)	<u>71,594</u>	<u>6,555</u>
Closing balance	<u>\$ 548,892</u>	<u>\$ 505,479</u>

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

<u>Categories of financial instruments</u>	<u>Valuation Techniques and Inputs</u>
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 maturity 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. The Group values domestic and overseas unlisted equity investments using the asset approach, in which fair value is determined by taking into consideration the latest net worth and observable financial and operating factors of the investee. A reduction in liquidity discount would increase the fair value of the investee. When the discount for lack of marketability increases/decreases by 10%, the fair value would have decreased/increased by NT\$54,889 thousand and NT\$50,548 thousand, respectively, for the six months ended June 30, 2024 and 2023.

c. Categories of financial instruments

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Financial assets</u>			
Measured at FVTPL			
Financial assets mandatorily classified at FVTPL	\$ 1,963,551	\$ 3,120,700	\$ 3,062,282
Measured at amortized cost			
Cash and cash equivalents	8,260,405	11,059,546	11,648,191
Pledged and restricted deposits	728,390	721,697	719,200
Bank fixed-term deposits with a maturity over 3 months	2,107,551	625,694	-
Reserve repurchase agreements collateralized by bonds with a maturity over 3 months	1,466,886	704,809	-
Bank fixed-term deposits with a maturity over 12 months	211,725	-	-
Notes receivable	517,347	479,270	498,921
Accounts receivable (including related parties)	5,320,109	5,031,335	5,895,027
Other receivables (including related parties, excluding tax refund receivable)	97,125	100,624	103,406
Refundable deposits	177,471	204,563	208,889
Measured at FVTOCI - investments in equity instruments	2,565,242	2,167,929	2,252,824
<u>Financial liabilities</u>			
Measured at FVTPL - held for trading	197	2,804	417
Measured at amortized cost			
Short-term borrowings	4,890,268	3,256,357	2,304,028
Short-term bills payable	77,984	-	24,968
Accounts payable	3,059,671	3,017,667	2,631,422
Dividends payable	824,580	46,742	1,459,955
Other payables (excluding salaries payable and taxes payable)	1,441,165	1,362,093	1,351,052
Current portion of long-term borrowings	1,689,590	2,283,668	2,000,799
Bonds payable	3,496,026	3,994,990	3,994,195
Long-term borrowings	5,721,849	6,441,427	7,240,985
Guarantee deposits received	42,052	47,300	46,032

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.

(1) 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 37. 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 individual functional currency relative to the USD and RMB appreciates/depreciates by 3%, net loss before income tax of the Group would have increased/decreased by NT\$92,868 thousand and NT\$110,492 thousand for six months ended June 30, 2024 and 2023.

In management's opinion, the sensitivity analysis was unrepresentative of the inherent foreign currency risk because the exposure at the end of the reporting period did not reflect the exposure during the period.

(2) 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, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Fair value interest rate risk			
- Financial assets	\$ 10,256,890	\$ 9,822,484	\$ 9,266,014
- Financial liabilities	10,585,272	11,719,150	11,230,199
Cash flow interest rate risk			
- Financial assets	2,457,004	2,945,405	2,573,314
- Financial liabilities	7,416,679	6,393,637	6,515,443

Sensitivity analysis

Regarding the sensitivity analysis of interest risk, the Group's computation was based on the balance sheet date of 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. While maintaining all other variables unchanged, a 0.5% increase/decrease in market rate would increase/decrease net loss before income tax of the Group by NT\$12,399 thousand and NT\$9,855 thousand for the six months ended June 30, 2024 and 2023.

(3) 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%, net losses before tax for the six months ended June 30, 2024 and 2023, would have increased/decreased by NT\$38,678 thousand and NT\$23,782 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL (excluding fund beneficiary certificates). Pre-tax other comprehensive income for the six months ended June 30, 2024 and 2023, would have increased/decreased by NT\$128,262 thousand and NT\$112,641 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:

- (1) The carrying amount of the financial assets recognized in the consolidated balance sheets; and
- (2) 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.

(1) 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, 2024

	Weighted average interest rate (%)	On demand or less than 1 year	1-5 years	More than 5 years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities		\$ 5,325,416	\$ -	\$ -
Lease liabilities	0.83~9.25	191,976	614,294	1,758,522
Floating interest rate liabilities	1.03~4.35	2,694,355	4,921,213	61,968
Fixed interest rate liabilities	0.63~3.45	<u>4,161,472</u>	<u>4,416,837</u>	-
		<u>\$ 12,373,219</u>	<u>\$ 9,952,344</u>	<u>\$ 1,820,490</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 years	5-10 years	10-15 years	15-20 years	More than 20 years
Lease liabilities	<u>\$ 191,976</u>	<u>\$ 614,294</u>	<u>\$ 632,545</u>	<u>\$ 627,638</u>	<u>\$ 405,365</u>	<u>\$ 92,974</u>

December 31, 2023

	Weighted average interest rate (%)	On demand or Less than 1 Year	1-5 years	More than 5 years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities		\$ 4,426,502	\$ -	\$ -
Lease liabilities	0.83~9.25	200,613	620,031	1,799,293
Floating interest rate liabilities	1.05~4.74	998,424	5,574,198	65,213
Fixed interest rate liabilities	0.63~2.48	<u>5,478,659</u>	<u>4,227,525</u>	-
		<u>\$ 11,104,198</u>	<u>\$ 10,421,754</u>	<u>\$ 1,864,506</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 years	5-10 years	10-15 years	15-20 years	More than 20 years
Lease liabilities	<u>\$ 200,613</u>	<u>\$ 620,031</u>	<u>\$ 622,221</u>	<u>\$ 616,693</u>	<u>\$ 469,623</u>	<u>\$ 90,756</u>

June 30, 2023

	Weighted average interest rate (%)	On demand or less than 1 year	1-5 years	More than 5 years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities		\$ 5,442,429	\$ -	\$ -
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 1 Year	1-5 years	5-10 years	10-15 years	15-20 years	More than 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>

(2) 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, 2024

	On demand or less than 1 month	1~3 months	3 months to 1 year
<u>Gross settled</u>			
Foreign exchange forward contracts			
- Inflow	\$ 178,520	\$ 105,265	\$ 45,280
- Outflow	(<u>178,056</u>)	(<u>106,127</u>)	(<u>47,617</u>)
	<u>\$ 464</u>	<u>(\$ 862)</u>	<u>(\$ 2,337)</u>

December 31, 2023

	On demand or less than 1 month	1~3 months	3 months to 1 year
<u>Gross settled</u>			
Foreign exchange forward contracts			
- Inflow	\$ 401,017	\$ 98,619	\$ 29,479
- Outflow	(<u>397,851</u>)	(<u>99,139</u>)	(<u>30,705</u>)
	<u>\$ 3,166</u>	<u>(\$ 520)</u>	<u>(\$ 1,226)</u>

June 30, 2023

	<u>On demand or less than 1 month</u>	<u>1~3 months</u>	<u>3 months to 1 year</u>
<u>Gross settled</u>			
Foreign exchange forward contracts			
- Inflow	\$ 390,131	\$ 974,213	\$ 17,444
- Outflow	(379,779)	(967,740)	(18,684)
	<u>\$ 10,352</u>	<u>\$ 6,473</u>	<u>(\$ 1,240)</u>

(3) 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, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Bank loan facilities			
- Amount undrawn	<u>\$ 38,035,213</u>	<u>\$ 42,459,373</u>	<u>\$ 45,555,033</u>

33. 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>For the Three Months Ended June 30, 2024</u>	<u>For the Three Months Ended June 30, 2023</u>	<u>For the Six Months Ended June 30, 2024</u>	<u>For the Six Months Ended June 30, 2023</u>
<u>Related Party Category/Name</u>				
Joint ventures	<u>\$ 19,663</u>	<u>\$ 3,557</u>	<u>\$ 41,340</u>	<u>\$ 3,557</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>For the Three Months Ended June 30, 2024</u>	<u>For the Three Months Ended June 30, 2023</u>	<u>For the Six Months Ended June 30, 2024</u>	<u>For the Six Months Ended June 30, 2023</u>
<u>Related Party Category/Name</u>				
Joint ventures	<u>\$ 409,579</u>	<u>\$ 627,848</u>	<u>\$ 607,046</u>	<u>\$ 1,510,300</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/Name</u>	<u>For the Three Months Ended June 30, 2024</u>	<u>For the Three Months Ended June 30, 2023</u>	<u>For the Six Months Ended June 30, 2024</u>	<u>For the Six Months Ended June 30, 2023</u>
Other related parties				
USI Education Foundation	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,000</u>	<u>\$ 10,000</u>

e. Management service income (classified as other revenue)

<u>Related Party Category/Name</u>	<u>For the Three Months Ended June 30, 2024</u>	<u>For the Three Months Ended June 30, 2023</u>	<u>For the Six Months Ended June 30, 2024</u>	<u>For the Six Months Ended June 30, 2023</u>
Joint ventures	<u>\$ 8,545</u>	<u>\$ 7,289</u>	<u>\$ 17,220</u>	<u>\$ 15,914</u>
Associate	<u>640</u>	<u>1,124</u>	<u>1,280</u>	<u>2,314</u>
	<u>\$ 9,185</u>	<u>\$ 8,413</u>	<u>\$ 18,500</u>	<u>\$ 18,228</u>

f. Rental income (classified as other income)

<u>Related Party Category/Name</u>	<u>For the Three Months Ended June 30, 2024</u>	<u>For the Three Months Ended June 30, 2023</u>	<u>For the Six Months Ended June 30, 2024</u>	<u>For the Six Months Ended June 30, 2023</u>
Associate	<u>\$ 78</u>	<u>\$ 78</u>	<u>\$ 156</u>	<u>\$ 162</u>

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

g. Accounts receivable, net

<u>Related Party Category/Name</u>	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Joint ventures	<u>\$ 5,313</u>	<u>\$ 9,164</u>	<u>\$ 3,709</u>

No guarantee deposits were received for the outstanding accounts receivable from related parties. No impairment loss was provided on related party receivables for the six months ended June 30, 2024 and 2023.

h. Other receivables

<u>Related Party Category/Name</u>	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Joint ventures	<u>\$ 15,910</u>	<u>\$ 17,687</u>	<u>\$ 21,348</u>
Associate	<u>82</u>	<u>-</u>	<u>82</u>
	<u>\$ 15,992</u>	<u>\$ 17,687</u>	<u>\$ 21,430</u>

i. Compensation of key management personnel

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

	<u>For the Three Months Ended June 30, 2024</u>	<u>For the Three Months Ended June 30, 2023</u>	<u>For the Six Months Ended June 30, 2024</u>	<u>For the Six Months Ended June 30, 2023</u>
Short-term employee benefits	<u>\$ 11,338</u>	<u>\$ 11,094</u>	<u>\$ 20,649</u>	<u>\$ 20,178</u>
Retirement benefits	<u>179</u>	<u>178</u>	<u>434</u>	<u>508</u>
	<u>\$ 11,517</u>	<u>\$ 11,272</u>	<u>\$ 21,083</u>	<u>\$ 20,686</u>

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

34. 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, guarantee for gas explosion case and third-party application for leave to court for seizure and execution:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Pledged time deposits (recorded as financial assets at amortized cost)	\$ 707,522	\$ 701,951	\$ 699,175
Financial assets at FVTPL	-	6,939	7,556
Property, plant and equipment	668,414	303,617	331,452
Land use right (classified as right-of-use assets)	24,044	23,799	43,388
Refundable deposits (classified as other non-current assets)	<u>119,441</u>	<u>131,983</u>	<u>129,076</u>
	<u>\$ 1,519,421</u>	<u>\$ 1,168,289</u>	<u>\$ 1,210,647</u>

35. SIGNIFICANT CONTINGENT LIABILITY AND UNRECOGNIZED CONTRACTUAL COMMITMENTS

a. As of June 30, 2024, December 31, 2023, and June 30, 2023, the Group had NT\$2,374,407 thousand, NT\$2,449,155 thousand, and NT\$1,715,057 thousand of letters of credit that were issued but undrawn.

b. Regarding the Company's associate, China General Terminal & Distribution Corporation ("CGTD"), which 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 declared not guilty.

On February 12, 2015, CGTD entered into an agreement with the Kaohsiung City Government to provide the Kaohsiung City Government with a pledge over a bank deposit certificate of NT\$232,304 thousand (including interests) as the guarantee for the loss caused by the gas explosion. Kaohsiung City Government has also filed civil lawsuits against LCY, CGTD and CPC Corporation. Taiwan Power Company applied for provisional seizure 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 seizure. Taiwan Water Corporation also applied for provisional seizure against CGTD's property on February 3 and March 2, 2017. As of July 29, 2024, the provisionally seized property of CGTD was worth NT\$6,401 thousand.

