

# USI CORPORATION AND SUBSIDIARIES

## Consolidated Financial Statements and Independent Auditors' Review Report

For the Three Months Ended September 30, 2021 and  
2020

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## **Independent Auditors' Review Report**

TO USI Corporation

### **Introduction**

Consolidated balance sheets of USI Corporation and its subsidiaries as of September 30, 2021 and 2020, and the consolidated statement of comprehensive income for the three months ended September 30, 2021 and 2020 and for the nine months ended September 30, 2021 and 2020, the consolidated statement of changes in equity and consolidated statement of cash flows for the nine months ended September 30, 2021 and 2020, and the notes to the consolidated financial report, including a summary of significant accounting policies, have been reviewed by the CPAs. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### **Scope of Review**

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

### **Basis for Qualified Conclusion**

As mentioned in notes 13 and 14 to the consolidated financial statements, the financial statements of some non-essential subsidiaries and joint ventures using the equity method for the same period included in the above consolidated financial statements have not been reviewed by us. The total assets and the balance of investment by equity method as at September 30, 2021 and 2020 were NT\$29,638,598 thousand and NT\$27,851,838 thousand, respectively, accounting for 35.70% and 38.23% of the total consolidated assets, respectively. The total liabilities were NT\$3,176,586 thousand and NT\$3,172,770 thousand, accounting for 10.45% and 11.07% of the total consolidated liabilities, respectively; The total comprehensive income and the share of the income from joint venture recognized at the equity method from July 1 to September 30, 2021 and 2020 and those from January 1 to September 30, 2021 and 2020 were NT\$87,134 thousand (profit), NT\$158,797 thousand (profit), NT\$321,822 thousand (profit) and NT\$155,126 thousand

(profit), respectively, accounting for 5.15%, 7.78%, 4.67% and 5.56% of the total comprehensive income, respectively. In addition, the information related to the aforesaid subsidiary and joint venture in other notes and schedules to the consolidated financial statements has not been reviewed by us.

### **Qualified Conclusion**

According to the results of the auditor's review, except that the financial statements of some of the non-significant subsidiaries and joint ventures adopting the equity method mentioned in the basic paragraph of the reserved conclusions may affect the adjustment of the consolidated financial statements if they are reviewed by the auditor, we were not aware that the above consolidated financial statements have not been prepared in all material respects in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IAS 34-Interim Financial Reporting as endorsed and promulgated by the Financial Supervisory Commission, making it impossible to properly express the consolidated financial position of the Group as of September 30, 2021 and 2020, and the consolidated financial performance from July 1 to September 30, 2021 and 2020 and the consolidated financial performance and consolidated cash flow for the period from January 1 to September 30, 2021 and 2020.

### **Key Audit Matters**

As stated in Note 12 to the consolidated financial statements, USI Corporation and Subsidiaries has considered that its discontinued operations was resumed its operating substance. Such discontinued operations have been reclassified to continuing operations since 2021; therefore, when preparing comparative financial statements, it is required to restate the previously stated amounts as well as the financial statements for the comparative periods in accordance with International Financial Reporting Standards No. 5 "Non-current assets held for sale and discontinued operations." The effects of restating the previously stated amounts of the comparative periods are set out in Note 12. As such, we did not modify our review conclusion.

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

#### *Notice to Readers*

*The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China. For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.*

November 4, 2021

USI Corporation and Subsidiaries  
Consolidated Balance Sheets

September 30, 2021 and 2020, and December 31, 2020

Unit: NT\$ thousand

Code	Assets	September 30, 2021 (Reviewed)		December 31, 2020 (Audited)		September 30, 2020 (Reviewed)	
		Amount	%	Amount	%	Amount	%
<b>Current assets</b>							
1100	Cash and cash equivalents (Note 6 & 32)	\$ 9,997,770	12	\$ 9,637,007	13	\$ 8,901,630	12
1110	Financial assets at fair value through profit or loss (FVTPL) - current (Note 7)	6,048,967	7	5,511,683	7	5,043,744	7
1120	Financial assets at fair value through other comprehensive income (FVTOCI) - current (Notes 8)	112,901	-	164,922	-	142,066	-
1136	Financial assets at amortized cost - current (Notes 9 and 37)	348,338	-	348,450	-	426,926	1
1150	Notes receivable, net (Note 10)	559,092	1	671,576	1	458,308	1
1170	Accounts receivable, net (Note 10)	8,861,407	11	6,810,340	9	5,164,375	7
1200	Other receivables (Notes 10 and 36)	410,149	1	293,459	-	375,626	-
1220	Current tax assets (Note 4 & 29)	17,742	-	29,231	-	14,117	-
130X	Inventories (Note 11)	6,145,952	7	4,296,228	6	4,138,769	6
1410	Prepayments (Note 32)	1,193,841	2	766,824	1	766,920	1
1470	Other current assets	31,161	-	9,834	-	299,728	-
11XX	Total current assets	<u>33,727,320</u>	<u>41</u>	<u>28,539,554</u>	<u>37</u>	<u>25,732,209</u>	<u>35</u>
<b>Non-current assets</b>							
1517	Financial assets at fair value through other comprehensive income (FVTOCI) - non-current (Notes 8)	2,219,917	3	2,393,734	3	2,411,577	3
1535	Financial assets at amortized cost - non-current (Notes 9, 37 and 38)	391,862	-	390,828	1	348,557	1
1550	Investments accounted for using the equity method (Notes 14)	19,787,280	24	20,170,030	26	18,513,834	25
1600	Property, plant and equipment (Note 15, 32 and 37)	23,994,599	29	23,169,313	30	23,059,465	32
1755	Right-of-use assets (Note 16 & 37)	680,613	1	704,951	1	709,266	1
1760	Investment properties, net (Notes 17 and 37)	717,319	1	753,220	1	755,597	1
1805	Goodwill (Note 18 & 32)	270,211	-	269,026	-	269,026	-
1821	Other intangible assets (Note 18 and 32)	45,535	-	10,807	-	11,355	-
1840	Deferred tax assets (Note 4 & 29)	630,314	1	573,850	1	634,778	1
1990	Other non-current assets (Note 37)	553,172	-	349,203	-	400,236	1
15XX	Total non-current assets	<u>49,290,822</u>	<u>59</u>	<u>48,784,962</u>	<u>63</u>	<u>47,113,691</u>	<u>65</u>
1XXX	Total Assets	<u>\$ 83,018,142</u>	<u>100</u>	<u>\$ 77,324,516</u>	<u>100</u>	<u>\$ 72,845,900</u>	<u>100</u>
<b>Liabilities and equity</b>							
<b>Current Liabilities</b>							
2100	Short-term borrowings (Note 19 and 37)	\$ 2,483,306	3	\$ 2,726,270	3	\$ 3,747,363	5
2110	Short-term notes payable (Note 19)	625,720	1	656,704	1	894,490	1
2120	Financial liabilities at fair value through profit or loss at FVTPL-current (Note 7)	11,522	-	20,724	-	8,622	-
2170	Trade payables (Note 21)	4,128,166	5	3,406,837	4	2,448,891	3
2219	Other payables (Notes 22 and 32)	4,294,344	5	2,216,533	3	2,051,301	3
2230	Current tax liabilities (Note 4 and 29)	1,857,089	2	1,211,350	2	676,777	1
2280	Lease liability - current (Notes 16)	72,081	-	75,284	-	68,936	-
2320	Current portion of long-term borrowings (Notes 20 and 37)	2,999,830	4	1,999,233	3	-	-
2365	Refund liabilities - current (Note 22)	35,658	-	16,390	-	18,859	-
2399	Other current liabilities (Note 27)	414,165	1	374,501	-	419,837	1
21XX	Total current liabilities	<u>16,921,881</u>	<u>21</u>	<u>12,703,826</u>	<u>16</u>	<u>10,335,076</u>	<u>14</u>
<b>Non-current liabilities</b>							
2530	Bonds payable (Note 20)	5,992,578	7	4,995,069	6	6,993,555	10
2540	Long-term borrowings (Note 19 and 37)	4,219,964	5	7,590,000	10	7,929,969	11
2550	Provisions - non-current (Notes 23 and 38)	136,375	-	136,375	-	136,375	-
2570	Deferred tax liabilities (Note 4 and 29)	1,514,737	2	1,434,806	2	1,442,624	2
2580	Lease liability - non-current (Notes 16)	367,134	1	384,402	1	406,156	-
2640	Net defined benefit liabilities - non-current (Notes 4 and 24)	1,186,681	1	1,292,053	2	1,326,803	2
2670	Other non-current liabilities (Note 25)	66,156	-	64,342	-	78,719	-
25XX	Total non-current liabilities	<u>13,483,625</u>	<u>16</u>	<u>15,897,047</u>	<u>21</u>	<u>18,314,201</u>	<u>25</u>
2XXX	Total Liabilities	<u>30,405,506</u>	<u>37</u>	<u>28,600,873</u>	<u>37</u>	<u>28,649,277</u>	<u>39</u>
<b>Equity attributable to owners of the Company (Notes 4, 8, 13, 26 and 29)</b>							
3100	Share capital	11,887,635	14	11,887,635	15	11,887,635	16
3200	Capital surplus	363,807	1	321,798	1	341,299	1
<b>Retained earnings</b>							
3310	Legal reserve	3,343,086	4	3,109,625	4	3,109,625	4
3320	Special reserve	375,127	1	781,059	1	781,059	1
3350	Unappropriated earnings	8,291,110	10	5,606,462	7	4,306,310	6
3300	Total retained earnings	<u>12,009,323</u>	<u>15</u>	<u>9,497,146</u>	<u>12</u>	<u>8,196,994</u>	<u>11</u>
3490	Other equity	197,924	-	(240,195)	-	(559,704)	(1)
3500	Treasury stock	(475,606)	(1)	(475,606)	(1)	(475,606)	-
31XX	Total equity attributable to owners of the Company	<u>23,983,083</u>	<u>29</u>	<u>20,990,778</u>	<u>27</u>	<u>19,390,618</u>	<u>27</u>
36XX	Non-controlling Interests	28,629,553	34	27,732,865	36	24,806,005	34
3XXX	Total equity	<u>52,612,636</u>	<u>63</u>	<u>48,723,643</u>	<u>63</u>	<u>44,196,623</u>	<u>61</u>
<b>Total Liabilities and Equity</b>		<u>\$ 83,018,142</u>	<u>100</u>	<u>\$ 77,324,516</u>	<u>100</u>	<u>\$ 72,845,900</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.  
(Please refer to Deloitte & Touche auditors' review report dated November 4, 2021)

USI Corporation and Subsidiaries  
Consolidated Statements of Comprehensive Income  
For the Three Months Ended September 30, 2021 and 2020 And For the Nine Months Ended September 30, 2021 and 2020  
(Reviewed, Not Audited)

Unit: NT\$ thousand, except Earnings Per Share

Code		For the Three Months Ended September 30, 2021		For the Three months ended September 30, 2020		For the Nine Months Ended September 30, 2021		For the Nine Months Ended September 30, 2020	
		Amount	%	Amount	%	Amount	%	Amount	%
4100	Revenue (Notes 27)	\$ 18,463,761	100	\$ 12,414,401	100	\$ 52,404,697	100	\$ 34,627,203	100
5110	Cost of revenue (Notes 11, 15, 16, 18, 24, 25 and 28)	14,689,087	79	9,867,920	80	39,882,593	76	28,733,038	83
5900	Sales margin	3,774,674	21	2,546,481	20	12,522,104	24	5,894,165	17
	Operating expenses (Notes 10, 12, 15, 16, 18, 24, 25, 28 and 36)								
6100	Selling and marketing expenses	807,050	4	476,397	4	2,326,981	4	1,333,152	4
6200	General and administrative expenses	320,729	2	298,142	2	970,474	2	891,392	2
6300	Research and development expenses	102,165	1	91,272	1	318,604	1	260,038	1
6000	Total operating expenses	1,229,944	7	865,811	7	3,616,059	7	2,484,582	7
6900	Net operating profit	2,544,730	14	1,680,670	13	8,906,045	17	3,409,583	10
	Non-operating revenue and expenses								
7100	Interest income (Notes 12 and 28)	18,627	-	20,459	-	58,659	-	80,952	-
7010	Other revenue (Notes 10, 15, 25, 28 and 36)	284,391	1	128,026	1	511,721	1	309,294	1
7020	Other gains and losses (Notes 12, 17, 24, 28 and 40)	( 99,801 )	( 1 )	18,448	-	60,534	-	( 12,080 )	-
7050	Finance costs (Notes 19, 20 and 28)	( 42,163 )	-	( 50,112 )	-	( 126,254 )	-	( 174,117 )	( 1 )
7060	Share of loss of joint ventures accounted for using the equity method (Note 14)	( 36,153 )	-	( 44,798 )	-	( 56,958 )	-	( 114,593 )	-
7000	Total non-operating income and expenses	124,901	-	72,023	1	447,702	1	89,456	-
7900	Net profit before tax	2,669,631	14	1,752,693	14	9,353,747	18	3,499,039	10
7950	Income tax expense (Notes 4 and 29)	574,209	3	331,358	3	1,983,680	4	765,353	2
8200	Net profit for the period	2,095,422	11	1,421,335	11	7,370,067	14	2,733,686	8
	Other comprehensive income								
	Items that will not be reclassified subsequently to profit or loss:								
8316	Profit (loss) of equity instruments at FVTOCI (Note 26)	( 334,507 )	( 2 )	249,731	2	30,958	-	325,071	1
8349	Income tax relating to items that will not be reclassified subsequently to profit or loss (Notes 4, 26 and 29)	( 1,085 )	-	( 957 )	-	( 3,407 )	-	( 674 )	-
8310		( 335,592 )	( 2 )	248,774	2	27,551	-	324,397	1
	Items that may be reclassified subsequently to profit or loss:								
8361	Exchange differences on translating the financial statements of foreign operations (Note 26)	( 82,315 )	-	431,058	3	( 581,818 )	( 1 )	( 300,671 )	( 1 )
8399	Income tax relating to items that may be reclassified subsequently to profit or loss (Notes 4, 26 and 29)	14,776	-	( 60,495 )	-	71,858	-	31,266	-
8360		( 67,539 )	-	370,563	3	( 509,960 )	( 1 )	( 269,405 )	( 1 )
8300	Other comprehensive income for the period, net of income tax	( 403,131 )	( 2 )	619,337	5	( 482,409 )	( 1 )	54,992	-
8500	Total comprehensive income (loss) for the period	\$ 1,692,291	9	\$ 2,040,672	16	\$ 6,887,658	13	\$ 2,788,678	8
	Net income attributable to								
8610	Owners of the Company	\$ 1,046,015	5	\$ 600,799	5	\$ 3,600,486	7	\$ 1,112,599	3
8620	Non-controlling Interests	1,049,407	6	820,536	6	3,769,581	7	1,621,087	5
8600		\$ 2,095,422	11	\$ 1,421,335	11	\$ 7,370,067	14	\$ 2,733,686	8
	Total comprehensive income attributable to								
8710	Owners of the Company	\$ 1,157,288	6	\$ 923,085	7	\$ 4,139,059	8	\$ 1,255,876	4
8720	Non-controlling Interests	535,003	3	1,117,587	9	2,748,599	5	1,532,802	4
8700		\$ 1,692,291	9	\$ 2,040,672	16	\$ 6,887,658	13	\$ 2,788,678	8
	Earnings per share (Note 30)								
9710	Basic earnings per share	\$ 0.98		\$ 0.56		\$ 3.36		\$ 1.04	
9810	Diluted earnings per share	\$ 0.97		\$ 0.56		\$ 3.35		\$ 1.04	

The accompanying notes are an integral part of the consolidated financial statements.  
(Please refer to Deloitte & Touche auditors' review report dated November 4, 2021)

USI Corporation and Subsidiaries  
Consolidated Statements of Changes in Equity  
For the Nine Months Ended September 30, 2021 and 2020  
(Reviewed, Not Audited)

Unit: NT\$ thousand

Code		Equity attributable to owners of the Company							Other Equity				Non-controlling Interests (Note 8, 13 and 26)	Total equity
		Capital surplus				Retained earnings			Exchange differences on translating the financial statements of foreign operations (Note 26 and 29)	Unrealized Gain (Loss) on Financial Assets at FVTOCI (Note 8, 26 and 29)	Treasury stock (Note 26)	Total		
		Ordinary shares (Note 26)	Treasury Share Transactions (Note 26)	Shares of Changes in Capital Surplus of Associates (Note 13 and 26)	Other (Note 26)	Legal reserve (Note 26)	Special reserve (Note 26)	Unappropriated earnings (Note 8, 13 and 26)						
A1	Balance as of January 1, 2020	\$ 11,887,635	\$ 245,482	\$ 7,291	\$ 18,840	\$ 2,979,753	\$ 430,526	\$ 4,346,640	( \$ 602,871 )	( \$ 178,187 )	( \$ 475,606 )	\$ 18,659,503	\$ 20,517,444	\$ 39,176,947
	Distribution of surplus in 2019													
B1	Provision for statutory surplus reserve	-	-	-	-	129,872	-	( 129,872 )	-	-	-	-	-	-
B3	Provision of special surplus reserve	-	-	-	-	-	350,533	( 350,533 )	-	-	-	-	-	-
B5	Cash dividends distributed to the Company	-	-	-	-	-	-	( 594,382 )	-	-	-	( 594,382 )	-	( 594,382 )
O1	Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	( 519,048 )	( 519,048 )
D1	Net profit for the nine months ended September 30, 2020	-	-	-	-	-	-	1,112,599	-	-	-	1,112,599	1,621,087	2,733,686
D3	Other comprehensive income (loss) for the nine months ended September 30, 2020, net of income tax	-	-	-	-	-	-	-	( 139,135 )	282,412	-	143,277	( 88,285 )	54,992
D5	Total comprehensive income (loss) for the nine months ended September 30, 2020	-	-	-	-	-	-	1,112,599	( 139,135 )	282,412	-	1,255,876	1,532,802	2,788,678
C17	Changes in capital surplus	-	-	-	18	-	-	-	-	-	-	18	-	18
C7	Changes in equity of subsidiaries recognized by equity method	-	-	50,503	-	-	-	( 65 )	-	-	-	50,438	( 50,635 )	( 197 )
M1	Dividends distributed to subsidiaries to adjust capital reserve	-	19,165	-	-	-	-	-	-	-	-	19,165	-	19,165
Q1	Disposal of equity instrument investments measured at fair value through other comprehensive income	-	-	-	-	-	-	( 78,077 )	-	78,077	-	-	-	-
O1	Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	3,325,442	3,325,442
Z1	Balance as of September 30, 2020	\$ 11,887,635	\$ 264,647	\$ 57,794	\$ 18,858	\$ 3,109,625	\$ 781,059	\$ 4,306,310	( \$ 742,006 )	\$ 182,302	( \$ 475,606 )	\$ 19,390,618	\$ 24,806,005	\$ 44,196,623
A1	Balance as of January 1, 2021	\$ 11,887,635	\$ 264,647	\$ 37,211	\$ 19,940	\$ 3,109,625	\$ 781,059	\$ 5,606,462	( \$ 583,855 )	\$ 343,660	( \$ 475,606 )	\$ 20,990,778	\$ 27,732,865	\$ 48,723,643
	Distribution of surplus in 2020													
B1	Provision for statutory surplus reserve	-	-	-	-	233,461	-	( 233,461 )	-	-	-	-	-	-
B3	Provision of special surplus reserve	-	-	-	-	-	( 405,932 )	405,932	-	-	-	-	-	-
B5	Cash dividends distributed to the Company	-	-	-	-	-	-	( 1,188,763 )	-	-	-	( 1,188,763 )	-	( 1,188,763 )
O1	Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	( 1,714,633 )	( 1,714,633 )
D1	Net profit for the nine months ended September 30, 2021	-	-	-	-	-	-	3,600,486	-	-	-	3,600,486	3,769,581	7,370,067
D3	Other comprehensive income (loss) for the nine months ended September 30, 2021, net of income tax	-	-	-	-	-	-	-	( 209,508 )	748,081	-	538,573	( 1,020,982 )	( 482,409 )
D5	Total comprehensive income (loss) for the nine months ended September 30, 2021	-	-	-	-	-	-	3,600,486	( 209,508 )	748,081	-	4,139,059	2,748,599	6,887,658
C7	Changes in equity of subsidiaries recognized by equity method	-	-	3,680	-	-	-	-	-	-	-	3,680	239	3,919
M1	Dividends distributed to subsidiaries to adjust capital reserve	-	38,329	-	-	-	-	-	-	-	-	38,329	-	38,329
Q1	Disposal of equity instrument investments measured at fair value through other comprehensive income	-	-	-	-	-	-	100,454	-	( 100,454 )	-	-	-	-
O1	Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	( 137,517 )	( 137,517 )
Z1	Balance as of September 30, 2021	\$ 11,887,635	\$ 302,976	\$ 40,891	\$ 19,940	\$ 3,343,086	\$ 375,127	\$ 8,291,110	( \$ 793,363 )	\$ 991,287	( \$ 475,606 )	\$ 23,983,083	\$ 28,629,553	\$ 52,612,636

The accompanying notes are an integral part of the consolidated financial statements.  
(Please refer to Deloitte & Touche auditors' review report dated November 4, 2021)

USI Corporation and Subsidiaries  
Consolidated Statements of Cash Flows  
For the Nine Months Ended September 30, 2021 and 2020  
(Reviewed, Not Audited)

Unit: NT\$ thousand

<u>Code</u>		<u>For the Nine Months Ended September 30, 2021</u>	<u>For the Nine Months Ended September 30, 2020</u>
	Cash flows from operating activities		
A10000	Income before income tax	\$ 9,353,747	\$ 3,499,039
A20010	Income (expenses) items		
A20100	Depreciation expenses	1,709,178	1,706,600
A20200	Amortization expense	44,385	52,617
A20300	Expected credit loss (profit) reversed on accounts receivable	1,256	( 1,400 )
A20400	Net (gain) loss on fair value change of financial assets and liabilities as at FVTPL	( 33,760 )	143,966
A20900	Finance costs	126,254	174,117
A21200	Interest income	( 58,659 )	( 80,952 )
A21300	Dividend income	( 334,156 )	( 146,135 )
A22300	Share of loss of joint ventures accounted for using the equity method	56,958	114,593
A22500	Loss of disposal and scrapping of real estate, plant and equipment	69,555	34,289
A23800	Provision for write-downs of inventories and obsolescence losses	12,213	9,506
A23700	Impairment loss recognized on non-financial assets	3,078	8,050
A29900	Gain on revised lease	( 660 )	-
A29900	Recognition of refund liabilities	6,856	5,490
A30000	Changes in operating assets and liabilities		
A31115	(Increase) decrease in financial assets mandatorily classified as at FVTPL	( 512,726 )	1,174,801
A31130	Decrease in notes receivable	112,484	176,127
A31150	(Increase) decrease in accounts receivable	( 2,051,989 )	1,248,320
A31180	Increase in other receivables	( 227,208 )	( 92,141 )
A31200	(Increase) decrease in inventories	( 1,856,114 )	803,215
A31230	(Increase) decrease in prepayments	( 496,676 )	13,575
A31240	Increase in other current assets	( 21,327 )	( 282,578 )
A32150	Increase (decrease) in accounts payable	723,159	( 308,477 )
A32180	Increase in other payables	454,820	161,645

(Continued)

Code		For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
A32200	Increase (decrease) in provisions	\$ 12,412	(\$ 14,852)
A32240	Decrease in net defined benefit liabilities	( 105,372)	( 147,064)
A32230	Increase in other current liabilities	<u>39,664</u>	<u>156,879</u>
A33000	Cash generated from operations	7,027,372	8,409,230
A33100	Interest received	62,382	74,598
A33300	Interest paid	( 103,630)	( 168,737)
A33500	Income tax paid	( <u>1,231,127</u> )	( <u>462,139</u> )
AAAA	Net cash generated from operating activities	<u>5,754,997</u>	<u>7,852,952</u>
	<b>Cash flows from investing activities</b>		
B00010	Acquisition of FVTOCI	( 24)	( 84,399)
B00020	Disposal of FVTOCI	203,457	76,643
B00030	Return of capital from financial assets at FVTOCI	52,244	64,523
B00050	(Acquisition) disposal of financial assets measured at amortized cost	( 75,100)	42,588
B01800	Acquisition of long-term equity investments using the equity method	-	( 3,811,781)
B02200	Net cash outflows from acquisition of subsidiaries (Note 32)	( 34,056)	-
B02700	Acquisitions of property, plant and equipment	( 2,386,959)	( 1,733,458)
B02800	Proceeds from disposal of property, plant and equipment	92,995	19,427
B03700	(Increase) decrease in refundable deposit	( 5,776)	21,390
B04500	Payments for other intangible assets	( 733)	( 113)
B05400	Acquisition of investment properties	( 55)	( 38,661)
B06700	Increase in other non-current assets	( 238,325)	( 5,139)
B07600	Dividends received	<u>334,156</u>	<u>146,135</u>
BBBB	Net cash used in investing activities	( <u>2,058,176</u> )	( <u>5,302,845</u> )
	<b>Cash flows from financing activities</b>		
C00100	Decrease in short-term borrowings	( 242,964)	( 511,617)
C00500	Decrease in short-term notes payable	( 31,000)	( 458,000)
C01200	Issuing of bonds	1,995,634	-
C01300	Repayments of bonds	-	( 1,000,000)
C01600	Proceeds from mid- to long-term borrowings	19,640,000	12,310,000
C01700	Repayments of mid- to long-term borrowings	( 23,010,000)	( 13,873,001)
C03100	Proceeds from guarantee deposits received	3,434	10,417

(Continued)

Code		For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
C04020	Repayments of the principal portion of lease liabilities	(\$ 52,199)	(\$ 51,580)
C04400	Decrease in other non-current liabilities	( 1,620)	( 951)
C04500	Cash dividends paid	( 1,188,763)	( 594,382)
C05800	Change in non-controlling interests	( 137,517)	3,325,442
C05800	Cash dividends paid on non-controlling interests	( <u>151,163</u> )	( <u>519,048</u> )
CCCC	Net cash used from financing activities	( <u>3,176,158</u> )	( <u>1,362,720</u> )
DDDD	Effects of exchange rate changes on the balance of cash held in foreign currencies	( <u>159,900</u> )	( <u>213,160</u> )
EEEE	Net increase in cash and cash equivalents	360,763	974,227
E00100	Cash and cash equivalents at the beginning of the period	<u>9,637,007</u>	<u>7,927,403</u>
E00200	Cash and cash equivalents at the end of the period	<u>\$ 9,997,770</u>	<u>\$ 8,901,630</u>

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

(Please refer to Deloitte & Touche auditors' review report dated November 4, 2021)

USI Corporation and Subsidiaries  
Notes to Consolidated Financial Report  
For the Nine Months Ended September 30, 2021 and 2020  
(Reviewed, Not Audited)  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. Company history

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 (NT\$).

2. Date and Procedures of Authorization of Financial Statements

The consolidated financial statements were reported to the Company’s board of directors and issued on November 4, 2021.

3. Application of New, Amended, and Revised Standards and Interpretations

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

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

b. IFRSs endorsed by the FSC that are applicable in 2022

New/Amended/Revised Standards and Interpretations	Effective Date Announced by IASB
“Annual Improvements to IFRSs 2018-2020 Cycle”	January 1, 2022 (Note 1)
Amendment to IFRS 3 "Amendments to References to the Conceptual Framework in IFRS Standards"	January 1, 2022 (Note 2)
Amendments to IAS 16 “Property, Plant and Equipment — Proceeds before Intended Use”	January 1, 2022 (Note 3)
Amendments to IAS 37 “Onerous Contracts - Cost of Fulfilling a Contract”	January 1, 2022 (Note 4)

Note 1: The amendments to IFRS 9 are applied prospectively to modifications and exchanges of financial liabilities that occur on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IAS 41

“Agriculture” are applied prospectively to the fair value measurements on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IFRS 1 “First-time Adoptions of IFRSs” are applied retrospectively for annual reporting periods beginning on or after January 1, 2022.

Note 2: The amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2022.

Note 3: The amendments are applicable to property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after January 1, 2021.

Note 4: The amendments are applicable to contracts of which the obligations have not been fulfilled on or after January 1, 2022.

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

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

New/Amended/Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture”	Yet to be decided
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IAS 1 “Classification of Liabilities as Current or Non-Current”	January 1, 2023
Amendments to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023 (Note 2)
Amendment to IAS 8 "Definition of Accounting Estimates"	January 1, 2023 (Note 3)
Amendments to IAS 12 "Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction"	January 1, 2023 (Note 4)

Note 1: Unless otherwise specified, the aforementioned New/Amended/Revised Standards and Interpretations shall be effective for the annual reporting period after the specified dates.

Note 2: The amendments shall be applied prospectively for the annual reporting periods beginning on or after January 1, 2023.

Note 3: The amendments are applicable to changes in accounting estimates and changes in accounting policies that occur during the annual reporting period beginning on or after January 1, 2023.

Note 4: Except for the recognition of deferred income tax on temporary differences between lease and decommissioning obligations on January 1, 2022, the amendments are applicable to transactions that occur after January 1, 2022.

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

#### 4. Summary of Significant Accounting Policies

##### a. Statement of compliance

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

##### b. Basis of preparation

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

The fair value measurement is classified into three levels based on the observability and importance of related inputs:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

- 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); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries). Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. The total comprehensive income of subsidiaries is attributed to the owners of the Company and the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

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

Please see Note 13 and Tables 7 and 8 for detailed information on subsidiaries (including the percentages of ownership and main businesses).

d. Other significant accounting policies

Except for the following, for the accounting policies applied to these interim consolidated financial statements, please refer to the consolidated financial statements for the year ended December 31, 2020.

1) Defined benefit plan

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market fluctuations since that time and significant plan amendments, settlements, or other significant one-off events.

2) Taxation

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

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

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

The Group will incorporate the recent global developments of the COVID-19 pandemic and its possible impact on the economic environment into relevant material accounting estimates such as cash flow estimates, growth rates, discount rates and profitability. Management will continue to review the estimates and underlying assumptions. If the estimated revision only affects the current period, it will be recognized in the revised period; If the revision of accounting estimates affects both the current and future periods, the revised current and future periods are recognized in the revised and future periods. For others, please refer to the statement of major sources of uncertainty of significant accounting judgments, estimates and assumptions in the consolidated Financial Statements 2020.

6. Cash and cash equivalents

	September 30, 2021	December 31, 2020	September 30, 2020
Cash on hand and petty cash	\$ 70,874	\$ 155,049	\$ 112,265
Checking accounts and demand deposits	2,990,020	3,065,872	3,021,878
Cash equivalents			
Time deposits	6,908,311	6,392,905	5,745,855
Reserve repurchase agreements collateralized by bonds	28,565	23,181	21,632
	<u>\$ 9,997,770</u>	<u>\$ 9,637,007</u>	<u>\$ 8,901,630</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:

	September 30, 2021	December 31, 2020	September 30, 2020
Time deposits	0.06%~2.90%	0.07%~2.30%	0.05%~5.80%
Reserve repurchase agreements collateralized by bonds	0.05%~0.90%	0.15%~1.20%	0.13%~0.90%

7. Financial Instruments at FVTPL - Current

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Financial assets mandatorily classified as at FVTPL</u>			
Derivative financial assets (not under hedge accounting)			
- Foreign exchange forward contracts	\$ 4,292	\$ 5,328	\$ 7,629
Non-derivative financial assets			
- Domestic listed shares and over-the-counter shares	655,879	506,763	251,227
- Fund beneficiary certificates	5,166,479	4,765,536	4,553,710
- Beneficiary securities	221,803	233,670	230,796
- Foreign listed stocks	514	386	382
Sub-Total	<u>6,044,675</u>	<u>5,506,355</u>	<u>5,036,115</u>
	<u>\$ 6,048,967</u>	<u>\$ 5,511,683</u>	<u>\$ 5,043,744</u>
<u>Financial liabilities held for trading</u>			
Derivative financial assets (not under hedge accounting)			
- Foreign exchange forward contracts	\$ 11,522	\$ 20,724	\$ 8,622

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

	<u>Currency</u>	<u>Maturity Date</u>	<u>Contract Amount (in Thousands)</u>	
<u>September 30, 2021</u>				
Sell	RMB/NTD	2021/10/04~ 2021/12/28	RMB 365,700 /NTD	1,561,265
Sell	USD/MYR	2022/02/28~ 2022/08/30	USD 1,550 /MYR	6,522
Sell	USD/NTD	2021/10/01~ 2021/12/29	USD 43,390 /NTD	1,206,497
Sell	EUR/MYR	2021/12/31~ 2022/02/28	EUR 90 /MYR	456
Buy	NTD/USD	2021/10/15~ 2021/12/20	NTD 942,404 /USD	33,910
Buy	JPY/USD	2021/10/20~ 2021/11/19	JPY 40,000 /USD	365
<u>December 31, 2020</u>				
Sell	RMB/NTD	2021/01/05~ 2021/04/07	RMB 254,260 /NTD	1,089,330
Sell	USD/MYR	2021/3/31~ 2021/08/30	USD 550 /MYR	2,313
Sell	USD/NTD	2021/01/04~ 2021/03/18	USD 35,790 /NTD	1,014,569
Sell	EUR/MYR	2021/05/28~ 2021/07/30	EUR 284 /MYR	1,399
Buy	JPY/USD	2021/01/13~ 2021/01/27	JPY 40,000 /USD	385
Buy	NTD/USD	2021/01/04~ 2021/03/02	NTD 211,769 /USD	7,471
<u>September 30, 2020</u>				
Sell	RMB/NTD	2020/10/08~ 2020/12/29	RMB 138,300 /NTD	582,996
Sell	USD/MYR	2020/10/30~ 2021/06/30	USD 522 /MYR	2,232
Sell	USD/NTD	2020/10/13~ 2021/01/04	USD 31,870 /NTD	932,370
Sell	EUR/MYR	2021/3/31~ 2021/06/30	EUR 268 /MYR	1,316
Buy	NTD/USD	2020/10/19~ 2020/11/23	NTD 283,437 /USD	9,720
Buy	JPY/USD	2020/10/22	JPY 40,000 /USD	380

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.

