

**USI CORPORATION AND
SUBSIDIARIES**

**Consolidated Financial Statements and
Independent Auditors' Report**

For the Years Ended December 31, 2023 and 2022

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Statement of Consolidated Financial Statements of Affiliated Companies

In 2023 (from January 1 to December 31 2023), the entities required to be included in the consolidated financial statements of affiliates under the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises", are all the same as the entities required to be included in the consolidated financial statements of parent and subsidiary companies as provided in the International Financial Reporting Standards No. 10 (IFRS 10), and relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the proceeding consolidated financial statements of parent and subsidiary companies, thus the Company is not required to prepare separate consolidated financial statements of affiliates.

Very truly yours,

USI Corporation

By

Yi-Gui Wu

Chairman

March 8, 2024

Independent Auditors' Report

To USI Corporation:

Audit Opinion

We have audited the Consolidated Balance Sheets of USI Corporation and its subsidiaries (the Group) as of the years ended December 31, 2023 and 2022, and the Consolidated Comprehensive Income Statements, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows and Notes to the consolidated financial statements (including the Summary of Significant Accounting Policies) for the period from January 1 to December 31, 2023 and 2022.

The accountant opinions are that the accompanying consolidated financial statements have been prepared in all material respects in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission, making it impossible to properly express the consolidated financial position of the Group as of December 31, 2023 and 2022, and the consolidated financial performance and consolidated cash flow for the periods from January 1 to December 31, 2023 and 2022.

Basis for Audit Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance for the Group in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in the audit of the Group's consolidated financial statements for the year ended December 31, 2023 is as follows:

The Authenticity of Specific Sales Revenue

In 2023, the Group's sales revenue to specific customers and to specific regions increased year-on-year. Whether the sales revenue is properly recognized at the time of meeting performance obligations will have a material impact on the consolidated financial statements and is therefore considered a key audit matter for the current year.

For accounting policies relating to sales revenue and relevant disclosure information, please refer to Notes 4(q) and 26 of the consolidated financial statements.

We have carried out the main audit procedures for the above-mentioned authenticity of the sales revenue from specific customers as follows:

1. Understand and test the effectiveness of the design and implementation of key internal control systems for the authenticity of sales revenue from specific customers.
2. Check the transaction documents of sales revenue of specific customers, including sales orders, shipping documents and collection documents, to confirm the authenticity of the recognition of sales revenue.

Other Matters

We have also audited the parent company only financial statements of USI Corporation as of and for the years ended December 31, 2023 and 2022 on which we have issued an unmodified opinion.

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

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

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

Those in charge of governance (including the Audit Committee) are responsible for overseeing its financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with auditing standards in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. Auditors also performed the following tasks:

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the Group for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 8, 2024

Notice to Readers

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

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

USI CORPORATION AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

Assets	December 31, 2023		December 31, 2022	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 3, 4 and 6)	\$ 11,059,546	15	\$ 11,522,009	15
Financial assets at fair value through profit or loss (FVTPL)				
- current (Notes 4, 7, 35 and 36)	3,120,700	4	2,724,497	3
Financial assets at fair value through other comprehensive income (FVTOCI) - current (Notes 4 and 8)	40,841	-	97,183	-
Financial assets at amortized cost - current (Notes 3, 4, 9, 35 and 36)	1,699,176	2	424,685	1
Notes receivables, net (Notes 4, 10 and 26)	479,270	1	544,546	1
Accounts receivable, net (Notes 4, 5, 10, 26 and 34)	5,031,335	7	7,395,035	10
Other receivables (Notes 4, 10 and 34)	323,794	1	259,201	-
Current tax assets (Notes 4 and 28)	13,111	-	18,802	-
Inventories (Notes 4, 5 and 11)	6,922,989	9	7,199,654	9
Prepayments	817,337	1	1,220,781	2
Other current assets (Notes 4 and 14)	49,401	-	216,907	-
Total current assets	<u>29,557,500</u>	<u>40</u>	<u>31,623,300</u>	<u>41</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income (FVTOCI) - non-current (Notes 4 and 8)	2,127,088	3	2,060,835	3
Financial assets at amortized cost - non-current (Notes 3, 4, 9 and 36)	353,024	-	350,329	-
Investments accounted for using the equity method (Notes 4 and 13)	9,357,571	13	13,611,385	17
Property, plant and equipment (Notes 4, 14 and 35)	26,380,393	36	25,520,104	33
Right-of-use assets (Notes 4, 15 and 35)	2,571,037	3	1,634,654	2
Investment properties, net (Notes 4 and 16)	587,321	1	624,562	1
Goodwill (Notes 4 and 17)	270,211	-	270,211	-
Other intangible assets, net (Notes 4 and 17)	50,403	-	48,274	-
Deferred tax assets (Notes 4 and 28)	1,985,468	3	1,341,378	2
Other non-current assets (Notes 23 and 35)	832,789	1	656,537	1
Total non-current assets	<u>44,515,305</u>	<u>60</u>	<u>46,118,269</u>	<u>59</u>
Total Assets	<u>\$74,072,805</u>	<u>100</u>	<u>\$77,741,569</u>	<u>100</u>
	Liabilities and Equity			
CURRENT LIABILITIES				
Short-term borrowings (Notes 18 and 35)	\$ 3,256,357	5	\$ 2,400,326	3
Short-term notes payable (Note 18)	-	-	290,613	1
Financial liabilities at fair value through profit or loss (FVTPL)				
- current (Notes 4 and 7)	2,804	-	27,839	-
Account payables (Note 20)	3,017,667	4	3,349,040	4
Other payables (Note 21)	2,229,339	3	2,262,374	3
Current tax liabilities (Notes 4 and 28)	645,044	1	1,647,045	2
Lease liability - current (Note 4 and 15)	143,820	-	102,435	-
Current portion of long-term borrowings (Notes 18, 19 and 35)	2,283,668	3	-	-
Refund liabilities - current (Note 21)	30,704	-	28,247	-
Other current liabilities (Note 26)	239,932	-	667,938	1
Total current liabilities	<u>11,849,335</u>	<u>16</u>	<u>10,775,857</u>	<u>14</u>
NON-CURRENT LIABILITIES				
Bonds payable (Note 19)	3,994,990	5	5,992,228	8
Long-term borrowings (Notes 18 and 35)	6,441,427	9	6,366,223	8
Provision for liabilities - non-current (Notes 4, 5, 22 and 36)	136,375	-	136,375	-
Deferred tax liabilities (Notes 4 and 28)	1,298,084	2	1,395,175	2
Lease liabilities - non-current (Notes 4 and 15)	1,992,525	3	1,262,591	1
Net defined benefit liabilities - non-current (Notes 4 and 23)	663,943	1	754,722	1
Other non-current liabilities (Note 24)	152,226	-	133,513	-
Total non-current liabilities	<u>14,679,570</u>	<u>20</u>	<u>16,040,827</u>	<u>20</u>
Total Liabilities	<u>26,528,905</u>	<u>36</u>	<u>26,816,684</u>	<u>34</u>
Equity attributable to owners of the Company (Notes 4, 8, 12, 23, 25 and 28)				
Share capital	<u>11,887,635</u>	<u>16</u>	<u>11,887,635</u>	<u>15</u>
Capital surplus	<u>476,799</u>	<u>1</u>	<u>449,960</u>	<u>1</u>
Retained Earnings				
Legal reserve	4,036,296	5	3,872,190	5
Special reserve	375,127	-	375,127	-
Unappropriated earnings	<u>7,115,479</u>	<u>10</u>	<u>8,377,890</u>	<u>11</u>
Total retained earnings	<u>11,526,902</u>	<u>15</u>	<u>12,625,207</u>	<u>16</u>
Other equity	(<u>161,445</u>)	-	8,896	-
Treasury shares	(<u>475,606</u>)	(<u>1</u>)	(<u>475,606</u>)	-
Total equity attributable to owners of the Company	<u>23,254,285</u>	<u>31</u>	<u>24,496,092</u>	<u>32</u>
Non-controlling interests	<u>24,289,615</u>	<u>33</u>	<u>26,428,793</u>	<u>34</u>
Total equity	<u>47,543,900</u>	<u>64</u>	<u>50,924,885</u>	<u>66</u>
Total Liabilities and Equity	<u>\$74,072,805</u>	<u>100</u>	<u>\$77,741,569</u>	<u>100</u>

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

USI CORPORATION AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2023 and 2022

(In Thousands of New Taiwan Dollars, except for Earnings (Loss) Per Share)

	For the Year Ended December 31, 2023		For the Year Ended December 31, 2022	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 26 and 34)	\$ 52,264,762	100	\$ 66,437,122	100
COST OF GOODS SOLD (Notes 4, 11, 14, 15, 17, 23, 27 and 34)	<u>46,658,491</u>	<u>89</u>	<u>55,496,976</u>	<u>83</u>
GROSS PROFIT	<u>5,606,271</u>	<u>11</u>	<u>10,940,146</u>	<u>17</u>
OPERATING EXPENSES (Notes 4, 10, 14, 15, 17, 23, 27 and 34)				
Selling and marketing expenses	2,196,355	4	3,406,260	5
Administrative expenses	1,323,095	3	1,360,037	2
Research and development expenses	468,416	1	436,993	1
Expected credit loss (gain) reversed on accounts receivable	(930)	-	865	-
Total operating expenses	<u>3,986,936</u>	<u>8</u>	<u>5,204,155</u>	<u>8</u>
NET PROFIT FROM OPERATIONS	<u>1,619,335</u>	<u>3</u>	<u>5,735,991</u>	<u>9</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Notes 4 and 27)	293,395	1	146,498	-
Other income (Notes 4, 18, 24, 27 and 34)	552,715	1	950,949	1
Other gains and losses (Notes 4, 16, 17, 27 and 38)	(10,196)	-	233,549	-
Finance costs (Notes 4, 18, 19 and 27)	(269,302)	(1)	(215,420)	-
Share of loss of associates and joint ventures accounted for using the equity method (Notes 4 and 13)	(4,122,764)	(8)	(6,154,577)	(9)
Total non-operating income and expenses	<u>(3,556,152)</u>	<u>(7)</u>	<u>(5,039,001)</u>	<u>(8)</u>
Net (loss) profit before income tax	(1,936,817)	(4)	696,990	1
Income tax (gain) expense (Notes 4 and 28)	(30,175)	-	758,179	1
Net loss for the year	<u>(1,906,642)</u>	<u>(4)</u>	<u>(61,189)</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurements of the defined benefit plan (Notes 4, 23 and 25)	(1,479)	-	247,135	-
Unrealized gain (loss) on equity instruments at FVTOCI (Notes 4 and 25)	65,609	-	(222,591)	-
Income tax relating to items that will not be reclassified (Notes 4, 25 and 28)	523	-	(38,886)	-
	<u>64,653</u>	<u>-</u>	<u>(14,342)</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences in translating the financial statements of foreign operations (Notes 4 and 25)	(258,447)	-	860,412	1
Income tax relating to items that may be reclassified subsequently to profit or loss (Notes 4, 25 and 28)	39,553	-	(131,480)	-
	<u>(218,894)</u>	<u>-</u>	<u>728,932</u>	<u>1</u>
Other comprehensive (loss) income for the period, net of income tax	(154,241)	-	714,590	1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>(\$ 2,060,883)</u>	<u>(4)</u>	<u>\$ 653,401</u>	<u>1</u>
Net (loss) profit attributable to:				
Owners of the Company	(\$ 207,006)	(1)	\$ 1,555,097	2
Non-controlling interests	<u>(1,699,636)</u>	<u>(3)</u>	<u>(1,616,286)</u>	<u>(2)</u>
	<u>(\$ 1,906,642)</u>	<u>(4)</u>	<u>(\$ 61,189)</u>	<u>-</u>
Total comprehensive income attributable to:				
Owners of the Company	(\$ 381,717)	(1)	\$ 1,567,260	2
Non-controlling interests	<u>(1,679,166)</u>	<u>(3)</u>	<u>(913,859)</u>	<u>(1)</u>
	<u>(\$ 2,060,883)</u>	<u>(4)</u>	<u>\$ 653,401</u>	<u>1</u>
Earnings (loss) Per Share (Note 29)				
From continuing operations				
Basic (loss) earnings per share	(\$ 0.19)		\$ 1.45	
Diluted (loss) earnings per share	<u>(\$ 0.19)</u>		<u>\$ 1.45</u>	

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

USI CORPORATION AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the years ended December 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

	Equity attributable to owners of the Company							Other equity			Non-controlling interests (Notes 8, 12 and 25)	Total equity	
	Capital surplus				Retained Earnings			Exchange differences on translating the financial statements of foreign operations (Notes 4, 25 and 28)	Unrealized gain (loss) on financial assets at FVTOCI (Notes 4, 8, 25 and 28)	Treasury shares (Note 25)			Total
	Ordinary Shares (Notes 4 and 25)	Treasury Share Transactions (Note 25)	Shares of Changes in Capital Surplus of Associates (Notes 4, 12 and 25)	Others (Note 25)	Legal reserve (Note 25)	Special reserve (Note 25)	Unappropriated earnings (Notes 4, 8, 12, 23 and 25)						
Balance as of January 1, 2022	\$ 11,887,635	\$ 302,976	\$ 41,902	\$ 21,307	\$ 3,343,086	\$ 375,127	\$ 9,881,214	(\$ 710,973)	\$ 795,331	(\$ 475,606)	\$ 25,461,999	\$ 30,182,962	\$ 55,644,961
Distribution of earnings in 2021													
Provision for legal reserve	-	-	-	-	529,104	-	(529,104)	-	-	-	-	-	-
Cash dividends distributed to the Company	-	-	-	-	-	-	(2,615,280)	-	-	-	(2,615,280)	-	(2,615,280)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(2,804,905)	(2,804,905)
Net profit (loss) for the year ended December 31, 2022	-	-	-	-	-	-	1,555,097	-	-	-	1,555,097	(1,616,286)	(61,189)
Other comprehensive income for the year ended December 31, 2022, net of income tax	-	-	-	-	-	-	86,594	339,780	(414,211)	-	12,163	702,427	714,590
Total comprehensive income for the year ended December 31, 2022	-	-	-	-	-	-	1,641,691	339,780	(414,211)	-	1,567,260	(913,859)	653,401
Changes in equity of subsidiaries recognized by equity method	-	-	(1,955)	-	-	-	(1,662)	-	-	-	(3,617)	4,326	709
Changes in other capital surplus	-	-	-	1,405	-	-	-	-	-	-	1,405	-	1,405
Dividends distributed to subsidiaries to adjust capital reserve	-	84,325	-	-	-	-	-	-	-	-	84,325	-	84,325
Disposal of equity instruments measured at FVTOCI	-	-	-	-	-	-	1,031	-	(1,031)	-	-	-	-
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(39,731)	(39,731)
Balance as of December 31, 2022	11,887,635	387,301	39,947	22,712	3,872,190	375,127	8,377,890	(371,193)	380,089	(475,606)	24,496,092	26,428,793	50,924,885
Distribution of earnings in 2022													
Provision for legal reserve	-	-	-	-	164,106	-	(164,106)	-	-	-	-	-	-
Cash dividends distributed to the Company	-	-	-	-	-	-	(832,134)	-	-	-	(832,134)	-	(832,134)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(722,518)	(722,518)
Net loss for the year ended December 31, 2023	-	-	-	-	-	-	(207,006)	-	-	-	(207,006)	(1,699,636)	(1,906,642)
Other comprehensive income for the year ended December 31, 2023, net of income tax	-	-	-	-	-	-	725	(81,193)	(94,243)	-	(174,711)	20,470	(154,241)
Total comprehensive income for the year ended December 31, 2023	-	-	-	-	-	-	(206,281)	(81,193)	(94,243)	-	(381,717)	(1,679,166)	(2,060,883)
Changes in equity of subsidiaries recognized by equity method	-	-	(199)	-	-	-	(54,795)	-	-	-	(54,994)	61,922	6,928
Changes in other capital surplus	-	-	-	208	-	-	-	-	-	-	208	-	208
Dividends distributed to subsidiaries to adjust capital reserve	-	26,830	-	-	-	-	-	-	-	-	26,830	-	26,830
Disposal of equity instruments measured at FVTOCI	-	-	-	-	-	-	(5,095)	-	5,095	-	-	-	-
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	200,584	200,584
Balance as of December 31, 2023	\$ 11,887,635	\$ 414,131	\$ 39,748	\$ 22,920	\$ 4,036,296	\$ 375,127	\$ 7,115,479	(\$ 452,386)	\$ 290,941	(\$ 475,606)	\$ 23,254,285	\$ 24,289,615	\$ 47,543,900