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

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

As of July 29, 2024, the victims and victims' families had written letters or filed civil lawsuits (including criminal lawsuits) against LCY, CGTD, and CPC for compensation claims. To reduce the lawsuit costs, CGTD came to a compromise and reduced the original claim of NT\$46,677 thousand and settled for a compensation amount of NT\$4,519 thousand instead. Along with the case still under litigation and the above-mentioned compensation, the accumulated amount of compensation is NT\$3,831,212 thousand. The first-instance judgments of some of the above-mentioned civil cases (with a total amount of compensation of approximately NT\$1,467,830 thousand) have been gradually announced, starting from June 22, 2018. The proportion of fault liability of the Kaohsiung City Government, LCY and CGTD is 4:3:3 in most judgments. The total amount of compensation that CGTD, LCY and the other defendants should pay is around NT\$401,979 thousand. (In particular, CGTD was exempted from paying NT\$6,194 thousand according to the court's judgment.) CGTD filed an appeal to the civil lawsuit that has been awarded the first-instance decision but not yet settled. The court of second instance started announcing its decisions from July 10, 2024, and by July 29, 2024, the court found CGTD and LCY jointly liable for 10%, or NT\$19,789 thousand each, of the claims by Kaohsiung City Government (total claims amounted to

NT\$400,930 thousand), and found CGTD and LCY jointly liable for NT\$85,601 thousand of the claims by Taiwan Power Company (total claims amounted to NT\$99,544 thousand). CGTD is still evaluating whether to appeal the case to the third instance, whereas all other cases are still pending decisions from the Court of First Instance (with claims approximating NT\$1,860,557 thousand). CGTD and its insurance company signed a settlement agreement covering the 4 : 3 : 3 liability attribution 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.

36. OTHER MATTERS

a. SIGNIFICANT CONTRACTS

- 1) TVCM signed a dichloroethane purchase contract with CPC Corporation, Formosa Plastics Corporation and Blue Water Alliance. The purchase price was negotiated by both parties according to a pricing formula.
- 2) CGTD is commissioned by the Company, TTC, APC, TVCM, TSRC Corporation, Oriental Union Chemical Corporation, and others 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 per ton stated in the contracts. The insurance expenses of petrochemical raw materials are borne by individual commissioned companies.

- b. On February 15, 2023, the President announced amendments to the Climate Change Response Act that introduced new rules on carbon fee collection. The Ministry of Environment subsequently announced drafts for "Regulations on Collection of Carbon Fee," "Regulations Governing Voluntary Reduction Plan," and "Greenhouse Gas Reduction Targets for Carbon Fee Payers" on April 29, 2024. According to the Regulations on Collection of Carbon Fee (Draft), all emission sources that are subject to survey, registration, and inspection by orders of the Ministry of Environment and any power service provider and large manufacturer that emits greenhouse gases either directly through plant (site) operation or indirectly through power usage for a combined volume of 25,000 metric tons CO₂ equivalent a year will be required to pay carbon fee.

As of the date of approval of consolidated financial statements, details regarding the collection of carbon fee, such as the initial fee rate, collection start date etc. had yet to be specified in sub-laws. The Group will continue evaluating the effects of the above regulation.

37. SIGNIFICANT FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

Unit: Foreign and Functional Currencies in Thousands

	June 30, 2024				
	Foreign currency		Exchange Rate (In Single Dollars)	Functional Currencies	NT\$
<u>Foreign currency assets</u>					
<u>Monetary items</u>					
USD	\$ 132,340	32.45	(USD/NTD)	\$ 4,294,441	\$ 4,294,441
USD	3,738	7.13	(USD/RMB)	26,638	121,286
USD	5,884	4.92	(USD/MYR)	28,938	190,932
RMB	61,405	4.55	(RMB/NTD)	279,582	279,582
RMB	3,388	0.14	(RMB/USD)	475	15,424
JPY	48,671	0.20	(JPY/NTD)	9,817	9,817
AUD	1,889	20.82	(AUD/NTD)	40,645	40,645
EUR	1,627	34.71	(EUR/NTD)	56,507	56,507
<u>Non-monetary items</u>					
Joint ventures accounted for using the equity method					
RMB	1,722,003	0.14	(RMB/USD)	241,624	7,840,687
Derivatives					
Purchase USD	5,762	32.45	(USD/NTD)	1,870	1,870
Sell USD	2,000	4.92	(USD/MYR)	59	389
Sell EUR	500	5.26	(EUR/MYR)	50	330
Purchase JPY	110,000	0.01	(JPY/USD)	35	960
<u>Foreign currency liabilities</u>					
<u>Monetary items</u>					
USD	41,256	32.45	(USD/NTD)	1,338,783	1,338,783
USD	10,989	7.13	(USD/RMB)	78,319	356,601
USD	1,405	4.92	(USD/MYR)	6,909	45,588
RMB	13,931	4.55	(RMB/NTD)	63,430	63,430
RMB	362	0.14	(RMB/USD)	51	1,647
EUR	140	34.71	(RMB/NTD)	4,863	4,863
<u>Non-monetary items</u>					
Derivatives					
Sell USD	800	4.92	(USD/MYR)	28	185
Sell RMB	3,600	4.55	(RMB/NTD)	12	12

December 31, 2023					
	Foreign currency	Exchange Rate (In Single Dollars)		Functional Currencies	NT\$
<u>Foreign currency assets</u>					
<u>Monetary items</u>					
USD	\$ 136,561	30.71	(USD/NTD)	\$ 4,193,070	\$ 4,193,070
USD	3,692	7.08	(USD/RMB)	26,148	113,356
USD	5,643	4.79	(USD/MYR)	27,028	173,279
RMB	127,415	4.34	(RMB/NTD)	552,370	552,370
RMB	3,973	0.14	(RMB/USD)	561	17,215
JPY	16	0.22	(JPY/NTD)	3	3
Pound Sterling	48	39.15	(GBP/NTD)	1,865	1,865
Hong Kong dollars	585	3.93	(HKD/NTD)	2,299	2,299
AUD	1,183	20.98	(AUD/NTD)	24,809	24,809
EUR	1,196	33.98	(EUR/NTD)	40,628	40,628
<u>Non-monetary items</u>					
Joint ventures accounted for using the equity method					
RMB	2,137,785	0.14	(RMB/USD)	301,832	9,267,749
Derivatives					
Sell USD	1,650	30.71	(USD/NTD)	77	77
Sell USD	1,400	4.79	(USD/MYR)	22	142
Sell RMB	71,700	4.34	(RMB/NTD)	4,842	4,842
<u>Foreign currency liabilities</u>					
<u>Monetary items</u>					
USD	51,557	30.71	(USD/NTD)	1,582,810	1,582,810
USD	10,857	7.08	(USD/RMB)	76,898	333,370
USD	1,018	4.79	(USD/MYR)	4,874	31,248
RMB	13,671	4.34	(RMB/NTD)	59,265	59,265
RMB	758	0.14	(RMB/USD)	107	3,288
JPY	4,700	0.22	(JPY/NTD)	1,021	1,021
EUR	33	33.98	(EUR/NTD)	1,110	1,110
<u>Non-monetary items</u>					
Derivatives					
Purchase USD	1,400	30.71	(USD/NTD)	876	876
Sell USD	1,350	30.71	(USD/NTD)	795	795
Sell USD	400	4.79	(USD/MYR)	5	33
Purchase JPY	120,000	0.01	(JPY/USD)	816	1,100

June 30, 2023

	Foreign currency		Exchange Rate (In Single Dollars)		Functional Currencies	NT\$
<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
<u>Non-monetary items</u>						
Joint ventures accounted for using the equity 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
<u>Foreign currency liabilities</u>						
<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

The Group reported realized and unrealized net gains (losses) on currency exchange of NT\$55,618 thousand, NT\$7,649 thousand, NT\$209,948 thousand, and NT\$(6,482) thousand for the three months and six months ended June 30, 2024 and 2023, respectively. Due to the broad diversity of foreign currency transactions and functional currencies undertaken by members of the Group, it was impractical to disclose exchange gains (losses) for each foreign currency by the materiality of their impact.

38. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

- 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 32)
 - 10) Others: The Business Relationships and Significant Transactions and Amounts between Parent and Subsidiaries and between Subsidiaries. (Table 9)
- b. Information on investees. (Table 7)
- c. Information on Investments in Mainland China:
- 1) Information on the investee company in Mainland China, including the company names, major business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, 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:
 - (1) 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.
 - (2) 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.
 - (3) The amount of property transactions and the amount of the resultant gains or losses: None.
 - (4) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: Table 2.
 - (5) 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.
 - (6) 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)

39. 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, 2024						
	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	\$ 4,586,690	\$ 5,980,637	\$ 8,733,754	\$ 1,538,780	\$ 3,056,168	\$ 2,290,406	\$ 26,186,435
Interest income	14,383	19,905	22,819	9,566	12,884	89,051	168,608
Finance costs	(26,802)	(44,488)	(19,404)	(18,243)	(4,663)	(35,894)	(149,494)
Depreciation and amortization	(322,675)	(440,516)	(109,438)	(153,791)	(168,980)	(190,157)	(1,385,557)
Pre-tax (loss) gain of reporting segment	(810,696)	25,851	(173,825)	150,402	(332,896)	(1,850,340)	(2,991,504)
Income tax gain (expenses) of reporting segment	165,376	25,188	32,863	(8,652)	73,249	(28,854)	259,170
Net gain (loss) of reporting segment	(645,320)	51,039	(140,962)	141,750	(259,647)	(1,879,194)	(2,732,334)

	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) gain of reporting segment	(54,871)	393,823	(110,168)	(170,245)	150,712	(2,358,352)	(2,149,101)
Income tax gain (expenses) of reporting segment	(14,589)	(119,632)	22,008	22,105	(47,516)	(2,412)	(140,036)
Net gain (loss) of reporting segment	(69,460)	274,191	(88,160)	(148,140)	103,196	(2,360,764)	(2,289,137)

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

1) Segment revenue and results

	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Pre-tax net profit (loss) of reporting segment	(\$ 1,141,164)	\$ 209,251
Income tax gain (expenses) of reporting segment	<u>288,024</u>	<u>(137,624)</u>
Total after-tax net profit (loss) of reporting segment	(853,140)	71,627
Loss of another non-reporting segment	(1,879,194)	(2,360,764)
Deduction of inter-segment loss	<u>1,125,468</u>	<u>1,322,265</u>
Consolidated net after-tax loss	<u><u>(\$ 1,606,866)</u></u>	<u><u>(\$ 966,872)</u></u>

2) Other significant items reconciliation

	For the Six Months Ended June 30, 2024							
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Others	Adjustments	Total
Interest income	\$ 14,383	\$ 19,905	\$ 22,819	\$ 9,566	\$ 12,884	\$ 89,051	\$ -	\$ 168,608
Finance costs	(26,802)	(44,488)	(19,404)	(18,243)	(4,663)	(36,096)	820	(148,876)
Depreciation and amortization	(322,675)	(440,516)	(109,438)	(153,791)	(168,980)	(190,161)	16,568	(1,368,993)

	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	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 amortization	(282,037)	(367,110)	(106,335)	(135,521)	(157,097)	(239,945)	16,508	(1,271,537)

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
ACME Electronics Corporation
FINANCING PROVIDED TO OTHERS
For the Six Months Ended June 30, 2024

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 year	Closing balance (Notes 3 and 4)	Actual Borrowing Amount (Note 3)	The range of interest rate (%)	Nature of financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing limit for each borrower (Note 1)	Aggregate financing limit (Note 1)	Remark
													Item	Value			
1	ACME Electronics (Guang-Zhou) Co., Ltd.	ACME Electronics (Kunshan) Co., Ltd.	Other receivables-Related parties	Yes	\$ 183,188 (RMB40,000 thousand)	\$ 182,128 (RMB40,000 thousand)	\$ 182,128 (RMB40,000 thousand)	3.45	2	\$ -	Business turnover	\$ -	-	-	\$ 404,131	\$ 404,131	

Note 1: The total financing amounts for ACME Electronics (Guang-Zhou) Co., Ltd. to others shall not exceed 40% of its net value, and the highest aggregate financing limits were calculated based on the net value as of June 30, 2024.

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 amount was converted using spot exchange rate as of June 30, 2024.

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

USI CORPORATION AND SUBSIDIARIES
Swanson Plastics Corporation
FINANCING PROVIDED TO OTHERS
For the Six Months Ended June 30, 2024

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 year	Closing balance (Notes 3 and 4)	Actual Borrowing Amount (Note 3)	The range of interest rate (%)	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	ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	Other receivables	Yes	\$ 201,507	\$ 200,341	\$ 200,341	3.45	2	\$ -	Business turnover	\$ -	-	-	\$ 565,098	\$ 565,098	
1	Swanson Plastics (Singapore) Pte., Ltd.	PT. Swanson Plastics Indonesia	Other receivables	Yes	146,453	146,025	146,025	5.35	2	-	Business turnover	-	-	-	438,333	438,333	

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 conversion was based on spot exchange rate as of June 30, 2024.