8. Financial assets at FVTOCI

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Current</u>			
Investments in equity instruments			
Domestic equity investments			
Listed shares and over-the-counter shares	\$ 112,901	\$ 164,922	\$ 142,066
<u>Non-current</u>			
Investments in equity instruments			
Domestic equity investments			
Listed shares and over-the-counter shares	\$ 1,493,892	\$ 1,529,883	\$ 1,474,743
Emerging market shares	14,834	9,626	9,171
Unlisted shares	\$ 557,958	\$ 720,833	\$ 815,438
	<u>2,066,684</u>	<u>2,260,342</u>	<u>2,299,352</u>
Overseas investments			
Listed shares and over-the-counter shares	42,058	30,566	15,025
Unlisted shares	111,175	102,826	97,200
	<u>153,233</u>	<u>133,392</u>	<u>112,225</u>
	<u>\$ 2,219,917</u>	<u>\$ 2,393,734</u>	<u>\$ 2,411,577</u>

The Group invested the listed shares and over-the-counter shares, emerging market shares and unlisted shares for medium- to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as it believes that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

The Group sold 3,091 thousand shares of Wafer Works Corporation from January 1 to September 30, 2021. Related other equity - the unrealized benefit of financial assets measured at fair value through other comprehensive income of \$149,287 thousand is transferred to retained surplus of \$100,454 thousand and non-controlling equity of NT\$ 48,833 thousand, respectively.

The Group sold 1,734 thousand shares of Global Biopharma, Inc. and 5,745 thousand shares of United Renewable Energy Co., Ltd. respectively from January 1 to September 30, 2020. Related other equity - the unrealized loss of financial assets measured at fair value through other comprehensive income of NT\$115,837 thousand is transferred to retained surplus of NT\$78,077 thousand and non-controlling equity of NT\$37,760 thousand, respectively.

From January 1 to September 30, 2021 and 2020, due to the reduction of capital and refund of shares respectively by the invested company, the Group shall recover NT\$52,244 thousand and 64,523 thousand according to the proportion of shares held, respectively.

The Group recognized dividend revenue of \$167,406 thousand and \$76,876 thousand from January 1 to September 30, 2021 and 2020, respectively.

9. Financial assets at amortized cost

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Current</u>			
Pledged time deposits	\$ 348,338	\$ 348,450	\$ 348,306
Pledged and mortgage current deposits	-	-	849
Financial products	-	-	77,771
	<u>\$ 348,338</u>	<u>\$ 348,450</u>	<u>\$ 426,926</u>
<u>Non-current</u>			
Constricted bank deposits	<u>\$ 391,862</u>	<u>\$ 390,828</u>	<u>\$ 348,557</u>
The range of interest rate			
Pledged time deposits	0.04%~1.85%	0.04%~1.85%	0.04%~1.85%
Financial products	-	-	2.70%~3.00%

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

The trading partners of the Group are financial institutions with good credit ratings, and the short-term financial products invested in are with bank guaranteed principal and

interests. The credit risk has been assessed by investigating the final capital destination and its impacts on principal and interests. After assessing that the time deposits have low credit risk, no allowance for loss is recognized.

Refer to Note 37 for information related to financial assets at amortized cost pledged as security.

10. Notes Receivable, Trade Receivables and Other Receivables

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Notes receivable (a)</u>			
At amortized cost			
Gross carrying amount	\$ 559,092	\$ 671,576	\$ 458,308
<u>Accounts receivable (a)</u>			
At amortized cost			
Gross carrying amount	\$ 8,945,740	\$ 6,900,396	\$ 5,256,084
Less: Allowance for impairment loss	( 84,333 )	( 90,056 )	( 91,709 )
	<u>\$ 8,861,407</u>	<u>\$ 6,810,340</u>	<u>\$ 5,164,375</u>
<u>Other receivables (b)</u>			
Tax refunds receivables	\$ 370,646	\$ 208,290	\$ 240,822
Raw material purchase loan receivables	-	27,067	38,488
Other	39,503	58,102	96,316
	<u>\$ 410,149</u>	<u>\$ 293,459</u>	<u>\$ 375,626</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. Prior to accepting a new customer, the credit limit of a potential customer is set by the Group based on the credit record of the potential customer and the credit quality of the potential customer is assessed through the internal credit rating system. Regular review will be carried out for the credit limit and rating of the customer. In addition, the Group reviews the recoverable amount of each individual trade debt on the balance sheet date to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

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

The Group writes off a trade receivable when there is information indicating that the debtor is experiencing severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the due receivables. Where recoveries are made, they are recognized in profit or loss.

The following table details the loss allowance of notes receivables and trade receivables based on the Group's allowance matrix.

#### September 30, 2021

##### Based on the number of overdue days

	Less than and including 60 days	61~90 Days	Over 91 Days	Total
Gross carrying amount	\$ 3,628,481	\$ 1,011	\$ 3,201	\$ 3,632,693
Loss allowance (lifetime ECLs)	( 4,651 )	-	( 1,865 )	( 6,516 )
Amortized cost	<u>\$ 3,623,830</u>	<u>\$ 1,011</u>	<u>\$ 1,336</u>	<u>\$ 3,626,177</u>

##### Based on credit quality

	Credit Rating A	Credit Rating B	Credit Rating C	Other	Total
Gross carrying amount	\$ 806,564	\$ 1,330,171	\$ 382,629	\$ 3,352,775	\$ 5,872,139
Loss allowance (lifetime ECLs)	( 3,905 )	( 7,878 )	( 6,768 )	( 59,266 )	( 77,817 )
Amortized cost	<u>\$ 802,659</u>	<u>\$ 1,322,293</u>	<u>\$ 375,861</u>	<u>\$ 3,293,509</u>	<u>\$ 5,794,322</u>

#### December 31, 2020

##### Based on the number of overdue days

	Less than and including 60 days	61~90 Days	Over 91 Days	Total
Gross carrying amount	\$ 2,826,907	\$ 440	\$ 7,138	\$ 2,834,485
Loss allowance (lifetime ECLs)	( 4,651 )	-	( 4,305 )	( 8,956 )
Amortized cost	<u>\$ 2,822,256</u>	<u>\$ 440</u>	<u>\$ 2,833</u>	<u>\$ 2,825,529</u>

##### Based on credit quality

	Credit Rating A	Credit Rating B	Credit Rating C	Other	Total
Gross carrying amount	\$ 384,617	\$ 1,346,480	\$ 334,029	\$2,672,361	\$4,737,487
Loss allowance (lifetime ECLs)	( 4,435 )	( 6,909 )	( 6,157 )	( 63,599 )	( 81,100 )
Amortized cost	<u>\$ 380,182</u>	<u>\$ 1,339,571</u>	<u>\$ 327,872</u>	<u>\$2,608,762</u>	<u>\$4,656,387</u>

September 30, 2020

Based on the number of overdue days

	Less than and including 60 days	61~90 Days	Over 91 Days	Total
Gross carrying amount	\$ 2,270,457	\$ 9,769	\$ 3,202	\$ 2,283,428
Loss allowance (lifetime ECLs)	( 4,651 )	( 2,750 )	( 1,865 )	( 9,266 )
Amortized cost	<u>\$ 2,265,806</u>	<u>\$ 7,019</u>	<u>\$ 1,337</u>	<u>\$ 2,274,162</u>

Based on credit quality

	Credit Rating A	Credit Rating B	Credit Rating C	Other	Total
Gross carrying amount	\$ 327,170	\$ 675,123	\$ 553,760	\$ 1,874,911	\$ 3,430,964
Loss allowance (lifetime ECLs)	( 3,637 )	( 5,506 )	( 5,568 )	( 67,732 )	( 82,443 )
Amortized cost	<u>\$ 323,533</u>	<u>\$ 669,617</u>	<u>\$ 548,192</u>	<u>\$ 1,807,179</u>	<u>\$ 3,348,521</u>

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

	September 30, 2021	December 31, 2020	September 30, 2020
Not past due	\$ 5,009,997	\$ 4,220,397	\$ 3,042,782
Less than and including 60 days	649,085	357,902	259,446
Over 61 days	<u>213,057</u>	<u>159,188</u>	<u>128,736</u>
	<u>\$ 5,872,139</u>	<u>\$ 4,737,487</u>	<u>\$ 3,430,964</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 Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Beginning balance	\$ 90,056	\$ 93,648
Less: Impairment losses reversed	1,256	( 1,400 )
Less: Amounts written off during the period as uncollectible	( 6,645 )	( 321 )
Foreign exchange gains and losses	( 334 )	( 218 )
Ending balance	<u>\$ 84,333</u>	<u>\$ 91,709</u>

b. Other receivables

Other receivables mainly consisted of tax refund receivable, lent material fees receivable. The average aging of other receivables was less than 60 days based on the number of days past due from the invoice date, and an impairment loss was assessed based on the expected credit losses. There were no other overdue receivables with an unrecognized allowance for doubtful accounts in the Group from as of September 30, 2021 and as of December 31, 2020 and September 30.

11. Inventories

	September 30, 2021	December 31, 2020	September 30, 2020
Finished goods	\$ 2,805,078	\$ 2,068,989	\$ 1,910,536
Work in progress	482,844	387,559	364,752
Raw materials	2,309,737	1,345,791	1,506,108
Supplies	386,817	331,030	340,309
Inventory in transit	161,476	162,859	17,064
	<u>\$ 6,145,952</u>	<u>\$ 4,296,228</u>	<u>\$ 4,138,769</u>

The costs of inventories recognized as cost of goods sold for the years from July 1 to September 30, 2021 and 2020 and from January 1 to September 30, 2021 and 2020 were \$14,689,087 thousand, \$9,867,920 thousand, \$39,882,593 thousand and \$28,733,038 thousand, respectively.

The inventory net realization profits contained in sales cost and losses on inventory value recoveries for the years from July 1 to September 30, 2021 and 2020 and from January 1 to September 30, 2021 and 2020 were \$5,222 thousand and \$10,566 thousand, \$ 12,213 thousand and \$9,506 thousand, respectively.

12. Discontinued operations

On October 24, 2011, the board of directors of Subsidiary China General Plastics Corporation (“CGPC”) approved to dispose of CGPC (Zhong Shan) Co., Ltd. and CGPC Consumer Products Corporation. USI Corp. took into account the fact that the discontinued unit has resumed its operations, therefore, the amount of the prior period shall be re-expressed and the consolidated financial statement for the comparison period shall be recompiled in accordance with the provisions of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations in the preparation of the comparative consolidated financial statements for the continued unit reversed from discontinued unit from 2021. The consolidated income statement from July 1 to September 30, 2020 and from January 1 to September 30, 2020 has the following effects:

Effects on total comprehensive income (loss) for the three months ended September 30, 2020	Amount Before Restatement	Profit or Loss from Discontinued Operations	Amount After Restatement
General and administrative expenses	(\$ 296,602)	(\$ 1,540)	(\$ 298,142)
Interest income	20,392	67	20,459
Other income	121,149	6,877	128,026
Other gain and loss	<u>23,201</u>	<u>(4,753)</u>	<u>18,448</u>
Effects on net profit for the period	<u>(\$ 131,860)</u>	<u>\$ 651</u>	<u>(\$ 131,209)</u>

Effects on total comprehensive income (loss) for the nine months ended September 30, 2020	Amount Before Restatement	Profit or Loss from Discontinued Operations	Amount After Restatement
General and administrative expenses	(\$ 886,265)	(\$ 5,127)	(\$ 891,392)
Interest income	80,764	188	80,952
Other income	289,349	19,945	309,294
Other gain and loss	<u>819</u>	<u>(12,899)</u>	<u>(12,080)</u>
Effects on net profit for the period	<u>(\$ 515,333)</u>	<u>\$ 2,107</u>	<u>(\$ 513,226)</u>

### 13. Subsidiary

#### a. Subsidiaries included in the consolidated financial statements

The consolidated financial statements are prepared by the following subjects:

Investor	Subsidiary	Nature of Activities	Proportion of Ownership (%)			Remark
			September 30, 2021	December 31, 2020	September 30, 2020	
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>	7.
	USI Far East (HK) Co., Ltd.	Trading and investment	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	USI Management Consulting Corp (“UM”)	Providing management services	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Chong Loong Trading Co., Ltd. (“CLT”)	Import and export trade	<u>99.9%</u>	<u>99.9%</u>	<u>99.9%</u>	
	Union Polymer International Investment Corporation (UPIIC)	Investment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Cypress Epoch Limited	Investment business	<u>-</u>	<u>100.0%</u>	<u>100.0%</u>	2.
	INOMA Corporation (INOMA)	Engage in optical products and fire protection materials businesses	<u>94.4%</u>	<u>94.4%</u>	<u>94.4%</u>	1.
	USI Green Energy Corporation (“USIGE”)	Engage in solar power generation business	<u>100.0%</u>	<u>-</u>	<u>-</u>	13.
The Company	Usig (Shanghai) Co., Ltd.	Engage in import and distribution of various types of chemical raw materials and products	100.0%	-	-	
Cypress Epoch Limited			<u>-</u>	<u>100.0%</u>	<u>100.0%</u>	
			<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	2.
The Company	Taiwan United Venture Capital Corp. (“TUVC”)	Venture capital	70.0%	70.0%	70.0%	
Asia Polymer Corporation (“APC”)			8.3%	8.3%	8.3%	
			<u>78.3%</u>	<u>78.3%</u>	<u>78.3%</u>	
The Company	Swanson Plastics Corp. (“SPC”)	Production and marketing of stretch film, embossed film and industrial use multi-layer wrap	40.6%	40.6%	40.6%	
			<u>8.0%</u>	<u>8.0%</u>	<u>8.0%</u>	
Asia Polymer Corporation USIFE Investment Co., Ltd.			<u>4.9%</u>	<u>4.9%</u>	<u>4.5%</u>	4.
			<u>53.5%</u>	<u>53.5%</u>	<u>53.1%</u>	
The Company	Acme Electronics Corp. (“ACME”)	Production and marketing of manganese-zinc soft ferrite powder	26.9%	26.9%	26.9%	
			1.7%	1.7%	1.7%	
China General Plastics Corporation USIFE Investment Co., Ltd.			9.3%	9.3%	9.3%	
			3.3%	3.3%	3.3%	
Asia Polymer Corporation TTC Chemical Company, Ltd.			2.4%	2.4%	2.4%	
			1.0%	1.0%	1.0%	
			<u>44.6%</u>	<u>44.6%</u>	<u>44.6%</u>	
The Company	USI Optronics Corporation (“USIO”)	Manufacturing and marketing of sapphire crystal	50.9%	50.9%	50.9%	16.
			34.0%	34.0%	34.0%	
Acme Electronics Corporation Asia Polymer Corporation USIFE Investment Co., Ltd.			9.2%	9.2%	9.2%	
			<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 APC (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	Reinvestment business	51.3%	51.3%	51.3%	
			16.6%	16.6%	16.6%	
			16.7%	11.2%	11.2%	
Swanlake Traders Ltd. TAITA (BVI) Holding Co., Ltd.			<u>5.4%</u>	<u>5.4%</u>	<u>5.4%</u>	5.
			<u>90.0%</u>	<u>84.5%</u>	<u>84.5%</u>	
Acme Electronics Corporation	Golden Amber Enterprises Limited	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	

(Continued)

Investor	Subsidiary	Nature of Activities	Proportion of Ownership (%)			Remark
			September 30, 2021	December 31, 2020	September 30, 2020	
ACME Electronics (Cayman) Corp.	Acme Electronics (Kunshan) Co., Ltd.	Manufacturing and marketing of manganese-zinc soft ferrite core	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	ACME Components (Malaysia) Sdn.Bhd.	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Golden Amber Enterprises Limited	Acme Electronics (Guang-Zhou) Co., Ltd.	Manufacturing and marketing of manganese-zinc soft ferrite core	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Union Polymer International Investment Corporation	Asia Polymer Corporation ("APC")	Production and marketing of low-density polyethylene, medium-density polyethylene, ethylene vinyl acetate and importing and marketing of linear low-density polyethylene and high-density polyethylene	36.1%	36.1%	36.1%	
China General Terminal & Distribution Co.			0.9%	0.9%	0.9%	
USIFE Investment Co., Ltd.			0.3%	0.3%	0.3%	
Taiwan VCM Corporation			-	-	-	
			<u>37.3%</u>	<u>37.3%</u>	<u>37.3%</u>	7 and 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>	7.
Asia Polymer Corporation	USI International Corporation	Reinvestment business	70.0%	70.0%	70.0%	
APC (BVI) Holding Co., Ltd.			<u>30.0%</u>	<u>30.0%</u>	<u>30.0%</u>	
			<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Asia Polymer Corporation	APC Investment Corporation	Investment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
APC (BVI) Holding Co., Ltd.	USI Trading (Shanghai) Co., Ltd.	Management of chemical products, equipment and plastic products and whole sale of electronic materials, commission agency services and related supporting import and export services	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Union Polymer International Investment Corporation	Taita Chemical Company, Limited ("TTC")	Production and marketing of polystyrene, acrylonitrile, butadiene, ABS resin, SAN resin, glass wool insulation products and plastic materials	36.8%	36.8%	36.8%	
China General Terminal & Distribution Co.			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.
TTC Chemical Company, Ltd.	TAITA (BVI) Holding Co, Ltd. ( TAITA (BVI) )	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	8.
Taita (BVI) Holding Co, Ltd.	TTC Chemical (Zhong Shan) Co., Ltd. ("TTC (ZS)")	Production and marketing of polystyrene derivatives	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	8.
	TTC Chemical (Tianjin) Co., Ltd. ("TTC (TJ)")	Production and marketing of polystyrene derivatives	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	9.
Union Polymer International Investment Corporation	China General Plastics Corporation ("CGPC")	Production and marketing 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%	
TTC Chemical Company, Ltd.			2.0%	2.0%	2.0%	
China General Terminal & Distribution Co.			0.5%	0.5%	0.5%	
USIFE Investment Co., Ltd.			<u>0.1%</u>	<u>0.1%</u>	<u>0.1%</u>	
			<u>35.6%</u>	<u>35.6%</u>	<u>35.6%</u>	16.
China General Plastics Corporation	Taiwan VCM Corporation ("TVCM")	Manufacture and marketing of vinyl chloride monomer and related petrochemical products	<u>87.3%</u>	<u>87.2%</u>	<u>87.2%</u>	10.
	CGPC (BVI) Holding Co., Ltd.	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	CGPC America Corporation	Marketing of PVC two- or three-time processed products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	CGPC Polymer Corporation ("CGPCPOL")	Manufacture and marketing of PVC powder	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
CGPC (BVI) Holding Co., Ltd.	CGPC (Chung Shan) Co., Ltd. ("CGPC (CS)")	Manufacturing & marketing of PVC film and consumer products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	11.
	Chung Shan CGPC Polymer Co., Ltd. ("Chung Shan (GPCP)")	Manufacturing & marketing of PVC film and consumer products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	11.

(Continued)

Investor	Subsidiary	Nature of Activities	Proportion of Ownership (%)			Remark
			September 30, 2021	December 31, 2020	September 30, 2020	
China General Plastics Corporation	China General Terminal & Distribution Co.	Warehousing petrochemical raw materials	33.3%	33.3%	33.3%	
TTC Chemical Company, Ltd.			33.3%	33.3%	33.3%	
Asia Polymer Corporation			<u>33.4%</u>	<u>33.4%</u>	<u>33.4%</u>	
			<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
USIFE Investment Co., Ltd.	Taiwan United Venture Management Corp. (“TUVVM”)	Business management consulting	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
ACME Components (Malaysia) Sdn.Bhd.	ACME Ferrite Products Sdn.Bhd	Manufacturing and marketing of soft ferrite core	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Chong Loong Trading Co., Ltd.	Forum Pacific Trading Ltd.	Import and export trade	—	—	<u>100.0%</u>	12.
Swanson Plastics Corporation	Curtana Company Ltd.	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Forever Young Company Ltd.	Trading and agency businesses	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Swanson Plastics Company Ltd. (Singapore)	Production and marketing of plastic products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Swanson International Ltd.	Import and export trade	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Swanson Plastics Corporation	PT. Swanson Plastics Indonesia Ltd.	Production and marketing of plastic products	1.0%	1.0%	1.0%	
Swanson Plastics Company Ltd. (Singapore)			<u>99.0%</u>	<u>99.0%</u>	<u>99.0%</u>	
			<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Swanson Plastics Corporation	Swanson Technologies Corporation	Production, marketing and development of EVA packaging film and other value added plastic products	70.0%	70.0%	70.0%	
APC Investment Corporation			15.0%	15.0%	15.0%	
USIFE Investment Co., Ltd.			<u>15.0%</u>	<u>15.0%</u>	<u>15.0%</u>	
			<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Swanson Plastics Company Ltd. (Singapore)	Swanson Plastics (Malaysia) Sdn.Bhd.	Production and marketing of plastic products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Swanson Plastics (India) Private Limited	Production and marketing of plastic products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Swanson Plastics (Tianjin) Co., Ltd.	Production, marketing and development of multi-functional film and light-solution film	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Swanson International Ltd.	A.S.Holdings (UK) Limited	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Swanson Plastics (Kunshan) Co., Ltd.	Production, marketing and development of multi-functional film and light-solution film	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
A.S. Holdings (UK) Limited	API-Swanson (Kunshan) Co., Ltd.	Production and sales of PE release film and other release products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
The Company	Ever Conquest Global Limited (“ECGL”)	Investment business	59.1%	59.1%	60.2%	
Asia Polymer Corporation			<u>40.9%</u>	<u>40.9%</u>	<u>39.8%</u>	
			<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	14.
Ever Conquest Global Limited	Ever Victory Global Limited (“EVGL”)	Investment business	<u>67.4%</u>	<u>67.4%</u>	<u>71.0%</u>	14, 15
Ever Victory Global Limited	Dynamic Ever Investments Limited (“DEIL”)	Investment business	<u>85.0%</u>	<u>85.0%</u>	<u>85.3%</u>	14 and 15.

- 1) In June 2020, the Company acquired 1.2% of shares from the external shareholders of INOMA, acquired price being \$349 thousand. After the equity purchase, the proportion of INOMA’s equity held by the Group increased from 93.2% to 94.4%. As these transactions did not change the Group’s control over these subsidiaries, they are deemed as equity transactions. Differences generated from the aforementioned equity transactions were adjusted to a decrease in retained earnings of \$65 thousand.
- 2) In order to simplify the investment structure, the Company was approved by the Investment Commission, Ministry of Economics Affairs (Investment Commission) on January 25, 2021 to change its indirect investment in Usig

(Shanghai) Co., Ltd. in the mainland, so it was changed to direct investment in Usig (Shanghai) Co., Ltd. in the mainland after approval. And Cypress Epoch Limited has completed the dissolution and liquidation procedures on September 28, 2021.

- 3) TMC has had no actual production or sales activities in recent years. Therefore, on April 12, 2019, the board of directors of TMC had approved the proposal for dissolution and liquidation of the company starting from the dissolution date of May 25, 2019. The Group has obtained \$12,214 thousand of the remaining property distribution from liquidation in May 2020, and TMC has completed the dissolution and liquidation procedures on July 22, 2020.
- 4) USI Investment Co., Ltd. (USII) obtained 4.5% equity from external shareholders of Swanson Plastics Corporation (SPC) in 2020 based on medium and long-term investment strategy, and obtained a price of \$84,399 thousand yuan.
- 5) On January 21, 2021, Swanlake obtained 5.42% equity from the external shareholders of Acme Electronics (Cayman) Corp. approved by the Investment Commission, MOEA with the purchase price of \$2,172 thousand. After the purchase of equity, the proportion of equity held by the Group in Acme Electronics (Cayman) Corp. increased from 84.53% to 89.95%. Since the transaction does not change the Group's control over the subsidiary, it is treated as an equity transaction, and the difference arising from the said equity transaction of the Group is an adjustment to increase the capital reserve of \$3,564 thousand.
- 6) In June 2020, ACME obtained the remaining assets of \$267 thousand returned by its subsidiary ACME Electronics (BVI)Corp., which completed its process of liquidation in June 2020.
- 7) In order to sell the products by Gulei, the Company and APC resolved on August 13, 2020 and August 12, 2020, respectively, to establish a joint venture sales company in Fujian Province, China, with a planned capital of RMB 300,000 thousand (approximately US\$46,000 thousand). The funds are expected to be US\$32,200 thousand and US\$13,800 thousand, respectively invested by Swanlake and APC (BVI), but yet to complete it till November 4, 2021.

- 8) The boards of TAITA (BVI) resolved on December 3, 2020 to establish a new company, with an investment of RMB 314,000 thousand. The main business of the new company is expected to be the production and sales of expandable polystyrene (EPS), but yet to complete it till November 4, 2021.
- 9) The management of TTC decided to suspend the production of TTC (Tianjin) from April 2019 due to the assessment of the demand reduction of its subsidiary TTC (Tianjin) in the local market. Please refer to Note 15 for relevant explanation.
- 10) Based on the medium and long term investment strategy, the Group acquired 26 thousand shares of Taiwan VCM Corporation (TVCM) from external shareholders in March 2021 at a price of \$ 447 thousand. After the purchase of shares, the equity proportion of the Group to Taiwan VCM Corporation (TVCM) increased from 87.22% to 87.23%. As these transactions did not change the Group's control over these subsidiaries, they are deemed as equity transactions. Differences generated from the aforementioned equity transactions were adjusted to increases in capital surplus of \$7 thousand.
- 11) In October 2011, the Board of Directors of CGPC decided to dissolve and liquidate CGPZS and CGPCCP. However, the Company will lease the idle plants of the discontinued units from 2021 onwards, considering that the operations of the discontinued units are no longer in a state of discontinued operations. Accordingly, it is assessed that the discontinued units will be transferred back to a continuing entity. Please refer to Note 12.
- 12) In September 2019, the management of Forum Pacific Trading Ltd. approved its dissolution and liquidation, and returned the remaining assets of \$6,828 thousand in May 2020. Forum Pacific Trading Ltd. had completed the process of liquidation on December 29, 2020.
- 13) In response to the government's green power policy, the Company purchased 100% of the equity from the non-related parties, USI Green Energy Corporation (USIGE), Ltd. on July 5, 2021 at a purchase price of NT\$34,092 thousand, which was confirmed to the Board of Directors on July 8, 2021. Please refer to Note 32 for details.
- 14) As of September 30, 2021, the Company and APC invested capital amounted to US\$246,670 thousand (around NT\$7,645,981 thousand) and US\$170,475 thousand (around NT\$5,255,587 thousand) in ECGL, respectively, and

reinvested in EVGL via ECGL as well as in DEIL. The total ownership percentage of the Group in EVGL is 67.4%. For more detailed explanation, please refer to 15. and Note 39.

15) In March and December 2020, ECGL did not participate in the cash capital increase of EVGL according to the original shareholding ratio, and in April and December 2020, ECGL did not invest in DEIL according to the original shareholding ratio through EVGL. After the capital increase, the equity proportion of EVGL held by the combined company decreased from 80.0% to 67.4%, and the equity proportion of DEIL held by EVGL decreased from 89.9% to 85.0%. As these transactions did not change the Group’s control over these subsidiaries, they are deemed as equity transactions. Differences generated from the aforementioned equity transactions were adjusted to increases in capital surplus of \$34,896 thousand.

16) This is a subsidiary with material non-controlling interests.

The financial statements of major subsidiaries CGPC, TTC, UPIIC, ECGL, EVGL and DEIL and some non-major subsidiaries as ACEM, ACME (Cayman), TVCM, CGPCPOL, APC and TAITA (ZS) and TAITA (TJ) included in the consolidated financial statements as from January 1 to September 30, 2021 and 2020 have been reviewed by the accountants.

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

Subsidiary	Proportion of Ownership and Voting Rights Held by Non-controlling Interests		
	September 30, 2021	December 31, 2020	September 30, 2020
CGPC	64.4%	64.4%	64.3%
TTC	62.2%	62.2%	62.2%
ACME	55.4%	55.4%	55.4%
APC	62.7%	62.7%	62.7%
EVGL	32.6%	32.6%	29.0%

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

Subsidiary	Profit (Loss) Allocated to Non-controlling Interests				Non-controlling Interests		
	For the Three Months Ended September 30,	For the Three Months Ended September 30,	For the Nine Months Ended September 30,	For the Nine Months Ended September 30,	September 30,	December 31,	September 30,
	2021	2020	2021	2020	2021	2020	2020
CGPC	\$ 325,288	\$ 235,132	\$ 1,228,283	\$ 403,353	\$ 6,611,990	\$ 6,187,422	\$ 5,545,322
TTC	\$ 233,607	\$ 416,806	\$ 886,380	\$ 714,967	\$ 4,482,175	\$ 3,885,632	\$ 3,312,820
ACME	\$ 13,303	\$ 3,811	\$ 24,284	\$ 20,553	\$ 711,191	\$ 716,599	\$ 705,888
APC	\$ 460,616	\$ 129,897	\$ 1,460,493	\$ 378,600	\$ 8,871,375	\$ 7,574,659	\$ 6,770,805
EVGL	(\$ 11,456)	(\$ 11,150)	(\$ 20,332)	(\$ 27,655)	\$ 5,869,456	\$ 5,988,872	\$ 4,894,211

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

	September 30, 2021	December 31, 2020	September 30, 2020
Current assets	\$ 8,366,944	\$ 5,874,585	\$ 4,996,116
Non-current assets	8,880,435	8,019,040	7,887,762
Current Liabilities	( 4,382,006)	( 2,220,603)	( 1,802,864)
Non-current liabilities	( 1,607,276)	( 1,369,264)	( 1,922,446)
Equity	\$ 11,258,097	\$ 10,303,758	\$ 9,158,568
Equity attributable to:			
Owners of CGPC	\$ 4,003,889	\$ 3,516,093	\$ 3,112,551
Non-controlling interests of CGPC	6,611,990	6,187,422	5,545,322
Non-controlling interests of CGPC's subsidiaries	642,218	600,243	500,695
	\$ 11,258,097	\$ 10,303,758	\$ 9,158,568

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Revenue	<u>\$ 5,545,124</u>	<u>\$ 3,262,308</u>	<u>\$15,099,697</u>	<u>\$ 9,140,578</u>
Net profit for the period	\$ 520,150	\$ 388,290	\$ 2,000,210	\$ 672,295
Other comprehensive (loss) income	( <u>423</u> )	<u>41,377</u>	<u>40,501</u>	<u>57,152</u>
Total comprehensive income	<u>\$ 519,727</u>	<u>\$ 429,667</u>	<u>\$ 2,040,711</u>	<u>\$ 729,447</u>
Net profit attributable to:				
Owners of CGPC	\$ 169,451	\$ 122,486	\$ 639,841	\$ 210,116
Non-controlling interests of CGPC	325,288	235,132	1,228,283	403,353
Non-controlling interests of CGPC's subsidiaries	<u>25,411</u>	<u>30,672</u>	<u>132,086</u>	<u>58,826</u>
	<u>\$ 520,150</u>	<u>\$ 388,290</u>	<u>\$ 2,000,210</u>	<u>\$ 672,295</u>
Total comprehensive income attributable to:				
Owners of CGPC	\$ 257,914	\$ 149,916	\$ 817,052	\$ 227,139
Non-controlling interests of CGPC	236,210	249,079	1,091,161	443,439
Non-controlling interests of CGPC's subsidiaries	<u>25,603</u>	<u>30,672</u>	<u>132,498</u>	<u>58,869</u>
	<u>\$ 519,727</u>	<u>\$ 429,667</u>	<u>\$ 2,040,711</u>	<u>\$ 729,447</u>
			For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Cash flow				
Operating activities			\$ 1,117,890	\$ 1,116,427
Investing activities			( 1,346,869 )	( 827,019 )
Financing activities			305,745	( 241,488 )
Effects of exchange rate changes			( <u>2,192</u> )	( <u>2,353</u> )
Net cash inflow			<u>\$ 74,574</u>	<u>\$ 45,567</u>
Dividends paid on non-controlling interests			<u>\$ 654,923</u>	<u>\$ 173,260</u>

TTC and TTC's subsidiaries

	September 30, 2021	December 31, 2020	September 30, 2020
Current assets	\$ 6,955,781	\$ 5,942,120	\$ 5,408,856
Non-current assets	3,577,259	3,303,750	3,170,914
Current Liabilities	( 2,788,291)	( 2,170,177)	( 2,251,730)
Non-current liabilities	( 422,257)	( 719,887)	( 946,797)
Equity	<u>\$ 7,322,492</u>	<u>\$ 6,355,806</u>	<u>\$ 5,381,243</u>

Equity attributable to:			
Owners of TTC	\$ 2,840,317	\$ 2,470,174	\$ 2,068,423
Non-controlling interests of TTC	<u>4,482,175</u>	<u>3,885,632</u>	<u>3,312,820</u>
	<u>\$ 7,322,492</u>	<u>\$ 6,355,806</u>	<u>\$ 5,381,243</u>

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Revenue	<u>\$ 5,357,361</u>	<u>\$ 4,142,679</u>	<u>\$15,461,449</u>	<u>\$10,667,664</u>
Net profit for the period	\$ 368,891	\$ 658,181	\$ 1,399,688	\$ 1,129,008
Other comprehensive income	<u>45,568</u>	<u>121,797</u>	<u>255,456</u>	<u>52,733</u>
Total comprehensive income	<u>\$ 414,459</u>	<u>\$ 779,978</u>	<u>\$ 1,655,144</u>	<u>\$ 1,181,741</u>