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

USI CORPORATION AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the years ended December 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) profit before tax for the year	(\$ 1,936,817)	\$ 696,990
Income (expenses) items		
Depreciation expense	2,547,837	2,350,740
Amortization expense	61,226	58,946
Expected credit loss (gain) reversed on accounts receivable	(930)	865
Net (gain) loss on financial assets and liabilities at FVTPL	(41,445)	117,767
Finance costs	269,302	215,420
Interest income	(293,395)	(146,498)
Dividend income	(180,814)	(463,584)
Share of loss of associates and joint ventures accounted for using the equity method	4,122,764	6,154,577
Gain on disposal and scrapping of property, plant and equipment	(17,378)	(1,188)
Intangible assets losses	26	-
Disposal Right-of-use assets gain	(70,128)	-
Non-financial asset impaired loss	133	-
(Reversal) provision for write-downs of inventories and obsolescence losses	(20,918)	262,016
Benefit from Lease Modifications	(61)	-
Changes in operating assets and liabilities		
(Increase) decrease in financial Instruments mandatorily classified at FVTPL	(379,793)	2,924,461
Decrease in notes receivable	65,276	331,199
Decrease in accounts receivable	2,364,848	1,119,159
(Increase) decrease in other receivables	(46,057)	262,793
Decrease in inventories	298,620	134,495
Decrease (Increase) in prepayments	403,444	(610,074)
Decrease in other current assets	168,082	26,315
Decrease in accounts payable	(331,373)	(179,958)
Decrease in accounts payable	(68,400)	(614,894)
Increase (Decrease) in refund liabilities	2,457	(383)
Decrease in net defined benefit liabilities	(89,819)	(301,437)
(Decrease) increase in other current liabilities	(428,006)	102,676
Cash generated from operations	6,398,681	12,440,403
Interest received	274,859	136,229
Interest paid	(247,973)	(215,453)
Income tax paid	(1,669,100)	(2,611,392)
Net cash generated from operating activities	<u>4,756,467</u>	<u>9,749,787</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at FVTOCI	(39,950)	(43)
Disposal of financial assets at FVTOCI	100,121	28,399
Return of capital from financial assets at FVTOCI	-	41,329
Disposal of financial assets at amortized cost	(1,277,186)	(78,130)
Acquisition of long-term equity investments using the equity method	-	(90,000)
Disposal of Right-of-use assets proceeds	77,540	-
Acquisition of property, plant and equipment	(3,293,337)	(3,232,790)
Proceeds from disposal of property, plant and equipment	74,982	41,615
Decrease (increase) in refundable deposits	17,642	(48,811)
Acquisitions of other intangible assets	(11,425)	(10,581)
Acquisition of land use rights	(200,271)	-
Acquisition of investment properties	(848)	(3,714)
(Increase) decrease in other non-current assets	(220,651)	364,020
Dividends received	180,814	463,584
Increase in deferred revenues	6,090	-
Net cash used in investing activities	<u>(4,586,479)</u>	<u>(2,525,122)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (Decrease) in short-term borrowings	586,031	(97,715)
(Decrease) increase in short-term notes payable	(291,000)	11,000
Repayments of bonds	-	(3,000,000)
Proceeds from mid- to long-term borrowings	13,002,537	21,407,630
Repayment of mid- to long-term borrowings	(12,392,454)	(19,566,743)
Increase in guarantee deposits received	1,111	16,661
Repayment of the principal portion of lease liabilities	(151,048)	(89,717)
Increase in other non-current liabilities	11,512	22,081
Cash dividends paid	(832,134)	(2,615,280)
Dividends paid to non-controlling interests	(722,518)	(2,804,905)
Change in non-controlling interests	200,584	(39,731)
Net cash used in financing activities	<u>(587,379)</u>	<u>(6,756,719)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>45,072</u>	<u>653,956</u>
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS FOR THE YEAR	(462,463)	1,121,902
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR (Note 3)	<u>11,522,009</u>	<u>10,400,107</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (Note 3)	<u>\$ 11,059,546</u>	<u>\$ 11,522,009</u>

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

USI CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2023 and 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

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

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

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were reported to and issued by the Company's board of directors on March 8, 2024.

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

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

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

b. IFRS Accounting Standard endorsed and issued into effect by the FSC applied in 2024

<u>New/Amended/Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"	January 1, 2024 (Note 2)
Amendments to IAS 1 "Classification of Liabilities as Current or Non-Current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024
Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"	January 1, 2024 (Note 3)

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

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

Note 3. When applying the amendments for the first time, certain disclosure requirements are exempted.

As of the date the consolidated financial statements were authorized for issue, the Group assessed that the aforesaid standards and the amendments of the interpretations would not have a significant impact on the Company's accompanying financial position and financial performance.

c. IFRS Accounting Standard that has 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"	Undetermined
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendment to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 2)

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

Note 2. Applicable for the annual reporting periods beginning on or after January 1, 2025. When applying the amendments, recognize the affected amount in retained earnings as of the initial application date. When the Group adopts a non-functional currency as the reporting currency, it will recognize the adjusted amount in the exchange differences of foreign operations under equity on the initial application date.

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.

d. Reclassification of Expression

The management of the Group asserts that the limitations imposed on the utilization of funds repatriated under the "Regulations on the Management and Use of Overseas Funds Repatriated and Taxed" for significant investments and financial endeavors have not altered the essence of the deposit. They maintain the right to request these funds immediately upon receipt. Hence, it is deemed more appropriate to classify the special account deposit as cash and cash equivalents. Consequently, there have been changes in the presentation of both the consolidated balance sheet and the consolidated cash flow statement in 2023. As of December 31, 2023 and 2022, and January 1, 2022, the carrying amounts of financial assets measured at amortized cost reclassified as cash and cash equivalents were NT\$10,602 thousand, NT\$23,594 thousand, and NT\$34,754 thousand, respectively. The impact on cash flow items for the year 2022 is as follows:

	Adjustment Amount
Net cash used in investing activities	(\$ <u>11,160</u>)
Net decrease in cash and cash equivalents	(\$ <u>11,160</u>)

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 the IFRS Accounting Standard as endorsed and issued into effect by the FSC.

b. Basis of preparation

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

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

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

c. Classification standard of current and non-current assets and liabilities

Current assets include:

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

Current liabilities include:

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

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

d. Basis of consolidation

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

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

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

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

e. Business combination

Business combinations are accounted for using the acquisition method. Related acquisition costs are expensed as incurred and included in expenses for the period of cost incurrence and service acquisition.

Goodwill is measured as the excess of the fair value of the consideration transferred, and the fair value of any previously held equity interests in the acquiree at the acquisition date, over the net identifiable assets acquired and liabilities assumed at the acquisition date.

f. Foreign currency

In preparing the financial statements of each individual entity, transactions in currencies other than the entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

Monetary items denominated in foreign currencies are retranslated at the rates prevailing

on each balance sheet date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date of determination of fair value. Any resulting exchange differences are recognized in profit or loss for the period. However, changes in fair value are recognized in other comprehensive income, and any resulting exchange differences are recognized in other comprehensive income (loss).

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate on the date of the transaction and will not be translated again.

In presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including subsidiaries in other countries that use currencies different from the functional currency of the Company, related business and joint ventures) are translated into the presentation currency, the New Taiwan dollar. Income and expense items are translated at the average exchange rates on the balance sheet date. The resulting currency translation differences are recognized in other comprehensive income (and attributable to the owners and non-controlling interests of the Company respectively).

When disposing of all or part of the subsidiaries of foreign operations which resulted in losing control of the foreign operations, all cumulative exchange differences attributable to the owners of the company and related to the foreign operating institution will be reclassified to profit or loss.

But when disposing part of the subsidiaries and associates which did not result in losing control of the foreign operations, the accumulative exchange difference is reclassified proportionally to the non-controlling equity of the subsidiary, rather than recognized as profit or loss. In other disposal of foreign operations, the accumulated exchange differences will be classified as profit and loss based on its proportion.

g. Inventories

Inventories consist of raw materials, supplies, finished goods and work-in-process and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to Company similar or related items. Net realizable value is the balance that the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventory costs are calculated by moving average method.

h. Investments in associates and joint ventures

Associates refers to entities in which the Group has significant influence but are not subsidiaries or joint ventures. A joint venture refers to an agreement in which the Group and another entity jointly control the joint venture and have rights to its net assets.

The Group investments in associates and joint ventures are accounted for using the equity

method. Under the equity method, an investment in associates and Joint ventures is initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associates. In addition, changes in the Group's interests of associates are recognized according to the ownership proportion.

When associates and joint ventures issue new shares, if the Group fails to subscribe according to its ownership proportion, resulting in a change in the ownership percentage and consequently causing a change in the net equity of the investment, the adjustment amount is recorded by adjusting the capital surplus. This adjustment reflects changes in the net equity of associates and joint ventures accounted for using the equity method. However, if the failure to subscribe according to the ownership proportion or acquire shares results in a decrease in the ownership interest in associates and joint ventures, the amount previously recognized in other comprehensive income related to the associates and joint ventures is reclassified based on the decreased proportion. This accounting treatment is based on the same principles as those followed when associates and joint ventures directly dispose of relevant assets or liabilities. If such adjustments should be debited to the capital surplus, and the balance of the capital surplus generated by investments accounted for using the equity method is insufficient, the difference is debited to retained earnings.

When the share of losses incurred by the Group in related associates and joint ventures equals or exceeds its equity in such related associates and joint ventures (including the book amount of investments in related associates and joint ventures under the equity method and other long-term equity that is essentially a component of the Group's net investment in such related associates and joint ventures), further losses shall be stopped from being recognized. The Group only recognizes additional losses and liabilities within the scope of legal obligations, constructive obligations, or payments made on behalf of associates and joint ventures.

When conducting impairment assessments, the Group considers the entire carrying amount of the investment (including goodwill) as a single asset and compares it with the recoverable amount. Any impairment loss recognized is not allocated to any specific assets that make up the carrying amount of the investment, including goodwill. Any reversal of impairment losses is recognized to the extent that the recoverable amount of the investment subsequently increases.

When the Group ceases to apply the equity method to its investment in associates and joint ventures, it measures its retained interest in the former associates and joint ventures at fair value. The difference between the fair value and the disposal proceeds, if any, of the investment on the date the equity method is ceased and the carrying amount of the investment on that date is recognized in profit or loss for the period. Besides, the basis for the accounting treatment of all amounts recognized in other comprehensive income and loss related to associates and joint ventures is the same as the basis that must be followed if related assets or liabilities are directly disposed of by associates and joint ventures.

Profits and losses resulting from upstream transactions and transactions between associates

and joint ventures are recognized in the accompanying financial statements only to the extent of interests in the associates and joint ventures that are not related to the Company.

i. Property, plant and equipment

Property, plant and equipment are stated at cost and, subsequently are measured at the amount of cost less accumulated depreciation and accumulated impairment losses.

Property, plant and equipment in the course of construction are carried at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Except for self-owned land that is not depreciated, other real estate, plant and equipment are depreciated separately for each significant portion on a straight-line basis over their useful life, residual value, and amortization methods are reviewed by the Group at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

On de-recognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

j. Investment properties

Investment property refers to property held for the purpose of earning rent or capital appreciation or both (including right-of-use assets that meet the definition of investment property).

Self-owned investment property is initially measured at cost (including transaction costs), and subsequently measured at the amount of cost less accumulated depreciation and accumulated impairment loss.

The investment property acquired by lease is initially measured at cost (including the original measurement amount of the lease liability and the lease payment paid before the lease start date), and subsequently measured at cost less the accumulated amount of depreciation and accumulated impairment loss, also adjusted the re-measurement amount of the lease liability.

All investment property is depreciated on a straight-line basis.

Investment properties are reclassified to property, plant, and equipment and right-of-use assets at their carrying amount on the date they are transferred from investment properties to self-use.

Property, plant, and equipment are reclassified to investment properties at their carrying amount on the date they are transferred from self-use.

When investment property is de-recognized, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit and loss.

k. Goodwill

Goodwill acquired through business combinations is initially recognized at the amount of goodwill on the acquisition date as the cost. Subsequently, it is measured at cost less accumulated impairment losses.

For impairment testing purposes, goodwill is allocated to cash-generating units or groups of cash-generating units (referred to as "cash-generating units") of the Group that are expected to benefit from the synergies of the combination.

The cash-generating unit with goodwill undergoes impairment testing annually (and when there are indications that the unit may have been impaired) by comparing the carrying amount of the unit, including goodwill, with its recoverable amount. If the goodwill allocated to the cash-generating unit arises from a business combination in the current year, the unit should conduct impairment testing before the end of the current year. If the recoverable amount of the cash-generating unit with goodwill is less than its carrying amount, the impairment loss is firstly allocated to reduce the carrying amount of the goodwill allocated to the cash-generating unit, and then proportionally reduce the carrying amounts of other assets within that unit. Any impairment loss is recognized as an expense in the current period. Impairment loss to goodwill shall not be reversed in subsequent periods.

When disposing of a cash-generating unit with goodwill, the amount of goodwill related to the disposed operation is included in the carrying amount of the operation to determine the gain or loss on disposal.

l. Intangible assets

1) Separate acquisition

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at the amount of cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis during the useful life. The estimated useful life, residual value, and amortization method are reviewed by the Group at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Intangible assets with indefinite useful lives are reported at cost less accumulated impairment losses.

2) Acquisition through business combination

Intangible assets acquired through business combinations are recognized at fair value as of the acquisition date and are separately recognized from goodwill. Subsequent measurement is consistent with intangible assets acquired separately.

3) De-recognition

On de-recognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in the current profit or loss.

m. Impairment of property, plant and equipment, right-of-use asset, investment property and intangible assets (other than goodwill)

On each balance sheet date, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use asset, investment property and intangible assets to determine whether there is any indication (except Goodwill) that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Shared assets are allocated to the smallest group of cash-generating units on a reasonable and consistent basis of allocation.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually.

The recoverable amount is the higher of fair value less costs of sale and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount (less amortization or depreciation) that would have been determined to have no impairment loss recognized on the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

n. Non-current assets available for sale

Non-current assets are classified as available for sale when their carrying amounts are expected to be recovered primarily through a sale transaction rather than continued use. Non-current assets that qualify for this classification must be available for immediate sale in their current state and must be highly likely available for sale. A non-current asset is highly likely available for sale when an appropriate management level commits to a plan to sell the asset and the sale is expected to be completed within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell, and depreciation is ceased for such assets.

o. Financial instruments

Financial assets and financial liabilities are recognized in the consolidated balance sheet when the Group becomes a party to the contractual provisions of the instruments.

When financial assets and financial liabilities are initially measured, in case financial assets and financial liabilities are not measured at FVTPL, they are measured with the fair value added to transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement categories

Financial assets held by the Group are classified into the following categories: financial assets measured at fair value through profit and loss, financial assets measured at amortized cost, and investment in equity instruments measured at fair value through other comprehensive profits and losses.

i. Financial assets at FVTPL

Financial assets measured at fair value through profit and loss are financial assets that are forced to be measured at fair value through profit and loss. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI and derivative instruments and fund beneficiary certificates that do not meet the criteria to classify as at amortized cost or at FVTOCI.

Financial assets at FVTPL are measured at fair value, with the generated dividends and interest recognized in other income and interest income respectively, and with the profits or losses arising from re-measurement are recognized in other profits and losses. Please refer to Note 33 for the method of determining the fair value.

ii. Financial assets at amortized cost

The Group's financial assets that meet the following conditions are subsequently measured at amortized cost:

- i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- ii) The contractual terms of the financial asset give rise on cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, (including cash and cash equivalents, notes receivable at amortized cost, accounts receivable, other receivables, pledged time deposit and refundable deposits) are measured at amortized cost, which equals to gross carrying amount determined by the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Except for the following cases, the interest income is calculated by applying the effective interest rate to multiply the gross carrying amount of a financial asset:

- i) For credit-impaired financial assets purchased or initiated, the interest income is calculated based on the adjusted effective interest rate multiplying the amortized cost of the financial asset.
- ii) For the financial assets that are not purchased or initiated, but subsequently become credit-impaired, the interest income shall be calculated based on the effective interest rate multiplying the amortized cost of the financial asset from the next reporting period after the credit impairment.