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

USI CORPORATION AND SUBSIDIARIES
 ENDORSEMENTS/GUARANTEES PROVIDED
 For the Six Months Ended June 30, 2024

Table 2

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

No.	Endorsement and guarantee Company Name	Endorsee/Guarantee		Limits on Endorsement/Guarantee Made for Each Party (Note 1)	Maximum Amount Endorsed/Guaranteed During the Period	Outstanding Endorsement/Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/Guarantee Limit (Note 1)	Endorsement /Guarantee Made by Parent for Subsidiaries	Endorsement/ Guarantee Made by Subsidiaries for Parent	Endorsement /Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	USI Corporation	USI Green Energy Corporation	Subsidiary which directly held more than 50% of ordinary shares	\$ 11,328,350	\$ 1,100,000	\$ 950,000	\$ 90,000	\$ -	4.19	\$ 13,594,019	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.

USI CORPORATION AND SUBSIDIARIES
ACME Electronics Corporation
ENDORSEMENTS/GUARANTEES PROVIDED
For the Six Months Ended June 30, 2024

Table 2-1

In Thousands of New Taiwan Dollars, Unless Stated Otherwise

No.	Endorsement and guarantee Company Name	Endorsee/Guarantee		Limits on Endorsement/Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/Guaranteed During the Period	Outstanding Endorsement/Guarantee at the End of the Period (Note 3)	Actual Borrowing Amount (Note 3)	Amount Endorsed/Guaranteed by Collateral	Ratio of Accumulated Endorsement/Guarantee to Net Equity in Latest Financial Statements (%) (Note 1)	Aggregate Endorsement/Guarantee Limit (Note 2)	Endorsement/Guarantee Made by Parent for Subsidiaries	Endorsement/Guarantee Made by Subsidiaries for Parent	Endorsement/Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	ACME Electronics Corporation	ACME Electronics (Kunshan) Co., Ltd.	Subsidiary of ACME (Cayman)	\$ 2,954,897	\$ 387,130 (USD5,000 thousand) (RMB49,000 thousand)	\$ 385,357 (USD5,000 thousand) (RMB49,000 thousand)	\$ -	\$ -	19.56	\$ 3,939,862	No	No	Yes	
1	ACME Components (Malaysia) Sdn.Bhd.	ACME Ferrite Products Sdn. Bhd.	Subsidiary of ACME (MA)	636,018	116,107 (MYR17,584 thousand)	116,019 (MYR17,584 thousand)	63,933 (MYR9,690 thousand)	-	12.77	726,878	No	No	No	

Note 1: Calculated based on the equity of ACME as of June 30, 2024.

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, 2024.

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, 2024.

Note 3: The conversion was based on spot exchange rate as of June 30, 2024.

USI CORPORATION AND SUBSIDIARIES
Swanson Plastics Corporation
ENDORSEMENTS/GUARANTEES PROVIDED
For the Six Months Ended June 30, 2024

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	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	\$ 4,994,574	\$ 1,354,782	\$ 1,116,280	\$ -	\$ -	44.70	\$ 6,243,218	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Singapore) Pte., Ltd.	SUBSIDIARY	4,994,574	58,256	58,086	-	-	2.33	6,243,218	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Malaysia) Sdn. Bhd.	Sub-subsi-dary Corporation	4,994,574	39,054	38,940	-	-	1.56	6,243,218	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Kunshan) Co., Ltd.	Sub-subsi-dary Corporation	4,994,574	65,090	64,900	-	-	2.60	6,243,218	No	No	Yes	
0	Swanson Plastics Corporation	Swanson Technologies Corporation	SUBSIDIARY	4,994,574	510,200	414,070	88,200	-	16.58	6,243,218	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (India) Private Limited	SUBSIDIARY	4,994,574	31,208	31,128	-	-	1.25	6,243,218	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Tianjin) Co., Ltd.	Sub-subsi-dary Corporation	4,994,574	32,545	32,450	-	-	1.30	6,243,218	No	No	Yes	
0	Swanson Plastics Corporation	PT. Swanson Plastics Indonesia	SUBSIDIARY	4,994,574	65,090	64,900	-	-	2.60	6,243,218	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 conversion was based on spot exchange rate as of June 30, 2024.

USI CORPORATION AND SUBSIDIARIES
China General Plastics Corporation
ENDORSEMENTS/GUARANTEES PROVIDED
For the Six Months Ended June 30, 2024

Table 2-3

(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	Outstanding Endorsement/Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/Guaranteed by Collateral	Ratio of Accumulated Endorsement/Guarantee to Net Equity in Latest Financial Statements (%) (Note 1)	Aggregate Endorsement/Guarantee Limit (Note 2)	Endorsement /Guarantee Made by Parent for Subsidiaries	Endorsement /Guarantee Made by Subsidiaries for Parent	Endorsement /Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	China General Plastics Corporation	CGPC Polymer Corporation	SUBSIDIARY	\$ 5,668,570	\$ 1,065,225	\$ 1,065,225	\$ 399,910	\$ -	11.28	\$ 9,447,617	No	No	No	

Note 1: Calculated using the equity of CGPC as of June 30, 2024.

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, 2024

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	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	\$ 6,421,727	\$ 97,350 (USD3,000 thousand)	\$ 97,350 (USD3,000 thousand)	\$ -	\$ -	1.52	\$ 9,632,591	No	No	No	
0	Taita Chemical Company, Ltd.	Taita Chemical (Zhongshan) Co., Ltd.	Subsidiaries that TTC's subsidiaries hold 100% of common equity directly	6,421,727	227,660 (RMB50,000 thousand)	- (RMB - thousand)	-	-	-	9,632,591	No	No	Yes	

Note 1: The conversion was based on spot exchange rate as of June 30, 2024.

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 of guarantee that may be provided by TTC and the 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

As of June 30, 2024

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

Table 3

Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End-of-period				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
USI Corporation	Shares							
	CTCI Corporation	—	Financial assets at FVTOCI - non-current	150,130,656	\$ 801,925	1.87	\$ 801,925	
	KHL IB Venture Capital Co., Ltd.	—	"	13,132,193	120,947	11.90	120,947	
	AU Optronics Corporation	—	"	6,811,204	121,239	0.09	121,239	
	PELL Bio-Med Technology Co. Ltd.	—	"	235,000	31,960	0.41	31,960	
	Cathay Financial Holdings Co., Ltd.	—	Financial assets at FVTPL - current	380,000	22,420	-	22,420	
	Taiwan Cement Corporation	—	"	2,000,000	68,400	0.03	68,400	
	Zeon Corporation	—	"	39,500	10,636	0.02	10,636	
	Kyushu Electric Power Co., Inc.	—	"	20,000	6,685	-	6,685	
	Teratech Corporation	—	Financial assets at FVTPL - non-current	110,000	-	0.65	-	Note 2
	Fund beneficiary certificates							
	Yuanta De-Li Money Market Fund	—	Financial assets at FVTPL - current	2,962,735	50,002	-	50,002	
	SinoPac NTD Money Market Fund	—	"	3,472,946	50,002	-	50,002	
Yuanta U.S. Treasury 20+ Year Bond ETF	—	"	580,000	17,360	-	17,360		
Beneficiary securities								
Cathay No. 1 Real Estate Investment Trust	—	Financial assets at FVTPL - current	4,054,000	68,634	-	68,634		
Union Polymer International Investment Corporation	Shares							
	Asia Polymer Corporation	Investments accounted for using the equity method	Financial assets at FVTOCI - non-current	22,182,486	379,321	3.74	379,321	
	China General Plastics Corporation	"	"	4,469,307	73,297	0.77	73,297	
	Taita Chemical Company, Ltd.	"	"	456,253	7,893	0.11	7,893	

(Continued)

(Continued)

Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End-of-period				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Swanlake Traders Ltd.	Fund beneficiary certificates Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	542,763	\$ 7,619	-	\$ 7,619	
	Shares Sohoware Inc.	—	Financial assets at FVTOCI - non-current	1,150,000	-	1.05	-	Note 2
	TGF Linux Communications Inc.	—	"	300,000	-	2.14	-	Note 2
	Neurosky Inc. Preferred Stock D	—	"	2,397,364	-	0.70	-	Note 2
USIFE Investment Co., Ltd.	Shares AU Optronics Corporation	—	Financial assets at FVTOCI - current	1,012,849	18,028	0.01	18,028	
	AU Optronics Corporation	—	Financial assets at FVTOCI - non-current	1,012,849	18,028	0.01	18,028	
	Wafer Works Corporation	—	"	1,502,433	56,868	0.28	56,868	
	Solargiga Energy Holdings Limited	—	"	11,876,111	6,057	0.37	6,057	
	Dah Chung Bills Finance Corp.	—	"	482,757	7,734	0.10	7,734	
	Swanson Plastics Corporation	Same chairman	"	10,155,875	144,620	6.58	144,620	
	USI Optronics Corporation	"	"	165,279	93	0.25	93	
	Digimax, Inc.	—	"	23,234	-	0.05	-	
	Silicon Technology Investment (Cayman) Corp.	—	"	911,849	100,039	1.77	100,039	
	Taiwan Cement Corporation	—	Financial assets at FVTPL - current	1,000,000	34,200	0.01	34,200	
	China General Plastics Corporation	Same chairman	"	550,722	9,032	0.09	9,032	
	Asia Polymer Corporation	"	"	1,714,180	29,312	0.29	29,312	
	Taita Chemical Company, Ltd.	"	"	1,415,368	24,486	0.36	24,486	
	Cathay Financial Holdings Co., Ltd.	—	"	178,000	10,502	-	10,502	
ACME Electronics Corporation	Same chairman	"	500,000	22,150	0.23	22,150		
Zeon Corporation	—	"	21,600	5,816	0.01	5,816		
Kyushu Electric Power Co., Inc.	—	"	10,000	3,342	-	3,342		

(Continued)

(Continued)

Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End-of-period				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Taiwan United Venture Capital Corp.	Fund beneficiary certificates Yuanta De-Li Money Market Fund	—	Financial assets at FVTPL - current	1,907,988	\$ 32,201	-	\$ 32,201	
	Fuh Hwa Money Market	—	"	3,440,659	51,196	-	51,196	
	Cathay Taiwan Money Market Fund	—	"	3,444,200	44,235	-	44,235	
	Yuanta U.S. Treasury 20+ Year Bond ETF	—	"	290,000	8,680	-	8,680	
	Shares							
	Innovation & Infinity Global Corp.	—	Financial assets at FVTPL - non-current	720,804	-	0.73	-	
	Teratech Corporation	—	"	90,000	-	0.58	-	
	Shares							
	Leadwell Cnc Machines Mfg., Corp.	—	Financial assets at FVTOCI - non-current	419,753	12,870	0.68	12,870	
	Digimax Inc.	—	"	518,898	-	1.18	-	
	Hexawave Inc.	—	"	109,109	327	0.27	327	
	Uranus Chemicals Co., Ltd.	—	"	15,351	491	0.02	491	
	Neuro Sky, Inc. Preferred Stock A	—	"	10,000,000	-	1.21	-	Note 2
Neuro Sky, Inc. Preferred Stock B	—	"	12,595,523	-	1.53	-	Note 2	
Neuro Sky, Inc. Preferred Stock C	—	"	4,532,823	-	0.55	-	Note 2	
Chong Loong Co., Ltd.	Fund beneficiary certificates Cathay Taiwan Money Market Fund	—	Financial assets at FVTPL - current	1,091,738	14,021	-	14,021	
	Fund beneficiary certificates Fubon Chi-Hsiang Money Market Fund	—	Financial assets at FVTPL - current	2,286,533	37,052	-	37,052	

(Continued)

(Continued)

Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End-of-period				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
USI Optronics Corporation	Fund beneficiary certificates Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	1,300,476	\$ 18,256	-	\$ 18,256	
USI Management Consulting Corp.	Fund beneficiary certificates Taishin Ta-Chong Money Market Fund	—	Financial assets at FVTPL - current	3,060,100	45,002	-	45,002	
	Taishin 1699 Money Market Fund	—	"	713,985	10,023	-	10,023	
USI Green Energy Corporation	Fund beneficiary certificates Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	713,985	10,023	-	10,023	

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

As of June 30, 2024

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

Table 3-1

Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End-of-period				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
China General Plastics Corporation	Beneficiary securities Cathay No. 1 Real Estate Investment Trust	—	Financial assets at FVTPL - current	3,964,000	\$ 67,111	-	\$67,111	Note 1
	Fund beneficiary certificates Yuanta U.S. Treasury 20+ Year Bond ETF	—	Financial assets at FVTPL - current	580,000	17,359	-	17,359	Note 1
	Shares Taiwan Cement Corporation	—	Financial assets at FVTPL - current	2,000,000	68,400	0.03	68,400	Note 1
	Cathay Financial Holdings Co., Ltd.	—	"	356,000	21,004	-	21,004	Note 1
	Shares KHL IB Venture Capital Co., Ltd.	—	Financial assets at FVTOCI - non-current	6,566,096	60,474	5.95	60,474	Note 1
Taiwan VCM Corporation	Fund beneficiary certificates SinoPac NTD Money Market Fund	—	Financial assets at FVTPL - current	9,765,248	140,596	-	140,596	Note 1
	Taishin 1699 Money Market Fund	—	"	11,083,488	155,591	-	155,591	Note 1
	Jih Sun Money Market Fund	—	"	1,954,270	30,011	-	30,011	Note 1
	CTBC Hwa-win Money Market Fund	—	"	879,299	10,016	-	10,016	Note 1
	Yuanta De-Li Money Market Fund	—	"	1,778,273	30,012	-	30,012	Note 1
	Shares Asia Polymer Corporation	With the same main shareholders as CGPC	Financial assets at FVTOCI - non-current	130,244	2,226	0.02	2,226	Note 1

(Continued)

(Continued)

Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End-of-period				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
	SOHOware, Inc. - preferred shares	—	"	100,000	-	-	-	Notes 1, 2 and 3
Global Green Technology Corporation	Fund beneficiary certificates Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	3,650,690	51,249	-	51,249	Note 1

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, 2024, the fair value of CGPC's equity investment in the company was evaluated as 0.