Net profit attributable to:				
Owners of TTC	\$ 135,284	\$ 241,375	\$ 513,308	\$ 414,041
Non-controlling interests of TTC	<u>233,607</u>	<u>416,806</u>	<u>886,380</u>	<u>714,967</u>
	<u>\$ 368,891</u>	<u>\$ 658,181</u>	<u>\$ 1,399,688</u>	<u>\$ 1,129,008</u>

Total comprehensive income attributable to:				
Owners of TTC	\$ 151,120	\$ 316,259	\$ 617,125	\$ 470,033
Non-controlling interests of TTC	<u>263,339</u>	<u>463,719</u>	<u>1,038,019</u>	<u>711,708</u>
	<u>\$ 414,459</u>	<u>\$ 779,978</u>	<u>\$ 1,655,144</u>	<u>\$ 1,181,741</u>

	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Cash flow		
Operating activities	\$ 660,998	\$ 1,647,000
Investing activities	( 66,051)	( 72,045)
Financing activities	( 301,455)	( 811,151)
Effects of exchange rate changes	<u>( 29,945)</u>	<u>( 3,317)</u>
Net cash inflow	<u>\$ 263,547</u>	<u>\$ 760,487</u>
Dividends paid on non-controlling interests	<u>\$ 435,982</u>	<u>\$ 63,493</u>

ACME and ACME's subsidiaries

	September 30, 2021	December 31, 2020	September 30, 2020
Current assets	\$ 2,170,192	\$ 1,886,912	\$ 1,851,446
Non-current assets	1,866,243	1,679,406	1,664,988
Current Liabilities	( 1,305,591)	( 1,161,937)	( 1,119,076)
Non-current liabilities	( <u>833,225</u> )	( <u>519,306</u> )	( <u>554,731</u> )
Equity	<u>\$ 1,897,619</u>	<u>\$ 1,885,075</u>	<u>\$ 1,842,627</u>

Equity attributable to:

Owners of ACME	\$ 598,703	\$ 580,765	\$ 568,843
Non-controlling interests of ACME	711,191	716,599	705,888
Non-controlling interests of ACME's subsidiaries	<u>587,725</u>	<u>587,711</u>	<u>567,896</u>
	<u>\$ 1,897,619</u>	<u>\$ 1,885,075</u>	<u>\$ 1,842,627</u>

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Revenue	<u>\$ 828,361</u>	<u>\$ 520,064</u>	<u>\$ 2,273,304</u>	<u>\$ 1,582,323</u>
Net profit for the period	\$ 36,401	\$ 7,689	\$ 66,376	\$ 35,061
Other comprehensive income	( <u>11,436</u> )	<u>37,581</u>	( <u>53,832</u> )	( <u>28,043</u> )
Total comprehensive income	<u>\$ 24,965</u>	<u>\$ 45,270</u>	<u>\$ 12,544</u>	<u>\$ 7,018</u>
Net profit attributable to:				
Owners of ACME	\$ 10,620	\$ 3,043	\$ 19,388	\$ 16,409
Non-controlling interests of ACME	13,303	3,811	24,284	20,553
Non-controlling interests of ACME's subsidiaries	<u>12,478</u>	<u>835</u>	<u>22,704</u>	( <u>1,901</u> )
	<u>\$ 36,401</u>	<u>\$ 7,689</u>	<u>\$ 66,376</u>	<u>\$ 35,061</u>
Total comprehensive income attributable to:				
Owners of ACME	\$ 7,528	\$ 13,869	\$ 5,563	\$ 9,797
Non-controlling interests of ACME	9,429	17,563	6,967	12,462
Non-controlling interests of ACME's subsidiaries	<u>8,008</u>	<u>13,838</u>	<u>14</u>	( <u>15,241</u> )
	<u>\$ 24,965</u>	<u>\$ 45,270</u>	<u>\$ 12,544</u>	<u>\$ 7,018</u>

	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Cash flow		
Operating activities	\$ 41,314	\$ 152,171
Investing activities	( 325,035 )	( 26,052 )
Financing activities	288,802	24,567
Effects of exchange rate changes	( 36,603 )	( 16,152 )
Net cash (outflow) inflow	( \$ 31,522 )	\$ 134,534

### APC and APC's subsidiaries

	September 30, 2021	December 31, 2020	September 30, 2020
Current assets	\$ 3,881,769	\$ 2,964,269	\$ 3,005,320
Non-current assets	15,533,995	13,919,234	12,815,734
Current Liabilities	( 2,686,135 )	( 1,479,196 )	( 1,666,635 )
Non-current liabilities	( 1,625,964 )	( 3,294,762 )	( 3,394,469 )
Equity	<u>\$ 15,103,665</u>	<u>\$ 12,109,545</u>	<u>\$ 10,759,950</u>
Equity attributable to:			
Owners of APC	\$ 6,232,290	\$ 4,534,886	\$ 3,989,145
Non-controlling interests of APC	<u>8,871,375</u>	<u>7,574,659</u>	<u>6,770,805</u>
	<u>\$ 15,103,665</u>	<u>\$ 12,109,545</u>	<u>\$ 10,759,950</u>

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Revenue	<u>\$ 2,462,953</u>	<u>\$ 1,313,190</u>	<u>\$ 6,651,233</u>	<u>\$ 3,985,252</u>
Net profit for the period	\$ 680,859	\$ 192,008	\$ 2,158,827	\$ 559,628
Other comprehensive income	<u>28,915</u>	<u>571,409</u>	<u>1,533,787</u>	<u>290,195</u>
Total comprehensive income	<u>\$ 709,774</u>	<u>\$ 763,417</u>	<u>\$ 3,692,614</u>	<u>\$ 849,823</u>
Net profit attributable to:				
Owners of APC	\$ 220,243	\$ 62,111	\$ 698,334	\$ 181,028
Non-controlling interests of APC	<u>460,616</u>	<u>129,897</u>	<u>1,460,493</u>	<u>378,600</u>
	<u>\$ 680,859</u>	<u>\$ 192,008</u>	<u>\$ 2,158,827</u>	<u>\$ 559,628</u>
Total comprehensive income attributable to:				
Owners of APC	\$ 550,794	\$ 247,610	\$ 1,881,016	\$ 346,678
Non-controlling interests of APC	<u>158,980</u>	<u>515,807</u>	<u>1,811,598</u>	<u>503,145</u>
	<u>\$ 709,774</u>	<u>\$ 763,417</u>	<u>\$ 3,692,614</u>	<u>\$ 849,823</u>

	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Cash flow		
Operating activities	\$ 1,504,104	\$ 2,128,507
Investing activities	13,139	( 621,925 )
Financing activities	( 1,584,544 )	( 1,841,097 )
Effects of exchange rate changes	( 4,548 )	( 5,604 )
Net cash outflow	<u>( \$ 71,849 )</u>	<u>( \$ 340,119 )</u>
Dividends paid on non-controlling interests	<u>\$ 472,565</u>	<u>\$ 225,031</u>

EVGL and EVGL's subsidiaries

	September 30, 2021	December 31, 2020	September 30, 2020
Current assets	\$ 1,261,011	\$ 1,309,763	\$ 1,304,910
Non-current assets	19,787,280	20,170,030	18,513,834
Current Liabilities	( 11,514 )	( 15,128 )	( 10,992 )
Equity	<u>\$ 21,036,777</u>	<u>\$ 21,464,665</u>	<u>\$ 19,807,752</u>
Equity attributable to:			
Owners of EVGL	\$ 12,136,483	\$ 12,383,404	\$ 12,007,476
Non-controlling interests of EVGL	5,869,456	5,988,872	4,894,211
Non-controlling interests of EVGL's subsidiaries	<u>3,030,838</u>	<u>3,092,389</u>	<u>2,906,065</u>
	<u>\$ 21,036,777</u>	<u>\$ 21,464,665</u>	<u>\$ 19,807,752</u>

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Loss for the period	( \$ 41,406 )	( \$ 45,129 )	( \$ 73,598 )	( \$ 127,417 )
Other comprehensive income	( 85,136 )	357,331	( 354,290 )	( 118,307 )
Total comprehensive income	<u>( \$ 126,542 )</u>	<u>\$ 312,202</u>	<u>( \$ 427,888 )</u>	<u>( \$ 245,724 )</u>
Loss attributable to:				
Owners of EVGL	( \$ 23,687 )	( \$ 27,356 )	( \$ 42,041 )	( \$ 83,826 )
Non-controlling interests of EVGL	( 11,456 )	( 11,150 )	( 20,332 )	( 27,655 )
Non-controlling interests of EVGL's subsidiaries	( 6,263 )	( 6,623 )	( 11,225 )	( 15,936 )
	<u>( \$ 41,406 )</u>	<u>( \$ 45,129 )</u>	<u>( \$ 73,598 )</u>	<u>( \$ 127,417 )</u>
Total comprehensive income attributable to:				
Owners of EVGL	( \$ 72,494 )	\$ 189,228	( \$ 246,921 )	( \$ 170,245 )
Non-controlling interests of EVGL	( 35,059 )	77,129	( 119,416 )	( 51,279 )
Non-controlling interests of EVGL's subsidiaries	( 18,989 )	45,845	( 61,551 )	( 24,200 )
	<u>( \$ 126,542 )</u>	<u>\$ 312,202</u>	<u>( \$ 427,888 )</u>	<u>( \$ 245,724 )</u>
			For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Cash flow				
Operating activities			( \$ 9,135 )	( \$ 7,110 )
Investing activities			-	( 3,811,781 )
Financing activities			-	4,006,285
Effects of exchange rate changes			( 28,498 )	( 67,783 )
Net cash (outflow) inflow			<u>( \$ 37,633 )</u>	<u>\$ 119,611</u>

14. Investments Accounted for Using the Equity Method

	September 30, 2021	December 31, 2020	September 30, 2020
Investments in joint ventures			
Associates that are individually material			
Fujian Gulei Petrochemical Co., Ltd. (“Gulei”)	<u>\$ 19,787,280</u>	<u>\$ 20,170,030</u>	<u>\$ 18,513,834</u>

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

The percentage of the Group’s ownership and voting rights was 50% of the outstanding shares of Gulei as of September 30, 2021, December 31, 2020 and September 30, 2020.

For more explanation, please refer to Note 38.

For the scope of business operations, the location and national information of Gulei’s registry of joint venture, please refer to Table 8.

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

	September 30, 2021	December 31, 2020	September 30, 2020
Cash	<u>\$ 6,532,255</u>	<u>\$ 4,356,714</u>	<u>\$ 3,879,321</u>
Current assets	\$ 19,170,201	\$ 5,785,331	\$ 3,925,109
Non-current assets	91,676,515	82,025,858	70,331,401
Current Liabilities	( 18,640,105 )	( 10,734,400 )	( 10,323,253 )
Non-current liabilities	( <u>52,632,051</u> )	( <u>36,736,729</u> )	( <u>26,905,589</u> )
Equity	39,574,560	40,340,060	37,027,668
Proportion of the Group’s ownership	<u>50%</u>	<u>50%</u>	<u>50%</u>
Equity attributable to the Group	<u>\$ 19,787,280</u>	<u>\$ 20,170,030</u>	<u>\$ 18,513,834</u>
Carrying amount	<u>\$ 19,787,280</u>	<u>\$ 20,170,030</u>	<u>\$ 18,513,834</u>

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
The Group's share of:				
Loss for the period	( <u>\$ 36,153</u> )	( <u>\$ 44,798</u> )	( <u>\$ 56,958</u> )	( <u>\$ 114,593</u> )

Gulei had no significant operating income for the years ended January 1 to September 30, 2021 and 2020.

The share of profit and loss and other comprehensive income of a joint venture and the Group using the equity method for the period of January 1 to September 30, 2021 and 2020 shall be calculated on the basis of the financial statements which have not been reviewed by accountants.

15. Property, plant and equipment– owned

	September 30, 2021	December 31, 2020	September 30, 2020
Freehold Land	\$ 4,682,237	\$ 4,682,237	\$ 4,682,237
Land improvements	5,948	6,954	7,108
Buildings and Improvements	3,824,396	3,974,587	3,978,393
Machinery and Equipment	10,838,553	11,626,815	11,784,258
Transportation and Communication Equipment	35,279	46,935	47,138
Other equipment	289,749	321,524	309,588
Construction in Progress and Machinery in Transit	4,318,437	2,510,261	2,250,743
	<u>\$ 23,994,599</u>	<u>\$ 23,169,313</u>	<u>\$ 23,059,465</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 will be expropriated and rezoned in cooperation with the government and is expected to be returned in 2022.

In cooperation with the Taiwan International Ports Corporation, Ltd. (Ports Co.), Ministry of Transportation and Communications, to relocate the petrochemical oil storage tank facilities of the old port area operators, CGTD leased the port facilities and storage areas of the Kaohsiung Port Intercontinental Container Center Second Phase Petrochemical Oil Storage and Transportation Center from Ports Co., the lease period being from August 1, 2017 to July 31, 2042, rent paid quarterly. In addition, the boards of directors of the Company, CGTD, APC and TVCM, a subsidiary of CGPC, resolved in 2019 to build the second phase of the Intercontinental Petrochemical Oil Products Center, and signed a turnkey project agreement with CTCI Corporation on October 7, 2019, with a total investment price of \$3,380,107 thousand. As of September 30, 2021, the Group had paid \$2,702,949 thousand for the project, which was accounted for under construction in progress.

For the periods ended September 30, 2020, ACME (GZ) assessed that some of its machinery and equipment had been idle and did not meet the production requirements, recognizing an impairment loss of NT\$5,823 thousand.

Due to shrinking demand of EPS in the local market, the main product of Taita Chemical (Tianjin) Co., Ltd. (“TAITA (TJ)”), the management decided to suspend the production of TAITA (TJ) starting from April 2019. TAITA (TJ) determined the recoverable amounts of the property, plant and equipment (including right-of-use assets), on the basis of fair values less costs of disposal. TAITA (TJ) recognized an impairment loss of \$22,078 thousand in 2020, which was reported under cost of goods sold in the consolidated statements of comprehensive income.

No impairment or reversal was made on the property, plant and equipment of the Group for the period from January 1 to September 30, 2021 and 2020.

The property, plant and equipment of the Group is depreciated on a straight line basis according to the following years of service:

Land improvements	7-20 years
Buildings and Improvements	
Plant, machine room and improvements	2-55 years
Office building, labs and improvements	10-60 years
Storage rooms	11-45 years
Other	2-40 years
Machinery and Equipment	2-26 years
Transportation and Communication Equipment	2-15 years
Other equipment	2-31 years

Property, plant and equipment pledged as collateral for bank borrowings are set out in Note 37.

For the related capitalized interest, please refer to Note 28 (d) finance cost.

#### 16. Lease Arrangements

##### a. Right-of-use assets

	September 30, 2021	December 31, 2020	September 30, 2020
Carrying amount of right-of-use assets			
Leasehold land	\$ 181,243	\$ 164,180	\$ 171,721
Land use rights	319,473	336,967	330,071
Buildings	131,185	148,111	150,713
Machinery and Equipment	46,642	53,510	54,377
Transportation equipment	2,070	2,183	2,384
	<u>\$ 680,613</u>	<u>\$ 704,951</u>	<u>\$ 709,266</u>

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Addition for right-of-use assets			<u>\$ 38,844</u>	<u>\$ 2,765</u>
Depreciation expense of right-of-use assets				
Leasehold land	\$ 4,932	\$ 3,924	\$ 14,341	\$ 11,589
Land use rights	4,013	3,371	12,078	11,324
Buildings	5,686	7,114	17,078	21,021
Machinery and Equipment	2,006	1,984	6,064	5,962
Transportation equipment	270	170	725	516
	<u>\$ 16,907</u>	<u>\$ 16,563</u>	<u>\$ 50,286</u>	<u>\$ 50,412</u>

Except for the recognition of depreciation expense, the Group's right-of-use assets did not experience significant sub-lease or impairments for the years ended January 1 to September 30, 2021 and 2020.

The Group leases the office in Taipei and sublets it to another company on a operating lease basis. The related right-of-use assets are presented as investment properties (as set out in Note 17). The corresponding amount of the above-mentioned right-of-use assets excludes the right-of-use assets that meet the definition of investment property.

Part of right-of-use assets of the Group pledged as collateral for bank borrowings are set out in Notes 19 and 37.

b. Lease liabilities

	September 30, 2021	December 31, 2020	September 30, 2020
Carrying amount of lease liabilities			
Current	<u>\$ 72,081</u>	<u>\$ 75,284</u>	<u>\$ 68,396</u>
Non-current	<u>\$ 367,134</u>	<u>\$ 384,402</u>	<u>\$ 406,156</u>

Range of discount rate for lease liabilities was as follows:

	September 30, 2021	December 31, 2020	September 30, 2020
Leasehold land	0.83%~9.25%	0.83%~9.25%	0.83%~9.25%
Buildings	1.04%~2.00%	1.04%~2.00%	1.04%~2.00%
Machinery and Equipment	1.04%~1.16%	1.04%~1.16%	1.04%~1.16%
Transportation equipment	1.06%~1.25%	1.06%~1.25%	1.06%~1.25%

c. Material lease-in activities and terms

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

d. Other lease information

Lease arrangements under operating leases for leasing out of investment properties are set out in Note 17. For details of lease information, please refer to the following table (the Group as lessee).

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Expenses relating to short-term leases	<u>\$ 13,440</u>	<u>\$ 15,750</u>	<u>\$ 40,536</u>	<u>\$ 35,658</u>
Expenses relating to low-value asset leases	<u>\$ 220</u>	<u>\$ 442</u>	<u>\$ 700</u>	<u>\$ 1,222</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 11,539</u>	<u>\$ 7,768</u>	<u>\$ 30,850</u>	<u>\$ 29,818</u>
Total cash outflow for leases			<u>(\$ 129,397)</u>	<u>(\$ 123,827)</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.

17. Investment Property

	September 30, 2021	December 31, 2020	September 30, 2020
Investment properties - completed			
Land	\$ 200,781	\$ 200,726	\$ 195,053
Buildings	363,361	384,483	389,955
Right-of-use assets	<u>153,177</u>	<u>168,011</u>	<u>170,589</u>
	<u>\$ 717,319</u>	<u>\$ 753,220</u>	<u>\$ 755,597</u>

	Land	Buildings	Right-of-use assets	Total
<u>Cost</u>				
Balance as of January 1, 2021	\$ 204,695	\$ 736,810	\$ 203,817	\$ 1,145,322
Additions	55	-	-	55
Net foreign currency exchange differences	-	( 7,015 )	( 1,553 )	( 8,568 )
Balance as of September 30, 2021	<u>\$ 204,750</u>	<u>\$ 729,795</u>	<u>\$ 202,264</u>	<u>\$ 1,136,809</u>
<u>Accumulated depreciation and impairment</u>				
Balance as of January 1, 2021	\$ 3,969	\$ 352,327	\$ 35,806	\$ 392,102
Depreciation expenses	-	18,622	13,412	32,034
Net foreign currency exchange differences	-	( 4,515 )	( 131 )	( 4,646 )
Balance as of September 30, 2021	<u>\$ 3,969</u>	<u>\$ 366,434</u>	<u>\$ 49,087</u>	<u>\$ 419,490</u>
Net amount as of September 30, 2021	<u>\$ 200,781</u>	<u>\$ 363,361</u>	<u>\$ 153,177</u>	<u>\$ 717,319</u>
<u>Cost</u>				
Balance as of January 1, 2020	\$ 119,022	\$ 738,314	\$ 205,110	\$ 1,062,446
Additions	80,000	-	-	80,000
Classified as real estate, plant and equipment	-	( 1,752 )	-	( 1,752 )
Rerecognized as right-of-use assets	-	-	( 2,775 )	( 2,775 )
Net foreign currency exchange differences	-	( 4,459 )	( 538 )	( 4,997 )
Balance as of September 30, 2020	<u>\$ 199,022</u>	<u>\$ 732,103</u>	<u>\$ 201,797</u>	<u>\$ 1,132,922</u>
<u>Accumulated depreciation and impairment</u>				
Balance as of January 1, 2020	\$ 3,969	\$ 326,570	\$ 18,199	\$ 348,738
Depreciation expenses	-	18,527	13,370	31,897
Classified as real estate, plant and equipment	-	( 717 )	-	( 717 )
Rerecognized as right-of-use assets	-	-	( 347 )	( 347 )
Net foreign currency exchange differences	-	( 2,232 )	( 14 )	( 2,246 )
Balance as of September 30, 2020	<u>\$ 3,969</u>	<u>\$ 342,148</u>	<u>\$ 31,208</u>	<u>\$ 377,325</u>
Net amount as of September 30, 2020	<u>\$ 195,053</u>	<u>\$ 389,955</u>	<u>\$ 170,589</u>	<u>\$ 755,597</u>

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

The total amount of lease payments to be collected in the future for investment property as operating lease as of September 30, 2021, December 31, 2020, and September 30, 2020 is as follows:

	September 30, 2021	December 31, 2020	September 30, 2020
Year 1	\$ 76,961	\$ 68,752	\$ 74,977
Year 2	58,721	50,357	53,489
Year 3	43,500	40,458	43,388
Year 4	21,956	25,068	28,313
Year 5	12,216	13,340	16,157
Over 5 years	<u>29,634</u>	<u>23,178</u>	<u>26,274</u>
	<u>\$ 242,988</u>	<u>\$ 221,153</u>	<u>\$ 242,598</u>

Except for the recognition of depreciation expense, there is no significant addition, disposal or impairment of the investment properties of the Group during the period from January 1 to September 30, 2021 and 2020.

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	5-50 years

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

The fair values of investment properties as of September 30, 2021, December 31, 2020 and September 30, 2020 were as follows:

	September 30, 2021	December 31, 2020	September 30, 2020
Fair value	<u>\$ 1,480,969</u>	<u>\$ 1,540,756</u>	<u>\$ 1,404,864</u>

The investment properties pledged as collateral for bank borrowings are set out in Note 37.

18. Goodwill and other intangible assets

	September 30, 2021	December 31, 2020	September 30, 2020
Goodwill a.	<u>\$ 270,211</u>	<u>\$ 269,026</u>	<u>\$ 269,026</u>
Other intangible assets b.			
Technology royalties and patent	\$ 1,130	\$ 1,863	\$ 2,108
Computer software	7,674	8,944	9,247
Plant design fee	4,001	-	-
Field project	32,730	-	-
	<u>\$ 45,535</u>	<u>\$ 10,807</u>	<u>\$ 11,355</u>

a. Goodwill

The goodwill of the Group is regularly assessed for impairment at the end of each year. There is no impairment sign during September 30, 2021 and 2020 so the impairment assessment is not carried out.

In response to the government's policy on green power, the Company acquired 100% equity from the non-related party, USIGE, on July 5, 2021. The premium of the investment cost and acquired net equity value has been classified as the field project into intangible assets of NT\$33,144 thousand and goodwill of NT\$1,185 thousand according to the acquisition price apportion evaluation analysis report. Please refer to Note 32 for details.

b. Other intangible assets

Except for the recognition of amortization expenses and the field project classified as intangible asset according to the acquisition price apportion evaluation analysis report, there is no significant addition, disposal or impairment of other intangible assets of the Group during the periods from January 1 to September 30, 2021 and 2020.

The above-mentioned intangible assets with limited service life are amortized on a straight line basis according to the following service years:

Technology royalties and patent	6-10 Years
Computer software	2~10 years
Plant design fee	10 years
Field project	20 years

19. Borrowings

a. Short-term borrowings

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Unsecured borrowings</u>			
-Line of credit borrowings	<u>\$ 2,483,306</u>	<u>\$ 2,726,270</u>	<u>\$ 3,747,363</u>
The range of interest rate	0.52%~1.78%	0.52%~2.89%	0.52%~2.89%

b. Short-term bills payable

	September 30, 2021	December 31, 2020	September 30, 2020
Commercial note payable	\$ 626,000	\$ 657,000	\$ 895,000
Less: Unamortized discount on bills payable	( <u>280</u> )	( <u>296</u> )	( <u>510</u> )
	<u>\$ 625,720</u>	<u>\$ 656,704</u>	<u>\$ 894,490</u>
The range of interest rate	0.64%~1.068%	0.53%~1.098%	0.35%~1.298%

c. Long-term borrowings

	September 30, 2021	December 31, 2020	September 30, 2020
Secured loans	\$ 400,000	\$ 640,000	\$ 640,000
Line of credit borrowings	<u>3,720,000</u>	<u>6,950,000</u>	<u>7,250,000</u>
Sub-Total	<u>4,120,000</u>	<u>7,590,000</u>	<u>7,890,000</u>
Commercial note payable	100,000	-	40,000
Unamortized discount on bills payable	( <u>36</u> )	-	( <u>31</u> )
Sub-Total	<u>99,964</u>	-	<u>39,969</u>
Long-term borrowings	<u>\$ 4,219,964</u>	<u>\$ 7,590,000</u>	<u>\$ 7,929,969</u>
The range of interest rate			
Secured loans	1.11%	1.00%~1.11%	0.93%~1.11%
Line of credit borrowings	0.74%~1.06%	0.74%~1.04%	0.82%~1.04%
Commercial note payable	0.948%	-	1.298%

In order to replenish the medium and long term working capital, The Company has signed medium and long term credit contracts with the bank with a total credit line of \$ 4,996,250 thousand. The credit contract period will be up to August 2024, and the total credit line will be recycled within the limited term of the contract. As of September 30, 2021, \$300,000 thousand had been spent.

In order to replenish the medium and long term working capital, UPIIC has signed medium and long term credit contracts with the bank with a total credit line of \$1,600,000 thousand. The credit contract period will be up to June 2024, and the total credit line will be recycled within the limited term of the contract. As of September 30, 2021, TVCM has made drawdowns of NT\$800,000 thousand.

In order to replenish the medium and long term working capital, CGPC has signed medium and long term credit contracts with the bank with a total credit line of \$ 800,000 thousand. The credit contract period will be up to August, 2024, and the total credit line will be recycled within the limited term of the contract. As of September 30, 2021, none had been spent.

In order to replenish the medium and long term working capital, CGPCP has signed medium and long term credit contracts with the bank with a total credit line of \$ 500,000 thousand. The credit contract period will be up to August 2023, and the total credit line will be recycled within the limited term of the contract. As of September 30, 2021, none had been spent.

In order to replenish the medium and long term working capital, TVCM has signed medium and long term credit contracts with the bank with a total credit line of \$ 600,000 thousand. The credit contract period will be up to September 2023, and the total credit line will be recycled within the limited term of the contract. As of September 30, 2021, TVCM has made drawdowns of NT\$350,000 thousand.

In order to replenish the medium and long term working capital, TTC has signed medium and long term credit contracts with the bank with a total credit line of \$ 2,250,000 thousand. The credit contract period will be up to August 2024, and the total credit line will be recycled within the limited term of the contract. As of September 30, 2021, none had been spent.

In order to replenish the medium and long term working capital, APC has signed medium and long term credit contracts with the bank with a total credit line of \$ 5,650,000 thousand. The credit contract period will be up to July 2024, and the total

credit line will be recycled within the limited term of the contract. As of September 30, 2021, APC has made drawdowns of NT\$1,400,000 thousand.

In order to replenish the medium and long term working capital, ACME has signed medium and long term credit contracts with the bank with a total credit line of \$ 1,000,000 thousand. The credit contract period will be up to March 2026, and the total credit line will be recycled within the limited term of the contract. As of September 30, 2021, ACME has made drawdowns of NT\$640,000 thousand.

In order to replenish the medium and long term working capital, SPC has signed medium and long term credit contracts with the bank with a total credit line of \$ 1,300,000 thousand. The credit contract period will be up to August, 2024, and the total credit line will be recycled within the limited term of the contract. As of September 30, 2021, SPC has made drawdowns of NT\$730,000 thousand.

According to the loan contracts of part of subsidiaries, the current ratio, bank loan ratio, debt ratio, and interest protection multiples should not be less than the specified percentage. The subsidiaries should provide improvements to the bank if the requirements were not met. As of September 30, 2021, the subsidiaries did not violate the requirements.

The Group has obtained a special low-interest bank loan line of NT\$5,404,400 thousand in accordance with the "Action Plan for Accelerated Investment by Domestic Corporations" and "Action Plan for Accelerated Investment by SMEs", and has used NT\$1,330,000 thousand in October 2021, recognized and measured the loan at the market interest rate of 0.8%~1.0%. The difference between the market interest rate and the actual preferential repayment rate of 0.1%~0.3% is treated as government subsidy.

20. Bonds Payable

	September 30, 2021	December 31, 2020	September 30, 2020
Domestic unsecured bonds 104-1B - issuance on February 12, 2015, 7 years, total amount \$1,000,000 thousand, coupon rate 1.90%, bullet repayment	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Domestic unsecured bonds 105-1 - issuance on October 28, 2016, 5 years, total amount \$2,000,000 thousand, coupon rate 0.80%, bullet repayment	2,000,000	2,000,000	2,000,000
Domestic unsecured bonds 106-1 - issuance on October 27, 2017, 5 years, total amount \$2,000,000 thousand, coupon rate 1.10%, bullet repayment	2,000,000	2,000,000	2,000,000
Domestic unsecured bonds 108-1 - issuance on April 26, 2019, 5 years, total amount \$2,000,000 thousand, coupon rate 0.98%, bullet repayment	2,000,000	2,000,000	2,000,000
Domestic unsecured bonds 110-1A - issuance on June 23 2021, 5 years, total amount \$1,000,000 thousand, coupon rate 0.63%, bullet repayment, repaid \$ 500,000 in the 4th and 5th years respectively from the issuance date	1,000,000	-	-

(Continued)

	September 30, 2021	December 31, 2020	September 30, 2020
Domestic unsecured bonds 110-1B - issuance on June 23 2021, 7 years, total amount \$1,000,000 thousand, coupon rate 0.73%, bullet repayment, repaid \$500,000 in the 6th and 7th years respectively from the issuance date	\$ 1,000,000 9,000,000	\$ - 7,000,000	\$ - 7,000,000
Discounts on bonds payable	( 7,592)	( 5,698)	( 6,445)
	8,992,408	6,994,302	6,993,555
Less: Maturity within one year	( 2,999,830)	( 1,999,233)	-
	<u>\$ 5,992,578</u>	<u>\$ 4,995,069</u>	<u>\$ 6,993,555</u>

In December 2014, the Company applied for the first issuance of unsecured ordinary corporate bonds issued in 2015 with the amount of \$2,000,000 thousand in order to reimburse the due bonds and to increase working capital. The unsecured ordinary corporate bonds with a 5-7-year maturity, due for repayment, were all issued in February 2015. The Company repaid \$1,000,000 thousand due in February 2020.

In October 2016, the Company applied for the first issuance of unsecured ordinary corporate bonds issued in 2016 with the amount of \$2,000,000 thousand in order to reimburse the bank loans, and the unsecured ordinary corporate bonds with a 5-year maturity, due for repayment, were all issued in October 2016.

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

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

In June 2021, the Company applied for the first issuance of unsecured ordinary corporate bonds issued in 2021 with the amount of \$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 2nd issuance of unsecured ordinary corporate bonds issued in 2021 with the amount of \$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.

21. Accounts payable

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Notes receivable - operating</u>			
Accounts payable	<u>\$ 4,128,166</u>	<u>\$ 3,406,837</u>	<u>\$ 2,448,891</u>

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

22. Other liabilities

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Current</u>			
<u>Other payables</u>			
Dividends payable	\$ 1,476,464	\$ 71,694	\$ 22,381
Payables for salaries or bonuses	1,316,173	1,112,278	864,133
Payables for freight	313,471	234,530	159,424
Payables for water and electricity and gas	277,833	246,183	253,536
Payables for purchases of equipment	242,392	104,811	139,627
Payable for taxes	94,367	68,251	47,387
Payables for interests	60,484	41,056	58,862
Payables for insurance	29,668	27,262	29,341
Payables for professional service expenses	22,562	27,655	22,423
Payables for land acquisition	-	-	41,339
Other	460,930	282,813	412,848
	<u>4,294,344</u>	<u>2,216,533</u>	<u>2,051,301</u>
<u>Other liabilities</u>			
Refund liabilities	35,658	16,390	18,859
	<u>\$ 4,330,002</u>	<u>\$ 2,232,923</u>	<u>\$ 2,070,160</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.

23. Provisions

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Non-current</u>			
Litigation provision	\$ 136,375	\$ 136,375	\$ 136,375

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 38 for the explanation related to the provision.

24. Retirement Benefit Plans

For the period from July 1 to September 30, 2021 and 2020 and from January 1 to September 30, 2021 and 2020 the pension costs associated with the defined benefit plan are calculated at the pension cost rates as determined by actuarial calculations as at 31 December 2020 and 2019 and are separately recognized as the following items:

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Operating costs	\$ 6,137	\$ 7,480	\$ 18,527	\$ 22,605
Selling and marketing expenses	606	762	1,809	2,347
General and administrative expenses	1,005	1,192	6,427	3,610
R&D Expenses	252	331	784	1,026
Other gain and loss	-	50	-	151
	<u>\$ 8,000</u>	<u>\$ 9,815</u>	<u>\$ 27,547</u>	<u>\$ 29,739</u>

25. Government grants

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

revenue, which will be amortized along with the use of assets. As of September 30, 2021, December 31, 2020 and September 30, 2020 the amounts of deferred income (booked under other current liabilities) that had not been amortized were RMB7,965 thousand (NTD\$34,205 thousand), RMB8,363 thousand (NTD\$36,502 thousand) and RMB8,268 thousand (NTD\$36,109 thousand) respectively.

- b. Affected by the global pandemic of COVID-19, the Group has applied to the government for subsidies for items such as salary and operating capital. As of December 31, 2020, \$8,367 thousand has been obtained and accounted as operating expenses and other incomes. In addition, in accordance with the policy of the local government in China, ACME (KS), ACME (GZ) and TAITA (CS) have gained exemption from the pension, unemployment and work-related injury insurances borne by the company from February to December 2020, and ACME (KS) and ACME (GZ) have gained preferential electricity fee reduction, exemption, and subsidies due to good pandemic containment.