Credit-impaired financial assets refer to the issuer or debtor who has major financial difficulties, defaults, and the debtor is likely to apply for bankruptcy or other financial restructuring, or the active market for financial assets disappear due to financial difficulties.

Equivalent cash includes time deposits which are highly liquid, readily convertible to a known amount of cash, and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

iii. Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI, if the equity investment is not held for trading or if it is not contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are measured at fair value, and subsequently gains and losses arising from changes in fair value are recognized in other comprehensive income and accumulated in other equity. The cumulative gains or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, they will be transferred to retained earnings.

Dividends on these investments using equity instruments at other FVTOCI are recognized in profit or loss when the Group's right to receive the dividends is established unless the dividends represent a recovery of part of the cost of the investment.

b) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including account receivables) on each balance sheet date. The Group always recognizes lifetime expected credit losses for the amount receivables as losses allowance. For other financial assets, the Group evaluates if there has been a significant increase in credit risk since initial recognition. If the credit risk on the financial asset has not increased significantly, the Group recognizes the loss allowance for that financial asset at an amount equal to 12-month expected credit losses. If there is a significant increase, the Group recognizes the lifetime expected credit losses accordingly.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For the purpose of internal credit risk management, the Group determines, in the following situations, that the default of financial assets has occurred without considering the collateral held by it:

- i. Internal or external information show that the debtor is unlikely to pay its creditors.
- ii. After overdue for certain days, unless there is reasonable and corroborative information showing that it will be more appropriate to postpone the default criteria.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

c) De-recognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On de-recognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. Upon de-recognition of investment using equity instruments measured at fair value through other comprehensive profits and losses as a whole, the accumulated gains and losses are directly transferred to retained earnings and are not reclassified in profit and loss.

2) Equity instruments

Debt and equity instruments issued by the Group are classified as either financial liabilities or equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments issued by the Group are recognized at the proceeds received less the cost of direct issuance.

Reacquiring the Group's own equity instruments is recognized and deducted under equity. The purchase, sales, issuance or cancellation of the same above is not recognized as the profit or loss.

3) Financial liabilities

a) Subsequent measurement

Except for financial liabilities measured at fair value through profit and loss, all financial liabilities are measured at amortized cost using the effective interest method. Financial liabilities measured at fair value through profit and loss are financial liabilities held for trading. Related profits or losses are recognized in other profits and losses. Please refer to Note 33 for the method of determining the fair value.

b) De-recognition of financial liabilities

The difference between the carrying amount of the financial liability derecognized and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

4) Derivatives

The derivatives signed by the Group are forward foreign exchange contracts used to manage the Group's exchange rate risk.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each

reporting period. The resulting gain or loss is recognized in profit or loss immediately. When the fair value of a derivative is positive, the derivative is recognized as a financial asset; when the fair value of a derivative is negative, the derivative is recognized as a financial liability.

p. Provisions

Amounts Recognized as Provisions are based on the best estimate of the expenditure required to settle the obligation, taking into account the risks and uncertainties associated with the obligation as of the balance sheet date. Provisions are measured at the present value of the estimated future cash flows required to settle the obligation.

q. Revenue recognition

The Group identifies contracts with the customers, allocates the transaction price to the performance obligations, and recognizes revenue when performance obligations are satisfied. Refund liabilities are recognized based on past experience and other relevant factors to reasonably estimate future refund amounts.

1) Revenue from the sale of goods

The Group's revenue from the sale of goods mainly comes from sales of polyethylene plastic pellets and related plastic products. When the goods start shipping or are delivered to the customer location, the customer has full discretion to set the price and use of the goods, has the main responsibility for resale, and bears the risks of obsolescence, the Group should recognize revenue and accounts receivable at that time point. The Group recognizes revenue and accounts receivable concurrently.

When the material is removed for processing, the control of the ownership of the processed product has not been transferred, so the income is not recognized when the material is removed.

2) Service Revenue

Service revenue arises from providing storage and transportation services for various petrochemical raw materials entrusted to us, and related service revenue is recognized when the service is provided.

r. Lease

At the inception of a contract, the Group assesses whether the contract is a (or includes) lease.

1) The Group as lessor

Leases are classified as finance leases whenever the terms of a lease transfer are substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

When the Group subleases the right-of-use asset, it uses the right-of-use asset (not the underlying asset) to determine the classification of sublease. However, if the main lease is a short-term lease for which the Group applies the recognition exemption, the sublease is classified as an operating lease.

Lease payments from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases

Rental income from leasing agreements not dependent on variable rates is recognized as revenue when it is earned.

2) The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

The right-of-use asset is initially measured at cost (including the original measured amount of the lease liability and the lease payment paid before the lease start date), and subsequently measured at the amount after the cost less the accumulated depreciation, and the remeasured amount of the lease liability is adjusted. Except for those that meet the definition of investment property, the right-to-use assets are separately expressed on the Group balance sheets. For the recognition and measurement of right-of-use assets that meet the definition of investment property, please refer to the above (j) Accounting Policy for Investment Property.

Right-of-use assets are depreciated using the straight-line basis from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments (which comprise fixed payments, in-substance fixed payments, and lease payments depending on changes in rates). The lease payments are discounted using the interest rate implicit in a lease if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term or how to determine the rental payment rate leading to a change in future lease payments, the Group re-measures the lease liabilities with a corresponding adjustment to the right-of-use- assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the re-measurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the Group balance sheets.

Rental income from leasing agreements not dependent on variable rates is recognized as expenses when it is incurred.

s. Borrowing costs

Borrowing costs directly attributable to an acquisition, construction or production of qualifying assets are added to the cost of those assets, until the time when the assets are substantially ready for their intended use or sale. Other than the above-stated, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

t. Government subsidy

Government subsidies are recognized only when it is reasonably certain that the Group will comply with the conditions attached to the government subsidies and will receive such subsidies.

Government subsidies related to income are recognized in profit and loss on a systematic basis during the period when the relevant costs that they intend to compensate are recognized as expenses by the Group. Government subsidies conditional upon the acquisition, construction, or other means of obtaining non-current assets by the Group are recognized as deferred income and systematically allocated to profit or loss over the useful life of the related assets on a reasonable and systematic basis.

If the government subsidy is used to compensate for expenses or losses that have occurred or for the purpose of providing the Group with immediate financial support and there is no future related cost, it is recognized in the profit and loss during the period when it can be received.

The difference between the amount of the government loans obtained by the Group at below-market interest rates and their fair value calculated at the prevailing market interest rates is recognized as a government subsidy.

u. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as expense when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and re-measurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost and net interest on the net defined benefit liability (asset) are recognized as employee benefits expense in the period they occur. Remeasurement (comprising actuarial gains and losses, and the return on plan assets excluding interest) is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Net defined benefit liabilities represent the actual deficit in the Group's defined benefit plans.

v. Share-based payment arrangements

Share-based payment agreements granted to employees by the Group are measured at the fair value of the equity instruments on the grant date.

Employee stock options are recognized as expenses on a straight-line basis over the vesting period based on the fair value of the equity instruments on the grant date and the best estimate of expected quantities to be received, with simultaneous adjustment of non-controlling interests. If fully vested on the grant date, the entire expense is recognized on that date.

The Group revises the estimated quantity of employee stock options expected to vest at each balance sheet date. If there is a revision to the original estimate, the impact is recognized in profit or loss, adjusting the cumulative expense to reflect the revised estimate, and correspondingly adjusting non-controlling interests.

w. Income tax

The income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

The Group determines the current income (loss) in accordance with the laws as well as regulations established by the income by the tax reporting jurisdiction and calculates the payable (recoverable) income tax accordingly.

According to the Income Tax Act, an additional tax on unappropriated earnings is provided for as income tax in the year of the shareholder meetings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences and loss deductions.

Deferred tax liabilities are recognized for taxable temporary differences Associate associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each balance sheet date and recognized to the extent that it has become probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the balance sheet, to recover or settle the carrying amount of its assets and liabilities.

3) Current tax and deferred tax for the year

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income; in which case, the current and deferred taxes are also recognized in other comprehensive income.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY

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

Key Sources of Estimation and Uncertainty

a. Estimated impairment of accounts receivable

The estimation of bad debt provision for accounts receivable is based on the Group's assumptions regarding default rates and expected loss rates. The Group considers historical experience, current market conditions, and forward-looking information to form assumptions and select input values for impairment assessments. If future actual cash flows are less than expected, the Group may incur significant impairment losses. Please refer to

Note 10 for the significant assumptions, input values, and carrying amounts used by the Group.

b. Inventory impairment

Inventory must be valued at the lower of cost and net realizable value. Therefore, the Group must exercise judgment and estimation to determine the net realizable value of inventory at the end of the reporting period. The Group assesses the amount of inventory at the end of the financial reporting period due to normal wear and tear, obsolescence, or lack of market sales value, and reduces the inventory cost to net realizable value. This inventory valuation is primarily based on historical sales experience of the products and estimates of product demand for specific periods in the future, thus significant fluctuations may occur. Please refer to Note 11 for the carrying amounts of inventory in the Group's financial statements.

c. Estimate of compensation for the subsidiary's gas explosion incident

As for the civil damages incurred by the gas explosion of the subsidiary, China General Terminal & Distribution Co., (CGTD) which is recognized as a liability provision, the management estimates the amount of the liability provision by taking into account the progress of civil and criminal proceedings and settlements as well as the legal advice. However, actual results may differ from current estimates. Please refer to Note 36 for a detailed description.

6. CASH AND CASH EQUIVALENTS

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Cash on hand and petty cash	\$ 2,718	\$ 4,560
Checking accounts and demand deposits	3,110,734	3,256,485
Cash equivalents		
Time deposits	5,353,843	6,606,811
Reserve repurchase agreements collateralized by bonds	<u>2,592,251</u>	<u>1,654,153</u>
	<u>\$ 11,059,546</u>	<u>\$ 11,522,009</u>

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

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Time deposits	1.05%~6.80%	0.88%~4.91%
Reserve repurchase agreements collateralized by bonds	1.30%~5.50%	1.05%~4.23%

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

CURRENT

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Financial assets mandatorily at FVTPL</u>		
Derivative financial assets (not under hedge accounting)		
- Foreign exchange forward contracts	\$ 5,061	\$ 2,121
Non-derivative financial assets		
- Domestic listed (OTC) shares	478,329	228,677
- Fund beneficiary certificates	2,365,052	2,259,780
- Beneficiary securities	272,258	233,828
- Overseas listed shares	-	91
Subtotal	<u>3,115,639</u>	<u>2,722,376</u>
	<u>\$ 3,120,700</u>	<u>\$ 2,724,497</u>
<u>Financial liabilities held for trading</u>		
Derivative financial assets (not under hedge accounting)		
- Foreign exchange forward contracts	\$ 2,804	\$ 27,839

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

	<u>Currency</u>	<u>Maturity date</u>	<u>Contract Amount (In Thousands)</u>	
<u>December 31, 2023</u>				
Sell	RMB/NTD	2024.01.03-2024.02.01	RMB	71,700 /NTD 315,018
Sell	USD/MYR	2024.01.08-2024.07.11	USD	1,800 /MYR 8,281
Buy	USD/NTD	2024.01.02-2024.01.08	USD	1,400 /NTD 43,839
Buy	NTD/USD	2024.01.10-2024.02.20	NTD	92,539 /USD 3,000
Buy	JPY/USD	2024.01.26-2024.02.22	JPY	120,000 /USD 817
<u>December 31, 2022</u>				
Sell	RMB/NTD	2023.01.09-2023.03.30	RMB	511,100 /NTD 2,236,999
Sell	USD/MYR	2023.03.13	USD	100 /MYR 440
Sell	EUR/MYR	2023.03.17-2023.03.31	EUR	270 /MYR 1,254
Buy	NTD/USD	2023.01.03-2023.02.23	NTD	672,391 /USD 21,620
Buy	JPY/USD	2023.01.20-2023.02.24	JPY	120,000 /USD 862

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

For information on pledged financial instruments measured at fair value through profit or loss, please refer to Notes 35 and 36.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Current</u>		
Investments in equity instruments		
Domestic investments		
Listed (OTC) shares	\$ <u>40,841</u>	\$ <u>97,183</u>
<u>Non-current</u>		
Investments in equity instruments		
Domestic investments		
Listed (OTC) shares	\$ 1,593,383	\$ 1,531,870
Unlisted shares	<u>366,003</u>	<u>359,548</u>
	<u>1,959,386</u>	<u>1,891,418</u>
Overseas investments		
Listed (OTC) shares	16,457	30,041
Unlisted shares	<u>151,245</u>	<u>139,376</u>
	<u>167,702</u>	<u>169,417</u>
	<u>\$ 2,127,088</u>	<u>\$ 2,060,835</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 investments in equity instruments as at FVTOCI for the year 2023 and 2022. The related other equity - the unrealized gain and loss of financial assets measured at FVTOCI amounted to a loss of NT\$5,095 thousand and a gain of NT\$1,031 thousand, respectively. These amounts were transferred to retained earnings.

For the years ended December 31, 2022, due to the reduction of capital and refund of shares respectively by the invested company, the Group shall recover NT\$41,329 thousand (2023: none).

The Group recognized dividend income of NT\$97,871 thousand and NT\$120,996 thousand for the years ended December 31, 2023 and 2022, respectively.

9. FINANCIAL ASSETS AT AMORTIZED COST

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Current</u>		
Pledged time deposits	\$ 368,673	\$ 424,685
Bank fixed-term deposits with a maturity over 3 months	625,694	-
Reserve repurchase agreements collateralized by bonds with a maturity over 3 months	704,809	-
	<u>\$ 1,699,176</u>	<u>\$ 424,685</u>
<u>Non-current</u>		
Constricted bank deposits	\$ 333,281	\$ 330,582
Restricted time deposits	19,743	19,747
	<u>\$ 353,024</u>	<u>\$ 350,329</u>
The range of interest rate		
Pledged time deposits	0.54%~2.80%	0.19%~2.60%
Bank fixed-term deposits with a maturity over 3 months	1.25%~5.72%	-
Reserve repurchase agreements collateralized by bonds with a maturity over 3 months	1.50%~1.61%	-
Restricted time deposits	5.05%	1.88%

Constricted bank deposits represent surplus funds repatriated by subsidiaries and pledged as collateral for the gas explosion incident and subjected to third-party applications for court seizure and execution. The Group filed an application in accordance 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 a three-year withdrawal is not permitted until five years after the deposit, except for financial investment or physical investments with partially free utilization by law (Please refer to Note 3). Please refer to Notes 35 and 36 for the information related to financial assets at amortized cost pledged as security.

10. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Notes receivable (a)		
Measured at amortized cost		
Gross carrying amount	\$ <u>479,270</u>	\$ <u>544,546</u>
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Accounts receivable (a)		
Measured at amortized cost		
Gross carrying amount	\$ 5,063,907	\$ 7,481,614
Less: allowance for loss	(<u>32,572</u>)	(<u>86,579</u>)
	<u>\$ 5,031,335</u>	<u>\$ 7,395,035</u>
<u>Other receivables (b)</u>		
Tax refund receivable	\$ 223,170	\$ 200,055
Interest receivable	50,142	31,564
Refundable Engineering Fees	18,803	-
Others	<u>31,679</u>	<u>27,582</u>
	<u>\$ 323,794</u>	<u>\$ 259,201</u>

a. Notes and accounts receivable

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

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

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

The Group writes off a trade receivable when there is information indicating that the debtor is experiencing severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Group continues to engage in enforcement

activity to attempt to recover the due receivables. Where recoveries are made, they are recognized in profit or loss.