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

USI CORPORATION AND SUBSIDIARIES

Taita Chemical Company, Ltd.

MARKETABLE SECURITIES HELD

As of June 30, 2024

Table 3-2

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

Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End-of-period				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	\$ 225,893	1.27	\$ 225,893	Note 1
	Harbinger Venture Capital Corp.	—	"	990	6	0.50	6	Note 2
	Taiwan Cement Corporation	—	Financial assets at FVTPL - current	2,000,000	68,400	0.03	68,400	Note 1
	Cathay Financial Holdings Co., Ltd.	—	"	356,000	21,004	-	21,004	Note 1
	Fund beneficiary certificates							
	Yuanta U.S. Treasury 20+ Year Bond ETF	—	Financial assets at FVTPL - current	580,000	17,359	-	17,359	Note 1
	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust	—	Financial assets at FVTPL - current	3,963,000	67,094	-	67,094	Note 1
TAITA (BVI) Holding Co., Ltd.	Shares							
	Budworth Investment Ltd.	—	Financial assets at FVTOCI - non-current	20,219	-	2.22	-	Note 2
	Teratech Corporation	—	Financial assets at FVTPL - non-current	112,000	-	0.74	-	Note 3
	Sohoware — Inc. - Preferred Shares	—	"	100,000	-	-	-	Note 3

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

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

Note 3: As of June 30, 2024, the fair value of equity investment was evaluated by 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

As of June 30, 2024

Table 3-3

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

Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End-of-period				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	\$ 13	1.20	\$ 13	
	KHL IB Venture Capital Co., Ltd.	—	"	13,132,193	120,947	11.90	120,947	
	USI Corporation	Ultimate parent company	"	101,355,673	1,515,267	8.53	1,515,267	
	CTCI Corporation	—	"	14,446,107	765,644	1.80	765,644	
	AU Optronics Corporation	—	"	7,694,812	136,968	0.10	136,968	
	PELL Bio-Med Technology Co. Ltd.	—	"	235,000	31,960	0.44	31,960	
	Wafer Works Corporation	—	Financial assets at FVTOCI - current	518,668	19,632	0.10	19,632	
	Cathay Financial Holdings Co., Ltd.	—	Financial assets at FVTPL - current	368,000	21,712	-	21,712	
	Taiwan Cement Corporation	—	"	2,000,000	68,400	0.03	68,400	
	Zeon Corporation	—	"	39,500	10,636	0.02	10,636	
	Kyushu Electric Power Co., Inc.	—	"	20,000	6,685	-	6,685	
	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust	—	"	4,053,000	68,617	-	68,617	
	Fund beneficiary certificates							
	Jih Sun Money Market Fund	—	"	3,255,993	50,002	-	50,002	
	Taishin 1699 Money Market Fund	—	"	9,529,051	133,770	-	133,770	
Fubon Chi-Hsiang Money Market Fund	—	"	1,850,824	30,001	-	30,001		
Taishin Ta-Chong Money Market Fund	—	"	3,400,112	50,002	-	50,002		
Yuanta U.S. Treasury 20+ Year Bond ETF	—	"	580,000	17,360	-	17,360		

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Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End-of-period				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	\$ -	4.45	\$ -	Note 1
	Silicon Technology Investment (Cayman) Corp. - Preferred Shares	—	"	1,139,776	125,044	2.21	125,044	
	Neurosky Inc. - Preferred Stock D	—	"	2,397,364	-	0.37	-	Note 1
	Solargiga Energy Holdings Ltd.	—	"	15,863,333	8,041	0.48	8,041	
	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 FVTPL - current	44,808	670	-	670	
	Cathay Financial Holdings Co., Ltd.	—	"	178,000	10,502	-	10,502	
	Taiwan Cement Corporation	—	"	1,000,000	34,200	0.01	34,200	
	Zeon Corporation	—	"	21,600	5,816	0.01	5,816	
	Kyushu Electric Power Co., Inc.	—	"	10,000	3,342	-	3,342	
	Fund beneficiary certificates							
	Cathay Taiwan Money Market Fund	—	Financial assets at FVTPL - current	1,325,774	17,027	-	17,027	
Yuanta U.S. Treasury 20+ Year Bond ETF	—	"	290,000	8,680	-	8,680		

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 Corporation
MARKETABLE SECURITIES HELD
As of June 30, 2024

Table 3-4

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

Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End-of-period				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
China General Terminal & Distribution Corporation	Shares							
	Asia Polymer Corporation	Investee that accounted for CGTD using the equity method	Financial assets at FVTOCI - non-current	5,290,482	\$ 90,467	0.89	\$ 90,467	
	China General Plastics Corporation	"	"	2,940,788	48,229	0.51	48,229	
	Taita Chemical Company, Ltd.	"	"	2,278,217	39,413	0.57	39,413	
	Fund beneficiary certificates							
	Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	1,450,621	20,364	-	20,364	
	Yuanta U.S. Treasury 20+ Year Bond ETF	—	"	380,000	11,373	-	11,373	

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, 2024

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		Disposal				Closing (Note)	
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
USI Corporation	Fund beneficiary certificates													
	Jih Sun Money Market Fund	Financial assets at FVTPL - current	—	—	10,284,152	\$ 156,000	-	\$ -	10,284,152	\$ 157,523	\$ 156,000	\$ 1,523	-	\$ -
	Hua Nan Phoenix Money Market Fund	"	—	—	1,503,362	25,000	-	-	1,503,362	25,159	25,000	159	-	-
	Capital Money Market Fund	"	—	—	11,526,061	190,000	-	-	11,526,061	192,115	190,000	2,115	-	-
	SinoPac NTD Money Market Fund	"	—	—	14,778,813	210,000	3,472,946	50,000	14,778,813	212,663	210,000	2,663	3,472,946	50,000
Chong Loong Trading Co., Ltd.	Fund beneficiary certificates													
	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	—	—	1,741,498	28,000	2,409,572	39,000	1,864,537	30,054	30,000	54	2,286,533	37,000

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, 2024

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		Disposal			Closing (Note)		
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
China General Plastics Corporation	Fund beneficiary certificates													
	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	-	-	-	\$ -	4,330,674	\$ 70,000	4,330,674	\$ 70,045	\$ 70,000	\$ 45	-	\$ -
	Jih Sun Money Market Fund	"	-	-	-	-	6,539,050	100,000	6,359,050	100,197	100,000	197	-	-
	Hua Nan Phoenix Money Market Fund	"	-	-	1,793,765	30,000	-	-	1,793,765	30,015	30,000	15	-	-
	SinoPac NTD Money Market Fund	"	-	-	-	-	3,495,379	50,000	3,495,379	50,012	50,000	12	-	-
	CTBC Hwa-win Money Market Fund	"	-	-	2,651,301	30,000	6,611,854	75,000	9,263,155	105,064	105,000	64	-	-
Taiwan VCM Corporation	Fund beneficiary certificates													
	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	-	-	1,863,655	30,000	9,292,043	150,000	11,155,698	180,188	180,000	188	-	-
	Jih Sun Money Market Fund	"	-	-	1,967,394	30,000	5,229,801	80,000	5,242,925	80,301	80,000	301	1,954,270	30,000
	Hua Nan Phoenix Money Market Fund	"	-	-	5,994,413	100,000	8,949,030	150,000	14,943,443	250,357	250,000	357	-	-
	Capital Money Market Fund	"	-	-	3,018,394	50,000	3,012,430	50,000	6,030,824	100,269	100,000	269	-	-
	SinoPac NTD Money Market Fund	"	-	-	10,792,282	154,000	2,084,506	30,000	3,111,540	44,688	44,400	288	9,765,248	139,600
	CTBC Hwa-win Money Market Fund	"	-	-	-	-	15,858,668	180,000	14,979,369	170,121	170,000	121	879,299	100,000
CGPC Polymer Corporation	Fund beneficiary certificates													
	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	-	-	1,243,588	20,000	11,478,180	185,000	12,721,768	205,160	205,000	160	-	-
	Jih Sun Money Market Fund	"	-	-	-	-	11,305,868	173,000	11,305,868	173,122	173,000	122	-	-
	SinoPac NTD Money Market Fund	"	-	-	7,007,081	100,000	3,477,511	50,000	10,484,592	150,298	150,000	298	-	-

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, 2024

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		Disposal			Closing (Note)		
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
Taita Chemical Company, Ltd.	Fund beneficiary certificates													
	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	—	—	-	\$ -	3,103,085	\$ 50,000	3,103,085	\$ 50,026	\$ 50,000	\$ 26	-	\$ -
	Jih Sun Money Market Fund	"	—	—	-	-	3,275,767	50,000	3,275,767	50,038	50,000	38	-	-
	Hua Nan Phoenix Money Market Fund	"	—	—	-	-	2,387,262	40,000	2,387,262	40,022	40,000	22	-	-
	CTBC Hwa-win Money Market Fund	"	—	—	-	-	4,416,181	50,000	4,416,181	50,076	50,000	76	-	-

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, 2024

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		Disposal			Closing (Note)		
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
Asia Polymer Corporation	Fund beneficiary certificates													
	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	—	—	-	\$ -	3,709,203	\$ 60,000	1,858,379	\$ 30,050	\$ 30,000	\$ 50	1,850,824	\$ 30,000
	Jih Sun Money Market Fund	"	—	—	3,953,746	60,000	3,255,993	50,000	3,953,746	60,614	60,000	614	3,255,993	50,000
	Capital Money Market Fund	"	—	—	2,897,690	48,000	3,012,429	50,000	5,910,119	98,293	98,000	293	-	-
	SinoPac NTD Money Market Fund	"	—	—	11,202,715	158,000	-	-	11,202,715	160,830	158,000	2,830	-	-
	CTBC Hwa-win Money Market Fund	"	—	—	1,771,181	20,000	4,415,869	50,000	6,187,050	70,102	70,000	102	-	-

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, 2024

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	As a percentage of total purchase (sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	As a percentage of total notes or accounts receivable (payable) (%)	
USI Corporation	Asia Polymer Corporation	SUBSIDIARY	Purchase	\$ 236,533	6.38	Within 60 days after purchasing on credit	No significant difference	No significant difference	(\$ 61,570)	(10.68)	Note
	Asia Polymer Corporation	SUBSIDIARY	Sale	(90,912)	(1.98)	Within 60 days after selling on credit	"	"	23,413	4.25	Note
	Fujian Gulei Petrochemical Co., Ltd.	Joint ventures	Purchase	210,697	5.69	Current Letter of Credit	"	"	-	-	—
	USI (Hong Kong) Company Ltd.	SUBSIDIARY	Sale	(41,604)	(0.91)	Within 60 days after selling on credit	"	"	7,781	1.41	Note
	USI Trading (Shanghai) Co., Ltd.	SUBSIDIARY	Sale	(64,367)	(1.40)	Within 60 days after selling on credit	"	"	20,410	3.71	Note
USI (Hong Kong) Company Ltd.	USI Corporation	Parent company	Purchase	41,604	1.12	Within 60 days after purchasing on credit	"	"	(7,781)	(1.35)	Note
USI Trading (Shanghai) Co., Ltd.	USI Corporation	Parent company	Purchase	64,367	1.74	Within 60 days after purchasing on credit	"	"	(20,410)	(3.54)	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, 2024