According to the information available on the balance sheet date, the Group has taken the economic impact of the epidemic into account.

## 26. Equity

	September 30, 2021	December 31, 2020	September 30, 2020
Share capital	\$ 11,887,635	\$ 11,887,635	\$ 11,887,635
Capital surplus	363,807	321,798	341,299
Retained earnings	12,009,323	9,497,146	8,196,994
Other Equity	197,924	( 240,195)	( 559,704)
Treasury stock	( 475,606)	( 475,606)	( 475,606)
Non-controlling Interests	<u>28,629,553</u>	<u>27,732,865</u>	<u>24,806,005</u>
	<u>\$ 52,612,636</u>	<u>\$ 48,723,643</u>	<u>\$ 44,196,623</u>

### a. Share capital

	September 30, 2021	December 31, 2020	September 30, 2020
Number of shares authorized (in thousands)	<u>1,342,602</u>	<u>1,342,602</u>	<u>1,342,602</u>
Share capital authorized	<u>\$ 13,426,024</u>	<u>\$ 13,426,024</u>	<u>\$ 13,426,024</u>
Number of shares issued and fully paid (in thousands)	<u>1,188,763</u>	<u>1,188,763</u>	<u>1,188,763</u>
Share capital issued	<u>\$ 11,887,635</u>	<u>\$ 11,887,635</u>	<u>\$ 11,887,635</u>

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

b. Capital surplus

The capital surplus generated from donations and the excess of the issuance price over the par value of share capital (including the issuance of ordinary shares in excess of par value, the capital stock premium of shares issued due to merger, and treasury stock trading, etc.) may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or share dividends up to a certain percentage of the Company's paid-in capital. The capital surplus arising from investments accounted for using the equity method and from dividends had not been received during the given period by stockholders are used to offset a deficit only. The capital surplus arising from employee stock option may not be used for any purposes.

c. Retained earnings and dividends policy

In accordance with the dividends policy as set forth in the Company's Articles of Association, where the Company made 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 28 (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 shareholders' meetings approved the earnings distribution proposal for years ended December 31, 2020 and 2019 on July 26, 2021 and June 12, 2020 as follows:

	<u>Appropriation of Earnings</u>		<u>Dividends Per Share (NT\$)</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Legal reserve	\$ 233,461	\$ 129,872		
Special reserve (reversed)	( 405,932)	350,533		
Cash dividends	<u>1,188,763</u>	<u>594,382</u>	\$ 1	\$ 0.5
	<u>\$ 1,016,292</u>	<u>\$ 1,074,787</u>		

d. Other Equity

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

	<u>For the Nine Months Ended September 30, 2021</u>	<u>For the Nine Months Ended September 30, 2020</u>
Beginning balance	(\$ 583,855)	(\$ 602,871)
Recognized for the period		
Exchange differences on translating the financial statements of foreign operations	( 255,253)	( 162,239)
Related income tax	45,745	23,172
Reclassification adjustments		
Disposal of foreign operations	-	( 68)
Ending balance	<u>(\$ 793,363)</u>	<u>(\$ 742,006)</u>

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

	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Beginning balance	<u>\$ 343,660</u>	<u>(\$ 178,187)</u>
Recognized for the period		
Unrealized gains (losses)		
Equity instruments	749,183	282,630
Related income tax	( 1,102)	( 218)
The cumulative profit or loss of the disposed equity instrument transferred to retained earnings	( <u>100,454</u> )	<u>78,077</u>
Ending balance	<u>\$ 991,287</u>	<u>\$ 182,302</u>

e. Non-controlling Interests

	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Beginning balance	<u>\$ 27,732,865</u>	<u>\$ 20,517,444</u>
Cash dividends distributed by subsidiaries	( 1,714,633)	( 519,048)
Net profit for the period	3,769,581	1,621,087
Other comprehensive income (loss) in the period		
Exchange differences on translating the financial statements of foreign operations	( 326,565)	( 138,279)
Income tax relating to exchange difference on translating foreign operations	26,113	8,094
Unrealized gain (loss) on financial assets at FVTOCI	( 718,225)	42,441
Income tax relating to unrealized gain (loss) on financial assets at FVTOCI	( 2,305)	( 456)
Disposal of subsidiaries' equity	-	( 85)
Adjustments relating to changes accounted for using the equity method	239	( 50,635)
Change in non-controlling interests	( <u>137,517</u> )	<u>3,325,442</u>
Ending balance	<u>\$ 28,629,553</u>	<u>\$ 24,806,005</u>

f. Treasury stock

Purpose of Buy-Back	Number of Shares at July 1 (In Thousands of Shares)	Increase During the Period	Decrease During the Period	Number of Shares at September 30 (In Thousands of Shares)
<u>For the Nine Months Ended</u>				
<u>September 30, 2021</u>				
Transfer from investment shares to treasury shares held by subsidiaries under equity method	<u>116,466</u>	<u>-</u>	<u>-</u>	<u>116,466</u>
<u>For the Nine Months Ended</u>				
<u>September 30, 2020</u>				
Transfer from investment shares to treasury shares held by subsidiaries under equity method	<u>116,466</u>	<u>-</u>	<u>-</u>	<u>116,466</u>

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

Subsidiary	Number of Shares Held (In Thousands of Shares)	Carrying Amount	Per Share
<u>September 30, 2021</u>			
APC	101,356	\$ 1,377,381	\$ 3,821,109
TTC	15,110	<u>81,875</u>	<u>569,643</u>
		<u>\$ 1,459,256</u>	<u>\$ 4,390,752</u>
<u>December 31, 2020</u>			
APC	101,356	\$ 1,377,381	\$ 2,290,638
TTC	15,110	<u>81,875</u>	<u>341,484</u>
		<u>\$ 1,459,256</u>	<u>\$ 2,632,122</u>
<u>September 30, 2020</u>			
APC	101,356	\$ 1,377,381	\$ 1,591,284
TTC	15,110	<u>81,875</u>	<u>237,226</u>
		<u>\$ 1,459,256</u>	<u>\$ 1,828,510</u>

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

The Company's shares held by APC and TTC were carried as unrealized gain (loss) on financial assets at FVTOCI and valued at the closing price of September 30, 2021

and December 31, 2020 and September 30, 2020. For the unrealized gains and losses of financial assets measured at FVTOCI, the Company has adjusted the amount of unrealized gains and losses of investment with equity method and financial assets measured at FVTOCI on account according to shareholding ratio. The amount of unrealized gains is \$969,411 thousand, \$390,637 thousand and \$126,165 thousand, respectively.

27. Revenue

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Revenue from the sale of goods				
Plastic Raw Materials	\$ 17,498,381	\$ 11,762,778	\$ 49,738,741	\$ 32,669,839
Electronic Materials	814,071	515,000	2,236,285	1,568,264
Other	<u>151,309</u>	<u>136,623</u>	<u>429,671</u>	<u>389,100</u>
	<u>\$ 18,463,761</u>	<u>\$ 12,414,401</u>	<u>\$ 52,404,697</u>	<u>\$ 34,627,203</u>

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

Contract balances

	September 30, 2021	December 31, 2020	September 30, 2020	January 1, 2020
Notes and accounts receivables (Note 10)	<u>\$ 9,420,499</u>	<u>\$ 7,481,916</u>	<u>\$ 5,622,683</u>	<u>\$ 7,045,512</u>
Contract liabilities (presented in other current liabilities)				
Product sales	<u>\$ 278,342</u>	<u>\$ 212,751</u>	<u>\$ 157,329</u>	<u>\$ 151,664</u>

28. Net income from continuing operations

Net profit from continuing operations was attributable to:

a. Interest income

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Interest income				
Cash and cash equivalents	\$ 17,575	\$ 20,009	\$ 54,123	\$ 74,933
Beneficiary securities	-	-	3,109	3,730
Financial assets at amortized cost	1,016	404	1,295	2,141
Other	<u>36</u>	<u>46</u>	<u>132</u>	<u>148</u>
	<u>\$ 18,627</u>	<u>\$ 20,459</u>	<u>\$ 58,659</u>	<u>\$ 80,952</u>

b. Other income

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Dividend income	\$ 229,908	\$ 76,811	\$ 334,156	\$ 146,135
Indemnity income	-	580	-	23,124
Rental income	25,912	26,499	74,290	63,272
Income from grants (Note 25)	2,331	576	11,192	5,033
Income from management services (Note 36)	9,127	8,502	27,846	23,281
Other	17,113	15,058	64,237	48,449
	<u>\$ 284,391</u>	<u>\$ 128,026</u>	<u>\$ 511,721</u>	<u>\$ 309,294</u>

c. Other gain and loss

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Gain (loss) on disposal of property, plant and equipment	\$ 2,732	(\$ 16,422)	(\$ 69,555)	(\$ 34,289)
Foreign exchange gain (loss) - net	21,081	( 34,791)	( 113,086)	( 71,740)
Gain (loss) on financial assets and financial liabilities at FVTPL - net	( 102,322)	99,082	308,445	182,234
Impairment loss recognized on non-financial assets	( 646)	( 1,652)	( 3,078)	( 2,227)
Depreciation expense of investment property	( 11,453)	( 18,649)	( 34,583)	( 40,098)
Gain on revised lease	-	-	660	-
Other gain and loss	( 9,193)	( 9,120)	( 28,269)	( 45,960)
	<u>(\$ 99,801)</u>	<u>\$ 18,448</u>	<u>\$ 60,534</u>	<u>(\$ 12,080)</u>

d. Finance costs

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Interest on bank loans	\$ 17,396	\$ 29,080	\$ 59,499	\$ 109,420
Interest on bonds payable	23,505	19,895	63,625	61,002
Other interest expense	82	14	102	50
Interest on lease liabilities	1,723	1,799	5,112	5,549
Less: Capitalized interest (presented under construction in progress)	( 543)	( 676)	( 2,084)	( 1,904)
	<u>\$ 42,163</u>	<u>\$ 50,112</u>	<u>\$ 126,254</u>	<u>\$ 174,117</u>

Information about capitalized interest is as follows:

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Capitalized interest	\$ 543	\$ 676	\$ 2,084	\$ 1,904
Capitalization rate	0.83%~1.14%	0.85%~1.23%	0.83%~1.14%	0.76%~1.23%

e. Depreciation and amortization

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Property, plant and equipment	\$ 542,963	\$ 541,558	\$ 1,626,858	\$ 1,624,291
Right-of-use assets	16,907	16,563	50,286	50,412
Investment property	10,650	10,448	32,034	31,897
Intangible assets	2,438	2,595	4,253	7,896
Other	10,874	15,533	40,132	44,721
	<u>\$ 583,832</u>	<u>\$ 586,697</u>	<u>\$ 1,753,563</u>	<u>\$ 1,759,217</u>
An analysis of depreciation by function				
Operating costs	\$ 525,708	\$ 519,596	\$ 1,573,266	\$ 1,581,951
Operating expenses	33,359	30,324	101,329	84,551
Other gain and loss	11,453	18,649	34,583	40,098
	<u>\$ 570,520</u>	<u>\$ 568,569</u>	<u>\$ 1,709,178</u>	<u>\$ 1,706,600</u>
An analysis of amortization by function				
Operating costs	\$ 11,714	\$ 15,514	\$ 40,092	\$ 44,664
Selling and marketing expenses	-	137	-	408
General and administrative expenses	1,336	740	3,462	2,315
Research and development expenses	262	1,737	831	5,230
	<u>\$ 13,312</u>	<u>\$ 18,128</u>	<u>\$ 44,385</u>	<u>\$ 52,617</u>

f. Employee benefits expense

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Post-employment benefits (Note 24)				
Defined contribution plans	\$ 41,725	\$ 26,640	\$ 118,883	\$ 85,442
Defined benefit plans	8,000	9,815	27,547	29,739
	49,725	36,455	146,430	115,181
Other employee benefits	1,234,327	1,132,017	3,750,284	3,200,276
Total employee benefits expenses	<u>\$ 1,284,052</u>	<u>\$ 1,168,472</u>	<u>\$ 3,896,714</u>	<u>\$ 3,315,457</u>
An analysis of employee benefits expense by function				
Operating costs	\$ 909,435	\$ 831,708	\$ 2,763,550	\$ 2,333,478
Operating expenses	374,617	332,043	1,133,164	968,829
Non-operating revenue and expenses	-	4,721	-	13,150
	<u>\$ 1,284,052</u>	<u>\$ 1,168,472</u>	<u>\$ 3,896,714</u>	<u>\$ 3,315,457</u>

g. Employees' compensation and remuneration of directors

The Company accrued employees' compensation and remuneration of directors at the rate of no less than 1% and no higher than 1%, respectively, of net profit before income tax. For the three months ended September 30, 2021 and 2020, and for the nine months ended September 30, 2021 and 2020, the remuneration of employees and directors were as follows:

Accrual rate

	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Remuneration of Employees	1.00%	1.00%
Remuneration of Directors	0.05%	0.35%

Amount

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Remuneration of Employees	<u>\$ 11,785</u>	<u>\$ 6,229</u>	<u>\$ 41,332</u>	<u>\$ 11,842</u>
Remuneration of Directors	<u>\$ 750</u>	<u>\$ 1,375</u>	<u>\$ 2,250</u>	<u>\$ 4,125</u>

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

The employees' compensation and remuneration of directors for 2020 and 2019 were resolved by the board of directors on March 8, 2021 and March 9, 2020, respectively:

	<u>2020</u>	<u>2019</u>
Remuneration of Employees	<u>\$ 25,892</u>	<u>\$ 14,793</u>
Remuneration of Directors	<u>\$ 3,000</u>	<u>\$ 5,500</u>

There was no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2020 and 2019.

Information on the employees' compensation and remuneration of directors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

h. Gain or loss on foreign currency exchange

	<u>For the Three Months Ended September 30, 2021</u>	<u>For the Three Months Ended September 30, 2020</u>	<u>For the Nine Months Ended September 30, 2021</u>	<u>For the Nine Months Ended September 30, 2020</u>
Gross foreign exchange gains	\$ 77,759	\$ 23,918	\$ 224,323	\$ 135,615
Gross foreign exchange losses	( <u>56,678</u> )	( <u>58,709</u> )	( <u>337,409</u> )	( <u>207,355</u> )
Net gain (loss)	<u>\$ 21,081</u>	<u>( \$ 34,791 )</u>	<u>( \$ 113,086 )</u>	<u>( \$ 71,740 )</u>

29. Income tax relating to continuing operations

a. Income tax recognized in profit or loss

Major components of income tax expenses are as follows:

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Current tax				
In respect of the current year	\$ 517,079	\$ 322,449	\$ 1,796,419	\$ 676,980
Additional levy on undistributed earnings	40,731	2	106,650	29,544
Adjustments for previous years	( <u>212</u> )	( <u>100</u> )	( <u>11,782</u> )	( <u>13,666</u> )
	<u>557,598</u>	<u>322,351</u>	<u>1,891,287</u>	<u>692,858</u>
Deferred tax				
In respect of the current year	16,571	12,321	91,473	76,199
Adjustments for previous years	<u>40</u>	( <u>3,314</u> )	<u>920</u>	( <u>3,704</u> )
	<u>16,611</u>	<u>9,007</u>	<u>92,393</u>	<u>72,495</u>
Income tax expense recognized in profit or loss	<u>\$ 574,209</u>	<u>\$ 331,358</u>	<u>\$ 1,983,680</u>	<u>\$ 765,353</u>

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

b. Income tax recognized in other comprehensive income

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
<u>Deferred tax</u>				
Recognized for the period				
- Translation of foreign operations	( \$ 14,776 )	\$ 60,495	( \$ 71,858 )	( \$ 31,266 )
- Unrealized gain (loss) on financial assets at FVTOCI	<u>1,085</u>	<u>957</u>	<u>3,407</u>	<u>674</u>
Income tax loss (gain) recognized in other comprehensive income	<u>( \$ 13,691 )</u>	<u>\$ 61,452</u>	<u>( \$ 68,451 )</u>	<u>( \$ 30,592 )</u>

c. Accreditation of income tax

The income tax return of TTC, SPC, CGPCPOL, APC, APCI, TVCM, UM, USII, TUVV, TUVV, CLT, INOMA, UPIIC, STC, CGTD and USIO as of December 31, 2019 has been assessed by the tax authorities; The income tax return of the Company and SPC, as of December 31, 2018 has been assessed by the tax authorities; the income tax return of ACME as of December 31, 2019, excluding the year 2018, has been assessed by the tax authorities.

30. Earnings Per Share

	Unit: NT\$ Per Share			
	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Basic earnings per share	<u>\$ 0.98</u>	<u>\$ 0.56</u>	<u>\$ 3.36</u>	<u>\$ 1.04</u>
Diluted earnings per share	<u>\$ 0.97</u>	<u>\$ 0.56</u>	<u>\$ 3.35</u>	<u>\$ 1.04</u>

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

Net profit for the period

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Net income attributable to owners of the Company (used to calculate the net income from basic and diluted earnings per share)	<u>\$ 1,046,015</u>	<u>\$ 600,799</u>	<u>\$ 3,600,486</u>	<u>\$ 1,112,599</u>

Number of share

	Unit: thousands of shares			
	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Weighted average number of ordinary shares used in the computation of basic earnings per share	1,072,298	1,072,298	1,072,298	1,072,298
Effect of potentially dilutive ordinary shares:				
Remuneration of Employees	<u>1,096</u>	<u>754</u>	<u>1,389</u>	<u>1,062</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>1,073,394</u>	<u>1,073,052</u>	<u>1,073,687</u>	<u>1,073,360</u>

If the Group offered to settle remuneration paid to employees in cash or shares, the Group assumed the entire amount of the remuneration would be settled in shares, and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

31. Share-based payment arrangements

USIO didn't issue employee share options as of January 1 to September 30, 2021 and 2020. Information on employee share options which were issued was as follows:

Employee share options	For the Nine Months Ended September 30, 2021		For the Nine Months Ended September 30, 2020	
	Unit	Weighted average Exercise Price (NT\$)	Unit	Weighted average Exercise Price (NT\$)
Options exercised at January 1 and December 31	<u>133</u>	10.8	<u>133</u>	10.8

32. Business Combination (For the Nine Months Ended September 30, 2020: N/A)

a. Acquisition of subsidiaries

	Main operating activities	Acquisition date	Voting ownership interest/Acquisition proportion (%)	Transfer consideration
USI Green Energy Corporation	Engage in solar power generation business	July 5, 2021	100%	<u>\$ 34,092</u>

The Company acquired USIGE in July 2021 in response to the government's policy on green power.

b. Transfer consideration

Cash	<u>USIGE</u> <u>\$ 34,092</u>
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c. Assets acquired and liabilities assumed on the acquisition date

	<u>USIGE</u>
Current assets	
Cash and cash equivalents	\$ 36
Prepayments	654
Non-current assets	
Property, plant and equipment	13,073
Intangible assets	33,144
Current Liabilities	
Other payables	( <u>14,000</u> )
	<u>\$ 32,907</u>

d. Goodwill generated from the acquisition

	<u>USIGE</u>
Transfer consideration	\$ 34,092
Less: fair value of identifiable net assets acquired	( <u>32,907</u> )
Goodwill generated from the acquisition	<u>\$ 1,185</u>

The goodwill generated from the acquisition of Xuanju mainly comes from the control premium. In addition, the consideration paid for the combination includes the expected combination synergies, revenue growth and future market development. However, such benefits do not meet the requirements for recognition of identifiable intangible assets, thus they are not recognized separately.

The goodwill generated from the acquisition is not expected to be tax deductible.

e. Net cash outflows from acquisition of subsidiaries

	<u>USIGE</u>
Consideration paid in cash	\$ 34,092
Less: balance of cash and cash equivalent acquired	( <u>36</u> )
	<u>\$ 34,056</u>

f. The impact of business combination on operating results

As of the acquisition date, the operating results of the acquired company are as follows:

	<u>USIGE</u>
Revenue	<u>\$ -</u>
Loss of the period	( <u>\$ 276</u> )

If the acquisition of Xuanju in July 2021 took place on January 1, 2021, the proposed operating revenues of the Group for the three months ended September 30, 2021 and for the nine months ended September 30, 2021 were NT\$18,463,761 thousand and NT\$52,404,697 thousand, respectively, and the proposed net profit was NT\$2,095,422 thousand and NT\$7,369,843 thousand, respectively. These amounts do not reflect the actual revenues and operating results of the Group that would have been generated had the combination been completed on the commencement date of the year of acquisition and shall not be used as a projection of future operating results.

### 33. Cash flow information

#### a. Non-cash transactions

Except as disclosed in other notes, the following non-cash investing and financing activities of the Group during the period January 1 to September 30, 2021 and 2020 are as follows:

- As of the year ended September 30, 2021, December 31, 2020 and September 30, 2020, the amounts of payables for purchases of equipment were \$242,392 thousand, \$104,811 thousand and \$139,627 thousand, respectively; The amount payable for land acquisition as at September 30, 2020 was \$41,339 thousand.
- As of the year ended September 30, 2021, December 31, 2020 and September 30, 2020, the amounts of payables for dividends declared but not issued were \$1,476,464 thousand, \$71,694 thousand and \$22,381 thousand, respectively.

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

	Non-cash Changes						September 30, 2021
	January 1, 2021	Cash flow	New Leases	Allocated Finance Costs	Changes in Foreign Currency Exchange Rates	Other	
Short-term borrowings	\$ 2,726,270	(\$ 242,964)	\$ -	\$ -	\$ -	\$ -	\$ 2,483,306
Short-term bills payable	656,704	( 31,000)	-	-	-	16	625,720
Bonds payable (including current portions)	6,994,302	1,995,634	-	2,472	-	-	8,992,408
Long-term borrowings (including current portions)	7,590,000	( 3,370,000)	-	-	-	( 36)	4,219,964
Guarantee deposits	23,342	3,434	-	-	-	-	26,776
Lease liabilities (including current portions)	459,686	( 52,199)	38,844	5,112	( 210)	( 12,018)	439,215
Other non-current liabilities	41,000	( 1,620)	-	-	-	-	39,380
	<u>\$18,491,304</u>	<u>(\$ 1,698,715)</u>	<u>\$ 38,844</u>	<u>\$ 7,584</u>	<u>(\$ 210)</u>	<u>(\$ 12,038)</u>	<u>\$16,826,769</u>

	January 1, 2020	Cash flow	Non-cash Changes				September 30, 2020
			New Leases	Allocated Finance Costs	Changes in Foreign Currency Exchange Rates	Other	
Short-term borrowings	\$ 4,258,980	(\$ 511,617)	\$ -	\$ -	\$ -	\$ -	\$ 3,747,363
Short-term bills payable	1,352,810	( 458,000)	-	-	-	( 320)	894,490
Bonds payable (including current portions)	7,991,283	( 1,000,000)	-	2,272	-	-	6,993,555
Long-term borrowings (including current portions)	9,492,970	( 1,563,001)	-	-	-	-	7,929,969
Guarantee deposits	27,475	10,417	-	-	-	-	37,892
Lease liabilities (including current portions)	552,778	( 51,580)	2,765	5,549	( 28,871)	( 5,549)	475,092
Other non-current liabilities	41,778	( 951)	-	-	-	-	40,827
	<u>\$23,718,074</u>	<u>(\$ 3,574,732)</u>	<u>\$ 2,765</u>	<u>\$ 7,821</u>	<u>(\$ 28,871)</u>	<u>(\$ 5,869)</u>	<u>\$20,119,188</u>

### 34. 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.

### 35. Financial Instruments

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

##### September 30, 2021

	Carrying Amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial liabilities					
Financial liabilities at amortized cost					
- Domestic corporate bonds	\$ 8,992,408	\$ -	\$ 9,017,435	\$ -	\$ 9,017,435

December 31, 2020

	Carrying Amount	Fair value			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
- Domestic corporate bonds	\$ 6,994,302	\$ -	\$ 7,029,198	\$ -	\$ 7,029,198

September 30, 2020

	Carrying Amount	Fair value			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
- Domestic corporate bonds	\$ 6,993,555	\$ -	\$ 7,033,298	\$ -	\$ 7,033,298

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

September 30, 2021

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivative financial assets	\$ -	\$ 4,292	\$ -	\$ 4,292
Domestic listed shares and over-the-counter shares	655,879	-	-	655,878
Fund beneficiary certificates	5,166,479	-	-	5,166,479
Beneficiary securities	221,803	-	-	221,804
Foreign listed stocks	514	-	-	514
Total	\$ 6,044,675	\$ 4,292	\$ -	\$ 6,048,967
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
- Domestic listed shares and over-the-counter shares	\$ 1,606,793	\$ -	\$ -	\$ 1,606,793
- Domestic emerging market shares	-	-	14,834	14,834
- Domestic unlisted equity investments	-	-	557,958	557,958
- Foreign listed shares and over-the-counter shares	42,058	-	-	42,058
- Overseas unlisted equity investments	-	-	111,175	111,175
Total	\$ 1,648,851	\$ -	\$ 683,967	\$ 2,332,818
<u>Financial liabilities at FVTPL</u>				
Derivative financial assets	\$ -	\$ 11,522	\$ -	\$ 11,522

## December 31, 2020

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivative financial assets	\$ -	\$ 5,328	\$ -	\$ 5,328
Domestic listed shares and over-the-counter shares	506,763	-	-	506,763
Fund beneficiary certificates	4,765,536	-	-	4,765,536
Beneficiary securities	233,670	-	-	233,670
Foreign listed stocks	386	-	-	386
Total	<u>\$ 5,506,355</u>	<u>\$ 5,328</u>	<u>\$ -</u>	<u>\$ 5,511,683</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
- Domestic listed shares and over-the-counter shares	\$ 1,694,805	\$ -	\$ -	\$ 1,694,805
- Domestic emerging market shares	-	-	9,626	9,626
- Domestic unlisted equity investments	-	-	720,833	720,833
- Foreign listed shares and over-the-counter shares	30,566	-	-	30,566
- Overseas unlisted equity investments	-	-	102,826	102,826
Total	<u>\$ 1,725,371</u>	<u>\$ -</u>	<u>\$ 833,285</u>	<u>\$ 2,558,656</u>
<u>Financial liabilities at FVTPL</u>				
Derivative financial assets	\$ -	\$ 20,724	\$ -	\$ 20,724

## September 30, 2020

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivative financial assets	\$ -	\$ 7,629	\$ -	\$ 7,629
Domestic listed shares and over-the-counter shares	251,227	-	-	251,227
Fund beneficiary certificates	4,553,710	-	-	4,553,710
Beneficiary securities	230,796	-	-	230,796
Foreign listed stocks	382	-	-	382
Total	<u>\$ 5,036,115</u>	<u>\$ 7,629</u>	<u>\$ -</u>	<u>\$ 5,043,744</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
- Domestic listed shares and over-the-counter shares	\$ 1,616,809	\$ -	\$ -	\$ 1,616,809
- Domestic emerging market shares	-	-	9,171	9,171
- Domestic unlisted equity investments	-	-	815,438	815,438
- Foreign listed shares and over-the-counter shares	15,025	-	-	15,025
- Overseas unlisted equity investments	-	-	97,200	97,200
Total	<u>\$ 1,631,834</u>	<u>\$ -</u>	<u>\$ 921,809</u>	<u>\$ 2,553,643</u>
<u>Financial liabilities at FVTPL</u>				
Derivative financial assets	\$ -	\$ 8,622	\$ -	\$ 8,622

There were no transfers between Levels 1 and 2 fair value measurement for the nine months ended September 30, 2021 and 2020.

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

	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
<u>Financial assets at FVTOCI</u>		
Beginning balance	\$ 833,285	\$ 748,451
Purchase	24	-
Recognized in other comprehensive income (included in unrealized gain (loss) on financial assets at FVTOCI)	( 97,098 )	250,001
Disposal	-	( 76,643 )
Return of capital	( 52,244 )	-
Ending balance	<u>\$ 683,967</u>	<u>\$ 921,809</u>

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

<u>Financial Instruments</u>	<u>Valuation Technique 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 expiration date through interpolation method.
Derivatives - foreign exchange forward contracts	Discounted cash flow: Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

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

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

fair value will decrease/increase by \$68,397 thousand and \$92,181 thousand, respectively in years ended from January 1 to September 30., 2021 and 2020.

c. Categories of financial instruments

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Financial assets</u>			
Measured at FVTPL			
Mandatorily classified at FVTPL	\$ 6,048,967	\$ 5,511,683	\$ 5,043,744
Financial assets at amortized cost			
Cash and cash equivalents	9,997,770	9,637,007	8,901,630
Pledged time and demand deposits	740,200	739,278	697,712
Financial products	-	-	77,771
Notes receivable	559,092	671,576	458,308
Trade receivables	8,861,407	6,810,340	5,164,375
Other receivables (including related parties)	410,149	293,459	375,626
Refundable deposits	172,769	166,993	160,439
Financial assets at FVTOCI—Equity instruments	2,232,818	2,558,656	2,553,643
<u>Financial liabilities</u>			
Financial liabilities at FVTPL - held for trading	11,522	20,724	8,622
At amortized cost			
Short-term borrowings	2,483,306	2,726,270	3,747,363
Short-term bills payable	625,720	656,704	894,490
Notes and accounts payable	4,128,166	3,406,837	2,448,891
Other payables (not including salaries payable or taxes payable)	1,407,340	964,310	1,105,925
Current portion of long-term borrowings	2,999,830	1,999,233	-
Bonds payable	5,992,578	4,995,069	6,993,555
Long-term borrowings	4,219,964	7,590,000	7,929,969
Guarantee deposits	26,776	23,342	37,892

#### 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 Risks

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

There has been no change to the Group's exposure to market risks or the manner in which these risks were managed and measured.

##### a) Foreign currency risk

The Group had conducted foreign currency sales and purchases, which exposed the Group to foreign currency risk. In order to avoid the impact of foreign currency exchange rate changes, which lead to deductions in foreign currency denominated assets and fluctuations in their future cash flows, the Group used foreign exchange forward contracts to eliminate foreign currency exposure and thus mitigate the impact of the risk. The use of foreign exchange forward contracts was governed by the Group's policies approved by the board of directors. Compliance with policies and exposure limits was reviewed by internal auditors on a continuous basis. The Group did not engage in any derivative transactions for speculative purposes.

For the carrying amount of monetary assets and monetary liabilities denominated in non-functional currencies of the Group as of the balance sheet date, please refer to note No.40. Please refer to Note 7 for carrying amount of derivative with exchange rate risk.

##### Sensitivity analysis

The sensitivity analysis for foreign currency exchange risk is mainly calculated based on foreign currency monetary projects as at the end of the reporting period (mainly the US dollar and Renminbi items). When the Group's functional currency relative to the USD appreciates/depreciates by 3%, the Group's profit before tax for period from January 1 to September 30, 2021 will decrease/increase by \$167,385 thousand; the profit before

tax for period from January 1 to September 30, 2020 will decrease/increase by \$95,897 thousand.

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

b) Interest rate risk

The Group was exposed to the fair value risk of interest rate fluctuations for the fixed interest rate bearing financial assets and financial liabilities; the Group was exposed to the cash flow risk of interest rate fluctuations for the floating interest rate bearing financial assets and financial liabilities. The Group's management regularly monitors the fluctuations in market rates and then adjusted its balance of floating rate bearing financial liabilities to make the Group's interest rates more closely approach market rates in response to the interest rate risk.

The carrying amount of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	September 30, 2021	December 31, 2020	September 30, 2020
Fair value interest rate risk			
- Financial assets	\$ 7,799,097	\$ 6,090,090	\$ 5,307,962
- Financial liabilities	13,451,473	12,084,042	14,170,499
Cash flow interest rate risk			
- Financial assets	2,558,837	4,057,411	4,023,579
- Financial liabilities	3,309,140	6,342,920	5,869,970

Sensitivity analysis

Regarding the sensitivity analysis of interest risk, the Group's computation was based on financial assets and financial liabilities with cash flow interest rate risk. A 0.5% increase/decrease of market interest was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible

change in interest rate. If interest rates had been 0.5% higher/lower and all other variables were held constant, the Group's profit before tax for period from January 1 to September 30, 2021 will decrease/increase by \$2,814 thousand; the profit before tax for period from January 1 to June 30, 2020 will decrease/increase by \$6,924 thousand.

c) Other price risks

The Group was exposed to the equity price risk through its investments in domestic and foreign listed (OTC) shares, mutual 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 is based on the prices of equity securities at the balance sheet date. However, the mutual fund beneficiary certificates held by the Group are mainly money market funds, which have very low price volatility risk, so it is not included in sensitivity analysis.

If the equity price had increased/decreased by 5%, the pre-tax profit for the nine months ended September 30, 2021 and 2020 would have increased/decreased by NT\$43,910 thousand and NT\$24,120 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL (excluding mutual fund beneficiary certificates); The pre-tax other comprehensive income for the nine months ended September 30, 2021 and 2020 would have increased/decreased by NT\$116,641 thousand and NT\$127,682 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 at the end of the reporting period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of counterparties to discharge an obligation, could arise from:

- a) The carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets; and

- b) The maximum amount the Group would have to pay if the financial guarantee is called upon.

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 trade 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. As of the end of the reporting period, the Group's largest exposure to credit risk is approximately that of the carrying amounts of its financial assets.

3) Liquidity risk

The Group operations and mitigate the effects of the Group's operating cash flow fluctuations by managing and maintaining sufficient cash and cash equivalents.