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

December 31, 2023

Based on the number of days past due

	<u>Up to 60 Days</u>	<u>61-90 Days</u>	<u>Over 91 Days</u>	<u>Total</u>
Gross carrying amount	\$ 2,493,009	\$ 68,765	\$ 2,843	\$ 2,564,617
Loss allowance (Lifetime ECLs)	(13,670)	(60)	(2,843)	(16,573)
Amortized cost	<u>\$ 2,479,339</u>	<u>\$ 68,705</u>	<u>\$ -</u>	<u>\$ 2,548,044</u>

Based on credit quality

	<u>Credit Rating A</u>	<u>Credit Rating B</u>	<u>Credit Rating C</u>	<u>Others</u>	<u>Total</u>
Gross carrying amount	\$178,083	\$849,743	\$269,017	\$1,681,717	\$2,978,560
Loss allowance (Lifetime ECLs)	-	(3,550)	(3,649)	(8,800)	(15,999)
Amortized cost	<u>\$178,083</u>	<u>\$846,193</u>	<u>\$265,368</u>	<u>\$1,672,917</u>	<u>\$2,962,561</u>

December 31, 2022

Based on the number of days past due

	<u>Up to 60 Days</u>	<u>61-90 Days</u>	<u>Over 91 Days</u>	<u>Total</u>
Gross carrying amount	\$ 4,888,004	\$ 391	\$ 3,624	\$ 4,892,019
Loss allowance (Lifetime ECLs)	(11,842)	(391)	(3,615)	(15,848)
Amortized cost	<u>\$ 4,876,162</u>	<u>\$ -</u>	<u>\$ 9</u>	<u>\$ 4,876,171</u>

Based on credit quality

	<u>Credit Rating A</u>	<u>Credit Rating B</u>	<u>Credit Rating C</u>	<u>Others</u>	<u>Total</u>
Gross carrying amount	\$235,721	\$768,055	\$301,535	\$1,828,830	\$3,134,141
Loss allowance (Lifetime ECLs)	-	(4,374)	(5,025)	(61,332)	(70,731)
Amortized cost	<u>\$235,721</u>	<u>\$763,681</u>	<u>\$296,510</u>	<u>\$1,767,498</u>	<u>\$3,063,410</u>

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

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Not overdue	\$ 2,891,050	\$ 2,922,962
Up to 60 Days	84,497	147,336
Over 61 days	3,013	63,843
	<u>\$ 2,978,560</u>	<u>\$ 3,134,141</u>

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

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

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Balance at January 1	\$ 86,579	\$ 85,384
Impairment losses (reversed) recognized for the year	(930)	865
Actual written off for the year	(52,859)	(88)
Foreign exchange translation gains and losses	(218)	418
Balance at December 31	<u>\$ 32,572</u>	<u>\$ 86,579</u>

b. Other receivables

Other receivables mainly consisted of tax refund receivable, interest receivable and Refund of engineering receivables, etc. The average aging of other receivables was less than 60 days based on the number of days past due from the invoice date, and an impairment loss was assessed based on the expected credit losses. There were no other overdue receivables with an unrecognized allowance for doubtful accounts in the Group as of December 31 2023 and 2022.

11. INVENTORIES

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Finished goods	\$ 4,488,826	\$ 4,213,873
Work in progress	550,565	750,562
Raw materials	1,530,905	1,810,162
Supplies	336,743	394,092
Inventory in transit	15,950	30,965
	<u>\$ 6,922,989</u>	<u>\$ 7,199,654</u>

The Group costs of inventories recognized as cost of goods sold for the years ended December 31 in 2023 and 2022 were NT\$46,658,491 thousand and NT\$55,496,976 thousand, respectively.

The net realizable value gains and losses on write-downs and reversal of inventories contained in the cost of goods sold for the year ended December 31, 2023 and 2022 were a gain of NT\$20,918 thousand, a loss of NT\$262,016 thousand. The reversal of net realizable value gains of inventories is due to destocking.

12. SUBSIDIARY

a. Subsidiaries included in the consolidated financial statements

The consolidated financial statements are prepared by the following subjects:

Investor	Name of Subsidiary	Nature of Activities	Proportion of Ownership (%)		Remark
			December 31, 2023	December 31, 2022	
The Company	USI Investment Co., Ltd. (USIH)	Investment business	<u>100.0%</u>	<u>100.0%</u>	
	Swanlake Traders Ltd. (Swanlake)	Trading and investment	<u>100.0%</u>	<u>100.0%</u>	
	USI (Hong Kong) Company Ltd.	Trading and investment	<u>100.0%</u>	<u>100.0%</u>	
	USI Management Consulting Corp (UM)	Providing management services	<u>100.0%</u>	<u>100.0%</u>	
	Chong Loong Trading Co., Ltd. (CLT)	Import and export trade	<u>100.0%</u>	<u>100.0%</u>	7.
	Union Polymer International Investment Corporation (UPIIC)	Investment business	<u>100.0%</u>	<u>100.0%</u>	
	INOMA Corporation (INOMA)	Optical products and fire protection materials	<u>94.4%</u>	<u>94.4%</u>	15.
	USIG (Shanghai) Co., Ltd. (USIG)	Import and distribution of various types of chemical raw materials and products	<u>-</u>	<u>100.0%</u>	13.
	USI Green Energy Corporation (USIGE)	Solar power generation business	<u>100.0%</u>	<u>100.0%</u>	
The Company	Taiwan United Venture Capital Corp. (TUVC)	Venture capital	70.0%	70.0%	
Asia Polymer Corporation (APC)			<u>8.3%</u>	<u>8.3%</u>	
The Company	Swanson Plastics Corp. (SPC)	Production and sales of stretch film, embossed film and industrial use multi-layer wrap	<u>40.6%</u>	<u>40.6%</u>	
Asia Polymer Corporation USIFE Investment Co., Ltd.			8.0%	8.0%	
			<u>6.6%</u>	<u>6.4%</u>	1.
			<u>55.2%</u>	<u>55.0%</u>	
The Company	Acme Electronics Corporation (ACME)	Production and sales of manganese-zinc soft ferrite powder	29.0%	26.9%	
China General Plastics Corporation USIFE Investment Co., Ltd. Asia Polymer Corporation Taita Chemical Company, Ltd. APC Investment Corporation			1.7%	1.7%	
			9.5%	9.3%	
			3.2%	3.3%	
			2.3%	2.4%	
			1.5%	1.0%	
			<u>47.2%</u>	<u>44.6%</u>	8. and 16.
The Company	USI Optronics Corporation (USIO)	Manufacturing and marketing of sapphire crystal	50.9%	50.9%	
Acme Electronics Corporation Asia Polymer Corporation USIFE Investment Co., Ltd.			34.0%	34.0%	
			9.2%	9.2%	
			<u>0.2%</u>	<u>0.2%</u>	
			<u>94.3%</u>	<u>94.3%</u>	
Acme Electronics Corporation	ACME Electronics (Cayman) Corp. (ACME (Cayman))	Reinvestment business	60.1%	51.3%	
Swanlake Traders Ltd. APC (BVI) Holding Co., Ltd. TAITA (BVI) Holding Co, Ltd.			18.9%	23.1%	2.
			13.6%	16.6%	
			4.4%	5.4%	
			<u>97.0%</u>	<u>96.4%</u>	9.
Acme Electronics Corporation ACME Electronics (Cayman) Corp.	Golden Amber Enterprises Limited Acme Electronics (Kunshan) Co., Ltd. ("ACME (KS)")	Reinvestment business Manufacturing and sales of manganese-zinc soft ferrite core	<u>100.0%</u>	<u>100.0%</u>	
	ACME Components (Malaysia) Sdn.Bhd.	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	
Golden Amber Enterprises Limited	Acme Electronics (Guang-Zhou) Co., Ltd.	Manufacturing and sales of manganese-zinc soft ferrite core	<u>100.0%</u>	<u>100.0%</u>	
Union Polymer International Investment Corporation	Asia Polymer Corporation (APC)	Production and sales of low-density polyethylene, medium-density polyethylene, ethylene vinyl acetate and importing and marketing of linear low-density polyethylene and high-density polyethylene	36.1%	36.1%	
China General Terminal & Distribution Corporation USIFE Investment Co., Ltd. Taiwan VCM Corporation			0.9%	0.9%	
			0.3%	0.3%	
			<u>-</u>	<u>-</u>	
			<u>37.3%</u>	<u>37.3%</u>	16.

(Continued)

(Continued)

Investor	Name of Subsidiary	Nature of Activities	Proportion of Ownership (%)		Remark
			December 31, 2023	December 31, 2022	
Asia Polymer Corporation	APC (BVI) Holding Co., Ltd. (APC (BVI))	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	
Asia Polymer Corporation APC (BVI) Holding Co., Ltd.	USI International Corporation	Reinvestment business	70.0%	70.0%	
			<u>30.0%</u>	<u>30.0%</u>	
			<u>100.0%</u>	<u>100.0%</u>	
Asia Polymer Corporation	APC Investment Corporation (APCIC)	Investment business	<u>100.0%</u>	<u>100.0%</u>	
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>	
Union Polymer International Investment Corporation	Taita Chemical Company, Limited (TTC)	Production and sales of polystyrene, acrylonitrile, butadiene, ABS resin, SAN resin, glass wool insulation products and plastic materials	36.8%	36.8%	
China General Terminal & Distribution Corporation USIFE Investment Co., Ltd.			0.6%	0.6%	
			<u>0.4%</u>	<u>0.4%</u>	
			<u>37.8%</u>	<u>37.8%</u>	16.
Taita Chemical Company, Ltd.	TAITA (BVI) Holding Co, Ltd. (TAITA (BVI))	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	
TAITA (BVI) Holding Co, Ltd.	Taita Chemical (Zhong Shan) Co., Ltd. (TTC (ZS))	Production and sales of polystyrene derivatives	<u>100.0%</u>	<u>100.0%</u>	
	Taita Chemical (Tianjin) Co., Ltd. (TTC (TJ))	Production and sales of polystyrene derivatives	<u>100.0%</u>	<u>100.0%</u>	4.
	Zhangzhou Taita Chemical Company, Limited (TTCZZ)	Production and sales of polystyrene derivatives	<u>100.0%</u>	<u>100.0%</u>	3.
Swanlake Traders Ltd.	Zhangzhou USI Trading Co., Ltd. (GUL)	Sales of chemical products	70.0%	70.0%	
APC (BVI) Holding Co., Ltd.			<u>30.0%</u>	<u>30.0%</u>	
			<u>100.0%</u>	<u>100.0%</u>	5.
Swanlake Traders Ltd.	Xiamen USI Trading Co., Ltd. (XUL)	Sales of chemical products	70.0%	-	
APC (BVI) Holding Co., Ltd.			<u>30.0%</u>	-	
			<u>100.0%</u>	-	11.
Union Polymer International Investment Corporation	China General Plastics Corporation (CGPC)	Production and sales of plastic cloths, plastic skins, plastic tubes, plastic pellets, plastic powder and other related products	25.0%	25.0%	
Asia Polymer Corporation			8.0%	8.0%	
Taita Chemical Company, Ltd.			2.0%	2.0%	
China General Terminal & Distribution Corporation USIFE Investment Co., Ltd.			0.5%	0.5%	
			<u>0.1%</u>	<u>0.1%</u>	
			<u>35.6%</u>	<u>35.6%</u>	16.
China General Plastics Corporation	Taiwan VCM Corporation (TVCM)	Manufacturing and marketing of vinyl chloride monomer and related petrochemical products	<u>87.3%</u>	<u>87.3%</u>	
	CGPC (BVI) Holding Co., Ltd.	Reinvestment business	<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>	
	CGPC Polymer Corporation (CGPCPOL)	Manufacture and marketing of PVC powder	<u>100.0%</u>	<u>100.0%</u>	
Taiwan VCM Corporation	Global Green Technology Corporation (GGT)	Environmental detection services	<u>100.0%</u>	<u>100.0%</u>	6.
CGPC (BVI) Holding Co., Ltd.	China General Plastics (Zhongshan) Co., Ltd. (CGPC ZhongShan)	Manufacturing and marketing of PVC film and third-time processed products	<u>100.0%</u>	<u>100.0%</u>	
	CGPC Consumer Products Corporation (CGPC (CP))	Manufacturing and sales of PVC film and third-time processed products	-	<u>100.0%</u>	10.
China General Plastics Corporation	China General Terminal & Distribution Corporation (CGTD)	Warehousing petrochemical raw materials	33.3%	33.3%	
Taita Chemical Company, Ltd.			33.3%	33.3%	
Asia Polymer Corporation			<u>33.4%</u>	<u>33.4%</u>	
			<u>100.0%</u>	<u>100.0%</u>	
USIFE Investment Co., Ltd.	Taiwan United Venture Management Corp. (TUVM)	Business management consulting	<u>100.0%</u>	<u>100.0%</u>	
ACME Components (Malaysia) Sdn.Bhd.	ACME Ferrite Products Sdn.Bhd (ACME Ferrite)	Manufacturing and marketing of soft ferrite core	<u>100.0%</u>	<u>100.0%</u>	
Swanson Plastics Corporation	Forever Young Company Ltd.	Trading and agency businesses	<u>100.0%</u>	<u>100.0%</u>	
	Swanson Plastics (Singapore) Pte., Ltd.	Production and marketing of plastic products	<u>100.0%</u>	<u>100.0%</u>	
	Swanson International Ltd.	Import and export trade	<u>100.0%</u>	<u>100.0%</u>	

(Continued)

(Continued)

Investor	Name of Subsidiary	Nature of Activities	Proportion of Ownership (%)		Remark
			December 31, 2023	December 31, 2022	
Swanson Plastics Corporation	PT. Swanson Plastics Indonesia Ltd.	Production and marketing of plastic products	1.0%	1.0%	
Swanson Plastics (Singapore) Pte., Ltd.			<u>99.0%</u>	<u>99.0%</u>	
			<u>100.0%</u>	<u>100.0%</u>	
Swanson Plastics Corporation	Swanson Technologies Corporation (STC)	Production, marketing and development of EVA packaging film and other value added plastic products	70.0%	70.0%	
APC Investment Corporation USIFE Investment Co., Ltd.			15.0%	15.0%	
			<u>15.0%</u>	<u>15.0%</u>	
			<u>100.0%</u>	<u>100.0%</u>	
Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	Production and marketing of plastic products	<u>100.0%</u>	<u>100.0%</u>	
	Swanson Plastics (India) Private Limited	Production and marketing of plastic products	<u>100.0%</u>	<u>100.0%</u>	
	Swanson Plastics (Tianjin) Co., Ltd.	Production, sales and development of multi-functional film and light-solution film	<u>100.0%</u>	<u>100.0%</u>	
Swanson International Ltd.	A.S. Holdings (UK) Limited	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	
	Swanson Plastics (Kunshan) Co., Ltd.	Production, sales and development of multi-functional film and light-solution film	<u>100.0%</u>	<u>100.0%</u>	
A.S. Holdings (UK) Limited	ASK-Swanson (Kunshan) Co., Ltd.	Production and sales of PE release film and other release products	<u>100.0%</u>	<u>100.0%</u>	
The Company Asia Polymer Corporation	Ever Conquest Global Limited (ECGL)	Investment business	59.1%	59.1%	
			<u>40.9%</u>	<u>40.9%</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>	14. and 16.
Ever Victory Global Limited (EVGL)	Dynamic Ever Investments Limited (DEIL)	Investment business	<u>85.0%</u>	<u>85.0%</u>	14.
Dynamic Ever Investments Ltd. (DEIL)	Zhangzhou Dynamic Ever Property Co., Ltd.	Property Management	<u>100.0%</u>	<u>-</u>	12.

- 1) USII acquired 0.2% AND 0.4% equity from external shareholders of SPC in 2023 and 2022 based on medium and long-term investment strategies and the cost of acquisition amounted to NT\$4,361 thousand and NT\$7,925 thousand respectively.
- 2) On September 1, 2022, Swanlake acquired 6.47% equity from the external shareholders of ACME (Cayman) approved by the Investment Commission, MOEA with the purchase price of NT\$2,879 thousand. After the purchase of equity, the proportion of equity held by the Group in ACME (Cayman) increased from 89.95% to 96.42%. As these transactions did not change the Group's control over the subsidiary, it is deemed as an equity transaction. Differences generated from the aforementioned equity transaction were adjusted to decrease in capital surplus of NT\$4,071 thousand and retained earnings of NT\$1,662 thousand, respectively.
- 3) The board of directors of TTC decided on December 3, 2020 to invest RMB314,000 thousand through TAITA (BVI) to establish TTCZZ. The company completed the establishment registration on June 28, 2021, and TAITA (BVI) has injected capital of RMB306,950 thousand on March 8, 2022.