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	As a percentage of total purchase (sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	As a percentage of total notes or accounts receivable (payable) (%)	
ACME Electronics Corporation	ACME Electronics (Guang-Zhou) Co., Ltd.	Subsidiary of GAEL	Purchase (including processing fees)	\$ 176,629	34	55 days	No significant difference	No significant difference	(\$ 61,027)	(46)	
ACME Electronics (Guang-Zhou) Co., Ltd.	ACME Electronics Corporation	Subsidiary of GAEL	Sale (including processing fees)	(176,629)	(37)	55 days	"	"	61,027	20	
ACME Electronics (Kunshan) Co., Ltd.	ACME Electronics Corporation	Subsidiary of ACM (Cayman)	Purchase	123,460	77	55 days	"	"	(59,132)	(71)	
ACME Electronics Corporation	ACME Electronics (Kunshan) Co., Ltd.	Subsidiary of ACM (Cayman)	Sale	(123,460)	(14)	55 days	"	"	59,132	14	

Note: All the transactions were eliminated 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, 2024

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	As a percentage of total purchase (sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	As a percentage of total notes or accounts receivable (payable) (%)		
Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	SUBSIDIARY	Purchase	\$ 109,632	81	90 days after month-end	No significant difference	No significant difference	Accounts payable - related parties	(\$ 33,765)	(87)	Note
Swanson Plastics (Malaysia) Sdn. Bhd.	Swanson Plastics (Singapore) Pte., Ltd.	Parent company	Sale	(109,632)	(24)	90 days after month-end	"	"	Accounts receivables - related parties	33,765	18	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, 2024

Table 5-3

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Distinctive terms of trade and reasons		Notes/Accounts Receivable (Payable)		Remark
			Purchase (Sale)	Amount	As a percentage of total purchase (sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	As a percentage of total notes or accounts receivable (payable) (%)	
China General Plastics Corporation	CGPC America Corporation	SUBSIDIARY	Sale	(\$ 246,532)	(8)	90 days	No significant difference	No significant difference	\$ 155,496	19	Note
Taiwan VCM Corporation	China General Plastics Corporation	Parent company	Sale	(1,537,417)	(41)	45 days	"	"	522,407	32	Note
	CGPC Polymer Corporation	Fellow company	Sale	(1,864,343)	(50)	75 days	"	"	1,006,045	62	Note
	Fujian Gulei Petrochemical Co., Ltd.	Substantive related party	Purchase	190,863	7	Current Letter of Credit	"	"	-	-	—

Note: All the transactions were eliminated 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, 2024

Table 5-4

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark
			Purchase (Sale)	Amount	As a percentage of total purchase (sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	As a percentage of total notes or accounts receivable (payable) (%)	
Asia Polymer Corporation	USI Corporation	Ultimate parent company	Sale	(\$ 237,810)	(8.22)	60 days	No significant difference	No significant difference	\$ 62,867	13.46	Note
	USI Trading (Shanghai) Co., Ltd.	SUBSIDIARY	Sale	(145,401)	(5.03)	90 days	"	"	17,703	3.79	Note
	Fujian Gulei Petrochemical Co., Ltd.	Associate	Purchase	205,487	10.36	Current Letter of Credit	"	"	-	-	—

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

USI Corporation
RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
As of June 30, 2024

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 - related parties \$ 153,872	-	\$ -	—	\$ 196	Note 1
	Asia Polymer Corporation	SUBSIDIARY	Other receivables - related parties 23,413	-	-	—	23,413	Note 1

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

Note 2: Refers to the period from July 1 to August 8, 2024.

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

USI CORPORATION AND SUBSIDIARIES

ACME Electronics Corporation

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

As of June 30, 2024

Table 6-1

(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		
ACME Electronics (Guang-Zhou) Co., Ltd.	ACME Electronics (Kunshan) Co., Ltd.	Fellow company	Other receivables - related parties \$ 183,152	-	\$ -	—	\$ -	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 7, 2024.

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

As of June 30, 2024

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		
Swanson Plastics (Singapore) Pte., Ltd.	PT. Swanson Plastics Indonesia	SUBSIDIARY	Other accounts receivable - related parties \$ 147,670 (USD4,551 thousand)	-	\$ -	—	\$ 1,645 (USD 51 thousand)	Note 1
ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	Have the same ultimate parent company	Other accounts receivable - related parties 203,981 (RMB44,799 thousand)	-	-	—	35 (RMB 8 thousand)	Note 1

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

Note 2: Refers to the period from July 1 to August 8, 2024.

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

As of June 30, 2024

Table 6-3

(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	\$ 155,496	3.14	\$ -	—	\$ 33,124	Note 1
	Taiwan VCM Corporation	SUBSIDIARY	Other receivables - related parties	207,732	-	-	—	-	Note 1
Taiwan VCM Corporation	China General Plastics Corporation	Parent company	Accounts receivables - related parties	522,407	5.26	-	—	196,755	Note 1
	CGPC Polymer Corporation	Fellow company	Accounts receivables - related parties	1,006,045	3.69	-	—	298,090	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, 2024.

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

As of June 30, 2024

Table 6-4

(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		
Taita Chemical Company, Ltd.	Taita Chemical (Tianjin) Co., Ltd.	SUBSIDIARY	Other receivables \$ 296,210 (USD 9,128 thousand) (Note 1)	-	\$ 296,210	Continuous Collection	\$ -	\$ -

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

Note 2: There was no amount received as of August 6, 2024.

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

USI CORPORATION AND SUBSIDIARIES
INFORMATION ON INVESTEES
For the Six Months Ended June 30, 2024

Table 7

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark
				Ending balance of the current period	Ending balance 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 (R.O.C.)	Investments in production, transportation, warehousing, construction, banking, securities investment companies and trading companies	\$ 550,000	\$ 550,000	89,647,000	100.00	\$ 960,241	\$ 6,126	\$ 6,126	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	1,576,826	51,552	51,552	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	65,342	(2,657)	(2,657)	SUBSIDIARY
	Union Polymer International Investment Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Investment (focused on "production and service industry")	3,490,255	3,490,255	918,324,656	100.00	9,620,655	(109,364)	(122,779)	SUBSIDIARY
	Taiwan United Venture Capital Corp.	10F., No. 37, Jihu Rd., Taipei City, Taiwan (R.O.C.)	Venture capital (focused on "high technology industry")	226,800	296,800	7,000,000	70.00	23,485	(198)	(138)	SUBSIDIARY
	Chong Loong Trading Co., Ltd.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Import and export trade	28,323	28,323	6,882,666	99.96	92,902	9,758	9,755	SUBSIDIARY
	Swanson Plastics Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and sales of stretch film, embossed film and industrial-use multilayer wrap	171,210	171,210	62,616,299	40.58	1,044,142	(19,376)	(7,862)	SUBSIDIARY
	ACME Electronics Corporation	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and sales of manganese-zinc soft ferrite powder	470,158	470,158	61,682,967	28.96	555,152	139,065	40,273	SUBSIDIARY
	INOMA Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Optical products and fire protection materials	250,354	250,354	1,334,728	94.37	10,494	(568)	(536)	SUBSIDIARY
	USI Management Consulting Corp.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Providing management services	1,000	1,000	671,400	100.00	6,675	3	3	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	3,234,870	(1,051,292)	(621,660)	SUBSIDIARY
	USI Optronics Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Manufacturing and marketing of sapphire single crystal	330,000	330,000	33,000,000	50.85	21,669	(10,905)	(5,545)	SUBSIDIARY
	USI Green Energy Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Solar power generation business	357,506	357,506	36,616,004	100.00	391,352	(731)	(1,559)	SUBSIDIARY
	Chem Union Renewable Energy Corporation	9F-3, No. 301, Songjiang Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)	Energy Technology Services	10,000	10,000	1,000,000	33.33	9,573	(785)	(262)	Associate
	Delmind Inc.	No. 18, Xinglong Rd., Taoyuan Dist., Taoyuan City	Manufacturing of machinery and equipment	90,000	90,000	9,000,000	30.00	77,163	(9,412)	(2,824)	Associate
Ever Conquest Global Limited	Ever Victory Global Limited	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110	Investment business	13,536,355 (USD 417,145 thousand)	13,536,355 (USD 417,145 thousand)	417,145,000	67.40	5,470,505 (USD 168,583 thousand)	(1,559,719) (USD -48,875 thousand)		Sub-subsidiary Corporation
Ever Victory Global Limited	Dynamic Ever Investments Limited	6/F, Caltex House, 258 Hennessy Road, Hong Kong	Investment business	19,108,183 (USD 588,850 thousand)	19,108,183 (USD 588,850 thousand)	588,850,000	85.00	7,049,267 (USD 217,235 thousand)	(1,867,758) (USD -58,528 thousand)		Sub-subsidiary Corporation

(Continued)

(Continued)

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark
				Ending balance of the current period	Ending balance of the prior year	Number of Shares	Percentage (%)	Carrying Amount			
Union Polymer International Investment Corporation	Taita Chemical Company, Ltd.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and sales of polystyrene, propylene, butadiene, ABS resin, SAN resin, glass wool insulation products and plastic materials	\$ 1,749,212	\$ 1,749,212	145,807,007	36.67	\$ 2,568,038	(\$ 140,961)		Sub-subsidiary Corporation
	Asia Polymer Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and sales 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	4,587,068	(259,647)		Sub-subsidiary Corporation
	China General Plastics Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and sales 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	2,415,929	(62,729)		Sub-subsidiary Corporation
USIFE Investment Co., Ltd.	ACME Electronics Corporation	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and sales of manganese-zinc soft ferrite powder	222,752	222,752	19,780,230	9.29	192,415	139,065		SUBSIDIARY
	Swanson Technologies Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	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	(7,806)	(14,368)		Sub-subsidiary Corporation
	Taiwan United Venture Management Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Corporate management consulting	8,000	8,000	800,000	100.00	14,693	(312)		Sub-subsidiary Corporation
Swanlake Traders Ltd.	ACME Electronics (Cayman) Corp.	Ugland House P.O. Box 309 George Town, Grand Cayman, Cayman Islands	Corporate investments	315,565 (USD9,725 thousand)	278,703 (USD8,589 thousand)	12,689,415	18.93	309,230 (USD9,529 thousand)	9,170 (USD 279 thousand)		Sub-subsidiary Corporation

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 INVESTEEES

For the Six Months Ended June 30, 2024

Table 7-1

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount (Note 2)		Hold at End of Period			Net Income (Loss) of Investee (Note 3)	Share of Profit (Loss) (Note 3)	Remark
				Ending balance of the current period	Ending balance of the prior year	Number of Shares	Percentage (%)	Carrying Amount (Note 2)			
ACME Electronics Corporation	ACME Electronics (Cayman) Corp.	Ugland House P.O. Box 309 George Town, Grand Cayman, Cayman Islands	Corporate investments	\$ 993,360	\$ 880,420	40,281,531	60.10	\$ 981,625	\$ 9,170 (USD 279 thousand)	\$ 6,555 (USD 199 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	1,014,654	2,438	3,235	Note 1
	USI Optronics Corporation	12F, No. 37, Jihu Road, Neihu District, Taipei City 114, Taiwan (R.O.C.)	Manufacturing and marketing of sapphire single crystal	646,200	646,200	22,064,224	34.00	14,488	(10,906)	(3,708)	
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	580,563 (USD 17,891 thousand)	385,863 (USD 11,891 thousand)	69,900,000	100.00	917,681 (USD 28,280 thousand)	21,126 (MYR3,259 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	250,486 (MYR 37,964 thousand)	250,486 (MYR 37,964 thousand)	9,120,000	100.00	725,052 (MYR 109,890 thousand)	17,500 (MYR2,706 thousand)		Note 1
	ACME Advanced Materials Sdn Bhd.	Plot 15, Jalan Industri 6 Kawasan Perindustrian Jelapang II(ZPB) Jelapang 30020 Ipoh, Perak, Malaysia.	Manufacturing and sale of silicon carbide	180,132 (MYR 27,301 thousand)	-	27,301,000	100.00	177,769 (MYR 26,943 thousand)	(1,738) (MYR-265 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 amount was converted using spot exchange rate as of June 30, 2024.

Note 3: The amount is calculated based on the average exchange rate for the six months ended June 30, 2024.