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

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table was drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

September 30, 2021

	Weighted Average Interest Rate (%)	On Demand or Less than 1 Year	1-5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities				
Lease liabilities	0.83-9.25	\$ 8,422,510 77,472	\$ - 242,416	\$ - 303,900
Floating interest rate liabilities	0.52-1.78	1,189,176	2,119,964	-
Fixed interest rate liabilities	0.63-1.90	4,920,130	8,100,000	-
		<u>\$ 14,609,288</u>	<u>\$ 10,462,380</u>	<u>\$ 303,900</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	Over 20 Years
Lease liabilities	<u>\$ 77,472</u>	<u>\$ 242,416</u>	<u>\$ 74,607</u>	<u>\$ 57,185</u>	<u>\$ 57,825</u>	<u>\$ 114,283</u>

December 31, 2020

	Weighted Average Interest Rate (%)	On Demand or Less than 1 Year	1-5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities				
Lease liabilities	0.83-9.25	\$ 5,623,370 78,464	\$ - 248,922	\$ - 316,663
Floating interest rate liabilities	0.52-2.89	1,352,920	4,990,000	-
Fixed interest rate liabilities	0.35-1.90	4,030,350	7,600,000	-
		<u>\$ 11,085,104</u>	<u>\$ 12,838,922</u>	<u>\$ 316,663</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	Over 20 Years
Lease liabilities	<u>\$ 78,464</u>	<u>\$ 248,922</u>	<u>\$ 92,146</u>	<u>\$ 51,759</u>	<u>\$ 52,399</u>	<u>\$ 120,359</u>

September 30, 2020

	Weighted Average Interest Rate (%)	On Demand or Less than 1 Year	1-5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities				
Lease liabilities	0.83-9.25	\$ 4,500,192 78,185	\$ - 259,867	\$ - 326,735
Floating interest rate liabilities	0.52-1.30	240,000	5,630,000	-
Fixed interest rate liabilities	0.35-2.89	4,402,363	9,300,000	-
		<u>\$ 9,220,740</u>	<u>\$ 15,189,867</u>	<u>\$ 326,735</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	Over 20 Years
Lease liabilities	<u>\$ 78,185</u>	<u>\$ 259,867</u>	<u>\$ 99,160</u>	<u>\$ 52,400</u>	<u>\$ 52,399</u>	<u>\$ 122,776</u>

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

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

September 30, 2021

	On Demand or Less than 1 Month	1 to 3 month	3 months to 1 years
<u>Gross delivery</u>			
Foreign exchange forward contracts			
- Inflow	\$ 1,270,488	\$ 2,452,803	\$ 43,536
- Outflow	( 1,271,716)	( 2,460,456)	( 45,107)
	<u>(\$ 1,228)</u>	<u>(\$ 7,653)</u>	<u>(\$ 1,571)</u>

December 31, 2020

	On Demand or Less than 1 Month	1 to 3 month	3 months to 1 years
<u>Gross delivery</u>			
Foreign exchange forward contracts			
- Inflow	\$ 914,593	\$ 1,328,558	\$ 109,690
- Outflow	( 920,172)	( 1,345,476)	( 111,875)
	<u>(\$ 5,579)</u>	<u>(\$ 16,918)</u>	<u>(\$ 2,185)</u>

September 30, 2020

	On Demand or Less than 1 Month	1 to 3 month	3 months to 1 years
<u>Gross delivery</u>			
Foreign exchange forward contracts			
- Inflow	\$ 520,266	\$ 1,031,827	\$ 37,468
- Outflow	( 517,993)	( 1,281,224)	( 39,729)
	<u>\$ 2,273</u>	<u>(\$ 249,397)</u>	<u>(\$ 2,261)</u>

c) Financing facilities

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

	September 30, 2021	December 31, 2020	September 30, 2020
Bank loan facilities			
- Amount unused	<u>\$ 37,801,941</u>	<u>\$ 34,248,864</u>	<u>\$ 35,528,581</u>

36. Transactions with Related Parties

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

a. Names of related parties and categories

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

b. Donation costs (accounting for administrative expenses)

<u>Related Party Category/Name</u>	<u>For the Three Months Ended September 30, 2021</u>	<u>For the Three Months Ended September 30, 2020</u>	<u>For the Nine Months Ended September 30, 2021</u>	<u>For the Nine Months Ended September 30, 2020</u>
Other related parties				
USI Education Foundation	\$ <u>-</u>	\$ <u>-</u>	\$ <u>16,000</u>	\$ <u>8,250</u>

c. Management service revenue (accounting for other revenue)

<u>Related Party Category/Name</u>	<u>For the Three Months Ended September 30, 2021</u>	<u>For the Three Months Ended September 30, 2020</u>	<u>For the Nine Months Ended September 30, 2021</u>	<u>For the Nine Months Ended September 30, 2020</u>
Joint ventures	\$ <u>9,127</u>	\$ <u>8,502</u>	\$ <u>27,846</u>	\$ <u>23,281</u>

d. Other receivables

<u>Related Party Category/Name</u>	<u>September 30, 2021</u>	<u>December 31, 2020</u>	<u>September 30, 2020</u>
Joint ventures	\$ <u>8,198</u>	\$ <u>19,369</u>	\$ <u>7,581</u>

e. Compensation of key management personnel

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

	<u>For the Three Months Ended September 30, 2021</u>	<u>For the Three Months Ended September 30, 2020</u>	<u>For the Nine Months Ended September 30, 2021</u>	<u>For the Nine Months Ended September 30, 2020</u>
Short-term employee benefits	\$ 8,781	\$ 9,563	\$ 26,151	\$ 29,321
Post-employment benefits	<u>155</u>	<u>81</u>	<u>317</u>	<u>243</u>
	<u>\$ 8,936</u>	<u>\$ 9,644</u>	<u>\$ 26,468</u>	<u>\$ 29,564</u>

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

37. Assets Pledged as Collateral or for Security

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

	September 30, 2021	December 31, 2020	September 30, 2020
Pledged and mortgaged bank deposits (accounting for financial assets at amortized cost)	\$ 678,263	\$ 678,314	\$ 678,998
Property, plant and equipment	483,072	927,196	3,555,403
Investment properties - net	-	108,178	108,178
Land use right (accounting for right-of-use assets)	20,550	21,482	28,223
Refundable deposits (accounting for other non-current assets)	<u>70,837</u>	<u>62,633</u>	<u>60,207</u>
	<u>\$ 1,252,722</u>	<u>\$ 1,797,803</u>	<u>\$ 4,431,009</u>

38. Significant Contingent Liabilities and Unrecognized Commitments

a. As of September 30, 2021, December 31, 2020, and September 30, 2020, the Group's unused letters of credit amounted to NT\$3,585,608 thousand, NT\$2,236,491 thousand and NT\$1,808,019 thousand, respectively.

b. Regarding the Company's associate, China General Terminal & Distribution Corporation ("CGTD"), who was commissioned to operate the propylene pipeline of LCY Chemical Corp. ("LCY") resulting in a gas explosion on July 31, 2014, the appeal was dismissed by the Supreme Court on September 15, 2021, and all three employees of CGTD were innocent.

On February 12, 2015, CGTD entered into an agreement with the Kaohsiung City Government to provide the Kaohsiung City Government with pledge right set of a bank deposit certificate of NT\$227,499 thousand (including interest) as the guarantee for the loss caused by the gas explosion. Kaohsiung City Government has also filed civil lawsuits against LCY, CGTD and CPC Corporation. Taiwan Power Company applied for provisional attachment against CGTD's property on August 27 and November 26, 2015. CGTD had deposited cash of NT\$ 99,207 thousand to the court to avoid provisional attachment. Taiwan Water Corporation also applied for provisional attachment against CGTD's property on February 3 and March 2, 2017. Assets under attachment amounted to approximately NT\$11,855 thousand as of October 29, 2021.

For the victims of the gas explosion, CGTD, LCY and the Kaohsiung City Government signed a tripartite agreement for severe injuries on July 17, 2015 agreeing to negotiate the compensation first with the 32 severely injured victims,

agreeing to negotiate compensation in advance for all the heirs and claimants of the 32 victims (hereinafter referred to as "the families of the victims"), paying the families of the victims NT\$12,000 thousand for each victim, with a total settlement of NT\$384,000 thousand. LCY paid the compensation first and also represented the three parties in the settlement negotiation and the signing of settlement agreements with the family of the deceased.

For the severely injured, CGTD, LCY and the Kaohsiung City Government signed a tripartite agreement for severe injuries on October 25, 2017 agreeing to negotiate the compensation first with the 65 severely injured victims. The settlement was paid in advance by CGTD and the Kaohsiung City Government. On behalf of the three parties, CGTD negotiated with the severely injured in the gas explosion and signed a settlement agreement with 64 of them.

As of October 29, 2021, victims and their families have filed civil (including supplementary civil action) lawsuits against LCY Chemical Corp., CGTD and CPC for compensation. To reduce the lawsuit costs, CGTD had reached a settlement on the original claim of NT\$46,677 thousand, and the amount of the settlement was NT\$4,519 thousand. Along with the case still under litigation and the above-mentioned compensation, the accumulated amount of compensation is NT\$3,856,447 thousand. The first-instance judgments of some of the above-mentioned civil cases (with a total amount of compensation of approximately \$1,341,128 thousand) have been gradually announced, starting from June 22, 2018. The proportion of fault liability of the Kaohsiung City Government, LCY Chemical Corp. and CGTD is 4 : 3 : 3 in most judgments. The total amount of compensation that CGTD, LCY Chemical Corp. and the other defendants should pay is around NT\$401,979 thousand. (In particular, CGTD was exempted to pay NT\$6,194 thousand according to the court's judgment.) For the civil cases in which sentence has been pronounced but not settled, CGTD has filed an appeal and has successively proceeded to the second-instance procedure. CGTD and its insurance company signed a settlement agreement, covering the proportion of the liability for negligence determined in the first-instance judgment, the estimated amount of the settlement with the victims and the severely injured, and the amount of compensation in civil cases (including cases that have been settled); after the upper limit of 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.

39. Major contracts

- a. TVCM signed a dichloroethane purchase contract with CPC Corporation, Formosa Plastics Corporation and Mitsui Corp. The purchase price was negotiated by both parties according to a pricing formula.
- b. The Company and its subsidiary Asia Polymer Corporation ("APC" signed the joint venture agreement on the investment in Gulei on April 17, 2014. The counterparties of the contracts or commitments are Ho Tung Chemical Corp., LCY Chemical Corp., Hsin Tay Petroleum Co., Ltd., Chenergy Global Corporation and Lien Hwa Ind. Corp. The main contract contents are (1) Each shareholder invests and establishes Ever Victory Global Limited (hereinafter referred to as "EVGL") in accordance with the provisions of the contract, and agrees to invest in seven products, including oil refining and ethylene production, and other business approved by the competent authority of the Republic of China and approved by the board of directors of the joint venture, in Gulei Industrial Park, Zhangzhou, Fujian Province, Mainland China through the establishment of Dynamic Ever Investments Limited (hereinafter referred to as "DEIL") in Hong Kong, which is 100% held the shareholders. (2) DEIL and Fujian Petrochemical Chemical Co., Ltd. ("FPCL") jointly established a company to operate the target business of the joint venture (hereinafter referred to as "Gulei") in Gulei Industrial Park, Zhangzhou, Fujian Province in accordance with the laws and regulations of the People's Republic of China and acquired 50% of the issued shares of Gulei as the basis for the joint investment.

In addition, due to the increase in the amount of investment stipulated in the "Joint Venture Contract for Fujian Gulei Petrochemical Co., Ltd." signed by DEIL and FPCL, the counterpart of some contracts or commitments in the original joint venture agreement failed to subscribe shares or participate in the subsequent capital increase procedures according to the investment proportion stipulated in the original joint venture agreement. To continue and achieve the target business of the original contract, DEIL and FPCL signed a new joint venture agreement on September 30, 2016, and included a new counterparty to the contract or commitments, CTCI Corporation. Later on December 18, 2019, DEIL and FPCL

signed another new joint venture agreement, and included new counterparties to the contracts or commitments, Fubon Financial Holding Venture Capital Corporation and Hongfu Investment Co., Ltd.

In order to enrich the working capital of Gulay, EVGL signed a joint venture agreement with the Hong Kong-based company DOR PO INVESTMENT COMPANY LIMITED (hereinafter referred to as "DOR PO") on June 5, 2019 to jointly invest in Xulent. In accordance with the terms of the joint venture agreement, DOR PO shall contribute US\$109,215 thousand to increase the capital of DEIL, of which US\$103,915 thousand has been contributed as of September 30, 2021 to acquire 15% equity in DEIL.

As of September 30, 2021, the Company and APC cumulatively invested capital amounted to US\$246,670 thousand (approximately NT\$7,645,981 thousand) and US\$170,475 thousand (approximately NT\$5,255,587 thousand) in Ever Conquest Global Limited ("ECGL"), respectively, and reinvested in EVGL via ECGL as well as in DEIL. The Company and APC together hold 67.4% shares in EVGL in total. DEIL has invested capital amounted to RMB 4,657,200 thousand in Gulei.

- c. In order to improve the efficiency of asset management, the Group provided 10 parcels of land accounted for investment properties located in the third sub-section of Yanji Section, Songshan District, Taipei, and participated in the urban renewal plan of Huaku Development Co., Ltd. (hereinafter referred to as "Huaku") in cooperation with neighboring areas in the form of right transformation and has signed an urban renewal development contract, with the collection of the performance bond of NT\$6,400 thousand from the builder. The plan has been approved by the Taipei City government on November 30, 2017. In addition, to ensure the smooth development and completion of the urban renewal plan, the Group and Huaku signed the real estate trust agreement with and jointly entrusted the Trust Department of E.sun Bank in 2017 to manage, divide, merge and transfer the property rights of the construction base and the above-ground buildings during the term of the trust relationship. As of September 30, 2021, the urban renewal plan has been completed with the use right license has been obtained and uncompleted transfer of property rights for land and houses.

- d. Key operation contracts

CGTD is entrusted to handle the warehousing and transportation of petrochemical raw materials. Operating service charges are calculated at an agreed rate per ton for

operating quantities. The insurance expenses of petrochemical raw materials are borne by each entrusting company.

Entrusting company	Operation contract period
TTC Chemical Company, Ltd.	2020/01/01~2021/12/31
Taiwan VCM Corporation	2020/01/01~2021/12/31
USI Corporation	2021/01/01~2021/12/31
Asia Polymer Corporation	2021/01/01~2021/12/31
LCY Chemical Corp.	2020/01/01~2021/12/31
TSRC Corporation	2020/01/01~2021/12/31
Nantex Industry Co., Ltd.	2020/01/01~2021/12/31
En Chuan Chemical Industries Co., Ltd.	2020/01/01~2021/12/31
Xin Long Guang Plastics Co., Ltd.	2020/01/01~2021/12/31
Oriental Union Chemical Corporation	2021/01/01~2021/12/31
Formosa Plastics Corporation	2020/01/01~2021/12/31
Chi Shen Transportation Co., Ltd.	2020/01/01~2021/12/31
LCY Grit Corp.	2020/01/01~2021/12/31
Shin Foong Specialty And Applied Materials Co., Ltd.	2021/01/01~2021/12/31

The aforesaid operation contracts may be renewed upon expiration.

#### 40. Significant Financial Assets and Liabilities Denominated in Foreign Currencies

The group entities' significant financial assets and liabilities denominated in foreign currencies and aggregated by foreign currencies other than functional currencies and the related exchange rates Assets and liabilities with significant impact recognized in foreign currencies are as follows:

Unit: each foreign currency/book amounts are in thousands

	September 30, 2021				
	Foreign Currencies	Exchange Rate (In Single Dollars)		Functional Currencies	NT\$
<u>Foreign Currency Assets</u>					
<u>Monetary items</u>					
USD	\$ 224,862	27.85	(USD/NTD)	\$ 6,262,403	\$ 6,262,403
USD	4,174	6.49	(USD/RMB)	27,064	116,223
USD	5,039	4.37	(USD/MYR)	22,002	140,327
RMB	438,163	4.29	(RMB/NTD)	1,881,600	1,881,600
RMB	3,077	0.15	(RMB/USD)	474	13,209
AUD	721	20.07	(AUD/NTD)	14,474	14,474
EUR	1,138	32.32	(EUR/NTD)	36,756	36,756
<u>Non-monetary items</u>					
Joint Ventures Using the Equity Method					
RMB	4,607,843	0.15	(RMB/USD)	710,495	19,787,280
Derivative financial assets					
Purchase USD	30,510	27.85	(USD/NTD)	3,006	3,006
Sell USD	13,020	27.85	(USD/NTD)	620	620
Sell USD	1,150	4.37	(USD/MYR)	49	316
Sell RMB	16,000	4.29	(RMB/NTD)	15	15
Sell Euro	90	5.07	(EUR/MYR)	20	126
Purchase JPY	40,000	0.01	(JPY/USD)	365	209

(Continued)

## September 30, 2021

	Foreign Currencies	Exchange Rate (In Single Dollars)	Functional Currencies	NT\$
<u>Foreign currency liabilities</u>				
<u>Monetary items</u>				
USD	\$ 79,519	27.85 (USD/NTD)	\$ 2,214,576	\$ 2,214,576
USD	17,212	6.49 (USD/RMB)	111,626	479,356
USD	1,096	4.37 (USD/MYR)	4,785	30,516
RMB	25,573	4.29 (RMB/NTD)	109,818	109,818
<u>Non-monetary items</u>				
<u>Derivative financial assets</u>				
Purchase USD	3,400	27.85 (USD/NTD)	586	586
Sell USD	30,370	27.85 (USD/NTD)	2,723	2,723
Sell USD	400	4.37 (USD/MYR)	8	48
Sell RMB	349,700	4.29 (RMB/NTD)	8,165	8,165

## December 31, 2020

	Foreign Currencies	Exchange Rate (In Single Dollars)	Functional Currencies	NT\$
<u>Foreign Currency Assets</u>				
<u>Monetary items</u>				
USD	\$ 178,315	28.48 (USD/NTD)	\$ 5,078,378	\$ 5,078,378
USD	3,556	6.52 (USD/RMB)	23,202	101,272
USD	3,879	4.19 (USD/MYR)	16,271	110,474
RMB	327,585	4.36 (RMB/NTD)	1,429,840	1,429,840
RMB	2,379	0.15 (RMB/USD)	365	10,394
AUD	853	21.95 (AUD/NTD)	18,716	18,716
EUR	392	35.02 (EUR/NTD)	13,744	13,744
<u>Non-monetary items</u>				
<u>Joint Ventures Using the Equity Method</u>				
RMB	4,621,047	0.15 (RMB/USD)	708,217	20,170,030
<u>Derivative financial assets</u>				
Sell USD	19,210	28.48 (USD/NTD)	4,313	4,313
Sell USD	550	4.19 (USD/MYR)	132	896
Sell RMB	5,400	4.36 (RMB/NTD)	22	22
Sell Euro	284	5.16 (EUR/MYR)	14	97
<u>Foreign currency liabilities</u>				
<u>Monetary items</u>				
USD	51,553	28.48 (USD/NTD)	1,468,237	1,468,237
USD	14,342	6.52 (USD/RMB)	93,578	408,450
USD	686	4.19 (USD/MYR)	2,879	19,545
RMB	30,318	4.36 (RMB/NTD)	132,331	132,331
<u>Non-monetary items</u>				
<u>Derivative financial assets</u>				
Purchase USD	7,471	28.48 (USD/NTD)	830	830
Sell USD	16,580	28.48 (USD/NTD)	4,309	4,309
Sell RMB	248,860	4.36 (RMB/NTD)	15,456	15,456
Purchase JPY	40,000	0.01 (JPY/USD)	5	129

September 30, 2020					
	Foreign Currencies	Exchange Rate (In Single Dollars)		Functional Currencies	NT\$
Foreign Currency Assets					
<u>Monetary items</u>					
USD	\$ 123,566	29.10	(USD/NTD)	\$ 3,595,789	\$ 3,595,789
USD	3,948	6.81	(USD/RMB)	26,884	114,878
USD	3,255	4.34	(USD/MYR)	14,131	94,727
RMB	215,361	4.27	(RMB/NTD)	920,258	920,258
RMB	784	0.15	(RMB/USD)	115	3,349
AUD	742	20.72	(AUD/NTD)	15,365	15,365
EUR	363	34.15	(EUR/NTD)	12,421	12,421
<u>Non-monetary items</u>					
Joint Ventures Using the Equity Method					
RMB	4,322,682	0.15	(RMB/USD)	636,214	18,513,834
Derivative financial assets					
Sell USD	28,060	29.10	(USD/NTD)	6,828	6,828
Sell USD	522	4.34	(USD/MYR)	65	437
Sell RMB	17,000	4.27	(RMB/NTD)	264	264
Sell Euro	180	5.09	(EUR/MYR)	10	64
Purchase JPY	40,000	0.01	(JPY/USD)	380	36
Foreign currency liabilities					
<u>Monetary items</u>					
USD	33,992	29.10	(USD/NTD)	989,169	989,169
USD	13,938	6.81	(USD/RMB)	94,919	405,598
USD	683	4.34	(USD/MYR)	2,963	19,861
RMB	27,568	4.27	(RMB/NTD)	117,801	117,801
<u>Non-monetary items</u>					
Derivative financial assets					
Sell USD	3,810	29.10	(USD/NTD)	495	495
Purchase USD	9,720	29.10	(USD/NTD)	2,335	2,335
Sell RMB	121,300	4.27	(RMB/NTD)	5,782	5,782
Sell Euro	88	5.09	(EUR/MYR)	1	10

The net realized and unrealized foreign currency exchange gains and losses of the Group for the three months ended September 30, 2021 and 2020 and the nine months ended September 30, 2021 and 2020 were NT\$21,081 thousand (profit), NT\$34,791 thousand (loss), NT\$113,086 thousand (loss) and NT\$71,740 thousand (loss), respectively. Due to the wide variety of foreign currency transactions and functional currencies of the Group's individual entities, thus the exchange gains and losses were not disclosed by currency of significant impact.

41. Supplementary Disclosures

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

1) Financing provided to others. Table 1.

- 2) Endorsements/Guarantees Provided; Table 2.
  - 3) Marketable securities held (excluding investment in subsidiaries and joint ventures). Table 3.
  - 4) Total Purchases from or Sales to Related Parties Amounting to at Least NT\$300 Million or 20% Of the Paid-in Capital; Table 4.
  - 5) Acquisitions of individual real estate at costs of at least \$300 million or 20% of the paid-in capital; None.
  - 6) Disposals of individual real estate at prices of at least \$300 million or 20% of the paid-in capital; None.
  - 7) Total purchases from or sales to related parties amounting to at least \$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 35.
  - 10) Others: The Business Relationships and Significant Transactions and Amounts between Parent and Subsidiaries and between Subsidiaries. Table 9.
  - 11) Information on investee companies; Table 7.
- c. Information on Investments in Mainland China:
- 1) Information on investee company in mainland China, including the company names, major business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, current profit and loss and recognized investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China. Table 8.
  - 2) The following information on the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:
    - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: Table 5 and 9.
    - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: Table 5 and 9.
    - c) The amount of property transactions and the amount of the resultant gains or losses: None.

- d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: Table 2.
- e) The highest balance during the period, the end of period balance, the interest rate range, and total current period interest with respect to the financing of funds: Table 1.
- f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services: None.
- d. Information of major shareholders: List of all shareholders with ownership of 5% or greater showing the names and the number shares and percentage of ownership held by each shareholder; Table 10.

#### 42. 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 and Loss Information of Reporting Segment

	For the Nine Months Ended September 30, 2021						
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Other	Total
Segment revenue	\$ 11,299,797	\$ 15,099,697	\$ 15,461,449	\$ 2,273,304	\$ 6,651,233	\$ 3,543,330	\$ 54,328,810
Interest income	4,482	1,868	31,223	6,886	3,479	10,721	58,659
Finance costs	( 71,116 )	( 2,998 )	( 3,836 )	( 11,806 )	( 18,528 )	( 21,972 )	( 130,256 )
Depreciation and amortization	( 465,838 )	( 528,455 )	( 150,250 )	( 151,338 )	( 234,708 )	( 266,688 )	( 1,797,277 )
Impairment loss	-	-	-	-	( 3,078 )	-	( 3,078 )
Pre-tax profit of reporting segment	4,089,594	2,491,153	1,837,285	107,244	2,588,090	1,972,890	13,086,256
Income tax expenses of reporting segment	( 489,108 )	( 490,943 )	( 437,597 )	( 40,868 )	( 429,263 )	( 95,901 )	( 1,983,680 )
Net profit of reporting segment	3,600,486	2,000,210	1,399,688	66,376	2,158,827	1,876,989	11,102,576

  

	For the Nine Months Ended September 30, 2020						
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Other	Total
Segment revenue	\$ 6,991,816	\$ 9,140,578	\$ 10,667,664	\$ 1,582,323	\$ 3,985,252	\$ 3,264,934	\$ 35,632,567
Interest income	5,298	3,499	22,810	9,271	6,692	33,382	80,952
Finance costs	( 58,915 )	( 6,514 )	( 18,289 )	( 13,345 )	( 33,812 )	( 47,655 )	( 178,530 )
Depreciation and amortization	( 465,884 )	( 516,395 )	( 155,227 )	( 145,183 )	( 235,774 )	( 284,476 )	( 1,802,939 )
Impairment loss	-	-	-	( 5,823 )	( 2,227 )	-	( 8,050 )
Pre-tax profit of reporting segment	1,168,273	804,434	1,454,176	69,882	650,939	993,057	5,140,761
Income tax expenses of reporting segment	( 55,674 )	( 132,139 )	( 325,168 )	( 34,821 )	( 91,311 )	( 126,240 )	( 765,353 )
Net profit of reporting segment	1,112,599	672,295	1,129,008	35,061	559,628	866,817	4,375,408

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

1) Segment revenue and results

	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
Pre-tax profit of reporting segment	\$ 11,113,366	\$ 4,147,704
Income tax expenses of reporting segment	( 1,887,779)	( 639,113)
Total of net after-tax profit of reporting segment	9,225,587	3,508,591
Pre-tax profit of other non-reporting segments	1,876,989	866,817
Deduction of inter-segment interests	( 3,732,509)	( 1,641,722)
Consolidated net after-tax profit	<u>\$ 7,370,067</u>	<u>\$ 2,733,686</u>

2) Other major adjustments

For the Nine Months Ended September 30, 2021								
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Other	Adjustments	Total
Interest income	\$ 4,482	\$ 1,868	\$ 31,223	\$ 6,886	\$ 3,479	\$ 10,721	\$ -	\$ 58,659
Finance costs	( 71,116)	( 2,998)	( 3,836)	( 11,806)	( 18,528)	( 21,972)	1,918	( 128,338)
Depreciation and amortization	( 465,838)	( 528,455)	( 150,250)	( 151,338)	( 234,708)	( 266,688)	43,714	( 1,753,563)
Impairment loss	-	-	-	-	( 3,078)	-	-	( 3,078)

For the Nine Months Ended September 30, 2020								
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Other	Adjustments	Total
Interest income	\$ 5,298	\$ 3,499	\$ 22,810	\$ 9,271	\$ 6,692	\$ 33,382	\$ -	\$ 80,952
Finance costs	( 58,915)	( 6,514)	( 18,289)	( 13,345)	( 33,812)	( 47,655)	2,509	( 176,021)
Depreciation and amortization	( 465,884)	( 516,395)	( 155,227)	( 145,183)	( 235,774)	( 284,476)	43,722	( 1,759,217)
Impairment loss	-	-	-	( 5,823)	( 2,227)	-	-	( 8,050)

Since the Group's individual segment assets were not included in the segment information provided chief operating decision-maker, the measured amount of operating segment assets was not disclosed herein.

USI Corporation and Subsidiaries  
 Financing provided to others  
 For the nine months ended September 30, 2021

Table 1

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

No.	Lending Company	Loan to object	Subject	Related Party (Yes/No)	Maximum Balance in Current Period	Ending balance (Note 3)	Actual Borrowing Amount (Note 3)	The range of interest rate (%)	Nature of Loan to (Note 2)	Amount of Business Transaction	Reason for Short-term Financing	Allowance for Impairment Loss	Collateral		Capital Loan and Ceiling for Individual Object (Note 1)	Total Capital Loan and Ceiling (Note 1)	Remark
													Name	Value			
0	USI Corporation	USI Green Energy Corporation	Other receivables - related parties	Yes	\$ 200,000	\$ 200,000	\$ 80,000	0.80	2	\$ -	Operating turnover	\$ -	-	-	\$ 9,593,233	\$ 9,593,233	

Note 1: The total capital loans shall not exceed 40% of the net value of the Company's most recent financial statements certified or audited by CPAs. The maximum capital loans is calculated on the net value as of September 30, 2021.

Note 2: The method of filling in the nature of loan is as follows:

(1) Fill in 1 for those with business transaction.

(2) Fill in 2 for those with necessary for short-term financing.

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

USI Corporation and Subsidiaries  
Acme Electronics Corporation  
Financing provided to others  
For the nine months ended September 30, 2021

Table 1-1

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

No.	Lending Company	Loan to object	Subject	Related Party (Yes/No)	Maximum Balance in Current Period (Note 3)	Ending balance (Notes 3 and 4)	Actual Borrowing Amount (Notes 3 and 4)	The range of interest rate (%)	Nature of Loan to (Note 2)	Amount of Business Transaction	Reason for Short-term Financing	Allowance for Impairment Loss	Collateral		Capital Loan and Ceiling for Individual Object (Note 1)	Total Capital Loan and Ceiling (Note 1)	Remark
													Name	Value			
0	Acme Electronics Corporation	ACME Electronics (Cayman) Corp.	Other receivables from related parties	Yes	\$ 278,500 (US\$10,000 thousand)	\$ 278,500 (US\$10,000 thousand)	\$ 222,880 (US\$8,000 thousand)	1.15013~ 2.82663	2	\$ -	Operating turnover	\$ -	-	-	\$ 523,958	\$ 523,958	

Note 1: The total capital loans shall not exceed 40% of the net value of ACME. The maximum capital loans is calculated on the net value as of September 30, 2021.

Note 2: The method of filling in the nature of loan is as follows:

(1) Fill in 1 for those with business transaction.

(2) Fill in 2 for those with necessary for short-term financing.

Note 3: The calculation was based on the spot exchange rate of September 30, 2021.

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

USI Corporation and Subsidiaries  
Swanson Plastics Corporation  
Financing provided to others  
For the nine months ended September 30, 2021

Table 1-2

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

No.	Lending Company	Loan to object	Subject	Related Party (Yes/No)	Maximum Balance in Current Period (Note 3)	Ending balance (Notes 3 and 4)	Actual Borrowing Amount (Notes 3 and 4)	The range of interest rate (%)	Nature of Loan to (Note 2)	Amount of Business Transaction	Reason for Short-term Financing	Allowance for Impairment Loss	Collateral		Capital Loan and Ceiling for Individual Object (Note 1)	Total Capital Loan and Ceiling (Note 1)	Remark
													Name	Value			
1	Forever Young Company Limited	Swanson International Ltd.	Other receivables	Yes	\$ 88,601	\$ 86,474	\$ 86,474	-	2	\$ -	Operating turnover	\$ -	-	-	\$ 147,547	\$ 221,320	
2	API-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	Other receivables	Yes	219,009	219,009	158,889	3.85	2	-	Operating turnover	-	-	-	546,670	546,670	
3	Swanson Plastics Company Ltd. (Singapore)	PT Swanson Plastics Indonesia	Other receivables	Yes	14,268	-	-	-	2	-	Operating turnover	-	-	-	357,487	357,487	

Note 1: The ceilings for capital loans are subject to the total amount of capital loaning procedures set by each company and the limits for individuals.

Note 2: The method of filling in the nature of loan is as follows:

(1) Fill in 1 for those with business transaction.

(2) Fill in 2 for those with necessary for short-term financing.

Note 3: The calculation was based on the spot exchange rate of September 30, 2021.

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

USI Corporation and Subsidiaries  
Endorsements/Guarantees Provided  
For the nine months ended September 30, 2021

Table 2

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

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Made for Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Period (Note 2)	Outstanding Endorsement/ Guarantee at the End of the Period (Note 2)	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 1)	Endorsement/ Guarantee Made by Parent for Subsidiaries	Endorsement/ Guarantee Made by Subsidiaries for Parent	Endorsement/ Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	USI Corporation	Union Polymer International Investment Corporation	Subsidiaries that the Company holds more than 50% of common equity directly	\$ 11,991,542	\$ 3,900,000	\$ 2,600,000	\$ 1,437,000	\$ -	10.84	\$ 14,389,850	Yes	No	No	
0	USI Corporation	Chong Loong Trading Co., Ltd.	Subsidiaries that the Company holds more than 50% of common equity directly	11,991,542	309,250 (US\$5,000 thousand) (NTD170,000 thousand)	309,250 (US\$5,000 thousand) (NTD170,000 thousand)	30,000	-	1.29	14,389,850	Yes	No	No	

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

Note 2: The calculation was based on the spot exchange rate of September 30, 2021.

USI Corporation and Subsidiaries  
Acme Electronics Corporation  
Endorsements/Guarantees Provided  
For the nine months ended September 30, 2021

Table 2-1

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

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period (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)	\$ 1,964,841	\$ 237,660 (US\$8,500 thousand)	\$ 236,725 (US\$8,500 thousand)	\$ 153,175 (US\$5,500 thousand)	\$ -	18.07	\$ 2,619,788	No	No	Yes	

Note 1: It is calculated at the net worth as at the end of September 2021.

Note 2: The total amount of endorsement/ guarantee that may be provided by ACME shall not exceed 200% of its net worth; the total amount of endorsement/ guarantee provided by ACME to any single entity shall not exceed 150% of its net worth. The aggregate amount of this endorsement/ guarantee is calculated at the net worth as of September 30, 2021.

Note 3: The calculation was based on the spot exchange rate of September 30, 2021.