- 4) The management of TTC decided to suspend the main production of expanded polystyrene (EPS) by TTC (TJ) from April 2019 due to the assessment of the demand reduction of its subsidiary TTC (TJ) in the local market. Please refer to Note 14 for relevant explanation.
- 5) In order to sell the products produced by Gulei, the Company and APC resolved on August 13, 2020 and August 12, 2020, respectively, to establish a joint venture company, GUL in Fujian Province, China. The company completed registration on March 12, 2022 and completed the capital verification on June 1, 2022, the capital was invested by Swanlake and APC (BVI) on May 20, 2022 in the amount of RMB7,000 thousand and RMB3,000 thousand, respectively.
- 6) In order to plan for future pollution remediation, testing and other related businesses and public works/public institution projects to be conducted by an independent company, TVCM invested in GGT as a single corporate shareholder and acquired 100% of the shares for NT\$50,000 thousand. The case was approved by the competent authority for registration on February 11, 2022, with a registered capital of NT\$168,880 thousand.
- 7) The Company acquired 0.1% equity from the external shareholders of CLT in October 2022 based on the medium- and long-term investment strategy, at an acquisition price of NT\$23 thousand.
- 8) On June 14, 2022, the board of directors of ACME resolved to issue 3,000 thousand new shares at NT\$10 each for cash. The aforementioned cash capital increase was approved and reported by the FSC on July 22, 2022, with an issue price of NT\$20 per share and a capital increase base date on January 16, 2023. The Group participated in the cash capital increase of 18,702 thousand shares of ACME with an amount of NT\$374,033 thousand, and its shareholding increased from 44.6% to 47.2% after the cash capital increase. As these transactions did not change the Group's control over the subsidiary, it is deemed as an equity transaction. Differences generated from the aforementioned equity transaction were adjusted to decrease in capital surplus of NT\$1,736 thousand and retained earnings of NT\$54,215 thousand, respectively.
- 9) In April 2023, the board of directors of ACME (Cayman) resolved to increase a cash capital of US\$9,000 thousand, which was fully subscribed by ACME. After the Group participated in the cash capital increase, its shareholding increased from 96.4% to 97.0%. As these transactions did not change the Group's control over the subsidiary, it is deemed as an equity transaction. Differences generated from the aforementioned

equity transaction were adjusted to increase in capital surplus of NT\$947 thousand and a decrease in retained earnings of NT\$580 thousand.

- 10) The board of directors resolved to liquidate CGPC (CP) and finalized its dissolution and liquidation procedures on July 17, 2023.
- 11) In according to sell the products produced by Gulei, Co. the board of directors of our company resolved on August 3, 2023 to establish a Xiamen joint venture company, XUL in Fujian Province, China. The company completed registration on November 6, 2023, established a capital of RMB10,000 thousand, and completed the capital verification on December 21, 2023, the capital was invested by Swanlake (BVI) and APC (BVI) on December 14, 2023 in the amount of RMB7,000 thousand and 3,000 thousand, respectively.
- 12) On November 7, 2023, the Company's board of directors approved the investment by Investment DEIL to establish Zhangzhou Dynamic Ever Property Co., Ltd. The registration for establishment was completed on August 29, 2023, with a registered capital of RMB21,000 thousand. DEIL completed its capital injection on September 27, 2023, and the verification of capital was completed on October 19, 2023.
- 13) Because of the under achievement of the expected target, the board of directors resolved to dissolve and liquidate USIG on August 8, 2023, and finalized its dissolution and liquidation procedures on December 1, 2023.
- 14) As of December 31, 2023, the Company and APC invested Reinvestment to US\$246,670 thousand (around NT\$7,645,981 thousand) and US\$170,475 thousand (around NT\$5,255,587 thousand) in ECGL, respectively, and reinvested in EVGL via ECGL as well as in DEIL. The total ownership percentage of the Group in EVGL is 67.4%. For more detailed explanation, please refer to Note 13.
- 15) To improve the financial structure and activate the company's capital utilization, INOMA Corporation passed the resolution of the extraordinary shareholders' meeting on November 30, 2023 to reduce capital with the aim to cover losses of NT\$83,806 thousand, cancel the issued shares of 8,381 thousand shares. The capital reduction ratio was 85.56%, and the base date for it was December 6, 2023. After the capital reduction, the paid-in share capital of INOMA Corporation was NT\$14,144 thousand. INOMA Corporation resolved to undergo liquidation on March 7, 2024. As of the date of approval of these consolidated financial statements, the liquidation process of INOMA Corporation has not been completed.
- 16) Details of subsidiaries that have material non-controlling interests

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

Name of Subsidiary	Proportion of Ownership and Voting Rights Held by Non-controlling Interests	
	December 31, 2023	December 31, 2022
CGPC	64.4%	64.4%
TTC	62.2%	62.2%
ACME	52.8%	55.4%
APC	62.7%	62.7%
EVGL	32.6%	32.6%

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

Name of Subsidiary	Profit (Loss) Allocated to Non-controlling Interests		Non-controlling Interests	
	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022	December 31, 2023	December 31, 2022
CGPC	\$ 224,809	(\$ 243,436)	\$ 6,122,254	\$ 6,001,047
TTC	(\$ 173,223)	\$ 260,956	\$ 4,141,709	\$ 4,470,523
ACME	(\$ 90,884)	\$ 9,091	\$ 931,293	\$ 758,748
APC	\$ 78,668	\$ 979,177	\$ 8,338,151	\$ 8,791,329
EVGL	(\$ 1,127,479)	(\$ 1,703,625)	\$ 3,007,117	\$ 4,173,312

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

	December 31, 2023	December 31, 2022
Current assets	\$ 6,966,745	\$ 6,755,051
Non-current assets	10,783,487	9,928,728
Current liabilities	(3,421,831)	(3,108,612)
Non-current liabilities	(4,100,913)	(3,533,939)
Equity	<u>\$ 10,227,488</u>	<u>\$ 10,041,228</u>
Equity attributable to:		
Owners of the Company	\$ 3,459,223	\$ 3,445,725
Non-controlling interests of CGPC	6,122,254	6,001,047
Non-controlling interests of CGPC's subsidiaries	<u>646,011</u>	<u>594,456</u>
	<u>\$ 10,227,488</u>	<u>\$ 10,041,228</u>

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Revenue	<u>\$ 13,707,305</u>	<u>\$ 17,637,479</u>
Net Profit (loss) for the year	\$ 393,674	(\$ 337,717)
Other comprehensive profit or loss	(36,534)	107,290
Total comprehensive income	<u>\$ 357,140</u>	<u>(\$ 230,427)</u>
Net profit (loss) attributable to:		
Owners of the Company	\$ 117,107	(\$ 126,811)
Non-controlling interests of CGPC	224,809	(243,436)
Non-controlling interests of CGPC's subsidiaries	<u>51,758</u>	<u>32,530</u>
	<u>\$ 393,674</u>	<u>(\$ 337,717)</u>
Total comprehensive income attributable to:		
Owners of the Company	\$ 74,284	(\$ 152,656)
Non-controlling interests of CGPC	231,306	(113,477)
Non-controlling interests of CGPC's subsidiaries	<u>51,550</u>	<u>35,706</u>
	<u>\$ 357,140</u>	<u>(\$ 230,427)</u>
Cash flow		
Operating activities	\$ 1,020,900	\$ 816,378
Investing activities	(2,072,272)	(1,528,615)
Financing activities	976,680	766,423
Effects of exchange rate changes	<u>1,333</u>	<u>2,068</u>
Net cash (outflow) inflow	<u>(\$ 73,359)</u>	<u>\$ 56,254</u>
Dividends paid to non-controlling interests	<u>\$ 114,611</u>	<u>\$ 955,096</u>

TTC and TTC's subsidiaries

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current assets	\$ 5,515,323	\$ 6,006,957
Non-current assets	3,376,030	3,233,919
Current liabilities	(1,920,663)	(1,357,962)
Non-current liabilities	(322,699)	(676,700)
Equity	<u>\$ 6,647,991</u>	<u>\$ 7,206,214</u>
Equity attributable to:		
Owners of the Company	\$ 2,506,282	\$ 2,735,691
Non-controlling interests of TTC	<u>4,141,709</u>	<u>4,470,523</u>
	<u>\$ 6,647,991</u>	<u>\$ 7,206,214</u>

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Revenue	<u>\$ 15,205,462</u>	<u>\$ 18,083,799</u>
Net (loss) profit for the year	(\$ 273,537)	\$ 412,078
Other comprehensive profit or loss	(87,995)	(110,476)
Total comprehensive income	<u>(\$ 361,532)</u>	<u>\$ 301,602</u>
Net (loss) profit attributable to:		
Owners of the Company	(\$ 100,314)	\$ 151,122
Non-controlling interests of TTC	(173,223)	260,956
	<u>(\$ 273,537)</u>	<u>\$ 412,078</u>
Total comprehensive income attributable to:		
Owners of the Company	(\$ 148,855)	\$ 81,881
Non-controlling interests of TTC	(212,677)	219,721
	<u>(\$ 361,532)</u>	<u>\$ 301,602</u>
Cash flow		
Operating activities	(\$ 243,159)	\$ 1,102,890
Investing activities	(356,068)	(100,351)
Financing activities	173,123	(958,558)
Effects of exchange rate changes	(24,655)	19,824
Net cash (outflow) inflow	<u>(\$ 450,759)</u>	<u>\$ 63,805</u>
Dividends paid to non-controlling interests	<u>\$ 125,890</u>	<u>\$ 479,581</u>

ACME and ACME's subsidiaries

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current assets	\$ 1,953,313	\$ 2,355,001
Non-current assets	2,626,131	2,423,891
Current liabilities	(721,123)	(1,182,908)
Non-current liabilities	(1,533,742)	(1,607,905)
Equity	<u>\$ 2,324,579</u>	<u>\$ 1,988,079</u>
Equity attributable to:		
Owners of the Company	\$ 838,172	\$ 618,955
Non-controlling interests of ACME	931,293	758,748
Non-controlling interests of ACME's subsidiaries	555,114	610,376
	<u>\$ 2,324,579</u>	<u>\$ 1,988,079</u>

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Revenue	\$ 2,551,746	\$ 3,057,217
Net (loss) profit for the year	(\$ 211,917)	\$ 14,717
Other comprehensive profit or loss	(49,386)	36,040
Total comprehensive income	<u>(\$ 261,303)</u>	<u>\$ 50,757</u>
Net (loss) profit attributable to:		
Owners of the Company	(\$ 80,340)	\$ 7,257
Non-controlling interests of ACME	(90,884)	9,091
Non-controlling interests of ACME's subsidiaries	<u>(40,693)</u>	<u>(1,631)</u>
	<u>(\$ 211,917)</u>	<u>\$ 14,717</u>
Total comprehensive income attributable to:		
Owners of the Company	(\$ 95,965)	\$ 17,990
Non-controlling interests of ACME	(108,558)	22,533
Non-controlling interests of ACME's subsidiaries	<u>(56,780)</u>	<u>10,234</u>
	<u>(\$ 261,303)</u>	<u>\$ 50,757</u>
Cash flow		
Operating activities	\$ 398,343	(\$ 80,491)
Investing activities	(495,289)	(617,331)
Financing activities	91,437	496,647
Effects of exchange rate changes	<u>(27,987)</u>	<u>14,557</u>
Net cash Outflows	<u>(\$ 33,496)</u>	<u>(\$ 186,618)</u>

APC and APC's subsidiaries

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current assets	\$ 3,335,197	\$ 3,793,083
Non-current assets	11,676,492	12,596,986
Current liabilities	(1,028,661)	(1,550,109)
Non-current liabilities	<u>(643,944)</u>	<u>(623,002)</u>
Equity	<u>\$ 13,339,084</u>	<u>\$ 14,216,958</u>
Equity attributable to:		
Owners of the Company	\$ 5,000,933	\$ 5,425,629
Non-controlling interests of APC	<u>8,338,151</u>	<u>8,791,329</u>
	<u>\$ 13,339,084</u>	<u>\$ 14,216,958</u>

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Revenue	<u>\$ 6,717,128</u>	<u>\$ 9,815,332</u>
NET PROFIT FOR THE YEAR	\$ 116,284	\$ 1,447,369
Other comprehensive profit or loss	(275,732)	(913,051)
Total comprehensive income	<u>(\$ 159,448)</u>	<u>\$ 534,318</u>
Net profit attributable to:		
Owners of the Company	\$ 37,616	\$ 468,192
Non-controlling interests of APC	<u>78,668</u>	<u>979,177</u>
	<u>\$ 116,284</u>	<u>\$ 1,447,369</u>
Total comprehensive income attributable to:		
Owners of the Company	(\$ 184,073)	(\$ 60,406)
Non-controlling interests of APC	<u>24,625</u>	<u>594,724</u>
	<u>(\$ 159,448)</u>	<u>\$ 534,318</u>
Cash flow		
Operating activities	\$ 822,566	\$ 3,625,097
Investing activities	(422,371)	160,474
Financing activities	(735,070)	(3,095,005)
Effects of exchange rate changes	<u>(2,454)</u>	<u>14,032</u>
Net cash (outflow) inflow	<u>(\$ 337,329)</u>	<u>\$ 704,598</u>
Dividends paid to non-controlling interests	<u>\$ 482,017</u>	<u>\$ 1,205,042</u>
<u>EVGL and EVGL's subsidiaries</u>		
	December 31, 2023	December 31, 2022
Current assets	\$ 1,387,024	\$ 1,384,612
Non-current assets	9,305,640	13,527,463
Current liabilities	(13,087)	(14,868)
Equity	<u>\$ 10,679,577</u>	<u>\$ 14,897,207</u>
Equity attributable to:		
Owners of the Company	\$ 6,217,923	\$ 8,629,305
Non-controlling interests of EVGL	3,007,117	4,173,312
Non-controlling interests of EVGL's subsidiaries	<u>1,454,537</u>	<u>2,094,590</u>
	<u>\$ 10,679,577</u>	<u>\$ 14,897,207</u>

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Net loss for the year	(\$ 4,078,070)	(\$ 6,151,453)
Other comprehensive profit or loss	(393,554)	474,956
Total comprehensive income	<u>(\$ 4,471,624)</u>	<u>(\$ 5,676,497)</u>
Loss attributable to:		
Owners of the Company	(\$ 2,331,329)	(\$ 3,522,648)
Non-controlling interests of EVGL	(1,127,479)	(1,703,625)
Non-controlling interests of EVGL's subsidiaries	(619,262)	(925,180)
	<u>(\$ 4,078,070)</u>	<u>(\$ 6,151,453)</u>
Total comprehensive income attributable to:		
Owners of the Company	(\$ 2,665,376)	(\$ 3,241,389)
Non-controlling interests of EVGL	(1,166,195)	(1,567,603)
Non-controlling interests of EVGL's subsidiaries	(640,053)	(867,505)
	<u>(\$ 4,471,624)</u>	<u>(\$ 5,676,497)</u>
Cash flow		
Operating activities	\$ 38,957	(\$ 1,059)
Investing activities	(81,243)	-
Effects of exchange rate changes	1,490	134,548
Net cash (outflow) inflow	<u>(\$ 40,796)</u>	<u>\$ 133,489</u>

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Investments in joint ventures		
Associates that are individually material		
Fujian Gulei Petrochemical Co., Ltd. (Gulei)	<u>\$ 9,267,749</u>	<u>\$ 13,527,463</u>
Investments in associates		
Investments in associates that are not individually material		
Delmind Inc. (Delmind)	79,987	83,922
Chem Union Renewable Energy Corporation (CURE)	9,835	-
	<u>89,822</u>	<u>83,922</u>
	<u>\$ 9,357,571</u>	<u>\$ 13,611,385</u>

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

a. Associates that are individually material - Gulei

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

DEIL and Fujian Refining and Chemical Co. signed "Fujian Gulei Petrochemical Corporation Limited Joint Venture Contract" which stipulated an increase in the investment amount, and this contract led to part of the original related contract entities being unable to keep their respective investment ratios as provided by the original contract or to participate in the subsequent capital increase procedures. In order to meet the business requirement of the original contract, the Company and APC resigned the joint venture contract on September 30, 2016 and added a new contractually promised related entity, CTCI Corp. On December 18, 2019, the Company and APC again resigned the joint venture contract and added new contractually promised related entities, Fubon Financial Holding Venture Capital Corporation and Hongfu Investment Co., Ltd.