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

USI CORPORATION AND SUBSIDIARIES

Swanson Plastics Corporation

INFORMATION ON INVESTEES

For the Six Months Ended June 30, 2024

Table 7-2

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee (Note 3)	Share of Profit (Loss) (Note 3)	Remark
				Ending balance of the current period (Note 2)	Ending balance of the prior year (Note 2)	Number of Shares	Percentage (%)	Carrying Amount (Note 2)			
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	\$ 1,913,645	\$ 33,921	\$ 33,921	
	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	30,859	(10,778)	(10,778)	
	Swanson International Ltd.	PO Box 309 Uglan House Grand Cayman KY1-1104 Cayman Islands	Investment	499,996	499,996	16,041,205	100.00	1,488,461	15,266	15,266	
	Swanson Technologies Corporation	12F, No. 37, Jihu Road, Neihu District, Taipei City 114, Taiwan (R.O.C.)	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	(36,428)	(14,368)	(10,058)	
	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	8,023	9,824	98	
	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	5,839	-	
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	213,956 (USD6,593 thousand)	213,956 (USD6,593 thousand)	20,000,000	100.00	559,349 (USD17,237 thousand)	32,580 (USD1,025 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	535,777 (USD16,511 thousand)	535,777 (USD16,511 thousand)	107,351,389	100.00	301,882 (USD9,303 thousand)	5,839 (INR15,235 thousand)		
	PT. Swanson Plastics Indonesia	Ngoro Industrial Park Blok D2-3 Ds. Lolawang Kec. Ngoro Kab. Mojokerto	Manufacturing and marketing of plastic products	838,509 (USD25,840 thousand)	838,509 (USD25,840 thousand)	25,840,033	99.00	794,294 (USD24,477 thousand)	9,824 (IDR4,912,083 thousand)		
Swanson International Ltd.	A.S. Holdings (UK) Limited	5TH Floor 7-10 Chandos Street London W1G 9DQ	Investment	230,203 (USD7,094 thousand)	230,203 (USD7,094 thousand)	3,156,993	100.00	583,068 (USD17,968 thousand)	15,864 (USD 495 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 as of June 30, 2024.

Note 3: The amount is calculated based on the average exchange rate for the six months ended June 30, 2024.

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, 2024

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			Investee Gain/Loss of Period	Share of Profit (Loss) for the recognized period	Remark
				Ending balance of the current period	Ending balance of the previous period	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 sales of VCM	\$ 2,933,648	\$ 2,933,648	259,591,005	87.27	\$ 4,141,863	(\$ 146,124)	(\$ 80,176)	SUBSIDIARY
	CGPC Polymer Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Manufacturing and marketing of PVC resins	800,000	800,000	70,170,682	100.00	625,305	(1,656)	(1,656)	SUBSIDIARY
	CGPC(BVI)Holding Co., Ltd.	Citco Building, Wickhams Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands	Reinvestment	1,059,344	1,059,344	14,808,258	100.00	329,976	5	5	SUBSIDIARY
	China General Terminal & Distribution Corporation	No. 1, Jianji St., Qianzhen Dist., Kaohsiung City 806, Taiwan (R.O.C.)	Warehousing and transportation of petrochemical raw materials	41,106	41,106	25,053,469	33.33	318,813	15,269	5,089	Associate accounted for using the equity method
	CGPC America Corporation	4 Latitude Way, Suite 108 Corona, CA 92881	Marketing of PVC two- or three-time processed products	648,931	648,931	100	100.00	184,559	3,635	3,635	SUBSIDIARY
	ACME Electronics Corporation	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	41,805	41,805	3,566,526	1.67	32,986	139,065	2,329	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 (R.O.C.)	Environmental detection services	50,000	50,000	5,200,000	100.00	53,844	300	-	SUBSIDIARY

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

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

USI CORPORATION AND SUBSIDIARIES

Taita Chemical Company, Ltd.

INFORMATION ON INVESTEEES

For the Six Months Ended June 30, 2024

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 (Note 4)	Share of Profit (Loss) (Note 4)	Remark
				Ending balance of the current period (Note 3)	Ending balance of the previous period (Note 3)	Number of Shares	Percentage (%)	Carrying Amount (Note 3)			
Taita Chemical Company, Ltd.	TAITA (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment	\$ 2,911,998 (USD89,738 thousand)	\$ 2,911,998 (USD89,738 thousand)	89,738,000	100.00	\$ 3,189,659 (USD98,295 thousand)	\$ 822 (USD 19 thousand)	\$ 822 (USD 19 thousand)	Subsidiary (Note 1)
	China General Plastics Corporation	Taipei City	Production and marketing of PVC tape and other plastic products	65,365	65,365	11,516,174	1.98	187,248	62,729	1,243	Investee accounted for using the equity method (Note 1)
	China General Terminal & Distribution Corporation	Kaohsiung City	Warehousing of petrochemical raw materials	41,082	41,082	25,053,468	33.33	318,813	15,269	5,089	Investee accounted for using the equity method (Note 2)
	ACME Electronics Corporation	Taipei City	Production and sales of manganese-zinc soft ferrite powder	55,702	55,702	4,991,556	2.34	46,166	139,065	3,259	Investee accounted for using the equity method (Note 1)
TAITA (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment	63,767 (USD1,965 thousand)	55,166 (USD1,700 thousand)	2,960,656	4.42	72,149 (USD2,223 thousand)	9,170 (USD 279 thousand)		Investee accounted for using the equity method (Note 1)

Note 1: The calculation is based on the financial statements of the investee company during the same period which have been 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: Original investment amount and book amounts were calculated using the spot exchange rate as of June 30, 2024.

Note 4: The amount is calculated based on the average exchange rate for the six months ended June 30, 2024.

Note 5: All the transactions were written off when preparing the consolidated financial statements.

Note 6: 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, 2024

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 (Note 2)	Share of Profit (Loss)	Remark
				Ending balance of the current year (Note 1)	Ending balance of the prior year (Note 1)	Number of Shares	Percentage (%)	Carrying Amount (Note 1)			
Asia Polymer Corporation	APC (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment business	\$ 446,992 (USD13,775 thousand)	\$ 446,992 (USD13,775 thousand)	11,342,594	100.00	\$ 675,854	\$ 17,123	\$ 17,123	SUBSIDIARY
	APC Investment Corporation	Taipei City	Investment business	200,000	200,000	20,000,000	100.00	144,001	1,425	1,425	SUBSIDIARY
	USI International Corp.	British Virgin Islands	Reinvestment business	68,145 (USD 2,100 thousand)	68,145 (USD 2,100 thousand)	2,100,000	70.00	69,029	(2,001)	(1,401)	SUBSIDIARY
	China General Plastics Corporation	Taipei City	Production and sales of plastic cloths, plastic skins, plastic tubes, plastic pellets, plastic powder and other related products	247,412	247,412	46,886,185	8.07	762,348	62,729	5,062	Investments accounted for using the equity method
	China General Terminal & Distribution Corporation	Taipei City	Petrochemical materials storage and transportation operations	41,082	41,082	25,053,469	33.33	318,813	15,269	5,090	Investments accounted for using the equity method
	Swanson Plastics Corporation	Taipei City	Production and sales of stretch films and industrial use multi-layer films	75,242	75,242	12,266,779	7.95	205,527	(19,376)	(1,540)	Investments accounted for using the equity method
	ACME Electronics Corporation	Taipei City	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	76,241	76,241	6,801,315	3.20	62,904	139,065	4,440	Investments accounted for using the equity method
	Taiwan United Venture Capital Corp.	Taipei City	Investments in high-tech undertakings	30,309	38,636	832,666	8.33	2,794	(198)	(17)	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	3,922	(10,905)	(1,004)	Investments accounted for using the equity method
APC (BVI) Holding Co., Ltd.	Ever Conquest Global Ltd.	British Virgin Islands	Reinvestment business	5,531,914 (USD170,475 thousand)	5,531,914 (USD170,475 thousand)	170,475,000	40.87	2,235,636	(1,051,292)	(429,632)	Investments accounted for using the equity method
	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment business	196,731 (USD 6,063 thousand)	170,197 (USD 5,245 thousand)	9,134,135	13.63	222,591	9,170		APC (BVI) Holding Co., Ltd. Investments accounted for using the equity method
	USI International Corp.	British Virgin Islands	Reinvestment business	29,205 (USD 900 thousand)	29,205 (USD 900 thousand)	3,000,000	30.00	29,584	(2,001)		APC (BVI) Holding Co., Ltd. Investments accounted for using the equity method (Note 1)
APC Investment Corporation	ACME Electronics Corporation	Taipei City	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	39,523	39,523	3,116,262	1.46	28,821	139,065		APC Investment Corporation Investments accounted for using the equity method

(Continued)

(Continued)

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee (Note 2)	Share of Profit (Loss)	Remark
				Ending balance of the current year (Note 1)	Ending balance of the prior year (Note 1)	Number of Shares	Percentage (%)	Carrying Amount (Note 1)			
APC Investment Corporation	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	(\$ 7,806)	(\$ 14,368)	APC Investment Corporation Investments accounted for using the equity method	
Ever Conquest Global Ltd.	Ever Victory Global Limited	British Virgin Islands	Reinvestment business	13,536,355 (USD417,145 thousand)	13,536,355 (USD417,145 thousand)	417,145,000	67.40	5,470,505 (USD168,583 thousand)	(1,559,719) (USD-48,875 thousand)	Ever Conquest Global Ltd. Investments accounted for using the equity method	
Ever Victory Global Ltd.	Dynamic Ever Investments Ltd.	Hong Kong	Reinvestment business	19,108,183 (USD588,850 thousand)	19,108,183 (USD588,850 thousand)	588,850,000	85.00	7,049,267 (USD217,235 thousand)	(1,867,758) (USD-58,528 thousand)	Ever Victory Global Ltd. Investee accounted for using the equity method	

Note 1: Original investment amount and book amounts were calculated using the spot exchange rate as of June 30, 2024.

Note 2: The amount is calculated based on the average exchange rate for the six months ended June 30, 2024.

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

Note 4: 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, 2024

Table 8

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 7)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of the beginning of the Period (Note 7)	Investment Flows for the Period (Note 7)		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period (Note 7)	Investee Gain (Loss) of the Period (Note 8)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Notes 6, 8 and 9)	Carrying Amount as of the End of Period (Notes 6, 7 and 8)	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	\$ 997,026 (USD 30,725 thousand)	Note 1	\$ 91,429 (USD 2,818 thousand)	\$ -	\$ -	\$ 91,429 (USD 2,818 thousand)	(\$ 13,010) (USD -415 thousand)	18.93	(\$ 2,463) (USD -79 thousand)	\$ 132,291 (USD 4,077 thousand)	\$ -
Zhangzhou USI Trading Co., Ltd.	Import and distribution of various types of chemical raw materials and products	45,532 (RMB 10,000 thousand)	Note 1	33,637 (USD 1,037 thousand)	-	-	33,637 (USD 1,037 thousand)	3,572 (USD 115 thousand)	70.00	2,500 (USD 80 thousand)	52,249 (USD 1,610 thousand)	-
Xiamen USI Trading Co., Ltd.	Import and distribution of various types of chemical raw materials and products	45,532 (RMB 10,000 thousand)	Note 1	31,614 (USD 974 thousand)	-	-	31,614 (USD 974 thousand)	22,828 (USD 715 thousand)	70.00	15,980 (USD 500 thousand)	48,055 (USD 1,481 thousand)	-
(DEIL) Zhangzhou Dynamic Ever Property Co., Ltd.	Property Management	95,617 (RMB 21,000 thousand)	Note 1	31,714 (USD 977)	-	-	31,714 (USD 977 thousand)	42 (USD -1 thousand)	33.88	14 (USD - thousand)	32,389 (USD 998 thousand)	-
USIG (Shanghai) Co., Ltd.	Import and distribution of various types of chemical raw materials and products	-	Note 2	162,250 (USD 5,000 thousand)	-	134,877 (USD 4,156 thousand)	-	-	-	-	-	-
Fujian Gulei Petrochemical Co., Ltd.	Crude oil processing and petroleum products manufacturing	42,410,326 (RMB 9,314,400 thousand)	Note 3	7,413,194 (USD 228,450 thousand)	-	-	7,413,194 (USD 228,450 thousand)	3,734,785 (USD -117,034 thousand)	16.94	632,646 (USD -19,825 thousand)	2,656,313 (USD 81,859 thousand)	-

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period (Note 7)	Investment Amounts Authorized by Investment Commission, MOEA (Note 7)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$ 7,794,909	\$ 10,203,847	\$ -(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: As a mainland company with direct 100% investment, USIG (Shanghai) Co., Ltd. resolved to liquidate on August 8, 2023, completed dissolution and liquidation procedures on December 1, 2023, and repatriated the investment funds on January 16, 2024.