USI Corporation and Subsidiaries  
Swanson Plastics Corporation  
Endorsements/Guarantees Provided  
For the nine months ended September 30, 2021

Table 2-2

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

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Made for Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period (Note 2)	Actual Borrowing Amount (Note 2)	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 1)	Endorsement/ Guarantee Made by Parent for Subsidiaries	Endorsement/ Guarantee Made by Subsidiaries for Parent	Endorsement/ Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	Swanson Plastics Corporation	Forever Young Co., Ltd.	Subsidiary	\$ 5,204,386	\$ 1,438,419	\$ 1,306,165	\$ -	\$ -	50.19	\$ 6,505,483	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics Company Ltd. (Singapore)	Subsidiary	5,204,386	51,078	49,852	-	-	1.92	6,505,483	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Malaysia) Sdn.Bhd.	Sub-subsidiary	5,204,386	34,242	33,420	-	-	1.28	6,505,483	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Kunshan) Co., Ltd.	Sub-subsidiary	5,204,386	85,605	83,550	-	-	3.21	6,505,483	No	No	Yes	
0	Swanson Plastics Corporation	Swanson Technologies Corporation	Subsidiary	5,204,386	219,796	155,960	128,130	-	5.99	6,505,483	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Tianjin) Co., Ltd.	Sub-subsidiary	5,204,386	28,535	27,850	-	-	1.07	6,505,483	No	No	Yes	
0	Swanson Plastics Corporation	PT Swanson Plastics Indonesia	Subsidiary	5,204,386	57,070	55,700	-	-	2.14	6,505,483	No	No	No	

Note 1: The total amount of guarantee that may be provided to any single entity by SPC shall not exceed 200% of its net worth stated on the latest financial statements; the total amount of guarantee provided by SPC for external enterprises shall not exceed 250% of its net worth stated on the latest financial statements.

Note 2: The calculation was based on the spot exchange rate of September 30, 2021.

USI Corporation and Subsidiaries  
China General Plastics Corporation  
Endorsements/Guarantees Provided  
For the nine months ended September 30, 2021

Table 2-3

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

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%) (Note 1)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Made by Parent for Subsidiaries	Endorsement/ Guarantee Made by Subsidiaries for Parent	Endorsement/ Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	China General Plastics Corporation	CGPC Polymer Corporation	Subsidiary	\$ 6,369,527	\$ 2,450,000	\$ 1,100,000	\$ 696	\$ -	10.36	\$ 10,615,87	No	No	No	

Note 1: It is calculated using the equity of CGPC as of September 30, 2021.

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

USI Corporation and Subsidiaries  
TTC Chemical Company, Ltd.  
Endorsements/Guarantees Provided  
For the nine months ended September 30, 2021

Table 2-4

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

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Period (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	TTC Chemical Company, Ltd.	TAITA (BVI) Holding Co., Ltd.	Subsidiaries that the Company holds 100% of common equity directly	\$ 7,322,492	\$ 878,500 (US\$10,000 thousand) (NTD600,000 thousand)	\$ 167,100 (US\$6,000 thousand)	\$ -	\$ -	2.28	\$ 10,983,738	No	No	No	
0	TTC Chemical Company, Ltd.	Taita Chemical (Zhongshan) Co., Ltd.	Subsidiaries that TTC's subsidiaries hold 100% of common equity directly	7,322,492	429,430 (RMB100,000 thousand)	343,544 (RMB80,000 thousand)	-	-	4.69	10,983,738	No	No	Yes	

Note 1: The calculation was based on the spot exchange rate of September 30, 2021.

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

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

USI Corporation and Subsidiaries  
Marketable Securities Held  
September 30, 2021

Table 3

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2021				Remark
				Unit / Share	Carrying Amount	Percentage of Ownership (%)	Fair value	
USI Corporation	Ordinary shares							
	CTCI Corporation	-	Financial assets at FVTOCI - non-current	15,130,656	\$ 542,434	1.98	\$ 542,434	
	KHL IB Venture Capital Co., Ltd.	-	"	9,954,950	212,714	11.90	212,714	
	AU Optronics Corporation	-	"	8,514,006	150,272	0.09	150,272	
	Evergreen Marine Corporation	-	Financial assets at FVTPL - current	473,251	59,630	-	59,630	
	UPC Technology Corporation	-	"	700,000	17,815	-	17,815	
	Quanta Computer Incorporated	-	"	400,000	31,000	-	31,000	
	United Microelectronics Corporation	-	"	150,000	9,600	-	9,600	
	China Steel Corporation	-	"	650,000	23,595	-	23,595	
	Tungho Steel Corporation	-	"	550,000	22,605	-	22,605	
	ShunSin Technology Holdings Limited-KY	-	"	80,000	7,000	-	7,000	
	Teratech Corp.	-	Financial assets at FVTPL - non-current	110,000	-	-	-	
	Beneficiary certificates							
	Taiwan Cooperative Bank Money Market Fund	-	Financial assets at FVTPL - current	9,755,717	100,000	-	100,000	
	FSITC Taiwan Money Market Fund	-	"	22,644,734	350,146	-	350,146	
	UPAMC James Bond Money Market Fund	-	"	5,929,812	100,003	-	100,003	
	Hua Nan Phoenix Money Market Fund	-	"	23,398,244	384,003	-	384,003	
	Mega Diamond Money Market Fund	-	"	5,564,230	70,509	-	70,509	
	Taishin 1699 Money Market Fund	-	"	15,588,496	213,109	-	213,109	
	Jih Sun Money Market Fund	-	"	16,702,410	250,192	-	250,192	
Beneficiary securities								
Cathay No. 1 Real Estate Investment Trust	-	Financial assets at FVTPL - current	3,290,000	58,430	-	58,430		
Union Polymer International Investment Corporation	Ordinary shares							
	Asia Polymer Corporation	Investee companies adopting equity method	Financial assets at FVTOCI - non-current	22,182,485	1,019,285	3.74	1,019,285	
	China General Plastics Corporation	-	"	4,469,306	206,929	0.77	206,929	

(Continued)

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2021				Remark
				Unit / Share	Carrying Amount	Percentage of Ownership (%)	Fair value	
Swanlake Traders Ltd.	TTC Chemical Company, Ltd.	-	Financial assets at FVTOCI - non-current	434,527	\$ 17,077	0.11	\$ 17,077	
	Ordinary 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
USIFE Investment Co., Ltd.	Neurosky Inc. Preferred Stock D	-	"	2,397,364	-	0.70	-	Note 2
	Ordinary shares AU Optronics Corporation	-	Financial assets at FVTOCI - current	1,266,061	22,346	0.01	22,346	
	AU Optronics Corporation	-	Financial assets at FVTOCI - non-current	1,266,061	22,346	0.01	22,346	
	Wafer Works Corporation	-	"	1,433,655	91,180	0.28	91,180	
	Solargiga Energy Holdings Limited	-	"	11,876,111	13,978	0.37	13,978	
	Dah Chung Bills Finance Corp.	-	"	470,914	7,248	0.10	7,248	
	Swanson Plastics Corporation	Same chairman	"	7,605,894	106,559	4.93	106,559	
	USI Optronics Corporation	Same chairman	"	165,279	226	0.25	226	
	Digimax Inc.	-	"	23,234	-	0.05	-	
	Silicon Technology Investment (Cayman) Corp.	-	"	911,849	49,404	1.77	49,404	
	China General Plastics Corporation	Same chairman	Financial assets at FVTPL - current	536,011	24,817	0.09	24,817	
	Asia Polymer Corporation	"	"	1,702,133	78,213	0.29	78,213	
	TTC Chemical Company, Ltd.	"	"	1,338,240	52,593	0.35	52,593	
	UPC Technology Corporation	-	"	500,000	12,725	0.04	12,725	
	China Steel Corporation	-	"	325,000	11,798	-	11,798	
	Tungho Steel Corporation	-	"	225,000	9,247	0.02	9,247	
	United Microelectronics Corporation	-	"	60,000	3,840	-	3,840	
	Quanta Computer Incorporated	-	"	175,000	13,562	-	13,562	
	Evergreen Marine Corporation	-	"	158,416	19,960	-	19,960	
	ShunSin Technology Holdings Limited	-	"	25,000	2,188	0.02	2,188	
Acme Electronics Corporation	Same chairman	"	500,000	21,825	0.27	21,825		
Superactive Group Company Limited	-	"	678,000	514	-	514		
Beneficiary certificates Yuanta De-Li Money Market Fund	-	-	Financial assets at FVTPL - current	4,907,988	80,798	-	80,798	

(Continued)

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2021				Remark
				Unit / Share	Carrying Amount	Percentage of Ownership (%)	Fair value	
Taiwan United Venture Capital Corp.	Fuh Hwa Money Market	-	Financial assets at FVTPL - current	3,440,659	\$ 50,095	-	\$ 50,095	
	Cathay Taiwan Money Market Fund	-	"	5,844,200	73,363	-	73,363	
	Beneficiary certificates							
	Fuh Hwa Money Market	-	Financial assets at FVTPL - current	3,399,556	49,496	-	49,496	
	Cathay Taiwan Money Market Fund	-	"	4,391,849	55,132	-	55,132	
	Ordinary shares							
	Innovation & Infinity Global Corp.	-	Financial assets at FVTPL - non-current	720,804	-	0.73	-	Note 2
	Teratech Corp.	-	"	90,000	-	0.58	-	Note 2
	MiTAC Holdings Corporation	-	Financial assets at FVTOCI - current	2,062,000	59,076	0.17	59,076	
	Chitec Technology Co., Ltd.	-	Financial assets at FVTOCI - non-current	399,091	14,834	1.37	14,834	
	Leadwell Cnc Machines Mfg., Corp.	-	"	419,753	10,602	0.68	10,602	
	Digimax Inc.	-	"	518,898	-	1.18	-	
	Orgchem Technologies, Inc.	-	"	594,594	6,844	1.09	6,844	
	Hexawave Inc.	-	"	109,109	818	0.27	818	
Uranus Chemicals Co., Ltd.	-	"	14,021	379	0.03	379		
Neuro Sky, Inc. Preferred Stock A	-	"	10,000,000	-	1.42	-	Note 2	
Neuro Sky, Inc. Preferred Stock B	-	"	12,595,523	-	1.78	-	Note 2	
Neuro Sky, Inc. Preferred Stock C	-	"	4,532,823	-	0.64	-	Note 2	
Taiwan United Venture Management Corporation	Beneficiary certificates							
	Fuh Hwa Money Market	-	Financial assets at FVTPL - current	91,730	1,336	-	1,336	
INOMA Corporation	Beneficiary certificates							
	Taishin 1699 Money Market Fund	-	Financial assets at FVTPL - current	521,196	7,125	-	7,125	
USI Optronics Corporation	Beneficiary certificates							
	Jih Sun Money Market Fund	-	Financial assets at FVTPL - current	1,016,620	15,228	-	15,228	
	Taishin 1699 Money Market Fund	-	"	887,541	12,134	-	12,134	
	Yuanta De- Bao Money Market Fund	-	"	498,596	6,045	-	6,045	

(Continued)

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2021				Remark
				Unit / Share	Carrying Amount	Percentage of Ownership (%)	Fair value	
USI Management Consulting Corp.	Beneficiary certificates Fuh Hwa Money Market	-	Financial assets at FVTPL - current	3,090,914	\$ 45,002	-	\$ 45,002	

Note 1: Marketable securities in this table refer to stocks, bonds, beneficiary certificates as promulgated in IFRS 9 "Financial Instruments" and the securities derived from the items above.

Note 2: Impairment losses have been fully provided for.

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

USI Corporation and Subsidiaries  
China General Plastics Corporation  
Marketable Securities Held  
September 30, 2021

Table 3-1

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2021				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	2,668,000	\$ 47,383	-	\$ 47,383	Note 1
	Fund beneficiary certificates							
	FSITC Money Market	-	Financial assets at FVTPL - current	1,165,954	210,030	-	210,030	Note 1
	FSITC Taiwan Money Market Fund	-	"	12,289,827	190,033	-	190,033	Note 1
	Hua Nan Phoenix Money Market Fund	-	"	9,142,997	150,051	-	150,051	Note 1
	Taishin Ta-Chong Money Market Fund	-	"	6,974,279	100,033	-	100,033	Note 1
	Nomura Taiwan Money Market Fund	-	"	6,074,522	100,033	-	100,033	Note 1
	Jih Sun Money Market Fund	-	"	6,677,975	100,032	-	100,032	Note 1
	Taishin 1699 Money Market Fund	-	"	7,316,573	100,024	-	100,024	Note 1
	Capital Money Market Fund	-	"	5,526,762	90,028	-	90,028	Note 1
	Yuanta De-Li Money Market Fund	-	"	1,762,082	29,008	-	29,008	Note 1
	Ordinary shares							
	China Steel Corporation	-	Financial assets at FVTPL - current	650,000	23,595	-	23,595	Note 1
	Quanta Computer Incorporated	-	"	250,000	19,375	-	19,375	Note 1
	Tungsho Steel Corporation	-	"	250,000	10,275	-	10,275	Note 1
	United Microelectronics Corporation	-	"	120,000	7,680	-	7,680	Note 1
ShunSin Technology Holdings Limited	-	"	51,000	4,462	-	4,462	Note 1	
KHL IB Venture Capital Co., Ltd.	-	Financial assets at FVTOCI - non-current	4,977,475	106,368	5.95	106,368	Note 1	
Taiwan VCM Corporation	Ordinary shares Asia Polymer Corporation	With the same main shareholders as CGPC	Financial assets at FVTOCI - non-current	130,244	5,985	0.02	5,985	Note 1

(Continued)

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2021				Remark
				Unit / Share	Carrying Amount	Percentage of Ownership (%)	Fair value	
CGPC Polymer Corporation	Fund beneficiary certificates							
	FSITC Taiwan Money Market Fund	-	Financial assets at FVTPL - current	32,874,421	\$ 508,324	-	\$ 508,324	Note 1
	FSITC Money Market	-	"	744,010	134,023	-	134,023	Note 1
	Taishin Ta-Chong Money Market Fund	-	"	9,066,470	130,042	-	130,042	Note 1
	Hua Nan Kirin Money Market Fund	-	"	4,876,176	80,026	-	80,026	Note 1
	Prudential Financial Money Market Fund	-	"	4,384,646	70,083	-	70,083	Note 1
	Taiwan Cooperative Bank Money Market Fund	-	"	4,877,811	50,000	-	50,000	Note 1
CGPC (BVI) Holding Co., Ltd.	Ordinary 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

Note 1: The marketable securities were not pledged as guarantees or collateral for borrowings and are not subject to restrictions.

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

Note 3: As of September 30, 2021, the fair value of CGPC's equity investment in the company was evaluated as 0.

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

USI Corporation and Subsidiaries  
TTC Chemical Company, Ltd.  
Marketable Securities Held  
September 30, 2021

Table 3-2

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2021				Remark
				Unit / Share	Carrying Amount	Percentage of Shares Held (%)	Fair value	
TTC Chemical Company, Ltd.	Ordinary shares USI Corporation - Ordinary Shares	Parent company	Financial assets at FVTOCI - non-current	15,109,901	\$ 569,643	1.27	\$ 569,643	Note 1
	Harbinger Venture Capital Corp. - Ordinary Shares	-	"	990	8	0.50	8	Note 3
	UPC Technology Corporation - Ordinary Shares	-	Financial assets at FVTPL - current	700,000	17,815	0.05	17,815	Note 1
	China Steel Corporation - Ordinary Shares	-	"	650,000	23,595	-	23,595	Note 1
	Tung Ho Steel Enterprise Corp. - Ordinary Shares	-	"	250,000	10,275	0.02	10,275	Note 1
	United Microelectronics Corporation - Ordinary Shares	-	"	120,000	7,680	-	7,680	Note 1
	Quanta Computer Inc. - Ordinary Shares	-	"	250,000	19,375	0.01	19,375	Note 1
	ShunSin Technology Holdings Limited - Ordinary Shares	-	"	48,000	4,200	0.04	4,200	Note 1
	Beneficiary securities Cathay No. 1 Real Estate Investment Trust Fund beneficiary certificates	-	Financial assets at FVTPL - current	3,250,000	57,720	-	57,720	Note 1
	FSITC Taiwan Money Market Fund Jih Sun Money Market Fund	- -	" "	5,820,571 5,208,229	90,002 78,016	- -	90,002 78,016	Note 2 Note 2
TAITA (BVI) Holding Co., Ltd.	Ordinary shares Budworth Investment Ltd. - Ordinary Shares	-	Financial assets at FVTOCI - non-current	20,219	6 (US\$ - thousand )	2.22	6 (US\$ - thousand )	Note 3
	Teratech Corporation - Ordinary Shares	-	Financial assets at FVTPL - non-current	112,000	-	0.73	-	Note 4
	Sohoware Inc. - Preferred Shares	-	"	100,000	-	-	-	Note 4

Note 1: The fair value is calculated based on the closing price of the last trading day of September 2021 in Taiwan Stock Exchange.

Note 2: The fair value is calculated based on the net asset value at the last trading day of September 2021.

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

Note 4: As of September 30, 2021, the fair value of equity investment was evaluated by TTC as 0.

Note 5: For information about investments in subsidiaries and associated enterprises, please refer to Table 7-4 and 8-4.

USI Corporation and Subsidiaries  
Asia Polymer Corporation  
Marketable Securities Held  
September 30, 2021

Table 3-3

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2021				Remark
				Number of shares/Units	Carrying Amount	Percentage of Shares Held (%)	Fair value	
Asia Polymer Corporation	Ordinary shares							
	Harbinger Venture Capital Corp. - Ordinary Shares	-	Financial assets at FVTOCI - non-current	2,377	\$ 18	1.20	\$ 18	
	Riselink Venture Capital Corp. - Ordinary Shares	-	"	2,632	222	1.67	222	
	Dasheng Yiyi Venture Capital Co., Ltd. - Ordinary Shares	-	"	9,954,950	212,737	11.90	212,737	
	USI Corporation - Ordinary Shares	Ultimate parent company	"	101,355,673	3,821,109	8.53	3,821,109	
	CTCI Corporation - Ordinary Shares	-	"	14,446,107	517,893	1.89	517,893	
	AU Optronics Corporation - Ordinary Shares	-	"	9,618,516	169,767	0.10	169,767	
	Wafer Works Corporation - Ordinary Shares	-	Financial assets at FVTOCI - current	494,946	31,479	0.10	31,479	
	Quanta Computer Inc. - Ordinary Shares	-	Financial assets at FVTPL - current	400,000	31,000	0.01	31,000	
	United Microelectronics Corporation	-	"	150,000	9,600	-	9,600	
	UPC Technology Corporation	-	"	700,000	17,815	-	17,815	
	Evergreen Marine Corporation - Ordinary Shares	-	"	473,251	59,629	0.01	59,629	
	Tung Ho Steel Enterprise Corp. - Ordinary Shares	-	"	550,000	22,605	0.05	22,605	
	ShunSin Technology Holdings Limited	-	"	70,000	6,125	0.07	6,125	
	China Steel Corporation - Ordinary Shares	-	"	650,000	23,595	-	23,595	
	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust	-	"	3,281,000	58,270	-	58,270	
	Beneficiary certificates							
	Mega Diamond Money Market Fund	-	"	5,095,391	64,568	-	64,568	
	Jih Sun Money Market Fund	-	"	16,818,904	251,937	-	251,937	
Prudential Financial Money Market Fund	-	"	3,137,157	50,143	-	50,143		

(Continued)

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2021				Remark
				Number of shares/Units	Carrying Amount	Percentage of Shares Held (%)	Fair value	
APC (BVI) Holding Co., Ltd.	UPAMC James Bond Money Market Fund	-	"	18,382,026	\$ 310,002	-	\$ 310,002	
	FSITC Taiwan Money Market Fund	-	"	11,645,285	180,066	-	180,066	
	Hua Nan Phoenix Money Market Fund	-	"	2,438,192	40,015	-	40,015	
	Taishin 1699 Money Market Fund	-	"	13,168,045	180,019	-	180,019	
	Ordinary shares							
	Budworth Investment Ltd. - Ordinary Shares	-	Financial assets at FVTOCI - non-current	40,467	8	4.45	8	
	Silicon Technology Investment (Cayman) Corp. - Preferred Shares	-	"	1,139,776	61,757	2.19	61,757	
	Neurosky Inc. - Preferred Stock D	-	"	2,397,364	-	0.37	-	Note 1
	Solargiga Energy Holdings Ltd.	-	"	15,863,333	28,080	0.49	28,080	
	Teratech Corp. - Ordinary Shares	-	"	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	Ordinary shares							
	USI Corporation - Ordinary Shares	Ultimate parent company	Financial assets at FVTPL - current	44,808	1,689	-	1,689	
	Evergreen Marine Corporation - Ordinary Shares	-	"	158,416	19,960	-	19,960	
	Tung Ho Steel Enterprise Corp. - Ordinary Shares	-	"	225,000	9,248	0.02	9,248	
	China Steel Corporation - Ordinary Shares	-	"	325,000	11,798	-	11,798	
	Quanta Computer Inc. - Ordinary Shares	-	"	190,000	14,725	-	14,725	
	UPC Technology Corporation	-	"	500,000	12,725	0.04	12,725	
	United Microelectronics Corporation	-	"	60,000	3,840	-	3,840	
	ShunSin Technology Holdings Limited	-	"	25,000	2,188	0.02	2,188	
	Beneficiary certificates							
	Cathay Taiwan Money Market Fund	-	"	1,292,518	16,225	-	16,225	

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

Note 2: For information about investments in subsidiaries and associated enterprises, please refer to Table 7-5 and 8-5.

USI Corporation and Subsidiaries  
China General Terminal & Distribution Co.  
Marketable Securities Held  
September 30, 2021

Table 3-4

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2021				Remark
				Unit / Share	Carrying Amount	Percentage of Shares Held (%)	Fair value	
China General Terminal & Distribution Co.	Ordinary shares Asia Polymer Corporation	Investee Companies Using Equity Method for CGTD	Financial assets at FVTOCI - non-current	5,290,482	\$ 243,098	0.89	\$ 243,098	Note 1
	China General Plastics Corporation	"	"	2,940,788	136,158	0.51	136,158	Note 1
	TTC Chemical Company, Ltd.	"	"	2,169,731	85,270	0.57	85,270	Note 1
	China Steel Corporation	-	Financial assets at FVTPL - current	499,552	18,134	-	18,134	Note 2

Note 1: The marketable securities were not pledged as guarantees or collateral for borrowings and are not subject to restrictions.

Note 2: 257,000 of the shares were provided to Taiwan Water Corporation as sequestration.

USI Corporation and Subsidiaries  
Total Purchases from or Sales to Related Parties Amounting to at Least NT\$300 Million or 20% Of the Paid-in Capital  
For the nine months ended September 30, 2021

Table 4

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

Buyer/Seller	Type and Name of Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Purchase		Sale			Ending (Note)			
					Unit / Share	Amount	Unit / Share	Amount	Unit / Share	Selling price	Carrying Cost	Gain on disposal	Unit / Share	Amount	
USI Corporation	Beneficiary certificates														
	FSITC Money Market Fund	Financial assets at FVTPL - current	-	-	372,668	\$ 67,000	555,679	\$ 100,000	928,347	\$ 167,114	\$ 167,000	\$ 114	\$ -	\$ -	
	FSITC Taiwan Money Market Fund	"	-	-	3,969,627	61,000	24,779,813	383,000	6,104,706	94,287	94,000	287	22,644,734	350,000	
	UPAMC James Bond Money Market Fund	"	-	-	-	-	39,754,980	670,000	33,825,168	570,203	570,000	203	5,929,812	100,000	
	Hua Nan Phoenix Money Market Fund	"	-	-	16,662,140	273,000	90,667,442	1,487,000	83,931,338	1,376,285	1,376,000	285	23,398,244	384,000	
	Hua Nan Kirin Money Market Fund	"	-	-	5,884,596	71,000	54,253,235	655,000	60,137,831	726,186	726,000	186	-	-	
	Yuanta De-Li Money Market Fund	"	-	-	-	-	9,118,948	150,000	9,118,948	150,110	150,000	110	-	-	
	Shin Kong Chi-Shin Money-Market Fund	"	-	-	12,815,912	200,000	1,921,574	30,000	14,737,486	230,041	230,000	41	-	-	
	Capital Money Market Fund	"	-	-	7,379,140	120,000	7,987,591	130,000	15,366,731	250,140	250,000	140	-	-	
	Jih Sun Money Market Fund	"	-	-	16,833,145	249,200	16,702,410	250,000	16,833,145	251,765	249,200	2,565	16,702,410	250,000	
	Taishin Ta-Chong Money Market Fund	"	-	-	20,116,313	288,000	13,262,069	190,000	33,378,382	478,143	478,000	143	-	-	
	CTBC Hwa-Win Money Market Fund	"	-	-	9,003,412	100,000	73,329,385	815,000	82,332,797	915,166	915,000	166	-	-	
	Taishin 1699 Money Market Fund	"	-	-	5,497,139	75,000	20,497,953	280,000	10,406,596	142,030	142,000	30	15,588,496	213,000	
	Nomura Taiwan Money Market Fund	"	-	-	-	-	15,193,248	250,000	15,193,248	250,037	250,000	37	-	-	
	Cathay Taiwan Money Market Fund	"	-	-	-	-	11,164,746	140,000	11,164,746	140,021	140,000	21	-	-	
	Deutsche Far Eastern DWS Taiwan Money Market Fund	"	-	-	-	-	11,007,434	130,000	11,007,434	130,011	130,000	11	-	-	
	Taiwan Cooperative Bank Money Market Fund	"	-	-	-	-	55,054,836	564,000	45,299,119	464,052	464,000	52	9,755,717	100,000	
	USIFE Investment Co., Ltd.	Beneficiary certificates													
		Yuanta De-Li Money Market Fund	Financial assets at FVTPL - current	-	-	1,870,081	30,284	3,037,907	50,000	-	-	-	-	4,907,988	80,284
		Cathay Taiwan Money Market Fund	"	-	-	3,451,207	42,238	2,392,993	30,000	-	-	-	-	5,844,200	72,238
Taiwan United Venture Capital Corp.	Beneficiary certificates														
	Cathay Taiwan Money Market Fund	Financial assets at FVTPL - current	-	-	4,391,849	55,000	-	-	-	-	-	-	4,391,849	55,000	
USI Optronics Corporation	Beneficiary certificates														
	Jih Sun Money Market Fund	Financial assets at FVTPL - current	-	-	1,016,620	15,000	-	-	-	-	-	-	1,016,620	15,000	
	Taishin 1699 Money Market Fund	"	-	-	1,257,350	\$ 17,000	-	\$ -	369,809	\$ 5,048	\$ 5,000	\$ 48	887,541	\$ 12,000	
INOMA Corporation	Beneficiary certificates														
	Taishin 1699 Money Market Fund	Financial assets at FVTPL - current	-	-	595,654	8,000	-	-	74,458	1,017	1,000	17	521,196	7,000	

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

USI Corporation and Subsidiaries  
China General Plastics Corporation  
Total Purchases from or Sales to Related Parties Amounting to at Least NT\$300 Million or 20% Of the Paid-in Capital  
For the nine months ended September 30, 2021

Table 4-1

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

Buyer/Seller	Type and Name of Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Purchase		Sale			Ending (Note)				
					Unit / Share	Amount	Unit / Share	Amount	Unit / Share	Selling price	Carrying Cost	Gain on disposal	Unit / Share	Amount		
China General Plastics Corporation	Beneficiary certificates	Financial assets at FVTPL - current	-	-	-	\$ -	3,109,635	\$ 560,000	1,943,681	\$ 350,027	\$ 350,000	\$ 27	1,165,954	\$ 210,000		
	FSITC Money Market Fund		-	-	-	-	12,289,827	190,000	-	-	-	-	12,289,827	190,000		
	FSITC Taiwan Money Market Fund		-	-	-	-	2,670,433	45,000	2,670,433	45,005	45,000	5	-	-		
	UPAMC James Bond Money Market Fund		-	-	-	-	24,392,560	400,000	15,249,563	250,023	250,000	23	9,142,997	150,000		
	Hua Nan Phoenix Money Market Fund		-	-	-	-	15,012,916	247,000	13,250,833	218,010	218,000	10	1,762,083	29,000		
	Yuanta De-Li Money Market Fund		-	-	6,407,463	100,000	7,046,540	110,000	13,454,003	210,019	210,000	19	-	-		
	Shin Kong Chi-Shin Money-Market Fund		-	-	-	-	6,140,847	100,000	614,085	10,002	10,000	2	5,526,762	90,000		
	Capital Money Market Fund		-	-	-	-	6,677,975	100,000	-	-	-	-	-	6,677,975	100,000	
	Jih Sun Money Market Fund		-	-	4,190,295	60,000	30,005,492	430,000	27,221,508	390,042	390,000	42	6,974,279	100,000		
	Taishin Ta-Chong Money Market Fund		-	-	4,501,666	50,000	46,771,745	520,000	51,273,411	570,046	570,000	46	-	-		
	CTBC Hwa-Win Money Market Fund		-	-	7,255,248	99,000	13,909,262	190,000	13,847,936	189,059	189,000	59	7,316,574	100,000		
	Taishin 1699 Money Market Fund		-	-	-	-	12,153,919	200,000	6,079,397	100,004	100,000	4	6,074,522	100,000		
	Nomura Taiwan Money Market Fund		-	-	-	-	3,985,906	50,000	3,985,906	50,002	50,000	2	-	-		
	Cathay Taiwan Money Market Fund		-	-	-	-	11,718,808	120,000	11,718,808	120,018	120,000	18	-	-		
	Taiwan Cooperative Bank Money Market Fund		-	-	-	-	-	-	-	-	-	-	-	-	-	
	Taiwan VCM Corporation		Beneficiary certificates	Financial assets at FVTPL - current	-	-	278,042	50,000	-	-	278,042	50,018	50,000	18	-	-
			FSITC Money Market Fund		-	-	3,240,147	50,000	25,887,463	400,000	29,127,610	450,075	450,000	75	-	-
			FSITC Taiwan Money Market Fund		-	-	-	-	11,872,783	200,000	11,872,783	200,012	200,000	12	-	-
			UPAMC James Bond Money Market Fund		-	-	610,344	10,000	12,200,702	200,000	12,811,046	210,025	210,000	25	-	-
Hua Nan Phoenix Money Market Fund		-	-		-	-	8,284,524	100,000	8,284,524	100,013	100,000	13	-	-		
Hua Nan Kirin Money Market Fund		-	-		-	-	2,561,689	40,000	2,561,689	40,006	40,000	6	-	-		
Shin Kong Chi-Shin Money-Market Fund		-	-		4,611,100	75,000	5,529,478	90,000	10,140,578	165,036	165,000	36	-	-		
Capital Money Market Fund		-	-		669,954	10,000	-	-	669,954	10,029	10,000	29	-	-		
Jih Sun Money Market Fund		-	-		-	-	-	-	-	-	-	-	-	-	-	

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Buyer/Seller	Type and Name of Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Purchase		Sale			Ending (Note)			
					Unit / Share	Amount	Unit / Share	Amount	Unit / Share	Selling price	Carrying Cost	Gain on disposal	Unit / Share	Amount	
CGPC Polymer Corporation	Taishin Ta-Chong Money Market Fund	"	-	-	6,983,874	\$ 100,000	22,338,288	\$ 320,000	29,322,162	\$ 420,059	420,000	\$ 59	-	\$ -	
	CTBC Hwa-Win Money Market Fund	"	-	-	-	-	8,999,199	100,000	8,999,199	100,004	100,000	4	-	-	
	Taishin 1699 Money Market Fund	"	-	-	3,664,588	50,000	5,128,430	70,000	8,793,018	120,044	120,000	44	-	-	
	Nomura Taiwan Money Market Fund	"	-	-	-	-	6,079,434	100,000	6,079,434	100,009	100,000	9	-	-	
	Taiwan Cooperative Bank Money Market Fund	"	-	-	-	-	14,647,150	150,000	14,647,150	150,009	150,000	9	-	-	
	Beneficiary certificates														
	FSITC Money Market Fund	Financial assets at FVTPL - current	-	-	250,312	45,000	1,999,224	360,000	1,505,525	271,137	271,000	137	744,011	134,000	
	FSITC Taiwan Money Market Fund	"	-	-	3,178,916	49,000	29,695,505	459,000	-	-	-	-	32,874,421	508,000	
	Hua Nan Phoenix Money Market Fund	"	-	-	7,629,121	125,000	12,196,329	200,000	14,949,274	245,056	245,000	56	4,876,176	80,000	
	Hua Nan Kirin Money Market Fund	"	-	-	3,315,451	40,000	43,731,391	528,000	47,046,842	568,067	568,000	67	-	-	
	Shin Kong Chi-Shin Money-Market Fund	"	-	-	1,601,866	25,000	2,625,640	41,000	4,227,506	66,027	66,000	27	-	-	
	Capital Money Market Fund	"	-	-	11,991,180	195,000	-	-	11,991,180	195,224	195,000	224	-	-	
	Taishin Ta-Chong Money Market Fund	"	-	-	8,941,582	128,000	19,814,451	284,000	19,689,563	282,202	282,000	202	9,066,470	130,000	
	Taishin 1699 Money Market Fund	"	-	-	15,393,455	210,000	2,197,260	30,000	17,590,715	240,097	240,000	97	-	-	
	Nomura Taiwan Money Market Fund	"	-	-	-	-	3,040,475	50,000	3,040,475	50,002	50,000	2	-	-	
	Cathay Taiwan Money Market Fund	"	-	-	-	-	3,986,923	50,000	3,986,923	50,037	50,000	37	-	-	
	Taiwan Cooperative Bank Money Market Fund	"	-	-	-	-	37,588,761	385,000	32,710,950	335,035	335,000	35	4,877,811	50,000	

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

USI Corporation and Subsidiaries

TTC Chemical Company, Ltd.