In order to enrich the working capital of Gulei, EVGL signed a joint venture agreement with the Hong Kong-based company DOR PO INVESTMENT COMPANY LIMITED (hereinafter referred to as "DOR PO") on June 5, 2019 to jointly invest in Xutent. In accordance with the terms of the joint venture agreement, DOR PO shall contribute US\$109,215 thousand to increase the capital of DEIL, of which US\$103,915 thousand has been contributed as of December 31, 2023 to acquire 15% equity in DEIL.

As of December 31, 2023, the Company and APC invested capital amounted to US\$246,670 thousand (around NT\$7,645,981 thousand) and US\$170,475 thousand (around NT\$5,255,587 thousand) in ECGL, respectively, and reinvested in EVGL via

ECGL as well as in DEIL. The total ownership percentage of the Group in EVGL is 67.4%. DEIL has invested capital amounted to RMB4,657,200 thousand in Gulei.

The percentage of the Group's ownership and voting rights were all 50% of the outstanding shares of Gulei as of December 31 2023 and 2022.

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

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

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Cash	<u>\$ 8,256,575</u>	<u>\$ 8,680,668</u>
Current assets	\$ 19,052,475	\$ 23,308,566
Non-current assets	96,541,823	103,732,189
Current liabilities	(36,894,817)	(37,477,886)
Non-current liabilities	(<u>60,163,983</u>)	(<u>62,507,943</u>)
Equity	18,535,498	27,054,926
Proportion of the Group's ownership	<u>50%</u>	<u>50%</u>
Equity attributable to the Group	<u>\$ 9,267,749</u>	<u>\$ 13,527,463</u>
Carrying amount	<u>\$ 9,267,749</u>	<u>\$ 13,527,463</u>
	<u>For the Year Ended</u> <u>December 31, 2023</u>	<u>For the Year Ended</u> <u>December 31, 2022</u>
Revenue	<u>\$ 70,475,299</u>	<u>\$ 55,455,545</u>
Net loss for the period/total comprehensive loss	<u>(\$ 8,237,326)</u>	<u>(\$ 12,296,998)</u>

b. Summarized information of associates that is not individually material

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

The Company's board of directors approved the establishment of Chem Union Renewable Energy Corporation (CURE), a joint venture with Chang Chun Petrochemical Co., Ltd. and Chimei Corporation on November 3, 2022. CURE will purchase offshore wind power in an integrated manner to achieve the Group's carbon neutrality plan. In December 2022, the

Company invested NT\$10,000 thousand in CURE. On April 13, 2023, the Company completed the registration of the establishment of CURE with a registered capital of NT\$30,000 thousand and the Company holds 33.3% of the shares of CURE.

The summary of financial information below represents amounts shown in the associates' financial statements prepared in accordance with IFRS accounting standards adjusted by the Group for equity accounting purposes.

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
The Group's share of:		
Net loss for the year	(\$ <u>4,101</u>)	(\$ <u>6,078</u>)

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

	Freehold Land	Land improvements	Buildings and Improvements	Machinery and Equipment	Transportation equipment	Other equipment	Construction in progress and equipment under installation	Total
<u>Costs</u>								
Balance as of January 1, 2023	\$ 4,715,293	\$ 142,497	\$ 8,408,618	\$ 39,138,130	\$ 201,753	\$ 1,847,770	\$ 5,473,690	\$ 59,927,751
Addition	-	-	30,582	276,883	3,341	14,099	2,713,787	3,038,692
Disposal	-	(1,333)	(74,734)	(932,232)	(8,226)	(88,748)	(27,016)	(1,132,289)
Internal transfer	-	682	240,974	3,070,245	9,449	66,675	(3,130,586)	257,439
Net foreign currency exchange differences	-	-	(34,341)	(86,918)	(956)	(12,326)	(1,922)	(136,463)
Balance as of December 31, 2023	<u>\$ 4,715,293</u>	<u>\$ 141,846</u>	<u>\$ 8,571,099</u>	<u>\$ 41,466,108</u>	<u>\$ 205,361</u>	<u>\$ 1,827,470</u>	<u>\$ 5,027,953</u>	<u>\$ 61,955,130</u>
<u>Accumulated depreciation and impairment</u>								
Balance as of January 1, 2023	\$ -	\$ 120,468	\$ 4,579,263	\$ 28,018,688	\$ 159,119	\$ 1,527,999	\$ 2,110	\$ 34,407,647
Depreciation expense	-	3,508	290,026	1,939,915	14,721	92,190	-	2,340,360
Disposal	-	(1,333)	(70,683)	(908,311)	(8,085)	(86,273)	-	(1,074,685)
Net foreign currency exchange differences	-	-	(21,553)	(70,139)	(812)	(6,046)	(35)	(98,585)
Balance as of December 31, 2023	<u>\$ -</u>	<u>\$ 122,643</u>	<u>\$ 4,777,053</u>	<u>\$ 28,980,153</u>	<u>\$ 164,943</u>	<u>\$ 1,527,870</u>	<u>\$ 2,075</u>	<u>\$ 35,574,737</u>
Net amount as of December 31, 2023	<u>\$ 4,715,293</u>	<u>\$ 19,203</u>	<u>\$ 3,794,046</u>	<u>\$ 12,485,955</u>	<u>\$ 40,418</u>	<u>\$ 299,600</u>	<u>\$ 5,025,878</u>	<u>\$ 26,380,393</u>
<u>Costs</u>								
Balance as of January 1, 2022	\$ 4,682,237	\$ 124,218	\$ 8,088,698	\$ 37,799,378	\$ 198,127	\$ 1,756,831	\$ 4,707,730	\$ 57,357,219
Addition	-	-	7,310	238,667	5,260	25,082	2,509,218	2,785,537
Disposal	-	-	(20,735)	(842,086)	(22,447)	(33,343)	(13,375)	(931,986)
Internal transfer	33,056	18,279	276,888	1,764,103	18,425	85,165	(1,735,060)	460,856
Net foreign currency exchange differences	-	-	56,457	178,068	2,388	14,035	5,177	256,125
Balance as of December 31, 2022	<u>\$ 4,715,293</u>	<u>\$ 142,497</u>	<u>\$ 8,408,618</u>	<u>\$ 39,138,130</u>	<u>\$ 201,753</u>	<u>\$ 1,847,770</u>	<u>\$ 5,473,690</u>	<u>\$ 59,927,751</u>
<u>Accumulated depreciation and impairment</u>								
Balance as of January 1, 2022	\$ -	\$ 118,595	\$ 4,279,630	\$ 26,858,838	\$ 164,568	\$ 1,462,500	\$ 2,077	\$ 32,886,208
Depreciation expense	-	1,873	282,422	1,826,631	14,300	90,969	-	2,216,195
Disposal	-	-	(19,681)	(818,792)	(21,645)	(31,441)	-	(891,559)
Internal transfer	-	-	5,318	4,101	-	(3,971)	-	5,448
Net foreign currency exchange differences	-	-	31,574	147,910	1,896	9,942	33	191,355
Balance as of December 31, 2022	<u>\$ -</u>	<u>\$ 120,468</u>	<u>\$ 4,579,263</u>	<u>\$ 28,018,688</u>	<u>\$ 159,119</u>	<u>\$ 1,527,999</u>	<u>\$ 2,110</u>	<u>\$ 34,407,647</u>
Net amount as of December 31, 2022	<u>\$ 4,715,293</u>	<u>\$ 22,029</u>	<u>\$ 3,829,355</u>	<u>\$ 11,119,442</u>	<u>\$ 42,634</u>	<u>\$ 319,771</u>	<u>\$ 5,471,580</u>	<u>\$ 25,520,104</u>

In accordance with the New Taipei City Government Letter Development No. 1072133080 dated November 7, 2018, the land and buildings of the Company located in Linkou are within the scope of "Urban Land Redeveloping Zone at 1st Industrial Park in Linkou District." The land has been delivered for redeveloping and returned on May 2, 2023

In cooperation with the Taiwan International Ports Corporation, Ltd. (Ports Co.), Ministry of Transportation and Communications, to relocate the petrochemical oil storage tank facilities of the old port area operators, CGTD leased the port facilities and storage areas of the Kaohsiung Port Intercontinental Container Center Second Phase Petrochemical Oil Storage and Transportation Center from Ports Co., the lease period being from August 1, 2017 to July 31, 2042, rent paid quarterly. In addition, the board of directors of the Company, CGTD, APC and

TVCM, resolved in 2019 to build the second phase of the Intercontinental Petrochemical Oil Products Center. As of December 31, 2023, the Group has paid a total of NT\$2,543,171 thousand for the project.

Due to the shrinking demand for EPS in the local market, the main product of TAITA (TJ), the management decided to suspend the production of TAITA (TJ) starting from April 2019. TAITA (TJ) determined the recoverable amounts of the property, plant and equipment (including right-of-use assets), on the basis of fair values less costs of disposal. The fair value was measured by Level 3 inputs as of December 31, 2023 and 2022 by an independent appraisal company. The assessment was a revaluation of the replacement cost and economic useful life of the property, plant and equipment within the assessment scope. As evaluated by the management of the Group, there was no significant change in fair value as of December 31, 2023 and 2022.

No impairment or reversal was made on the property, plant and equipment of the Group for the year ended December 31, 2023 and 2022.

SPC has completed the construction and acceptance of the plant before the end of 2022, which is expected to be sold and transferred in the future, thus transferring NT\$178,157 thousand of relevant buildings and structures to non-current assets available for sale. The disposal has been completed in October 2023.

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

Land improvements	7 -20 years
Buildings and Improvements	
Plant, machine room and improvements	3 -55 years
Office building, labs and improvements	10 -50 years
General plants and improvements	3 -60 years
Others	2 -45 years
Machinery and Equipment	2 -26 years
Transportation equipment	2 -10 years
Other equipment	2 -25 years

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

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

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Carrying amount of right-of-use assets		
Leasehold land	\$ 1,873,131	\$ 1,090,942
Land use rights	556,507	388,680
Buildings	84,499	82,699
Machinery and Equipment	56,259	71,104
Transportation equipment	<u>641</u>	<u>1,229</u>
	<u>\$ 2,571,037</u>	<u>\$ 1,634,654</u>
	<u>For the Year Ended</u>	<u>For the Year Ended</u>
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Addition for right-of-use assets	<u>\$ 1,094,466</u>	<u>\$ 989,621</u>
Depreciation expense of right-of-use assets		
Leasehold land	\$ 103,897	\$ 32,627
Land use rights	20,669	18,575
Buildings	28,151	25,812
Machinery and Equipment	13,929	13,961
Transportation equipment	<u>588</u>	<u>589</u>
	<u>\$ 167,234</u>	<u>\$ 91,564</u>

Except for the recognition of depreciation expense, the Group's right-of-use assets did not experience significant sub-lease or impairments for year 2023 and 2022.

The Group leases the office in Taipei and sublets it to another company on an operating lease basis. The related right-of-use assets are presented as investment properties, and please refer to Note 16. The amounts disclosed above with respect to the right-of-use assets do not include right-of-use assets that meet the definition of investment properties.

The Group's right-of-use assets pledged as collateral for bank borrowings are set out in Notes 18 and 35.

b. Lease liabilities

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Carrying amount of lease liabilities		
Current	<u>\$ 143,820</u>	<u>\$ 102,435</u>
Non-current	<u>\$ 1,992,525</u>	<u>\$ 1,262,591</u>

Range of discount rate for lease liabilities was as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Leasehold land	0.83%~9.25%	0.83%~9.25%
Buildings	0.83%~8.00%	0.83%~4.75%
Machinery and Equipment	1.11%~1.93%	1.11%
Transportation equipment	1.06%~1.25%	1.06%~1.25%

c. Material lease-in activities and terms

The Group leases buildings for use as factories, offices, dormitories and R&D centers with lease terms of 3 to 21 years. The Group has options to lease office at the end of the lease terms.

d. Other lease information

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

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Expenses relating to short-term leases	<u>\$ 50,210</u>	<u>\$ 34,926</u>
Expenses relating to low-value asset leases	<u>\$ 396</u>	<u>\$ 235</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 70,862</u>	<u>\$ 83,236</u>
Total cash (outflow) for leases	<u>(\$ 313,623)</u>	<u>(\$ 220,934)</u>

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

16. INVESTMENT PROPERTIES

	<u>Completed investment properties</u>			<u>Total</u>
	<u>Land</u>	<u>Buildings</u>	<u>Right-of-use assets</u>	
<u>Costs</u>				
Balance as of January 1, 2023	\$ 202,729	\$ 693,434	\$ 206,337	\$ 1,102,500
Addition	848	-	6,123	6,971
Disposal	-	-	(139)	(139)
Internal transfer	(1,102)	-	(644)	(1,746)
Net foreign currency exchange differences	-	(5,367)	(1,633)	(7,000)
Balance as of December 31, 2023	<u>\$ 202,475</u>	<u>\$ 688,067</u>	<u>\$ 210,044</u>	<u>\$ 1,100,586</u>
<u>Accumulated depreciation and impairment</u>				
Balance as of January 1, 2023	\$ 3,969	\$ 401,556	\$ 72,413	\$ 477,938
Depreciation expense	-	22,103	18,140	40,243
Disposal	-	-	(22)	(22)
Internal transfer	-	-	(95)	(95)
Net foreign currency exchange differences	-	(4,502)	(297)	(4,799)
Balance as of December 31, 2023	<u>\$ 3,969</u>	<u>\$ 419,157</u>	<u>\$ 90,139</u>	<u>\$ 513,265</u>
Net amount as of December 31, 2023	<u>\$ 198,506</u>	<u>\$ 268,910</u>	<u>\$ 119,905</u>	<u>\$ 587,321</u>
<u>Costs</u>				
Balance as of January 1, 2022	\$ 207,993	\$ 732,677	\$ 203,304	\$ 1,143,974
Addition	1,500	2,214	2,341	6,055
Internal transfer	(6,764)	(55,379)	(803)	(62,946)
Net foreign currency exchange differences	-	13,922	1,495	15,417
Balance as of December 31, 2022	<u>\$ 202,729</u>	<u>\$ 693,434</u>	<u>\$ 206,337</u>	<u>\$ 1,102,500</u>
<u>Accumulated depreciation and impairment</u>				
Balance as of January 1, 2022	\$ 3,969	\$ 374,732	\$ 53,928	\$ 432,629
Depreciation expense	-	24,901	18,080	42,981
Internal transfer	-	(5,448)	266	(5,182)
Net foreign currency exchange differences	-	7,371	139	7,510
Balance as of December 31, 2022	<u>\$ 3,969</u>	<u>\$ 401,556</u>	<u>\$ 72,413</u>	<u>\$ 477,938</u>
Net amount as of December 31, 2022	<u>\$ 198,760</u>	<u>\$ 291,878</u>	<u>\$ 133,924</u>	<u>\$ 624,562</u>

The investment property is the sublease of the Group's free-held and leased offices in Taipei to other companies on an operating lease for a period of 2 to 6 years with an option to extend the lease. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend.

The total amount of lease payments to be collected in the future for investment property as operating lease as of December 31, 2023 and 2022 is as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Year 1	\$ 75,668	\$ 74,738
Year 2	47,904	42,284
Year 3	33,254	21,461
Year 4	26,619	14,859
Year 5	25,648	11,942
More than 5 years	<u>12,824</u>	<u>16,455</u>
	<u>\$ 221,917</u>	<u>\$ 181,739</u>

Except for the recognition of depreciation expense, the Group's investment properties did not experience significant additions, disposals, and impairments for year 2023 and 2022.