Note 3: Through the use of investee - Ever Conquest Global Limited (59.13% ownership) located in a third region, the Company invested into Ever Victory Global Limited (67.40%), which then invested into Dynamic Ever Investments Limited (85.00%) for an indirect holding of 50% in Fujian Gulei Petrochemical Co., Ltd. and 100% in Zhangzhou Dynamic Ever Property 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: This includes: US\$257,939 thousand invested into Fujian Gulei Petrochemical Co., Ltd. in Mainland China through a 3rd region, which were approved by the Investment Commission, MOEA, under Letters No. Jing-Shen-2-10500116380 dated September 1, 2016, Letter No. Jing-Shen-2-10500234240 dated December 29, 2016, and Letter No. Jing-Shen-2-10800262920 dated February 26, 2020; US\$32,200 thousand invested into a selling company through a 3rd region, which was approved by the Investment Commission, MOEA, under Letter No. Jing-Shen-2-10900245220 dated October 5, 2020; US\$1,422 thousand invested into ACME (KS) through a 3rd region, which was approved by the Investment Commission, MOEA, under Letter No. Jing-Shen-2-11000010830 dated January 21, 2021; and US\$10,500 thousand invested into the incorporation of XUL through a 3rd region, which was approved by the Investment Commission, MOEA, under Letter No. Jing-Shen-2-11200093470 dated August 8, 2023.

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

Note 7: The conversion was based on spot exchange rate as of June 30, 2024.

Note 8: Except for ACME (KS) where calculations were based on auditor-reviewed financial statements of the parent company in Taiwan, all other calculations were based on non-auditor reviewed financial statements.

Note 9: The amount is calculated based on the average exchange rate for the six months ended June 30, 2024.

Note 10: The board of directors of USIG passed a resolution on December 1, 2023 to proceed with liquidation; the investment proceeds were repatriated on January 16, 2024. The difference between the repatriated proceeds and the initial investment were recognized as cumulative losses.

Note 11: Accumulated outward investment to Mainland China from Taiwan and the investment amounts authorized by the Investment Commission, MOEA at the end of the current period amounted to US\$240,213 thousand and US\$314,448 thousand.

USI CORPORATION AND SUBSIDIARIES
ACME Electronics Corporation
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Six Months Ended June 30, 2024

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 Period		Accumulated Outward Remittance for Investment from Taiwan as of the End of 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	\$ 997,026 (USD30,725 thousand)	Indirect investment via ACME (Cayman)	\$ 374,188 (USD11,144 thousand)	\$ -	\$ -	\$ 374,188 (USD11,144 thousand)	(\$ 13,011)	60.10	(\$ 7,819) (RMB-1,770 thousand)	\$ 419,948 (RMB92,231 thousand)	\$ -
ACME Electronics (Guang-Zhou) Co., Ltd.	Manufacturing and sales of manganese- zinc soft ferrite core	623,040 (USD19,200 thousand)	Indirect investment via GAEL	619,676 (USD19,200 thousand)	-	-	619,676 (USD19,200 thousand)	2,504 (RMB 550 thousand)	100.00	2,504 (RMB 550 thousand)	1,010,328 (RMB221,894 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
\$ 984,663(USD 30,344 thousand) (Notes 2 and Note 6)	\$ 1,188,741(USD 36,633 thousand) (Notes 2 and Note 6)	\$ - (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 a surplus of ACME Electronics (Kunshan) Co., Ltd., and ACME increased the amount of USD\$6,289 thousand at its ownership percentage.

Note 3: The investment gain (loss) recognized for the period was calculated on the basis of financial statements reviewed by CPAs of the parent company of ACME.

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 for the six months ended June 30, 2024.

Note 6: The conversion was based on spot exchange rate as of June 30, 2024.

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, 2024

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 Period		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period	Net Income (Loss) of Investee (Note 4)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 4)	Carrying Amount as of the End of Period (Note 5)	Accumulated Repatriation of Investment Income as of the End of Period	Remark
					Outflow	Inflow							
Swanson Plastics (Kunshan) Co., Ltd.	Production, sales and development of multi-functional film, optical film, etc.	\$ 431,261 (USD13,290 thousand)	Indirect investment via Swanson International Ltd. of British Cayman Islands	\$ 223,930	\$ -	\$ -	\$ 223,930	(\$ 499) (USD-25 thousand)	100.00	(\$ 499) (USD-25 thousand)	\$ 904,663 (USD27,879 thousand)	\$ 181,682 (USD5,898 thousand)	Notes 7, 9 and 10
ASK-Swanson (Kunshan) Co., Ltd.	Production and sales of PE release film and other release products	295,295 (USD9,100 thousand)	Indirect investment in A.S. Holdings (UK) Limited via Swanson International Ltd. of British Cayman Islands	193,447	-	-	193,447	16,021 (USD500 thousand)	100.00	16,021 (USD500 thousand)	581,292 (USD17,913 thousand)	148,194 (USD5,042 thousand)	Notes 6, 8 and 10
Swanson Plastics (Tianjin) Co., Ltd.	Production, sales and development of multi-functional film, optical film, etc.	347,215 (USD10,700 thousand)	Indirect investment via Swanson (Singapore) Private Ltd. in the third region	170,754	-	-	170,754	(11,257) (USD-352 thousand)	100.00	(11,257) (USD-352 thousand)	16,528 (USD509 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	\$ 1,063,898 (USD 32,786 thousand)	\$ -(Note 2)

Note 1: The paid-in capital and the investment amount approved by the Investment Commission, MOEA were calculated using the spot exchange rate on June 30, 2024.

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 for the six months ended June 30, 2024.

Note 5: The conversion was based on spot exchange rate as of June 30, 2024.

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: Swanson International Ltd. received a cash dividend of US\$2,771 thousand from its reinvestment company API-Swanson (Kunshan) Co., Ltd. in 2023, NT\$2,715 thousand of which has been remitted to Swanson Plastics Corporation.

Note 9: Swanson International Ltd. received a cash dividend of US\$4,298 thousand from its reinvestment company Swanson Plastics (Kunshan) Co., Ltd. in 2023, which has been remitted to Swanson Plastics Corporation.

Note 10: 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, 2024

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 Period		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period (Note 1)	Profit (loss) of investee for the period (Note 4)	Ownership of Direct or Indirect Investment (%)	Investment gains (losses) recognized for the period (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						
China General Plastics (ZhongShan) Co., Ltd.	Manufacturing and sales of PVC film and third-time processed products	\$ 649,000 (USD20,000 thousand)	Indirect investment via CGPC (BVI) Holding Co., Ltd.	\$ 649,000 (USD20,000 thousand)	\$ -	\$ -	\$ 649,000 (USD20,000 thousand)	(\$ 2,250) (USD-76 thousand)	100.00	(\$ 2,250) (USD-76 thousand)	\$ 239,690 (USD7,386 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)
\$ 863,657(USD 26,615 thousand)	\$ 970,225(USD 29,900 thousand)	\$ -

Note 1: The conversion was based on spot exchange rate as of June 30, 2024.

Note 2: As CGPC had obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11251035580 on September 6, 2023, the upper limit on investment is not applicable.

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

Note 4: These transactions have been fully eliminated when preparing the consolidated financial statements; investment gains (losses) were recognized using non-auditor reviewed financial statements. See Note 12 for details.

USI CORPORATION AND SUBSIDIARIES
Taita Chemical Company, Ltd.
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Six Months Ended June 30, 2024

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 Period		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period	Net Income (Loss) of Investee (Note 6)	Ownership of Direct or Indirect Investment (%)	Investment gains (losses) recognized for the period (Note 6)	Carrying Amount as of the End of Period (Note 6)	Accumulated Repatriation of Investment Income as of the End of Period
					Outflow	Inflow						
Taita Chemical (Zhongshan) Co., Ltd. ("TAITA (ZS)")	Production and marketing of polystyrene derivatives	\$ 1,500,813 (USD 46,250 thousand) (Note 1)	Reinvest in the mainland companies by establishing a company through investment in the third region	\$ 1,395,350 (USD 43,000 thousand)	\$ -	\$ -	\$ 1,395,350 (USD 43,000 thousand)	\$10,758 (USD 329 thousand)	100.00	\$ 10,758 (USD 329 thousand) (Note 7)	\$ 1,848,766 (USD 56,973 thousand) (Note 7)	\$ -
Taita Chemical (Tianjin) Co., Ltd. (TTC (TJ)) (Note 8)	Production and marketing of polystyrene derivatives	887,508 (USD 27,350 thousand) (Note 2)	Reinvest in the mainland companies by establishing a company through investment in the third region	843,700 (USD 26,000 thousand)	-	-	843,700 (USD 26,000 thousand)	(15,349) (USD -480 thousand)	100.00	(15,349) (USD -480 thousand) (Note 7)	(192,492) (USD -5,932 thousand) (Note 7)	-
Zhangzhou Taita Chemical Company, Limited (TTCZZ)	Production and marketing of polystyrene derivatives	1,576,407 (USD 48,580 thousand) (Note 3)	Reinvest in the mainland companies by establishing a company through investment in the third region	-	-	-	-	4,578 (USD 143 thousand)	100.00	4,578 (USD 143 thousand) (Note 7)	1,432,598 (USD 44,148 thousand) (Note 7)	-
ACME Electronics (Kunshan) Co., Ltd. ("ACME (KS)")	Manufacturing and marketing of manganese-zinc soft ferrite core	997,026 (USD 30,725 thousand)	Reinvest in a mainland company by reinvesting in the existing company in the third region, ACME Electronics(Cayman) Corp.	43,938 (USD 1,354 thousand)	-	-	43,938 (USD 1,354 thousand)	(13,010) (USD -415 thousand)	4.42	(575) (USD -18 thousand)	30,866 (USD 951 thousand)	-

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$ 2,282,988 (USD 70,354 thousand)	\$ 4,082,772 (USD 125,817 thousand) (Note 4)	\$ -(Note 5)

Note 1: TAITA (ZS) increased capital from earnings of US\$3,250 thousand in 2007.

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

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

Note 4: It includes the capital increase transferred from earnings by TAITA (ZS) of US\$ 3,250 thousand, capital increase transferred from earnings by TAITA (TJ) of US\$1,350 thousand, capital increase transferred from earnings 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: Calculated based on financial statements reviewed by CPAs of the parent company in Taiwan.

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 investees
Asia Polymer Corporation
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Six Months Ended June 30, 2024

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 Period		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period	Profit (loss) of investee for the period (Note 3)	Ownership of Direct or Indirect Investment (%)	Investment gains (losses) recognized for the period (Note 3)	Closing carrying amount of investment (Note 4)	Accumulated repatriation of investment income as of the end of period
					Outflow	Inflow						
ACME Electronics (Kunshan) Co., Ltd.	Manufacturing and marketing of manganese-zinc ferritecore	\$ 997,026 (USD 30,725 thousand)	(2) ACME Electronics (Cayman) Corp.	\$ 135,556 (USD 4,177 thousand)	\$ -	\$ -	\$ 135,556 (USD 4,177 thousand)	B (\$ 13,010)	13.63	(\$ 1,733)	\$ 95,226	\$ -
USI Trading (Shanghai) Co., Ltd.	Sales of chemical products and equipment, etc.	80,000 (USD 2,500 thousand)	(2) APC (BVI) Holding Co., Ltd.	98,505 (USD 3,036 thousand)	-	-	98,505 (USD 3,036 thousand)	C 6,673	100.00	6,673	177,426	-
Fujian Gulei Petrochemical Co., Ltd.	Crude oil processing and petroleum products manufacturing	42,410,326 (RMB9,314,400 thousand)	(2) Dynamic Ever Investments Ltd.,(Note 2)	5,123,299 (USD 157,833 thousand)	-	-	5,123,299 (USD 157,883 thousand)	C (3,734,785)	11.71	(437,225)	1,835,779	-
Zhangzhou USI Trading Co., Ltd.	Sales of chemical products	45,532 (RMB 10,000 thousand)	(2) APC (BVI) Holding Co., Ltd.	13,660 (RMB 3,000 thousand)	-	-	13,660 (RMB 3,000 thousand)	C 3,572	30.00	1,072	22,392	-
Xiamen USI Trading Co., Ltd.	Sales of chemical products	45,532 (RMB 10,000 thousand)	(2) APC (BVI) Holding Co., Ltd.	13,660 (RMB 3,000 thousand)	-	-	13,660 (RMB 3,000 thousand)	C 22,828	30.00	6,848	20,595	-
(DEIL) Zhangzhou Dynamic Ever Property Co., Ltd.	Property Management	95,617 (RMB 21,000 thousand)	(2) Dynamic Ever Investments Ltd.,(Note 2)	22,387 (RMB 4,917 thousand)	-	-	22,387 (RMB 4,917 thousand)	C (42)	23.41	(10)	22,384	-

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
\$ 5,563,656(Note 5) (USD 171,453 thousand)	\$ 7,431,409 (USD 229,011 thousand)	\$ - (Note 6)

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

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

Note 2: Through the use of investee - Ever Conquest Global Ltd. (40.87% ownership) located in 3rd region, the Company invested into Ever Victory Global Limited (67.40% ownership), which then invested into Dynamic Ever Investments Ltd. (85.00% ownership) for an indirect holding of 50% in Fujian Gulei Petrochemical Co., Ltd.