Total Purchases from or Sales to Related Parties Amounting to at Least NT\$300 Million or 20% Of the Paid-in Capital

For the nine months ended September 30, 2021

Table 4-2

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

Buyer/Seller	Type and Name of Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Purchase		Sale			Ending (Note)			
					Unit / Share	Amount	Unit / Share	Amount	Unit / Share	Selling price	Carrying Cost	Gain on disposal	Unit / Share	Amount	
Taita Chemical Co., Ltd.	Beneficiary certificates	Financial assets at FVTPL - current	-	-	-	\$ -	16,171,818	\$ 250,000	10,351,247	\$ 160,049	\$ 160,000	\$ 49	5,820,571	\$ 90,000	
	FSITC Taiwan Money Market Fund		-	-	-	-	9,966,525	168,000	9,966,525	168,019	168,000	19	-	-	
	UPAMC James Bond Money Market Fund		-	-	5,248,671	86,000	32,622,031	535,000	37,870,702	621,110	621,000	110	-	-	
	Hua Nan Phoenix Money Market Fund		-	-	6,962,057	84,000	24,025,071	290,000	30,987,128	374,077	374,000	77	-	-	
	Hua Nan Kirin Money Market Fund		-	-	-	-	12,156,807	200,000	12,156,807	200,081	200,000	81	-	-	
	Yuanta De-Li Money Market Fund		-	-	5,225,881	85,000	12,287,767	200,000	17,513,648	285,109	285,000	109	-	-	
	Capital Money Market Fund		-	-	3,022,043	45,000	5,208,229	78,000	3,022,043	45,194	45,000	194	5,208,229	78,000	
	Jih Sun Money Market Fund		-	-	-	-	10,118,419	145,000	10,118,419	145,066	145,000	66	-	-	
	Taishin Ta-Chong Money Market Fund		-	-	-	-	33,288,910	370,000	33,288,910	370,034	370,000	34	-	-	
	CTBC Hwa-Win Money Market Fund		-	-	-	-	5,128,538	70,000	5,128,538	70,019	70,000	19	-	-	
	Taishin 1699 Money Market Fund		-	-	-	-	3,040,475	50,000	3,040,475	50,008	50,000	8	-	-	
	Nomura Taiwan Money Market Fund		-	-	-	-	15,231,625	156,000	15,231,625	156,007	156,000	7	-	-	
	Taiwan Cooperative Bank Money Market Fund		-	-	-	-									

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

USI Corporation and Subsidiaries  
Asia Polymer Corporation  
Total Purchases from or Sales to Related Parties Amounting to at Least NT\$300 Million or 20% Of the Paid-in Capital  
For the nine months ended September 30, 2021

Table 4-3

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

Buyer/Seller	Type and Name of Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Purchase		Sale			Ending (Note)				
					Unit / Share	Amount	Unit / Share	Amount	Unit / Share	Selling price	Carrying Cost	Gain on disposal	Unit / Share	Amount		
Asia Polymer Corporation	Beneficiary certificates	Financial assets at FVTPL - current	-	-	-	\$ -	833,164	\$ 150,000	833,164	\$ 150,024	\$ 150,000	\$ 24	-	\$ -		
	FSITC Money Market		-	-	3,564,088	55,000	16,501,246	255,000	8,420,049	130,045	130,000	45	11,645,285	180,000		
	FSITC Taiwan Money Market Fund		-	-	-	-	21,349,174	360,000	2,967,148	50,018	50,000	18	18,382,026	310,000		
	UPAMC James Bond Money Market Fund		-	-	-	-	9,145,357	150,000	6,707,166	110,022	110,000	22	2,438,191	40,000		
	Hua Nan Phoenix Money Market Fund		-	-	6,381,916	77,000	2,071,268	25,000	8,453,184	102,017	102,000	17	-	-		
	Hua Nan Kirin Money Market Fund		-	-	-	-	3,645,688	60,000	3,645,688	60,001	60,000	1	-	-		
	Yuanta De-Li Money Market Fund		-	-	-	-	640,365	10,000	640,365	10,001	10,000	1	-	-		
	Shin Kong Chi-Shin Money-Market Fund		-	-	2,152,072	35,000	1,843,035	30,000	3,995,107	65,026	65,000	26	-	-		
	Capital Money Market Fund		-	-	16,818,904	153,000	-	-	-	-	-	-	-	16,818,904	153,000	
	Jih Sun Money Market Fund		-	-	-	-	26,519,389	380,000	26,519,389	380,063	380,000	63	-	-		
	Taishin Ta-Chong Money Market Fund		-	-	5,672,048	63,000	-	-	5,672,048	63,012	63,000	12	-	-		
	CTBC Hwa-Win Money Market Fund		-	-	12,021,036	164,000	23,791,287	325,000	22,644,279	309,108	309,000	108	13,168,044	180,000		
	Taishin 1699 Money Market Fund		-	-	-	-	1,520,237	25,000	1,520,237	25,003	25,000	3	-	-		
	Nomura Taiwan Money Market Fund		-	-	-	-	19,485,559	230,000	19,485,559	230,039	230,000	39	-	-		
	Deutsche Far Eastern DWS Taiwan Money Market Fund		-	-	-	-	4,880,811	50,000	4,880,811	50,003	50,000	3	-	-		
	Taiwan Cooperative Bank Money Market Fund		-	-	-	-	-	-	-	-	-	-	-	-	-	
	APC Investment Corporation		Beneficiary certificates	Financial assets at FVTPL - current	-	-	499,525	6,115	2,392,993	30,000	1,600,000	20,083	19,977	106	1,292,518	16,138
			Cathay Taiwan Money Market Fund		-	-	-	-	-	-	-	-	-	-	-	-

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

USI Corporation and Subsidiaries

Total purchases from or sales to related parties amounting to at least \$100 million or 20% of the paid-in capital;

For the nine months ended September 30, 2021

Table 5

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

Buyer/Seller	Name of transaction object	Relationship	Transaction Details				Abnormal Transaction		Notes/Trade Receivables (Payables)		Remark
			Purchase / Sales	Amount	Ratio to Total Purchase (Sales) (%)	Payment term	Unit Price	Payment term	Financial Statement Account and Ending Balance (Note)	Ratio to Total Notes or Trade Receivable (payable) (%)	
USI Corporation	Asia Polymer Corporation	Subsidiary	Purchases	\$ 1,129,606	14.92	Pay within 60 days of credit	No material discrepancy	No material discrepancy	(\$ 294,246)	( 27.75 )	
	Asia Polymer Corporation	Subsidiary	Sale	( 140,086 )	( 1.24 )	Collect within 60 days of credit	"	"	23,540	1.23	
	USI Far East (HK) Co., Ltd.	Subsidiary	Sale	( 161,745 )	( 1.43 )	Collect within 60 days of credit	"	"	17,814	0.93	
	USI Trading (Shanghai) Co., Ltd.	Subsidiary	Sale	( 150,785 )	( 1.33 )	Collect within 60 days of credit	"	"	37,382	1.96	
USI Far East (HK) Co., Ltd.	USI Corporation	Parent company	Purchases	161,745	2.14	Pay within 60 days of credit	"	"	( 17,416 )	( 1.68 )	
USI Trading (Shanghai) Co., Ltd.	USI Corporation	Parent company	Purchases	150,785	1.99	Pay within 60 days of credit	"	"	( 37,382 )	( 3.53 )	
Asia Polymer Corporation	USI Corporation	Parent company	Sale	1,129,606	( 10.00 )	Pay within 60 days of credit	"	"	294,246	15.41	
	USI Corporation	Parent company	Purchases	140,086	1.85	Pay within 60 days of credit	"	"	( 23,540 )	( 2.22 )	

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 \$100 million or 20% of the paid-in capital;

For the nine months ended September 30, 2021

Table 5-1

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

Buyer/Seller	Name of transaction object	Relationship	Transaction Details				Abnormal Transaction		Notes/Trade Receivables (Payables)		Remark
			Purchase / Sales	Amount	Ratio to Total Purchase (Sales) (%)	Payment term	Unit Price	Payment term	Financial Statement Account and Ending Balance (Note)	Ratio to Total Notes or Trade Receivable (payable) (%)	
Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	Subsidiary	Purchases	\$ 310,057	41	55 days	No material discrepancy	No material discrepancy	( \$ 109,556 )	( 54 )	
Acme Electronics (Guang-Zhou) Co., Ltd.	Acme Electronics Corporation	Subsidiary	Sale	( 310,057 )	( 33 )	55 days	"	"	109,556	31	
Acme Electronics (Kunshan) Co., Ltd.	Acme Electronics Corporation	Subsidiary	Purchases	204,790	74	55 days	"	"	( 65,912 )	( 79 )	
Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	Subsidiary	Sale	( 204,790 )	( 25 )	55 days	"	"	65,912	20	
ACME Ferrite Product Sdn. Bhd.	Acme Electronics (Kunshan) Co., Ltd.	Subsidiary	Purchases	100,786	44	55 days	"	"	( 23,682 )	( 44 )	
Acme Electronics (Kunshan) Co., Ltd.	ACME Ferrite Product Sdn. Bhd.	Subsidiary	Sale	( 100,786 )	( 12 )	55 days	"	"	23,682	8	

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

USI Corporation and Subsidiaries

Swanson Plastics Corporation

Total purchases from or sales to related parties amounting to at least \$100 million or 20% of the paid-in capital;

For the nine months ended September 30, 2021

Table 5-2

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

Buyer/Seller	Name of transaction object	Relationship	Transaction Details				Abnormal Transaction		Notes/Trade Receivables (Payables)		Remark
			Purchase / Sales	Amount	Ratio to Total Purchase (Sales) (%)	Payment term	Unit Price	Payment term	Financial Statement Account and Ending Balance (Note)	Ratio to Total Notes or Trade Receivable (payable) (%)	
Swanson Plastics Company Ltd. (Singapore)	Swanson Plastics (Malaysia) Sdn.Bhd.	Subsidiary	Purchases	\$ 148,166	78	Monthly statement for 90 days	No material discrepancy	No material discrepancy	Trade payables to related parties (\$ 22,650)	( 81 )	
Forever Young Company Limited	Swanson Plastics (Kunshan) Co., Ltd.	With the same ultimate parent company	Sale	( 254,827 )	( 34 )	Monthly statement for 90 days	"	"	Trade receivables from related parties 42,797	26	
Forever Young Company Limited	Swanson Plastics (Malaysia) Sdn.Bhd.	With the same ultimate parent company	Sale	( 272,519 )	( 36 )	Monthly statement for 90 days	"	"	Trade receivables from related parties 12,482	8	
Swanson Plastics (Kunshan) Co., Ltd.	Forever Young Company Limited	With the same ultimate parent company	Purchases	254,827	34	Monthly statement for 90 days	"	"	Trade payables to related parties (42,797)	( 39 )	
Swanson Plastics (Malaysia) Sdn.Bhd.	Forever Young Company Limited	With the same ultimate parent company	Purchases	272,519	44	Monthly statement for 90 days	"	"	Trade payables to related parties (12,482)	( 26 )	
Swanson Plastics (Malaysia) Sdn.Bhd.	Swanson Plastics Company Ltd. (Singapore)	Parent company	Sale	( 148,166 )	( 20 )	Monthly statement for 90 days	"	"	Trade receivables from related parties 22,650	16	

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 nine months ended September 30, 2021

Table 5-3

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

Buyer/Seller	Name of transaction object	Relationship	Transaction Details				Abnormal Transaction		Notes/Trade Receivables (Payables)		Remark
			Purchase / Sales	Amount	Ratio to Total Purchase (Sales) (%)	Payment term	Unit Price	Payment term	Financial Statement Account and Ending Balance (Note)	Ratio to Total Notes or Trade Receivable (payable) (%)	
China General Plastics Corporation	Taiwan VCM Corporation	Subsidiary	Purchases	\$ 4,994,501	78	45 days	No material discrepancy	No material discrepancy	Trade payables to related parties (\$ 1,168,119)	( 80)	
	CGPC America Corporation	Subsidiary	Sale	( 549,936)	( 6)	90 days	"	"	Trade receivables from related parties 213,254	14	
Taiwan VCM Corporation	China General Plastics Corporation	Parent company	Sale	( 4,994,501)	( 49)	45 days	"	"	Trade receivables from related parties 1,168,119	38	
	CGPC Polymer Corporation	Fellow subsidiary	Sale	( 4,656,499)	( 46)	75 days	"	"	Trade receivables from related parties 1,674,331	54	
CGPC Polymer Corporation	Taiwan VCM Corporation	Fellow subsidiary	Purchases	4,656,499	97	75 days	"	"	Trade payables to related parties (1,674,331)	( 98)	
CGPC America Corporation	China General Plastics Corporation	Parent company	Purchases	549,936	91	90 days	"	"	Trade payables to related parties (213,524)	( 100)	

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

USI Corporation and Subsidiaries  
TTC Chemical Company, Ltd.

Total Purchases from or Sales to Related Parties Amounting to at Least NT\$100 Million or 20% Of the Paid-in Capital  
For the nine months ended September 30, 2021

Table 5-4

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

Buyer/Seller	Name of transaction object	Relationship	Transaction Details				Abnormal Transaction		Notes/Trade Receivables (Payables)		Remark
			Purchase / Sales	Amount	Ratio to Total Purchase (Sales) (%)	Payment term	Unit Price	Payment term	Financial Statement Account and Ending Balance (Note)	Ratio to Total Notes or Trade Receivable (payable) (%)	
TTC Chemical Company, Ltd.	Taita Chemical (Zhongshan) Co., Ltd.	Sub-subsidiary	Sale	(\$ 660,569) (US\$23,595 thousand)	( 5.63 )	30 days	No material discrepancy	No material discrepancy	Trade receivables from related parties \$ - (US\$ - thousand )	-	

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

USI Corporation and Subsidiaries

Asia Polymer Corporation

Total Purchases from or Sales to Related Parties Amounting to at Least NT\$100 Million or 20% Of the Paid-in Capital

For the nine months ended September 30, 2021

Table 5-5

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

Buyer/Seller	Name of transaction object	Relationship	Transaction Details				Abnormal Transaction		Notes/Trade Receivables (Payables)		Remark
			Purchase / Sales	Amount	Ratio to Total Purchase (Sales) (%)	Payment term	Unit Price	Payment term	Financial Statement Account and Ending Balance (Note)	Ratio to Total Notes or Trade Receivable (payable) (%)	
Asia Polymer Corporation	USI Corporation	Ultimate parent company	Sale	( \$ 1,129,606 )	( 16.98 )	60 days	No material discrepancy	No material discrepancy	Trade receivables from related parties \$ 301,865	24.25	
Asia Polymer Corporation	USI Corporation	Ultimate parent company	Purchases	140,086	4.24	30 days	"	"	Trade payables to related parties (23,538)	( 5.97 )	
USI Trading (Shanghai) Co., Ltd.	USI Corporation	Ultimate parent company	Purchases	151,612	4.59	30 days	"	"	Trade payables to related parties (37,382)	( 9.48 )	

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

USI Corporation and Subsidiaries  
 Receivables from Related Parties Amounting to at Least NT\$100 Million or 20% of the Paid-in Capital  
 September 30, 2021

Table 6

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

Company Name	Name of transaction object	Relationship	Financial Statement Account and Ending Balance (Note 3)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Treatment Method		
USI Corporation	Taiwan VCM Corporation	The Company's Subsidiaries	Other receivables from related parties \$ 104,145	-	\$ -	-	\$ 63,045	Note 1

Note 1: There is no allowance of impairment loss after an impairment assessment.

Note 2: The subsequent period is between October 1 and October 28, 2021.

Note 3: It was fully written off at the time of preparation of the consolidated report.

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  
September 30, 2021

Table 6-1

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

Company Name	Name of transaction object	Relationship	Financial Statement Account and Ending Balance (Note 2)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Treatment Method		
Acme Electronics Corporation	ACME Electronics (Cayman) Corp.	ACME's Subsidiaries	Other receivables from related parties \$ 224,165	-	\$ -	-	\$ 58,453	Note 1
Acme Electronics (Guang-Zhou) Co., Ltd.	Acme Electronics Corporation	GAEL's Subsidiaries	Trade receivables from related parties 109,556	3.42	-	-	31,537	Note 1

Note 1: There is no allowance of impairment loss after an impairment assessment.

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

USI Corporation and Subsidiaries  
Swanson Plastics Corporation  
Receivables from Related Parties Amounting to at Least NT\$100 Million or 20% of the Paid-in Capital  
September 30, 2021

Table 6-2

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

Company Name	Name of transaction object	Relationship	Financial Statement Account and Ending Balance (Note 3)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Treatment Method		
API-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	Fellow subsidiary	Other receivables \$ 164,172 (RMB \$38,230 thousand)	\$ -	-	\$ -	-	\$ -

Note 1: There is no allowance of impairment loss after an impairment assessment.

Note 2: It is the period from October 1 to October 28, 2021.

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  
September 30, 2021

Table 6-3

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

Company Name	Name of transaction object	Relationship	Financial Statement Account and Ending Balance (Note 3)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Treatment Method		
China General Plastics Corporation Taiwan VCM Corporation	CGPC America Corporation	Subsidiary	Trade receivables from related parties <u>\$ 213,254</u>	4.53	\$ -	-	\$ 40,326	Note 1
	China General Plastics Corporation	Parent company	Trade receivables from related parties <u>\$ 1,168,119</u>	5.95	-	-	594,619	Note 1
	CGPC Polymer Corporation	Fellow subsidiary	Trade receivables from related parties <u>\$ 1,674,331</u>	3.99	-	-	577,662	Note 1

Note 1: There is no allowance of impairment loss after an impairment assessment.

Note 2: The subsequent period is between October 1 and October 27, 2021.

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

USI Corporation and Subsidiaries  
TTC Chemical Company, Ltd.

Receivables from Related Parties Amounting to at Least NT\$100 Million or 20% of the Paid-in Capital  
September 30, 2021

Table 6-4

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

Company Name	Name of transaction object	Relationship	Financial Statement Account and Ending Balance (Note 3)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Treatment Method		
TTC Chemical Company, Ltd.	Taita Chemical (Tianjin) Co., Ltd.	Sub-subsidiary	Other receivables \$ 257,586 (US\$9,249 thousand) (Note 1)	-	\$ 257,586	Continuous Collection	\$ -	\$ -

Note 1: The other receivables of Taita Chemical Co., Ltd. are the sales of raw materials to Taita Chemical (Tianjin) Co., Ltd., which were transferred to other receivables as they have exceeded the normal credit term by a certain period.

Note 2: No amount recovered as at November 3 2021.

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

USI Corporation and Subsidiaries  
Asia Polymer Corporation  
Receivables from Related Parties Amounting to at Least NT\$100 Million or 20% of the Paid-in Capital  
September 30, 2021

Table 6-5

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

Company Name	Name of transaction object	Relationship	Financial Statement Account and Ending Balance (Note 3)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Treatment Method		
Asia Polymer Corporation	USI Corporation	Ultimate parent company	Trade receivables from related parties \$ 301,865	6.13	\$ -	-	\$ 141,863	Note 1
	"	"	Other receivables from related parties 436		-	-	436	Note 1

Note 1: There is no allowance of impairment loss after an impairment assessment.

Note 2: It is the period from October 1 to November 3, 2021.

Note 3: It was fully written off at the time of preparation of the consolidated report.

USI Corporation and Subsidiaries  
Name of the invested company, location... and other related information  
For the nine months ended September 30, 2021

Table 7

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

Investor	Investee Company	Location	Business Content	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark
				Ending Balance for the Current Period	The end of last year	Number of share	Ratio (%)	Carrying Amount			
USI Corporation	USIFE Investment Co., Ltd.	12F, No.37, Jihu Road, Taipei City, Taiwan, R.O.C.	Investments in production, transportation, warehousing, construction, banking, securities companies and trading companies	\$ 550,000	\$ 550,000	87,250,800	100.00	\$ 1,049,721	\$ 112,952	\$ 112,952	Subsidiary
	Swanlake Traders Ltd.	Citco Building, Wickhamo Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands	Engage in various trading and investment businesses	728,439	728,439	30,000,000	100.00	1,273,490	8,720	8,720	Subsidiary
	USI Far East (HK) Co., Ltd.	6/F., Caltex House, 258 Hennessy Road, Hong Kong	Engage in various trading and investment businesses	63,482	63,482	159,999	100.00	64,380	( 1,347)	( 1,347)	Subsidiary
	Union Polymer International Investment Corporation	12F, No.37, Jihu Road, Taipei City, Taiwan, R.O.C.	Investments in various production and service businesses	3,490,255	3,490,255	746,722,725	100.00	10,101,666	1,688,417	1,650,787	Subsidiary
	Taiwan United Venture Capital Corp.	10F, No. 37, Jihu Road, Taipei City, Taiwan, R.O.C.	Engage in venture capital investment focusing on high-tech undertakings	471,800	471,800	32,900,000	70.00	177,795	( 985)	( 690)	Subsidiary
	Chong Loong Trading Co., Ltd.	12F, No.37, Jihu Road, Taipei City, Taiwan, R.O.C.	Import and export trade	28,323	28,323	5,333,059	99.93	65,448	9,326	10,284	Subsidiary
	Swanson Plastics Corporation	12F, No.37, Jihu Road, Taipei City, Taiwan, R.O.C.	Mainly engage in production and marketing of stretch film, embossed film and industrial use multi-layer film	171,210	171,210	62,616,299	40.58	1,026,656	128,377	52,093	Subsidiary
	Acme Electronics Corporation	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and marketing of manganese-zinc soft ferrite powder	221,513	221,513	49,250,733	26.91	337,204	43,672	11,754	Subsidiary
	INOMA Corporation	12F, No.37, Jihu Road, Taipei City, Taiwan, R.O.C.	Engage in optical products and fire protection materials businesses	250,354	250,354	9,243,369	94.37	17,666	( 1,843)	( 1,739)	Subsidiary
	USI Management Consulting Corp.	12F, No.37, Jihu Road, Taipei City, Taiwan, R.O.C.	Providing management services	1,000	1,000	671,400	100.00	1,560	21	21	Subsidiary
	Cypress Epoch Limited	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110	Engage in investment business	-	150,540	-	-	-	-	-	Note 1
	Ever Conquest Global Limited	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110	Engage in investment business	7,645,980	7,645,980	246,670,000	59.13	7,185,441	( 42,041)	( 24,860)	Subsidiary
	USI Optronics Corporation	12F, No.37, Jihu Road, Neihu District, Taipei City	Manufacturing and marketing of sapphire single crystal	330,000	330,000	33,000,000	50.85	52,986	( 32,479)	( 16,514)	Subsidiary
	Xuanju Co., Ltd.	12F, No.37, Jihu Road, Taipei City, Taiwan, R.O.C.	Engage in solar power generation business	100,000	-	10,000	100.00	33,402	( 690)	( 690)	Subsidiary
Ever Conquest Global Limited	Ever Victory Global Limited	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110	Investment business	11,617,488 (US\$417,145 thousand)	11,617,488 (US\$417,145 thousand)	417,145,000	67.40	12,151,339 (US\$436,314 thousand)	( 62,373) (US\$-2,233 thousand)		Sub-subsubsidiary
Ever Victory Global Limited	Dynamic Ever Investments Limited	Room 1902, 19/F, Lee Gargen One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investment business	16,399,473 (US\$588,850 thousand)	16,399,473 (US\$588,850 thousand)	588,850,000	85.00	17,174,703 (US\$616,686 thousand)	( 74,835) (US\$-2,679 thousand)		Sub-subsubsidiary
Union Polymer International Investment Corporation	TTC Chemical Company, Ltd.	12F, No.37, Jihu Road, Taipei City, Taiwan, R.O.C.	Production and marketing of polystyrene, propylene, butadiene, ABS resin, SAN resin, glass wool insulation products and plastic materials	1,749,212	1,749,212	138,863,816	36.67	2,898,375	1,399,688		Sub-subsubsidiary

(Continued)

(Continued)

Investor	Investee Company	Location	Business Content	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark
				Ending Balance for the Current Period	The end of last year	Number of share	Ratio (%)	Carrying Amount			
USIFE Investment Co., Ltd.	Asia Polymer Corporation	12F, No.37, Jihu Road, Taipei City, Taiwan, R.O.C.	Production and marketing of low-density polyethylene, medium-density polyethylene, ethylene vinyl acetate and importing and marketing of linear low-density polyethylene and high-density polyethylene	\$ 1,965,437	\$ 1,965,437	192,063,336	32.35	\$ 5,385,184	\$ 2,158,827		Sub-subsidiary
	China General Plastics Corporation	12F, No.37, Jihu Road, Taipei City, Taiwan, R.O.C.	Production and marketing of plastic cloths, plastic skins, plastic tubes, plastic pellets, plastic powder and other related products	1,320,045	1,320,045	140,609,929	24.20	2,698,640	1,868,124		Sub-subsidiary
	Acme Electronics Corporation	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and marketing of manganese-zinc soft ferrite powder	155,632	155,632	16,424,242	8.98	127,039	43,672		Subsidiary
	Swanson Technologies Corporation	12F, No.37, Jihu Road, Taipei City, Taiwan, R.O.C.	Manufacturing of plastic film (bag), industrial plastic products and reinforced plastic products	30,000	30,000	3,000,000	15.00	( 17,591)	( 9,506)		Sub-subsidiary
	Taiwan United Venture Management Corporation	12F, No.37, Jihu Road, Taipei City, Taiwan, R.O.C.	Corporate management consulting	8,000	8,000	800,000	100.00	15,781	823		Sub-subsidiary
Swanlake Traders Ltd.	ACME Electronics (Cayman) Corp.	Ugland House P.O. Box 309 George Town, Grand Cayman, Cayman Islands	Corporate investments	159,008 (US\$5,709 thousand)	100,479 (US\$3,538 thousand)	8,318,356	16.65	200,403 (US\$7,196 thousand)	43,755 (US\$1,567 thousand)		Sub-subsidiary

Note 1: Cypress Epoch Limited was liquidated on September 28, 2021.

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

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

USI Corporation and Subsidiaries  
Acme Electronics Corporation  
Name of the invested company, location... and other related information  
For the nine months ended September 30, 2021

Table 7-1

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

Investor	Investee Company	Location	Business Content	Original Investment Amount (Note 2)		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark
				Ending Balance for the Current Period	The end of last year	Number of share	Ratio (%)	Carrying Amount			
Acme Electronics Corporation	ACME Electronics (Cayman) Corp.	Ugland House P.O. Box 309 George Town, Grand Cayman, Cayman Islands	Corporate investments	\$ 605,182 (US\$18,336 thousand)	\$ 605,182 (US\$18,336 thousand)	25,621,692	51.27	\$ 616,777	\$ 43,755 (US\$1,567 thousand)	\$ 23,890 (US\$855 thousand)	
	Golden Amber Enterprises Limited	CITCO Building, Wickhams Cay Road Town, Tortola, British Virgin Islands	Corporate investments	669,072 (US\$20,800 thousand)	669,072 (US\$20,800 thousand)	20,800,000	100.00	951,000	68,954	68,954	
	USI Optronics Corporation	12th Floor, No. 37, Jihu Road, Neihu District, Taipei City	Manufacturing and marketing of sapphire single crystal	646,200	646,200	22,064,224	34.00	35,427	( 32,479)	( 11,042)	
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	331,164 (US\$11,891 thousand)	331,164 (US\$11,891 thousand)	42,600,000	100.00	616,939 (US\$22,152 thousand)	31,911 (MYR4,909 thousand)	31,911 (MYR4,909 thousand)	
ACME Components (Malaysia) Sdn. Bhd.	ACME Ferrite Products Sdn. Bhd.	Plot 15,Jalan Industri 6 Kawasan Perindustrian Jelapang II (ZPB) Jelapang 30020 Ipoh, Perak, Malaysia.	Manufacture and sale of soft ferrite cores	242,134 (MYR37,964 thousand)	242,134 (MYR37,964 thousand)	9,120,000	100.00	607,242 (MYR95,209 thousand)	32,314 (MYR4,971 thousand)	32,314 (MYR4,971 thousand)	

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

Note 2: Amounts were converted at the spot exchange rate of September 30, 2021.

Note 3: Please refer to Table 8-1 for relevant information of mainland investee companies.

USI Corporation and Subsidiaries  
Swanson Plastics Corporation  
Name of the invested company, location... and other related information  
For the nine months ended September 30, 2021

Table 7-2

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

Investor	Investee Company	Location	Business Content	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark
				Ending Balance for the Current Period (Note 1)	The end of last year (Note 1)	Number of share	Ratio (%)	Carrying Amount			
Swanson Plastics Corporation	Swanson Plastics Company Ltd. (Singapore)	2 Venture Drive Vision Exchange #12-10 Singapore 608526	Production and marketing of plastic products	\$ 808,506	\$ 808,506	36,862,980	100.00	\$ 1,761,068	\$ 87,439	\$ 87,439	Note 2
	Forever Young Company Limited	Skelton Building Main Street P.O. Box 3136 Road Town, Tortola British Virgin Islands	Trading and agency businesses	1,297	1,297	50,000	100.00	77,437	3,699	3,699	
	Swanson International Ltd.	Ugland House, P.O.Box 309 George Town, Grand Cayman, Cayman Islands, British West Indies	Investment	454,134	454,134	14,541,205	100.00	1,636,548	46,039	46,039	Note 2
	Curtana Company Ltd.	Flatb 6/F, Caltex House 258 Hennessy Road Wanchai, Hong Kong	Investment	-	4,850	-	-	-	-	-	Note 3
	Swanson Technologies Corporation	12F, No.37, Jihu Road, Taipei City, 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	140,000	140,000	14,000,000	70.00	( 82,091 )	( 9,506 )	( 6,655 )	
	PT Swanson Plastics Indonesia	Ngoro Industrial Park Blok D2-3 Ds. Lolawang Kec. Ngoro Kab. Mojokerto	Manufacture and sale of plastic products	7,979	7,979	261,010	1.00	7,421	34,793	348	
Swanson Plastics Company Ltd. (Singapore)	Swanson Plastics (Malaysia) Sdn.Bhd.	Plot 505, Tingkat Perusahaan 4A, Kawasan Perusahaan Perai, Zon Perdagangan Bebas, 13600 Perai, Seberang Perai, Malaysia	Manufacture and sale of plastic products	183,626 (US\$6,593 thousand)	183,626 (US\$6,593 thousand)	20,000,000	100.00	567,122 (US\$20,363 thousand)	63,689 (US\$2,260 thousand)		
	Swanson Plastics (India) Private Ltd.	PLOT No.2, GDDIDC. Honda, Bhuipal Sattari-403 506, Goa-India	Manufacture and sale of plastic products	459,827 (US\$16,511 thousand)	459,827 (US\$16,511 thousand)	107,351,390	100.00	286,995 (US\$10,305 thousand)	2,231 (INR5,823 thousand)		
	PT Swanson Plastics Indonesia	Ngoro Industrial Park Blok D2-3 Ds. Lolawang Kec. Ngoro Kab. Mojokerto	Manufacture and sale of plastic products	719,645 (US\$25,840 thousand)	719,645 (US\$25,840 thousand)	25,840,033	99.00	734,697 (US\$26,380 thousand)	34,793 (IDR17,396,674 thousand)		
Swanson International Ltd.	A.S. Holdings (UK) Limited	5 TH Floor 7-10 Chandos Street London W1G 9DQ	Investment	197,570 (US\$7,094 thousand)	197,570 (US\$7,094 thousand)	3,156,993	100.00	569,136 (US\$20,436 thousand)	22,723 (US\$809 thousand)		Note 2

Note 1: Original investment amount and book amounts were converted at the spot exchange rate of September 30, 2021.

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

Note 3: Curtana Company Ltd. completed its liquidation and dissolution in the first quarter of 2021.

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

USI Corporation and Subsidiaries

China General Plastics Corporation

Name of the invested company, location... and other related information

For the nine months ended September 30, 2021

Table 7-3

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

Investor	Investee Company	Location	Business Content	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark
				Ending Balance for the Current Period	The end of last year	Number of share	Ratio (%)	Carrying Amount			
China General Plastics Corporation	Taiwan VCM Corporation	No. 1, Gongye 1st Rd., Linyuan Dist., Kaohsiung City 832, Taiwan (R.O.C.)	Manufacturing and marketing of VCM	\$ 2,933,648	\$ 2,930,995	259,591,005	87.27	\$ 4,309,908	\$ 1,035,977	\$ 884,692	Subsidiary
	CGPC Polymer Corporation	12F, No.37, Jihu Road, Taipei City, Taiwan, R.O.C.	Manufacturing and marketing of PVC resins	800,000	800,000	80,000,000	100.00	1,384,505	461,738	461,738	Subsidiary
	CGPC (BVI) Holding Co., Ltd.	Citco Building, Wickhams Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands	Reinvestment	1,073,906	1,073,906	16,308,258	100.00	341,086	( 4,726 )	( 4,726 )	Subsidiary
	China General Terminal & Distribution Co.	No. 1, Jianji St., Qianzhen Dist., Kaohsiung City 806, Taiwan (R.O.C.)	Warehousing and transportation of petrochemical raw materials	41,106	41,106	22,009,594	33.33	397,476	40,390	13,463	Associate accounted for using the equity method
	CGPC America Corporation	1181 California Ave., Suite 235 Corona, CA 92881	Marketing of PVC two- or three-time processed products	648,931	648,931	100	100.00	216,705	32,997	32,997	Subsidiary
	Acme Electronics Corporation	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Manufacturing & marketing of Mn-Zn and Ni-Zn ferrite cores	33,995	33,995	3,176,019	1.74	22,734	43,672	758	Associate accounted for using the equity method

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

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

USI Corporation and Subsidiaries  
TTC Chemical Company, Ltd.  
Name of the invested company, location... and other related information  
For the nine months ended September 30, 2021

Table 7-4

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

Investor	Investee Company	Location	Business Content	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark
				Ending Balance for the Current Period	The end of last year	Number of share	Ratio (%)	Carrying Amount			
TTC Chemical Company, Ltd.	TAITA (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment	\$ 2,499,203 (US\$89,738 thousand)	\$ 2,499,203 (US\$89,738 thousand)	89,738,000	100.00	\$ 3,059,969 (US\$109,873 thousand)	\$ 155,770 (US\$5,537 thousand)	\$ 155,770 (US\$5,537 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	210,402	1,868,124	37,024	Investee companies using equity method (Note 1)
	China General Terminal & Distribution Co.	Taipei City	Warehousing of petrochemical raw materials	41,082	41,082	22,009,592	33.33	397,476	40,390	13,464	Investee companies using equity method (Note 2)
	Acme Electronics Corporation	Taipei City	Production and marketing of manganese-zinc soft ferrite powder	44,771	44,771	4,445,019	2.43	31,818	43,672	1,061	Investee companies using equity method (Note 1)
TAITA (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment	47,345 (US\$1,700 thousand)	47,345 (US\$1,700 thousand)	2,695,619	5.39	64,942 (US\$2,332 thousand)	43,755 (US\$1,567 thousand)	-	Investee companies using equity method (Note 1)

Note 1: The calculation is based on the financial statements of the investee company during the same period which have been reviewed by CPAs.