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

Buildings	5 -50 years
Right-of-use assets	4 -50 years

Part of the Group's investment properties is located in the Toufen and Linyuan Industrial District. As these districts are designated for industrial use, the information on comparable market transactions are uncommon and alternative reliable measurements of the fair value estimates are not available. 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 December 31, 2023 and 2022 were as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Fair Value	<u>\$ 1,458,539</u>	<u>\$ 1,555,675</u>

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

17. GOODWILL AND OTHER INTANGIBLE ASSETS

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Goodwill a.	<u>\$ 270,211</u>	<u>\$ 270,211</u>
Other intangible assets b.		
Technology royalties and patent right	\$ -	\$ 533
Computer software	21,002	15,082
Field project	29,001	30,658
Plant design fee	400	2,001
	<u>\$ 50,403</u>	<u>\$ 48,274</u>

a. Goodwill

The goodwill of the Group is regularly assessed for impairment at the end of each year. No impairment assessment was performed periodically as there was no indication of impairment on December 31, 2023 and 2022.

b. Other intangible assets

	<u>Technology royalties and patent right</u>	<u>Computer software</u>	<u>Field project</u>	<u>Plant design fee</u>	<u>Total</u>
<u>Costs</u>					
Balance as of January 1, 2023	\$ 227,484	\$ 111,279	\$ 33,144	\$ 34,201	\$ 406,108
Addition	-	11,425	-	-	11,425
Disposal	-	(3,632)	-	(29,000)	(32,632)
Net foreign currency exchange differences	-	(143)	-	-	(143)
Balance as of December 31, 2023	<u>\$ 227,484</u>	<u>\$ 118,929</u>	<u>\$ 33,144</u>	<u>\$ 5,201</u>	<u>\$ 384,758</u>
<u>Accumulated amortization and impairment</u>					
Balance as of January 1, 2023	\$ 226,951	\$ 96,197	\$ 2,486	\$ 32,200	\$ 357,834
Amortization expense	400	5,322	1,657	1,601	8,980
Impairment losses	133	-	-	-	133
Disposal	-	(3,606)	-	(29,000)	(32,606)
Net foreign currency exchange differences	-	14	-	-	14
Balance as of December 31, 2023	<u>\$ 227,484</u>	<u>\$ 97,927</u>	<u>\$ 4,143</u>	<u>\$ 4,801</u>	<u>\$ 334,355</u>
Net amount as of December 31, 2023	<u>\$ -</u>	<u>\$ 21,002</u>	<u>\$ 29,001</u>	<u>\$ 400</u>	<u>\$ 50,403</u>
<u>Costs</u>					
Balance as of January 1, 2022	\$ 227,484	\$ 100,614	\$ 33,144	\$ 34,201	\$ 395,443
Addition	-	10,581	-	-	10,581
Disposal	-	(681)	-	-	(681)
Net foreign currency exchange differences	-	765	-	-	765
Balance as of December 31, 2022	<u>\$ 227,484</u>	<u>\$ 111,279</u>	<u>\$ 33,144</u>	<u>\$ 34,201</u>	<u>\$ 406,108</u>

(Continued)

(Continued)

	Technology royalties and patent right	Computer software	Field project	Plant design fee	Total
<u>Accumulated amortization and impairment</u>					
Balance as of January 1, 2022	\$ 226,551	\$ 93,480	\$ 829	\$ 30,600	\$ 351,460
Amortization expense	400	2,722	1,657	1,600	6,379
Disposal	-	(681)	-	-	(681)
Net foreign currency exchange differences	-	676	-	-	676
Balance as of December 31, 2022	<u>\$ 226,951</u>	<u>\$ 96,197</u>	<u>\$ 2,486</u>	<u>\$ 32,200</u>	<u>\$ 357,834</u>
Net amount as of December 31, 2022	<u>\$ 533</u>	<u>\$ 15,082</u>	<u>\$ 30,658</u>	<u>\$ 2,001</u>	<u>\$ 48,274</u>

Except for the recognition of amortization expenses, the Group's other intangible assets did not experience significant additions, disposals, or impairments for the years 2023 and 2022. The above-mentioned intangible assets with limited service life are amortized on a straight-line basis over their estimated useful lives as follows:

Technology royalties and patent right	3-10 years
Computer software	1-10 years
Field project	20 years
Plant design fee	10 years

18. BORROWINGS

a. Short-term borrowings

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Unsecured borrowings</u>		
- Line of credit borrowings	<u>\$ 3,256,357</u>	<u>\$ 2,400,326</u>
The range of interest rate	1.66%~4.74%	1.06%~7.62%

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

	<u>December 31, 2022</u>
Commercial note payable	\$ 291,000
Less: Unamortized discount on bills payable	<u>387</u>
	<u>\$ 290,613</u>
The range of interest rate	1.66%~1.85%

c. Long-term borrowings

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Secured loans	\$ 1,235,439	\$ 1,000,000
Credit borrowings	<u>5,489,942</u>	<u>5,366,223</u>
	6,725,381	6,366,223
Less: Listed as maturity within one year	<u>283,954</u>	<u>-</u>
	<u>\$ 6,441,427</u>	<u>\$ 6,366,223</u>
The range of interest rate		
Secured loans	1.00%~4.35%	1.45%
Credit borrowings	0.89%~1.92%	0.76%~1.96%

The Group entered into medium and long-term credit contracts with banks to replenish the medium and long-term working capital, which is used cyclically during the validity period.

Total credit limits obtained by each company are as follows:

<u>Company Name</u>	<u>Total credit limit</u>	<u>Credit contract expiration date</u>
USI	\$ 4,100,000	October, 2026
UPIIC	500,000	August, 2026
CGPC	1,800,000	October, 2026
CGPCPOL	1,100,000	December, 2026
TVCM	300,000	November, 2025
TTC	2,300,000	August, 2026
APC	4,650,000	November, 2026
ACME	2,421,443	May, 2044
SPC	1,450,000	September, 2025
USIGE	1,300,000	October, 2025

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 December 31, 2023, the subsidiaries did not violate any of the financial ratio requirements stated above.

The Group has acquired a special low-interest bank loan line of NT\$6,586,000 thousand in accordance with the "Action Plan for Accelerated Investment by Domestic Corporations" and "Action Plan for Accelerated Investment by SMEs," and has used NT\$4,464,165 thousand in December 2023, recognized and measured the loan at the market interest rate. The difference between the market interest rate and the actual preferential repayment rate is recognized as government subsidy.

19. BONDS PAYABLE

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Domestic unsecured bonds 108-1 - issuance on April 26, 2019, 5 years, total amount NT\$2,000,000 thousand, coupon rate 0.98%, bullet repayment	\$ 2,000,000	\$ 2,000,000
Domestic unsecured bonds A 110-1 - issuance on June 23 2021, 5 years, total amount NT\$1,000,000 thousand, coupon rate 0.63%, bullet repayment, repaid NT\$500,000 thousand in the 4th and 5th years respectively from the issuance date	1,000,000	1,000,000
Domestic unsecured bonds B 110-1- issuance on June 23 2021, 7 years, total amount NT\$1,000,000 thousand, coupon rate 0.73%, bullet repayment, repaid NT\$500,000 thousand in the 6th and 7th years respectively from the issuance date	1,000,000	1,000,000
Domestic unsecured bonds A 110-2 - issuance on October 26, 2021, 5 years, total amount NT\$700,000 thousand, coupon rate 0.63%, repaid NT\$350,000 thousand in the 4th and 5th years respectively from the issuance date	700,000	700,000
Domestic unsecured bonds B 110-2 - issuance on October 26, 2021, 7 years, total amount NT\$1,300,000 thousand, coupon rate 0.77%, repaid NT\$650,000 thousand in the 6th and 7th years respectively from the issuance date	<u>1,300,000</u>	<u>1,300,000</u>
	6,000,000	6,000,000
Discounts on bonds payable	(<u>5,296</u>)	(<u>7,772</u>)
	5,994,704	5,992,228
Less: Maturity within one year	<u>1,999,714</u>	<u>-</u>
	<u>\$ 3,994,990</u>	<u>\$ 5,992,228</u>

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

In October 2017, the Company applied for the first issuance of unsecured ordinary corporate bonds issued in 2017 with the amount of NT\$2,000,000 thousand in order to reimburse the

bank loans, and the unsecured ordinary corporate bonds with a 5-year maturity, due for repayment, were all issued in October 2017. The Company repaid due in October 2022.

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

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

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

In March 2022, the Company applied for the first issuance of unsecured ordinary corporate bonds issued in 2022 with the amount of NT\$2,000,000 thousand in order to reimburse the bank loans as approved by resolution of the board of directors. As of the date the financial statements were authorized for issue, the unsecured ordinary corporate bonds have not yet been issued.

20. ACCOUNTS PAYABLE

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Operating</u> Accounts payable	<u>\$ 3,017,667</u>	<u>\$ 3,349,040</u>

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

21. OTHER LIABILITIES

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Current</u>		
Other payables		
Payables for salaries and bonuses	\$ 780,045	\$ 910,720
Payables for purchases of equipment	392,863	292,673
Payables for water electricity and gas	282,701	273,101
Payables for fares	149,557	184,562
Dividends payable	46,742	27,294
Payable for taxes	40,459	36,932
Payables for insurance	38,080	40,077
Payables for interests	29,633	30,242
Others	<u>469,259</u>	<u>466,773</u>
	2,229,339	2,262,374
Other liabilities		
Refund liabilities	<u>30,704</u>	<u>28,247</u>
	<u>\$ 2,260,043</u>	<u>\$ 2,290,621</u>

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

22. PROVISIONS

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Non-current</u>		
Litigation provision	<u>\$ 136,375</u>	<u>\$ 136,375</u>

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

23. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

Within the Group, the company and subsidiaries adopted a pension plan under the "Labor Pension Act" of ROC (the "LPA"), which is a defined contribution plan. Based on the LPA, the Company makes monthly contributions to employees' individual pension accounts in the Bureau of Labor Insurance at 6% of monthly salaries and wages. In addition, foreign subsidiaries have established employee retirement plans in accordance with local regulatory authorities' requirements.

b. Defined benefit plans

Within the Group, the company and subsidiaries with the pension mechanism under the "Labor Standards Act" are considered as defined benefit plans under where it is paid based on average salary of 6 months prior to the approved retirement day and seniority. The Company allocates retirement benefits at 9% of employees' total monthly salaries

(increased to 12% from November 10, 2016) and subsidiaries allocate retirement benefits based on specific proportions of employees' total monthly salaries (TTC at 12%; APC, CGPC, and TVCM at 10%; CGTD at 9%; SPC at 3.5%; ACME, TUSII, UM, and TUVM at 2%), which are deposited into a dedicated account at the Bank of Taiwan under the name of the Labor Pension Fund Supervisory Committee. The plan assets are held in a commingled fund which is operated and managed by the government's designated authorities; as such, the Group does not have any right to intervene in the investments of the funds.

The amounts included in the consolidated balance sheets with respect to its defined benefit plans were as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Present value of funded defined benefit obligation	(\$ 2,462,745)	(\$ 2,740,327)
Fair value of plan assets	<u>1,806,829</u>	<u>1,985,861</u>
Defined benefit plans — net	<u>(\$ 655,916)</u>	<u>(\$ 754,466)</u>

According to the Financial Statement Account, the summary follows :

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Net defined benefit Assets - non-current	\$ 8,027	\$ 256
Net defined benefit liabilities - non-current	<u>(663,943)</u>	<u>(754,722)</u>
Defined benefit plans — net	<u>(\$ 655,916)</u>	<u>(\$ 754,466)</u>

Defined benefit plans — net variations as follows:

	Present value of funded defined benefit obligation	Fair value of plan assets	Defined benefit plans — net
January 1, 2022	<u>(\$ 3,146,524)</u>	<u>\$ 1,995,515</u>	<u>(\$ 1,151,009)</u>
Current service cost	(20,826)	-	(20,826)
Interest (expense) revenue	<u>(14,851)</u>	<u>9,456</u>	<u>(5,395)</u>
Amounts recognized in profit or loss	<u>(35,677)</u>	<u>9,456</u>	<u>(26,221)</u>
Re-measurement on the net defined benefit liability			
Return on plan assets (excluding amounts included in net interest)	-	168,210	168,210
Actuarial gains recognized from changes in financial assumptions	122,579	-	122,579
Actuarial losses recognized from experience adjustments	<u>(43,654)</u>	<u>-</u>	<u>(43,654)</u>
Amounts recognized in other comprehensive income	<u>78,925</u>	<u>168,210</u>	<u>247,135</u>
Contributions from employer	-	166,435	166,435
Benefits paid	353,755	(353,755)	-
Payment for provisions	<u>9,194</u>	<u>-</u>	<u>9,194</u>
December 31, 2022	<u>(\$ 2,740,327)</u>	<u>\$ 1,985,861</u>	<u>(\$ 754,466)</u>

(Continued)

(Continued)

	Present value of funded defined benefit obligation	Fair value of plan assets	Defined benefit plans – net
January 1, 2023	(\$ 2,740,327)	\$ 1,985,861	(\$ 754,466)
Current service cost	(16,832)	-	(16,832)
Interest (expense) revenue	(33,954)	24,875	(9,079)
Amounts recognized in profit or loss	(50,786)	24,875	(25,911)
Re-measurement on the net defined benefit liability			
Return on plan assets (excluding amounts included in net interest)	-	17,063	17,063
Actuarial Loss recognized from changes in financial assumptions	(11,726)	-	(11,726)
Actuarial losses recognized from experience adjustments	(6,816)	-	(6,816)
Amounts recognized in other comprehensive income	(18,542)	17,063	(1,479)
Contributions from employer	-	116,080	116,080
Benefits paid	346,608	(337,050)	9,558
Payment for provisions	302	-	302
December 31, 2023	(\$ 2,462,745)	\$ 1,806,829	(\$ 655,916)

The Group is exposed to the following risks for the defined benefits plans under the "Labor Standards Act":

- 1) Investment risk: Through its use and entrusting operation, the Bureau of Labor Funds, MOL invested labor pension funds in domestic (foreign) equity and debt securities and bank deposits. The Group allocated amounts of the plan assets shall not be lower than the gain calculated by the average interest rate on a two-year time deposit.
- 2) Interest rate risk: The decline in government bond interest rate will increase the present value of the obligation on the defined benefit plan, while the return on plan assets will increase. The net effect on the present value of the obligation on defined benefit plan is partially offset by the return on plan assets.
- 3) Salary risk: Present value of defined benefit obligations is calculated from future salary of member participants; Hence, the increase in plan participants' salary will increase the present value of the defined benefit obligation.

The present value of the defined benefit obligation of the Group was calculated by the independent actuary and material assumptions on the measurement date were as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Discount rate	1.00% ~ 1.25%	1.125% ~ 1.50%
Expected rates of salary increase	2.25% ~ 3.25%	2.25% ~ 3.25%

If reasonably possible changes of the respective significant actuarial assumptions occur, while holding all other assumptions constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Discount rate		
Increase 0.25%	(<u>\$ 40,899</u>)	(<u>\$ 46,456</u>)
Decrease 0.25%	<u>\$ 42,034</u>	<u>\$ 47,782</u>
Expected rates of salary increase		
Increase 0.25%	<u>\$ 40,748</u>	<u>\$ 46,346</u>
Decrease 0.25%	(<u>\$ 39,854</u>)	(<u>\$ 45,293</u>)

The sensitivity analysis presented above may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
The expected contributions to the plan for the next year	<u>\$ 97,376</u>	<u>\$ 129,936</u>
The average duration of the defined benefit obligation	4-10 years	5-11 years

24. GOVERNMENT SUBSIDY

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

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

As of December 31, 2023 and 2022, the amount of unamortized deferred revenues (recorded as other non-current liabilities) was RMB8,032 thousand (NT\$34,822 thousand), RMB7,303 thousand (NT\$32,201 thousand), respectively.

25. EQUITY

a. Share capital

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Number of shares authorized (in thousands)	<u>1,342,602</u>	<u>1,342,602</u>
Share capital authorized	<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>
Share capital issued	<u>\$ 11,887,635</u>	<u>\$ 11,887,635</u>

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

b. Capital surplus

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

c. Retained earnings and dividends policy

In accordance with the dividends policy as set forth in the Company's Articles of Incorporation, where there is a profit in a fiscal year, the profit after tax shall be first utilized for offsetting losses of previous years, setting aside as a legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of employees' compensation and remuneration of directors after the amendment, please refer to "employees' compensation and remuneration of directors" in Note 27 (g).