Note 3: Regarding the details presented in the investment gains/losses column as of the end of the current 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. Based on financial statements reviewed by the R.O.C. partner of an international CPA firm.
 - B. Based on auditor-reviewed financial statements of the parent company in Taiwan.
 - C. Others.

Note 4: The calculation was based on the spot exchange rate as of June 30, 2024.

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, 2024

Table 9

(In Thousands of New Taiwan Dollars)

No. (Note 1)	Trading Company	Counterparty	Relationship with the transaction counterparty (Note 2)	Transactions Details			
				Financial Statement Account	Amount (Note 3)	Transaction Terms	As a percentage of total revenues or total assets (Note 4)
0	USI Corporation	Swanson Plastics Corporation	1	Sales revenue	\$ 27,048	No significant difference	0.11%
0	USI Corporation	USI Trading (Shanghai) Co., Ltd.	1	Sales revenue	64,367	No significant difference	0.25%
0	USI Corporation	USI (Hong Kong) Company Ltd.	1	Sales revenue	41,604	No significant difference	0.16%
0	USI Corporation	Asia Polymer Corporation	1	Purchase	236,533	No significant difference	0.93%
0	USI Corporation	Swanson Plastics Corporation	1	Purchase	31,962	No significant difference	0.13%
0	USI Corporation	Asia Polymer Corporation	1	Sales revenue	90,912	No significant difference	0.36%
0	USI Corporation	USI Trading (Shanghai) Co., Ltd.	1	Accounts receivables	20,410	No significant difference	0.03%
0	USI Corporation	Asia Polymer Corporation	1	Other receivables	23,413	No significant difference	0.03%
0	USI Corporation	Taiwan VCM Corporation	1	Other receivables	153,872	No significant difference	0.21%
0	USI Corporation	Taiwan VCM Corporation	1	Other payables	36,690	No significant difference	0.05%
0	USI Corporation	USI Management Consulting Corp.	1	Management service expenses	81,852	No significant difference	0.32%
0	USI Corporation	Asia Polymer Corporation	1	Accounts payable	61,570	No significant difference	0.08%
0	USI Corporation	China General Terminal & Distribution Corporation	1	Storage tank operating expenses	16,546	No significant difference	0.06%
0	USI Corporation	Taiwan VCM Corporation	1	Accounts receivables	153,872	No significant difference	0.21%
0	USI Corporation	Asia Polymer Corporation	1	Dividends payable	35,474	No significant difference	0.05%
1	Asia Polymer Corporation	China General Terminal & Distribution Corporation	3	Storage tank operating expenses	18,499	No significant difference	0.07%
1	Asia Polymer Corporation	Swanson Plastics Corporation	3	Purchase	17,727	No significant difference	0.07%
1	Asia Polymer Corporation	USI (Hong Kong) Company Ltd.	3	Sales revenue	33,396	No significant difference	0.13%
1	Asia Polymer Corporation	USI Trading (Shanghai) Co., Ltd.	3	Accounts receivables	17,703	No significant difference	0.02%

No. (Note 1)	Trading Company	Counterparty	Relationship with the transaction counterparty (Note 2)	Transactions Details			
				Financial Statement Account	Amount (Note 3)	Transaction Terms	As a percentage of total revenues or total assets (Note 4)
1	Asia Polymer Corporation	USI Trading (Shanghai) Co., Ltd.	3	Sales revenue	\$ 145,401	No significant difference	0.57%
1	Asia Polymer Corporation	Union Polymer International Investment Corporation	3	Dividends payable	96,411	No significant difference	0.13%
2	China General Plastics Corporation	USI Management Consulting Corp.	3	Management service expenses	40,123	No significant difference	0.16%
2	China General Plastics Corporation	Taiwan VCM Corporation	3	Accounts payable	522,407	No significant difference	0.71%
2	China General Plastics Corporation	Taiwan VCM Corporation	3	Purchase	1,537,417	No significant difference	6.03%
2	China General Plastics Corporation	CGPC America Corporation	3	Accounts receivables	155,496	No significant difference	0.21%
2	China General Plastics Corporation	CGPC America Corporation	3	Sales revenue	246,532	No significant difference	0.97%
2	China General Plastics Corporation	CGPC Polymer Corporation	3	Purchase	12,258	No significant difference	0.05%
2	China General Plastics Corporation	Union Polymer International Investment Corporation	3	Dividends payable	50,778	No significant difference	0.07%
3	Taita Chemical Company, Ltd.	USI Management Consulting Corp.	3	Management service expenses	38,211	No significant difference	0.15%
3	Taita Chemical Company, Ltd.	Taita Chemical (Tianjin) Co., Ltd.	3	Other receivables	296,210	No significant difference	0.41%
3	Taita Chemical Company, Ltd.	Union Polymer International Investment Corporation	3	Dividends payable	43,879	No significant difference	0.06%
4	USI Management Consulting Corp.	Taiwan VCM Corporation	3	Management service revenue	19,741	No significant difference	0.08%
4	USI Management Consulting Corp.	Asia Polymer Corporation	3	Management service revenue	30,740	No significant difference	0.12%
4	USI Management Consulting Corp.	Swanson Plastics Corporation	3	Management service revenue	20,934	No significant difference	0.08%
4	USI Management Consulting Corp.	China General Terminal & Distribution Corporation	3	Management service revenue	12,213	No significant difference	0.05%
4	USI Management Consulting Corp.	USI Corporation	2	Management service revenue	81,852	No significant difference	0.32%
5	CGPC Polymer Corporation	Taiwan VCM Corporation	3	Accounts payable	1,006,045	No significant difference	1.38%
5	CGPC Polymer Corporation	Taiwan VCM Corporation	3	Other payables	22,394	No significant difference	0.03%
5	CGPC Polymer Corporation	Taiwan VCM Corporation	3	Purchase	1,864,343	No significant difference	7.32%
6	China General Terminal & Distribution Corporation	Taiwan VCM Corporation	3	Storage tank operating expenses	68,141	No significant difference	0.27%
6	China General Terminal & Distribution Corporation	Taiwan VCM Corporation	3	Accounts receivables	19,648	No significant difference	0.03%

No. (Note 1)	Trading Company	Counterparty	Relationship with the transaction counterparty (Note 2)	Transactions Details			
				Financial Statement Account	Amount (Note 3)	Transaction Terms	As a percentage of total revenues or total assets (Note 4)
7	ACME Electronics Corporation	ACME Electronics (Kunshan) Co., Ltd.	3	Sales revenue	112,365	No significant difference	0.44%
7	ACME Electronics Corporation	ACME Electronics (Guang-Zhou) Co., Ltd.	3	Sales revenue	66,896	No significant difference	0.26%
7	ACME Electronics Corporation	ACME Ferrite Product Sdn. Bhd.	3	Sales revenue	17,375	No significant difference	0.07%
7	ACME Electronics Corporation	ACME Electronics (Kunshan) Co., Ltd.	3	Cost of goods sold	70,655	No significant difference	0.28%
7	ACME Electronics Corporation	ACME Electronics (Kunshan) Co., Ltd.	3	Licensing fee income	12,634	No significant difference	0.05%
7	ACME Electronics Corporation	ACME Electronics (Kunshan) Co., Ltd.	3	Accounts receivables	59,132	No significant difference	0.08%
7	ACME Electronics Corporation	ACME Electronics (Guang-Zhou) Co., Ltd.	3	Accounts receivables	27,388	No significant difference	0.04%
7	ACME Electronics Corporation	ACME Electronics (Kunshan) Co., Ltd.	3	Other receivables	11,525	No significant difference	0.02%
7	ACME Electronics Corporation	ACME Electronics (Guang-Zhou) Co., Ltd.	3	Notes/Accounts Payable	61,027	No significant difference	0.08%
7	ACME Electronics Corporation	ACME Electronics (Kunshan) Co., Ltd.	3	Notes/Accounts Payable	33,597	No significant difference	0.05%
8	ACME Electronics (Kunshan) Co., Ltd.	ACME Electronics (Guang-Zhou) Co., Ltd.	3	Sales revenue	14,603	No significant difference	0.06%
8	ACME Electronics (Kunshan) Co., Ltd.	ACME Electronics (Guang-Zhou) Co., Ltd.	3	Cost of goods sold	11,369	No significant difference	0.04%
8	ACME Electronics (Kunshan) Co., Ltd.	ACME Ferrite Product Sdn. Bhd.	3	Sales revenue	31,638	No significant difference	0.12%
8	ACME Electronics (Kunshan) Co., Ltd.	ACME Ferrite Product Sdn. Bhd.	3	Accounts receivables	18,581	No significant difference	0.03%
9	Union Polymer International Investment Corporation	USI Corporation	2	Dividends payable	40,288	No significant difference	0.06%
10	Swanson Plastics Corporation	USI Corporation	2	Sales revenue	42,171	No significant difference	0.17%
10	Swanson Plastics Corporation	USI Corporation	2	Cost of goods sold	27,363	No significant difference	0.11%
10	Swanson Plastics Corporation	USI Corporation	2	Right-of-use assets - Cost of building	11,514	No significant difference	0.05%
10	Swanson Plastics Corporation	Asia Polymer Corporation	3	Sales revenue	17,727	No significant difference	0.07%
10	Swanson Plastics Corporation	USI Management Consulting Corp.	3	Management service expenses	20,934	No significant difference	0.08%
10	Swanson Plastics Corporation	Forever Young Company Limited	3	Other income	11,425	No significant difference	0.04%
10	Swanson Plastics Corporation	Swanson Plastics (India) Private Ltd.	3	Accounts receivables	17,401	No significant difference	0.02%

No. (Note 1)	Trading Company	Counterparty	Relationship with the transaction counterparty (Note 2)	Transactions Details			
				Financial Statement Account	Amount (Note 3)	Transaction Terms	As a percentage of total revenues or total assets (Note 4)
10	Swanson Plastics Corporation	PT. Swanson Plastics Indonesia	3	Accounts receivables	\$ 46,891	No significant difference	0.06%
10	Swanson Plastics Corporation	Swanson Plastics (Kunshan) Co., Ltd.	3	Accounts receivables	41,452	No significant difference	0.06%
10	Swanson Plastics Corporation	Swanson Plastics (Kunshan) Co., Ltd.	3	Cost of goods sold	25,397	No significant difference	0.10%
10	Swanson Plastics Corporation	Swanson Plastics (Kunshan) Co., Ltd.	3	Sales revenue	19,872	No significant difference	0.08%
10	Swanson Plastics Corporation	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Accounts receivables	48,701	No significant difference	0.07%
11	Swanson Plastics (Singapore) Pte., Ltd.	PT. Swanson Plastics Indonesia	3	Other receivables	147,670	No significant difference	0.20%
11	Swanson Plastics (Singapore) Pte., Ltd.	PT. Swanson Plastics Indonesia	3	Cost of goods sold	25,442	No significant difference	0.10%
11	Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Accounts payable	33,765	No significant difference	0.05%
11	Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Cost of goods sold	109,632	No significant difference	0.43%
12	Swanson Plastics (Malaysia) Sdn. Bhd.	PT. Swanson Plastics Indonesia	3	Accounts receivables	20,894	No significant difference	0.03%
12	Swanson Plastics (Malaysia) Sdn. Bhd.	PT. Swanson Plastics Indonesia	3	Other income	28,121	No significant difference	0.11%
12	Swanson Plastics (Malaysia) Sdn. Bhd.	USI Corporation	2	Accounts payable	19,953	No significant difference	0.03%
12	Swanson Plastics (Malaysia) Sdn. Bhd.	USI Corporation	2	Cost of goods sold	35,824	No significant difference	0.14%
13	Swanson Plastics (Kunshan) Co., Ltd.	ASK-Swanson (Kunshan) Co., Ltd.	3	Accounts receivables	46,555	No significant difference	0.06%
13	Swanson Plastics (Kunshan) Co., Ltd.	ASK-Swanson (Kunshan) Co., Ltd.	3	Sales revenue	77,584	No significant difference	0.30%
13	Swanson Plastics (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	3	Accounts payable	50,968	No significant difference	0.07%
13	Swanson Plastics (Kunshan) Co., Ltd.	USI Corporation	2	Accounts payable	18,940	No significant difference	0.03%
13	Swanson Plastics (Kunshan) Co., Ltd.	USI Corporation	2	Cost of goods sold	49,023	No significant difference	0.19%
14	ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	3	Other receivables	203,981	No significant difference	0.28%

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
As of June 30, 2024

Table 10

Names of Major Shareholders	Shares	
	Number of Shares Held	Percentage of ownership (%)
Shing Lee Enterprise (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 who had completed book-entry delivery of treasury stock, ordinary shares and preferred shares and whose shareholding percentage is more than 5% as of the final business day of the given quarter. The share capital reported in the Company's consolidated financial statements and the actual number shares that have completed the dematerialized registration and delivery may be different due to the difference in the basis of calculation.

Note 2: In the event where the shareholders deliver 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.