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

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

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

USI Corporation and Subsidiaries

Asia Polymer Corporation

Name of the invested company, location... and other related information

For the nine months ended September 30, 2021

Table 7-5

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

Investor	Investee Company	Location	Business Content	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark
				At the end of this year	The end of last year	Number of share	Ratio (%)	Carrying Amount			
Asia Polymer Corporation	APC (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment business	\$ 383,628 (US\$13,775 thousand)	\$ 383,628 (US\$13,775 thousand)	11,342,594	100.00	\$ 538,755	\$ 19,013	\$ 19,013	Subsidiary
	APC Investment Corporation	Taipei City	Investment business	200,000	200,000	20,000,000	100.00	163,409	31,238	31,238	Subsidiary
	USI International Corp.	British Virgin Islands	Reinvestment business	58,485 (US\$2,100 thousand)	58,485 (US\$2,100 thousand)	2,100,000	70.00	62,265	336	236	Subsidiary
	China General Plastics Corporation	Taipei City	Production and marketing of PVC films, PVC leather, PVC pipes, PVC compounds, PVC resins, construction products, chlor-alkali products and other relevant products	247,412	247,412	46,886,185	8.07	856,618	1,868,124	150,743	Investee companies adopting equity method
	China General Terminal & Distribution Co.	Taipei City	Petrochemical materials storage and transportation operations	41,082	41,082	22,009,593	33.33	397,476	40,390	13,463	Investee companies adopting equity method
	Swanson Plastics Corporation	Taipei City	Production and marketing of stretch films and industrial use multi-layer films	75,242	75,242	12,266,779	7.95	202,101	128,377	10,205	Investee companies adopting equity method
	Acme Electronics Corporation	Taipei City	Manufacturing & marketing of Mn-Zn and Ni-Zn ferrite cores	61,348	61,348	6,056,623	3.31	43,354	43,672	1,445	Investee companies adopting equity method
	Taiwan United Venture Capital Corp.	Taipei City	Investments in high-tech undertakings	52,791	52,791	3,913,533	8.33	21,149	( 985 )	( 82 )	Investee companies adopting equity method
	USI Optronics Corporation	Taipei City	Manufacturing and marketing of sapphire single crystal	59,725	59,725	5,972,464	9.20	9,589	( 32,479 )	( 2,989 )	Investee companies adopting equity method
	Ever Conquest Global Ltd.	British Virgin Islands	Reinvestment business	4,747,729 (US\$170,475 thousand)	4,747,729 (US\$170,475 thousand)	170,475,000	40.87	4,965,898	( 42,041 )	( 17,181 )	Investee companies adopting equity method
APC (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment business	146,071 (US\$5,245 thousand)	146,071 (US\$5,245 thousand)	8,316,450	16.64	200,357	43,755	-	APC (BVI) Holding Co., Ltd. Investee companies adopting equity method
	USI International Corp.	British Virgin Islands	Reinvestment business	25,065 (US\$900 thousand)	25,065 (US\$900 thousand)	900,000	30.00	26,685	336	-	APC (BVI) Holding Co., Ltd. Investee companies adopting equity method
APC Investment Corporation	Acme Electronics Corporation	Taipei City	Manufacturing & marketing of Mn-Zn and Ni-Zn ferrite cores	14,889	14,889	1,884,548	1.03	13,490	43,672	-	APC Investment Corporation Investee companies adopting equity method
	Swanson Technologies Corporation	Taipei City	Production and marketing of EVA packaging films	30,000	30,000	3,000,000	15.00	( 17,591 )	( 9,506 )	-	APC Investment Corporation Investee companies adopting equity method

(Continued)

(Continued)

Investor	Investee Company	Location	Business Content	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark
Ever Conquest Global Ltd.	Ever Victory Global Ltd.	British Virgin Islands	Reinvestment business	11,617,488 (US\$417,145 thousand)	11,617,488 (US\$417,145 thousand)	417,145,000	67.40	12,151,339 (US\$436,314 thousand)	( 62,373 ) (US\$2,233 thousand)	-	Ever Conquest Global Ltd. Investee companies adopting equity method
Ever Victory Global Ltd.	Dynamic Ever Investments, Ltd.	Hong Kong	Reinvestment business	16,399,473 (US\$588,850 thousand)	16,399,473 (US\$588,850 thousand)	588,850,000	85.00	17,174,703 (US\$616,686 thousand)	( 74,835 ) (US\$2,679 thousand)	-	Ever Victory Global Ltd. Investee companies adopting equity method

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

Note 2: Please refer to Table 8-5 for relevant information of mainland investee companies.

USI Corporation and Subsidiaries  
Information on Investments in Mainland China  
For the nine months ended September 30, 2021

Table 8

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

Investee Company in Mainland China	Business Content	Paid-in Capital (Note 7)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as the Beginning of Period (Note 7)	Investment Flows (Note 7)		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period (Note 7)	Net Income (Loss) of Investee	Ownership Percentage of Direct or Indirect Investment (%)	Investment Gain (Loss) (Notes 6 and 8)	Carrying Amount as of the End of Period (Notes 6 and 8)	Accumulated Repatriation of Investment Income as of the End of Period
					Outflow	Inflow						
Acme Electronics (Kunshan) Co., Ltd.	Manufacturing and marketing of manganese-zinc soft ferrite core	\$ 855,69 (US\$30,725 thousand)	Note 1	\$ 78,468 (US\$2,818 thousand)	\$ -	\$ -	\$ 78,468 (US\$2,818 thousand)	\$ 30,007 (US\$1,076 thousand)	16.65	\$ 4,995 (US\$179 thousand)	\$ 133,533 (US\$4,795 thousand)	\$ -
USIG (Shanghai) Co., Ltd.	Engage in import and distribution of various types of chemical raw materials and products	139,25 (US\$5,000 thousand)	Note 2	139,250 (US\$5,000 thousand)	-	-	139,250 (US\$5,000 thousand)	2,169 (US\$77 thousand)	100.00	2,169 (US\$77 thousand)	128,881 (US\$4,628 thousand)	-
Fujian Gulei Petrochemical Co., Ltd.	Crude oil processing and petroleum products manufacturing	39,998,82 (RMB9,314,400 thousand)	Note 3	6,362,325 (US\$228,450 thousand)	-	-	6,362,325 (US\$228,450 thousand)	(113,917) (US\$-4,085 thousand)	16.94	(19,297) (US\$-692 thousand)	6,703,648 (US\$240,705 thousand)	-

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period (Note 7)	Investment Amounts Authorized by Investment Commission, MOEA (Notes 5 and 7)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$6,839,139 (US\$245,571 thousand)	\$8,550,108 (US\$307,006 thousand)	\$ -(Note 4)

Note 1: Invest in mainland companies by 100% reinvestment in Swanlake Traders Ltd. through remittance from the third region.

Note 2: Mainland companies with 100% direct investment.

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

Note 4: It is a company which the Company has obtained the certificate of qualification for operating headquarters issued by the Investment Commission, MOEA No. 10920403810 on February 11, 2020, the upper limit on investment is not applicable.

Note 5: It includes the investment amounted to US\$257,939 thousand in Fujian Gulei Petrochemical Co., Ltd. in the mainland region through remittance from the third region as approved by the Investment Commission, MOEA (2) No. 10500116380 dated on September 1, 2016, Investment Commission, MOEA (2) No. 10500234240 dated on December 29, 2016 and Investment Commission, MOEA (2) No. 108002629200 dated on February 26, 2020, the investment to establish a sales company amounted to US\$32,200 thousand through a third region as approved by the Investment Commission, MOEA (2) No. 10900245220 dated on October 5, 2020, and the investment amounted to US\$1,422 thousand in Acme Electronics (Kunshan) Co., Ltd. through a third region as approved by the Investment Commission, MOEA (2) No. 11000010830 dated on January 21, 2021.

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

Note 7: The calculation was based on the spot exchange rate of September 30, 2021.

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

USI Corporation and Subsidiaries  
Acme Electronics Corporation  
Information on Investments in Mainland China  
For the nine months ended September 30, 2021

Table 8-1

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

Investee Company in Mainland China	Business Content	Paid-in Capital (Note 6)	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as the Beginning of Period (Note 5)	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period (Note 5)	Net Income (Loss) of Investee	Ownership Percentage of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 4)	Carrying Amount as of the End of Period	Accumulated Repatriation of Investment Income as of the End of Period
					Outflow	Inflow						
Acme Electronics (Kunshan) Co., Ltd.	Manufacture and sale of soft ferrite cores	\$ 855,691 (US\$30,725 thousand)	(II)	\$ 374,188 (US\$11,144 thousand)	\$ -	\$ -	\$ 374,188 (US\$11,144 thousand)	\$ 30,007 (RMB6,955 thousand)	51.27	\$ 15,386 (RMB3,566 thousand)	\$ 411,299 (RMB95,778 thousand)	\$ -
Acme Electronics (Guang-Zhou) Co., Ltd.	Manufacture and sale of soft ferrite cores	534,720 (US\$19,200 thousand)	(II)	619,676 (US\$19,200 thousand)	-	-	619,676 (US\$19,200 thousand)	70,215 (RMB16,205 thousand)	100.00	70,215 (RMB16,205 thousand)	948,222 (RMB220,810 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
\$993,864 (US\$30,344 thousand) (Notes 3 and 5)	\$1,020,229 (US\$36,633 thousand) (Notes 3 and 6)	\$ -(Note 2)

Note 1: Method of investment (2) is to reinvest in the mainland companies by establishing a company and is through investment in the third region.

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

Note 3: It includes the capital increase from surplus of Acme Electronics (Kunshan) Co., Ltd. amounted to US\$6,289 thousand in proportion to its shareholding.

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

Note 5: Calculated at the exchange rate of the original investment.

Note 6: Amounts were converted at the spot exchange rate of September 30, 2021.

Note 7: All the transactions were written off when preparing the consolidated financial statements.

USI Corporation and Subsidiaries  
Swanson Plastics Corporation  
Information on Investments in Mainland China  
For the nine months ended September 30, 2021

Table 8-2

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

Investee Company in Mainland China	Business Content	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as the Beginning of Period	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period	Net Income (Loss) of Investee	Ownership Percentage of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 3)	Carrying Amount as of the End of Period (Note 3)	Accumulated Repatriation of Investment Income as of the End of Period
					Outflow	Inflow						
Swanson Plastics (Kunshan) Co., Ltd.	Production, sale and development of multifunctional membranes and photolysis membranes	\$ 370,127 (US\$13,290 thousand)	Indirect investment through Swanson International Ltd.	\$ 223,930	\$ -	\$ -	\$ 223,930	\$ 23,338 (US\$825 thousand)	100.00	\$ 23,338 (US\$825 thousand)	\$ 1,153,881 (US\$41,432 thousand)	\$ -
API-Swanson (Kunshan) Co., Ltd.	Production and sales of PE release film and other release products	253,435 (US\$9,100 thousand)	Indirect investment through Swanson International Ltd. In A.S. Holdings (UK) Limited.	193,447	-	-	193,447	22,723 (US\$809 thousand)	100.00	22,723 (US\$809 thousand)	569,136 (US\$20,436 thousand)	-
Swanson Plastics (Tianjin) Co., Ltd.	Production, sale and development of multifunctional membranes and photolysis membranes	297,995 (US\$10,700 thousand)	Indirect investment through Swanson Plastics Company Ltd. (Singapore) in the third region.	170,754	-	-	170,754	(17,322) (US\$-617 thousand)	100.00	(17,322) (US\$-617 thousand)	79,338 (US\$2,849 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
\$588,131	\$913,083 (US\$32,786 thousand)	\$ -(Note 2)

Note 1: The paid-in capital and the investment amount approved by the Investment Commission, MOEA are converted at the spot exchange rate of September 30, 2021.

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

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

USI Corporation and Subsidiaries  
China General Plastics Corporation  
Information on Investments in Mainland China  
For the nine months ended September 30, 2021

Table 8-3

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

Investee Company in Mainland China	Main Business and Products	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of the Beginning of Period (Note 1)	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period (Note 1)	Net Income (Loss) of Investee	Ownership Percentage of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 5)	Carrying Amount as of the End of Period (Notes 1 and 5)	Accumulated Repatriation of Investment Income as of the End of Period
					Outflow	Inflow						
Continental General Plastics (Zhong Shan) Co., Ltd. ("CGPC (ZS)") (Note 4)	Manufacturing & marketing of PVC film and consumer products	\$ 557,000 (US\$20,000 thousand)	Investment through CGPC (BVI) Holding Co., Ltd. ("CGPC (BVI)")	\$ 557,000 (US\$20,000 thousand)	\$ -	\$ -	\$ 557,000 (US\$20,000 thousand)	(\$ 4,811) (US\$-174 thousand)	100.00	(\$ 4,811) (US\$-174 thousand)	\$ 257,238 (US\$9,237 thousand)	\$ -
CGPC Consumer Products Corporation ("CGPC (CP)") (Note 4)	Engage in the manufacture and production of tertiary processed PVC products	41,775 (US\$1,500 thousand)	Investment through CGPC (BVI) Holding Co., Ltd. ("CGPC (BVI)")	41,775 (US\$1,500 thousand)	-	-	41,775 (US\$1,500 thousand)	( 9) (US\$ - thousand)	100.00	( 9) (US\$ - thousand)	13,290 (US\$477 thousand)	-

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period (Note 1 & 3)	Investment Amounts Authorized by Investment Commission, MOEA (Note 1)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 2)
\$ 754,234 (US\$ 27,082 thousand)	\$ 874,490 (US\$ 31,400 thousand)	\$ -

Note 1: The calculation was based on the spot exchange rate of September 30, 2021.

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

Note 3: QuanZhou Continental General Plastics Co., Ltd. ("CGPC (QZ)") and Union (Zhong Shan) Co., Ltd. ("Union (ZS)") completed dissolution procedures, and CGPC (BVI) retrieved the residual assets. The shares of Continental General Plastics (San He) 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 NT\$19,049 thousand (US\$684 thousand), the investment amount of Union (ZS) of NT\$25,009 thousand (US\$898 thousand), and the investment amount of CGPC (SH) of NT\$111,400 thousand (US\$4,000 thousand).

Note 4: CGPC's board of directors adopted the resolution on October 24, 2011 to dissolve the sub-subsidiaries Huaxia Plastic (Zhongshan) Co., Ltd. (CGPC Zhongshan) of an ancient name for China and Zhongshan Huaju Plasticizing Products Co., Ltd. (Zhongshan Huaju). However, since CGPC will lease out idle plant of the discontinued operation from 2021, considering that the operation is not discontinued in nature, it was resolved to transfer the discontinued operation back to the continuing operation. Please refer to note 12 for details.

Note 5: All the transactions were written off when preparing the consolidated financial statements; the investment income was calculated based on the financial statements not reviewed by an auditor.

USI Corporation and Subsidiaries  
TTC Chemical Company, Ltd.  
Information on Investments in Mainland China  
For the nine months ended September 30, 2021

Table 8-4

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

Investee Company in Mainland China	Business Content	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as the Beginning of Period	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period	Net Income (Loss) of Investee (Note 5)	Ownership Percentage of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 5)	Carrying Amount as of the End of Period (Note 5)	Accumulated Repatriation of Investment Income as of the End of Period
					Outflow	Inflow						
Taita Chemical (Zhong Shan) Co., Ltd. ("TTC (ZS)")	Engage in the manufacturing and marketing of styrene polymerization derivatives	\$ 1,288,063 (US\$46,250 thousand) (Note 1)	Reinvest in the mainland companies by establishing a company through investment in the third region	\$ 1,197,550 (US\$43,000 thousand)	\$ -	\$ -	\$ 1,197,550 (US\$43,000 thousand)	\$ 167,705 (US\$5,962 thousand)	100.00	\$ 167,705 (US\$5,962 thousand)	\$ 3,065,600 (US\$110,075 thousand)	\$ -
TTC Chemical (Tianjin) Co., Ltd. ("TTC (TJ)")	Engage in the manufacturing and marketing of styrene polymerization derivatives	761,698 (US\$27,350 thousand) (Note 2)	Reinvest in the mainland companies by establishing a company through investment in the third region	724,100 (US\$26,000 thousand)	-	-	724,100 (US\$26,000 thousand)	( 10,654) (US\$-379 thousand)	100.00	( 10,654 ) (US\$-379 thousand)	( 113,414 ) (US\$-4,072 thousand)	-
Acme Electronics (Kunshan) Co., Ltd.	Manufacturing and marketing of manganese-zinc soft ferrite core	855,691 (US\$30,725 thousand)	Reinvest in a mainland company by reinvesting in the existing company in the third region, ACME Electronics (Cayman) Corp.	37,709 (US\$1,354 thousand)	-	-	37,709 (US\$1,354 thousand)	30,007 (US\$1,076 thousand)	5.39	1,619 (US\$58 thousand)	43,272 (US\$1,554 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
\$1,959,359 (US\$70,354 thousand)	\$ 2,111,512 (US\$75,817 thousand) (Note 3)	\$ (Note 4)

Note 1: Taita Zhongshan increased capital from surplus of USD3,250 thousand in 2007.

Note 2: Taita Tianjin increased capital from surplus of USD1,350 thousand in 2012.

Note 3: It includes the capital increase from surplus by Taita Zhongshan of USD3,250 thousand, capital increase from surplus by Taita Tianjin of USD1,350 thousand and capital increase from surplus by Acme Electronics (Kunshan) Co., Ltd. of USD802 thousand.

Note 4: It is a company which TTC has obtained the certificate of qualification for operating headquarters issued by the Investment Commission, MOEA No. 10820415160 on June 6, 2019, the upper limit on investment is not applicable.

Note 5: The calculation is based on the financial statements reviewed and approved by CPAs of the parent company in Taiwan calculated.

Note 6: All the transactions were written off when preparing the consolidated financial statements.

USI CORPORATION AND REINVESTMENT COMPANIES

Asia Polymer Corporation

Information on Investments in Mainland China

For the nine months ended September 30, 2021

Table 8-5

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

Investee Company in Mainland China	Business Content	Paid-in Capital (Note 4)	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as the Beginning of Period	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period	Net Income (Loss) of Investee (Note 3)	Ownership Percentage of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 3)	Ending carrying amount of investment	Accumulated Repatriation of Investment Income as of the End of Period
					Outflow	Inflow						
Acme Electronics (Kunshan) Co., Ltd.	Manufacturing and marketing of manganese-zinc ferrite core	\$ 855,691 (US\$30,725 thousand)	(2) ACME Electronics (Cayman) Corp.	\$ 116,340 (US\$4,177 thousand)	\$ -	\$ -	\$ 116,340 (US\$4,177 thousand)	B \$ 30,007	16.64	\$ 4,994	\$ 133,502	\$ -
USI Trading (Shanghai) Co., Ltd.	Sales of chemical products and equipment, etc.	69,625 (US\$2,500 thousand)	(2) APC (BVI) Holding Co., Ltd.	84,541 (US\$3,036 thousand)	-	-	84,541 (US\$3,036 thousand)	C 11,485	100.00	11,485	129,748	-
Fujian Gulei Petrochemical Co., Ltd.	Crude oil processing and petroleum products manufacturing	39,998,828 (RMB9,314,400 thousand)	(2) Dynamic Ever Investments, Ltd. (Note 2)	4,397,038 (US\$157,883 thousand)	-	-	4,397,038 (US\$157,883 thousand)	C ( 113,917)	11.71	( 13,340)	4,634,223	-

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
\$ 4,732,160 (Note 5) (US\$169,916 thousand)	\$6,233,822 (US\$223,836 thousand)	\$ - (Note 6)

Note 1: Investment methods can be divided into the following three types, please mark the type::

- (1) Direct investment in Mainland China.
- (2) Reinvest in the mainland companies through investment in the third region (please specify the third region investment company).
- (3) Other methods.

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

Note 3: Recognized in investment gain (loss) at the end of this year:

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

Note 4: The calculation was based on the spot exchange rate of September 30, 2021.

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: It is a company which APC has obtained the certificate of qualification for operating headquarters issued by the Investment Commission, MOEA No. 10800262940 on February 26, 2020, the upper limit on investment is not applicable.

Note 7: Except for the investment in Fujian Gulei Petrochemical Co., Ltd., the recognized investment gain (loss) and book value 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 nine months ended September 30, 2021

Table 9

Unit: NT\$ thousand

No. (Note 1)	Trader Company	Counterparty	Relationships with trader (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 3)	Transaction Terms	% of Total Sales or Asset (%) (Note 4)
0	USI Corporation	Swanson Plastics Corporation	1	Sales revenue	\$ 72,893	No material discrepancy	0.14%
0	USI Corporation	Forever Young Company Limited	1	Sales revenue	89,915	No material discrepancy	0.17%
0	USI Corporation	USI Trading (Shanghai) Co., Ltd.	1	Sales revenue	150,785	No material discrepancy	0.29%
0	USI Corporation	USI Far East (HK) Co., Ltd.	1	Sales revenue	161,745	No material discrepancy	0.31%
0	USI Corporation	Asia Polymer Corporation	1	Purchases	1,129,606	No material discrepancy	2.16%
0	USI Corporation	Swanson Plastics Corporation	1	Purchases	57,045	No material discrepancy	0.11%
0	USI Corporation	Dynamic Ever Investments Limited	1	Management service revenue	14,459	No material discrepancy	0.03%
0	USI Corporation	Asia Polymer Corporation	1	Sales revenue	140,086	No material discrepancy	0.17%
0	USI Corporation	Swanson Plastics Corporation	1	Trade receivables	18,313	No material discrepancy	0.02%
0	USI Corporation	Forever Young Company Limited	1	Trade receivables	24,427	No material discrepancy	0.03%
0	USI Corporation	USI Far East (HK) Co., Ltd.	1	Trade receivables	17,814	No material discrepancy	0.02%
0	USI Corporation	USI Trading (Shanghai) Co., Ltd.	1	Trade receivables	37,382	No material discrepancy	0.05%
0	USI Corporation	Asia Polymer Corporation	1	Other receivables	82,040	No material discrepancy	0.10%
0	USI Corporation	Xuanju Co., Ltd.	1	Other receivables	80,000	No material discrepancy	0.10%
0	USI Corporation	Taiwan VCM Corporation	1	Other receivables	104,145	No material discrepancy	0.13%
0	USI Corporation	Taiwan VCM Corporation	1	Other payables	55,232	No material discrepancy	0.07%
0	USI Corporation	USI Management Consulting Corp.	1	Management service expenses	98,025	No material discrepancy	0.12%
0	USI Corporation	Asia Polymer Corporation	1	Accounts payable	294,246	No material discrepancy	0.35%
0	USI Corporation	China General Terminal & Distribution Co.	1	Storage tank operating expenses	19,766	No material discrepancy	0.04%

(Continued)

(Continued)

No. (Note 1)	Trader Company	Counterparty	Relationships with trader (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 3)	Transaction Terms	% of Total Sales or Asset (%) (Note 4)
0	USI Corporation	Taiwan VCM Corporation	1	Trade receivables	62,653	No material discrepancy	0.08%
1	Asia Polymer Corporation	China General Terminal & Distribution Co.	3	Storage tank operating expenses	14,468	No material discrepancy	0.03%
1	Asia Polymer Corporation	Swanson Plastics Corporation	3	Purchases	30,597	No material discrepancy	0.06%
1	Asia Polymer Corporation	Swanson Plastics Corporation	3	Sales revenue	30,960	No material discrepancy	0.04%
1	Asia Polymer Corporation	USI Far East (HK) Co., Ltd.	3	Sales revenue	13,387	No material discrepancy	0.03%
1	Asia Polymer Corporation	Union Polymer International Investment Corporation	3	Dividends payable	252,054	No material discrepancy	0.48%
1	Asia Polymer Corporation	USI Trading (Shanghai) Co., Ltd.	3	Trade receivables	26,104	No material discrepancy	0.05%
1	Asia Polymer Corporation	USI Trading (Shanghai) Co., Ltd.	3	Sales revenue	101,827	No material discrepancy	0.19%
2	China General Plastics Corporation	Swanson Plastics Corporation	3	Purchases	45,398	No material discrepancy	0.09%
2	China General Plastics Corporation	Swanson Plastics Corporation	3	Accounts payable	11,810	No material discrepancy	0.01%
2	China General Plastics Corporation	TTC Chemical Company, Ltd.	3	Other payables	19,741	No material discrepancy	0.02%
2	China General Plastics Corporation	Asia Polymer Corporation	3	Other payables	\$ 80,511	No material discrepancy	0.15%
2	China General Plastics Corporation	USI Management Consulting Corp.	3	Management service expenses	31,507	No material discrepancy	0.07%
2	China General Plastics Corporation	Union Polymer International Investment Corporation	3	Dividends payable	248,707	No material discrepancy	0.30%
2	China General Plastics Corporation	Taiwan VCM Corporation	3	Accounts payable	1,168,119	No material discrepancy	2.23%
2	China General Plastics Corporation	Taiwan VCM Corporation	3	Purchases	4,994,501	No material discrepancy	6.02%
2	China General Plastics Corporation	CGPC America Corporation	3	Trade receivables	213,254	No material discrepancy	0.41%
2	China General Plastics Corporation	CGPC America Corporation	3	Sales revenue	549,936	No material discrepancy	0.66%
2	China General Plastics Corporation	CGPC Polymer Corporation	3	Purchases	47,990	No material discrepancy	0.06%
3	TTC Chemical Company, Ltd.	USI Management Consulting Corp.	3	Management service expenses	36,377	No material discrepancy	0.07%
3	TTC Chemical Company, Ltd.	China General Terminal & Distribution Co.	3	Storage tank operating expenses	13,098	No material discrepancy	0.02%

(Continued)

(Continued)

No. (Note 1)	Trader Company	Counterparty	Relationships with trader (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 3)	Transaction Terms	% of Total Sales or Asset (%) (Note 4)
3	TTC Chemical Company, Ltd.	Union Polymer International Investment Corporation	3	Dividends payable	253,270	No material discrepancy	0.48%
3	TTC Chemical Company, Ltd.	Taita Chemical (Zhongshan) Co., Ltd.	3	Sales revenue	660,569	No material discrepancy	0.80%
3	TTC Chemical Company, Ltd.	Taita Chemical (Tianjin) Co., Ltd.	3	Other receivables	257,586	No material discrepancy	0.31%
4	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Sales revenue	204,790	No material discrepancy	0.39%
4	Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Sales revenue	95,573	No material discrepancy	0.18%
4	Acme Electronics Corporation	ACME Ferrite Product Sdn. Bhd.	3	Sales revenue	13,578	No material discrepancy	0.03%
4	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Cost of goods sold	76,602	No material discrepancy	0.15%
4	Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Cost of goods sold	302,930	No material discrepancy	0.36%
4	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Royalty revenue	14,936	No material discrepancy	0.02%
4	Acme Electronics Corporation	ACME Electronics (Cayman) Corp.	3	Revenue from management service expenses	11,513	No material discrepancy	0.01%
4	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Trade receivables	65,912	No material discrepancy	0.08%
4	Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Trade receivables	11,087	No material discrepancy	0.01%
4	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Other receivables	16,132	No material discrepancy	0.02%
4	Acme Electronics Corporation	ACME Electronics (Cayman) Corp.	3	Other receivables	224,165	No material discrepancy	0.27%
4	Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Notes and accounts payable	109,556	No material discrepancy	0.13%
4	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Notes and accounts payable	14,461	No material discrepancy	0.02%
5	USI Management Consulting Corp.	Taiwan VCM Corporation	3	Management service revenue	17,047	No material discrepancy	0.02%
5	USI Management Consulting Corp.	Asia Polymer Corporation	3	Management service revenue	30,203	No material discrepancy	0.04%
5	USI Management Consulting Corp.	Swanson Plastics Corporation	3	Management service revenue	18,384	No material discrepancy	0.02%
5	USI Management Consulting Corp.	China General Terminal & Distribution Co.	3	Management service revenue	12,843	No material discrepancy	0.02%

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No. (Note 1)	Trader Company	Counterparty	Relationships with trader (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 3)	Transaction Terms	% of Total Sales or Asset (%) (Note 4)
6	Acme Electronics (Kunshan) Co., Ltd.	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Sales revenue	57,010	No material discrepancy	0.11%
6	Acme Electronics (Kunshan) Co., Ltd.	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Cost of goods sold	21,613	No material discrepancy	0.04%
6	Acme Electronics (Kunshan) Co., Ltd.	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Trade receivables	16,718	No material discrepancy	0.02%
6	Acme Electronics (Kunshan) Co., Ltd.	ACME Ferrite Product Sdn. Bhd.	3	Sales revenue	\$ 100,786	No material discrepancy	0.19%
6	Acme Electronics (Kunshan) Co., Ltd.	ACME Ferrite Product Sdn. Bhd.	3	Trade receivables	23,682	No material discrepancy	0.03%
7	CGPC Polymer Corporation	Taiwan VCM Corporation	3	Accounts payable	1,674,331	No material discrepancy	2.02%
7	CGPC Polymer Corporation	Taiwan VCM Corporation	3	Other payables	20,064	No material discrepancy	0.02%
7	CGPC Polymer Corporation	Taiwan VCM Corporation	3	Purchases	4,656,499	No material discrepancy	8.89%
8	Swanson Plastics Corporation	Forever Young Company Limited	3	Sales revenue	26,138	No material discrepancy	0.05%
8	Swanson Plastics Corporation	Forever Young Company Limited	3	Other income	15,134	No material discrepancy	0.02%
9	Forever Young Company Limited	Swanson Plastics (India) Private Ltd.	3	Sales revenue	34,216	No material discrepancy	0.07%
9	Forever Young Company Limited	Swanson Plastics (Kunshan) Co., Ltd.	3	Trade receivables	42,797	No material discrepancy	0.05%
9	Forever Young Company Limited	Swanson Plastics (Kunshan) Co., Ltd.	3	Sales revenue	254,827	No material discrepancy	0.31%
9	Forever Young Company Limited	Swanson Plastics (Malaysia) Sdn.Bhd.	3	Trade receivables	12,482	No material discrepancy	0.02%
9	Forever Young Company Limited	Swanson Plastics (Malaysia) Sdn.Bhd.	3	Cost of goods sold	94,057	No material discrepancy	0.18%
9	Forever Young Company Limited	Swanson Plastics (Malaysia) Sdn.Bhd.	3	Sales revenue	272,519	No material discrepancy	0.33%
9	Forever Young Company Limited	PT Swanson Plastics Indonesia	3	Trade receivables	14,335	No material discrepancy	0.03%
9	Forever Young Company Limited	PT Swanson Plastics Indonesia	3	Sales revenue	95,620	No material discrepancy	0.12%
9	Forever Young Company Limited	SWANSON INTERNATIONAL LTD.	3	Other receivables	86,474	No material discrepancy	0.10%
10	Swanson Plastics (Kunshan) Co., Ltd.	API-Swanson (Kunshan) Co., Ltd.	3	Trade receivables	25,282	No material discrepancy	0.03%
10	Swanson Plastics (Kunshan) Co., Ltd.	API-Swanson (Kunshan) Co., Ltd.	3	Sales revenue	94,882	No material discrepancy	0.18%

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No. (Note 1)	Trader Company	Counterparty	Relationships with trader (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 3)	Transaction Terms	% of Total Sales or Asset (%) (Note 4)
11	Swanson Plastics Company Ltd. (Singapore)	Swanson Plastics (Malaysia) Sdn.Bhd.	3	Accounts payable	22,650	No material discrepancy	0.04%
11	Swanson Plastics Company Ltd. (Singapore)	Swanson Plastics (Malaysia) Sdn.Bhd.	3	Cost of goods sold	148,166	No material discrepancy	0.28%
11	Swanson Plastics Company Ltd. (Singapore)	PT. Swanson Plastics Indonesia	3	Cost of goods sold	41,191	No material discrepancy	0.08%
12	API-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	3	Other receivables	164,172	No material discrepancy	0.31%
13	ACME Ferrite Product Sdn. Bhd.	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Sales revenue	10,212	No material discrepancy	0.02%
14	China General Terminal & Distribution Co.	Taiwan VCM Corporation	3	Storage tank operating expenses	65,826	No material discrepancy	0.13%
14	China General Terminal & Distribution Co.	Taiwan VCM Corporation	3	Trade receivables	11,273	No material discrepancy	0.02%

Note 1: The information correlation between the numeral and the entity are stated as follows:

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

Note 2: The direction of the investment is 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.

## Information on Major Shareholders

September 30, 2021

Table 10

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

Note 1: The information in this table refers to a total of holding shares of more than 5 percent of the Company's non-physical shares of common stock and preferred stock that have completed registration and delivery (including treasury shares), in accordance with the last business day of the end of the quarter of the Taiwan Depository & Clearing Corporation. The share capital recorded in the Company's consolidated financial report and the actual number of non-physical shares that have been registered and delivered may be different due to the different calculation basis.

Note 2: If the above information is about the circumstance that the shareholders have entrusted their shares to the trust institutions, it shall be disclosed by the trustor who opened the trust account with the trustee by the individual trust account. As for the shareholders' declarations for insider equity holdings exceeding 10% in accordance with the Securities and Exchange Act, their shareholding includes their own shares plus their delivery of trust and shares with the right to make decisions on trust property, etc. For the information on the declaration for insider equity, please refer to Market Observatory Post System.