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

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

The appropriations of earnings for the years ended December 31, 2022 and 2021 as approved in the shareholders' meetings on May 31, 2023 and May 31, 2022, respectively, were as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	For the Year Ended December 31, 2022	For the Year Ended December 31, 2021	For the Year Ended December 31, 2022	For the Year Ended December 31, 2021
Legal reserve	\$ 164,106	\$ 529,104		
Cash dividends	<u>832,134</u>	<u>2,615,280</u>	\$ 0.7	\$ 2.2
	<u>\$ 996,240</u>	<u>\$ 3,144,384</u>		

The appropriations of earnings for the year ended December 31, 2023 had been proposed by the Company's board of directors on March 8, 2024. The appropriations were as follows:

	Appropriation of Earnings	Dividends Per Share (NT\$)
Cash dividends	<u>\$ 416,067</u>	\$ 0.35

The appropriations of earnings for the year ended December 31, 2023 are subject to the resolution of the shareholders' meeting to be held on May 31, 2024.

d. Other equity

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

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Balance at January 1	(\$ 371,193)	(\$ 710,973)
Recognized during the period		
Exchange differences on translating the financial statements of foreign operations	(113,997)	425,859
Related income tax of the profits and losses on translating the financial statements of foreign operations	20,948	(86,079)
Reclassification Adjustment		
Disposal Shares from subsidiaries accounted for using the equity method	<u>11,856</u>	<u>-</u>
Balance at December 31	<u>(\$ 452,386)</u>	<u>(\$ 371,193)</u>

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

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Balance at January 1	\$ 380,089	\$ 795,331
Recognized during the period		
Unrealized gains (losses)		
Equity instruments	(94,333)	(414,342)
Related income tax	90	131
Cumulative unrealized gain (loss) of equity instruments transferred to retained earnings due to disposals	<u>5,095</u>	<u>(1,031)</u>
Balance at December 31	<u>\$ 290,941</u>	<u>\$ 380,089</u>

e. Non-controlling interests

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Balance at January 1	\$ 26,428,793	\$ 30,182,962
Cash dividends distributed by subsidiaries	(722,518)	(2,804,905)
Net loss for the current year	(1,699,636)	(1,616,286)
Other comprehensive income (loss) for the year		
Exchange differences on translating the financial statements of foreign operations	(156,306)	434,553
Income tax relating to exchange difference on translating foreign operations	18,605	(45,401)
Unrealized gain (loss) on financial assets at FVTOCI	159,942	191,751
Income tax relating to unrealized gain on financial assets at FVTOCI	189	273
Remeasurements of defined benefit plan	(2,542)	141,117
Remeasurements of defined benefit plan Related income tax	582	(19,866)
Adjustments relating to changes accounted for using the equity method	61,922	4,326
Change in non-controlling interests	<u>200,584</u>	<u>(39,731)</u>
Balance at December 31	<u>\$ 24,289,615</u>	<u>\$ 26,428,793</u>

f. Treasury shares

Purpose of Buy-Back	Number of Shares at January 1 (In Thousands of Shares)	Increase During the Year Ended	Decrease During the Year Ended	Number of Shares at December 31 (In Thousands of Shares)
<u>For the Year Ended December 31, 2023</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 Year Ended December 31, 2022</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:

Name of Subsidiary	Number of Shares Held (In Thousands of Shares)	Carrying Amount (In Thousands)	Market Price (In Thousands)
<u>December 31, 2023</u>			
APC	101,356	\$ 1,377,381	\$ 2,001,775
TTC	15,110	<u>81,875</u>	<u>298,421</u>
		<u>\$ 1,459,256</u>	<u>\$ 2,300,196</u>
<u>December 31, 2022</u>			
APC	101,356	\$ 1,377,381	\$ 2,239,960
TTC	15,110	<u>81,875</u>	<u>333,929</u>
		<u>\$ 1,459,256</u>	<u>\$ 2,573,889</u>

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 December 31, 2023 and 2022. The carrying amounts of investments accounted for using the equity method and unrealized the gain on financial assets at FVTOCI were NT\$281,399 thousand and NT\$371,473 thousand, respectively.

26. REVENUE

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Revenue from the sale of goods For the Year Ended		
Plastic Raw Materials	\$ 49,351,795	\$ 62,934,920
Electronic Materials	2,213,169	3,057,090
Others	<u>699,798</u>	<u>445,112</u>
Total	<u>\$ 52,264,762</u>	<u>\$ 66,437,122</u>

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

a. Contract balances

	<u>December 31, 2023</u>	<u>December 31, 2022</u>	<u>January 1, 2022</u>
Notes and accounts receivables (Note 10)	<u>\$ 5,510,605</u>	<u>\$ 7,939,581</u>	<u>\$ 9,391,222</u>
Contract liabilities (presented in other current liabilities)			
Merchandise sales	<u>\$ 196,129</u>	<u>\$ 404,236</u>	<u>\$ 363,049</u>

b. Please refer to Note 40 for a detailed revenue breakdown list.

27. PROFIT (LOSS) FOR THE PERIOD

Net loss includes the following:

a. Interest income

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Bank deposits	\$ 267,942	\$ 130,079
Financial assets at FVTPL	6,117	4,790
Reserve repurchase agreements collateralized by bonds	7,286	2,363
Others	<u>12,050</u>	<u>9,266</u>
	<u>\$ 293,395</u>	<u>\$ 146,498</u>

b. Other income

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Dividend income	\$ 180,814	\$ 463,584
Rental income	129,612	142,334
Settlement income	109,154	253,407

(Continued)

(Continued)

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Income from grants (Notes 18 and 24)	\$ 44,882	\$ 9,034
Income from management services (Note 34)	39,807	36,052
Others	<u>48,446</u>	<u>46,538</u>
	<u>\$ 552,715</u>	<u>\$ 950,949</u>

c. Other gains and losses

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Gain on disposal of property, plant and equipment	\$ 17,378	\$ 1,188
Disposal Right-of-use assets gain	70,128	-
Foreign exchange gain - net	26,492	463,721
Gain on financial assets at FVTPL - net	72,091	7,354
Loss on financial liabilities at FVTPL - net	(30,646)	(125,121)
Depreciation expense	(46,244)	(47,768)
Other gains and losses	<u>(119,395)</u>	<u>(65,825)</u>
	<u>\$ 10,196</u>	<u>\$ 233,549</u>

d. Finance costs

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Interest on bank loans	\$ 184,053	\$ 101,186
Interest on bonds payable	50,096	71,119
Other interest expense	187	33,517
Interest on lease liabilities	41,107	12,820
Less: Capitalized interest (presented under construction in progress)	<u>(6,141)</u>	<u>(3,222)</u>
	<u>\$ 269,302</u>	<u>\$ 215,420</u>

Information about capitalized interest is as follows:

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Capitalized interest	\$ 6,141	\$ 3,222
Capitalization rate	0.84% ~ 1.72%	0.50% ~ 1.35%

e. Depreciation and amortization

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Property, plant and equipment	\$ 2,340,360	\$ 2,216,195
Right-of-use assets	167,234	91,564
Investment properties	40,243	42,981
Intangible assets	8,980	6,379
Others	<u>52,246</u>	<u>52,567</u>
	<u>\$ 2,609,063</u>	<u>\$ 2,409,686</u>
Summary of depreciation by function		
Operating costs	\$ 2,336,028	\$ 2,139,908
Operating expenses	165,565	163,064
Other gains and losses	<u>46,244</u>	<u>47,768</u>
	<u>\$ 2,547,837</u>	<u>\$ 2,350,740</u>
An analysis of amortization by function		
Operating costs	\$ 51,694	\$ 48,589
Selling and marketing expenses	2	-
Administrative expenses	7,472	7,441
Research and development expenses	<u>2,058</u>	<u>2,916</u>
	<u>\$ 61,226</u>	<u>\$ 58,946</u>

f. Employee benefits expense

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Post-employment benefits (Note 23)		
Defined contribution plans	\$ 166,668	\$ 162,562
Defined benefit plans	<u>25,911</u>	<u>26,221</u>
	192,579	188,783
Other employee benefits	<u>4,379,386</u>	<u>4,529,104</u>
Total employee benefits expenses	<u>\$ 4,571,965</u>	<u>\$ 4,717,887</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 3,112,465	\$ 3,244,992
Operating expenses	<u>1,459,500</u>	<u>1,472,895</u>
	<u>\$ 4,571,965</u>	<u>\$ 4,717,887</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 year ended December 31, 2023, due to the company's net loss, employees' compensation and remuneration of directors were not estimated.

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

Accrual rate

	<u>For the Year Ended December 31, 2022</u>
Employees' compensation	1.00%
Remuneration of Directors	0.15%

Amount

	<u>For the Year Ended December 31, 2022</u>
Employees' compensation	<u>\$ 19,543</u>
Remuneration of Directors	<u>\$ 3,000</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.

There was no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts the recognition the consolidated financial statements for the years ended December 31, 2022 and 2021.

Information on the employees' compensation and remuneration of directors for the years ended December 31, 2023 and 2022 resolved by the Company's board of directors is available at the "Market Observation Post System" website of the Taiwan Stock Exchange.

h. Foreign exchange gain (loss)

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Gross foreign exchange gains	\$ 412,130	\$ 941,076
Foreign exchange losses	(385,638)	(477,355)
Net profit	<u>\$ 26,492</u>	<u>\$ 463,721</u>

28. INCOME TAX

a. Income tax recognized in profit or loss

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

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Current tax		
In respect of the current year	\$ 639,262	\$ 1,498,085
Surtax on undistributed earnings	46,503	195,016
Adjustments for previous years	7,330	(33,335)
Foreign tax offsets	(21,785)	(18,851)
	<u>671,310</u>	<u>1,640,915</u>

(Continued)

(Continued)

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Deferred tax		
In respect of the current year	(\$ 690,106)	(\$ 882,981)
Adjustments for previous years	(<u>11,379</u>)	<u>245</u>
	(<u>701,485</u>)	(<u>882,736</u>)
Income tax (Gain) expense recognized in profit or loss	(<u>\$ 30,175</u>)	<u>\$ 758,179</u>

The reconciliation of accounting profit and income tax (Gain) expenses is as follows:

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Net (loss) profit before income tax	(<u>\$ 1,936,817</u>)	<u>\$ 696,990</u>
Income tax expense of net (loss) profit before tax calculated at statutory tax rate	\$ 52,617	\$ 786,963
Non-deductible expenses loss in tax returns	5,437	4,151
Tax-exempt income	(39,025)	(137,992)
Surtax on undistributed earnings	46,503	195,016
Unrecognized loss offsets and deductible temporary differences	20,731	22,718
The invested company's capital reduction and liquidation loss	(15,878)	-
Adjustments of current income tax expenses for prior year	(4,049)	(33,090)
Others	(<u>96,511</u>)	(<u>79,587</u>)
Income tax (Gain) expense recognized in profit or loss	(<u>\$ 30,175</u>)	<u>\$ 758,179</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 jurisdiction.

b. Income tax recognized in other comprehensive income

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
<u>Deferred tax</u>		
In respect of the current year		
— Translation of foreign operations	\$ 39,553	(\$ 131,480)
— Unrealized gain (loss) on financial assets at FVTOCI	279	404
— Remeasurements of defined benefit plan	<u>244</u>	(<u>39,290</u>)
Income tax gain(expense) recognized in other comprehensive income	<u>\$ 40,076</u>	(<u>\$ 170,366</u>)

c. Current income tax assets and liabilities

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current income tax assets		
Tax refund receivable	<u>\$ 13,111</u>	<u>\$ 18,802</u>
Current income tax liabilities		
Income tax payable	<u>\$ 645,044</u>	<u>\$ 1,647,045</u>

d. Deferred tax assets and liabilities

The movement of deferred tax assets and liabilities was as follows:

For the Year Ended December 31, 2023

	<u>Balance at January 1</u>	<u>Amounts recognized in profit or loss</u>	<u>Amounts recognized in other comprehensive income</u>	<u>Foreign currency exchange differences</u>	<u>Balance at December 31</u>
<u>Deferred tax asset</u>					
Temporary difference					
Defined benefit retirement plan	\$ 152,825	(\$ 13,662)	\$ 275	\$ -	\$ 139,438
Investments accounted for using the equity method	782,025	450,611	432	-	1,233,068
Allowance for inventory valuation and obsolescence losses	101,792	(10,469)	-	(39)	91,284
Allowance for loss	13,165	(7,943)	-	(76)	5,146
Unrealized Sales profits	19,303	(7,338)	-	-	11,965
Payable for annual leave	28,765	161	-	-	28,926
Others	<u>88,872</u>	<u>27,458</u>	<u>25,338</u>	<u>(435)</u>	<u>141,233</u>
	1,186,747	438,818	26,045	(550)	1,651,060
Loss offsets	<u>154,631</u>	<u>180,660</u>	<u>-</u>	<u>(883)</u>	<u>334,408</u>
	<u>\$ 1,341,378</u>	<u>\$ 619,478</u>	<u>\$ 26,045</u>	<u>(\$ 1,433)</u>	<u>\$ 1,985,468</u>
<u>Deferred tax liabilities</u>					
Temporary difference					
Investments accounted for using the equity method	\$ 496,695	(\$ 72,052)	(\$ 13,784)	\$ -	\$ 410,859
Depreciation due to fiscal and taxation differences over the amortization period	43,990	11,106	-	(1,035)	54,061
Land revaluation surplus	800,993	-	-	-	800,993
Others	<u>53,497</u>	<u>(21,061)</u>	<u>(247)</u>	<u>(18)</u>	<u>32,171</u>
	<u>\$ 1,395,175</u>	<u>(\$ 82,007)</u>	<u>(\$ 14,031)</u>	<u>(\$ 1,053)</u>	<u>\$ 1,298,084</u>

For the Year Ended December 31, 2022

	Balance at January 1	Amounts recognized in profit or loss	Amounts recognized in other comprehensive income	Foreign currency exchange differences	Balance at December 31
<u>Deferred tax asset</u>					
Temporary difference					
Defined benefit retirement plan	\$ 214,228	(\$ 22,371)	(\$ 39,032)	\$ -	\$ 152,825
Investments accounted for using the equity method	87,265	703,065	(8,305)	-	782,025
Allowance for inventory valuation and obsolescence losses	49,246	52,354	-	192	101,792
Allowance for loss	11,253	1,847	-	65	13,165
Unrealized Sales profits	23,338	(4,035)	-	-	19,303
Payable for annual leave	27,758	1,007	-	-	28,765
Others	<u>212,520</u>	<u>(29,861)</u>	<u>(94,561)</u>	<u>774</u>	<u>88,872</u>
	625,608	702,006	(141,898)	1,031	1,186,747
Loss offsets	<u>25,960</u>	<u>128,682</u>	<u>-</u>	<u>(11)</u>	<u>154,631</u>
	<u>\$ 651,568</u>	<u>\$ 830,688</u>	<u>(\$ 141,898)</u>	<u>\$ 1,020</u>	<u>\$ 1,341,378</u>
<u>Deferred tax liabilities</u>					
Temporary difference					
Investments accounted for using the equity method	\$ 553,186	(\$ 85,105)	\$ 28,614	\$ -	\$ 496,695
Depreciation due to fiscal and taxation differences over the amortization period	50,312	(7,148)	-	826	43,990
Land revaluation surplus	800,993	-	-	-	800,993
Others	<u>13,431</u>	<u>40,205</u>	<u>(146)</u>	<u>7</u>	<u>53,497</u>
	<u>\$ 1,417,922</u>	<u>(\$ 52,048)</u>	<u>\$ 28,468</u>	<u>\$ 833</u>	<u>\$ 1,395,175</u>

e. Items not recognized as deferred tax assets

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Loss offsets	<u>\$ 3,775,782</u>	<u>\$ 3,646,710</u>
Deductible temporary differences		
Inventory depreciation and obsolescence losses	\$ 311,648	\$ 323,203
Property, plant and equipment Impairment loss	78,236	98,052
Other receivables impairment loss	65,028	66,141
Others	<u>59,788</u>	<u>55,304</u>
	<u>\$ 514,700</u>	<u>\$ 542,700</u>

f. Unused loss offset information

As of December 31, 2023, the Group had unused loss offsets of NT\$4,758,159 thousand, which will expire gradually by 2023.

g. Income tax assessments

The income tax declaration cases of USIO and UPIIC up to the end of year 2022 have been approved by the tax collection authority, The Company, ACME, USIO, TTC, CGPC, CGPCPOL, TVCM, APC, APCIC, INOMA, CGTD, UM, USII, TUVV, TUVV, CLT, UPIIC, SPC, STC and USIGE as of December 31, 2021 has been assessed by the tax authorities.

29. EARNINGS (LOSS) PER SHARE

	Unit: NT\$ Per Share	
	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Basic (Loss) earnings per share	(\$ <u>0.19</u>)	\$ <u>1.45</u>
Diluted (Loss) earnings per share	(\$ <u>0.19</u>)	\$ <u>1.45</u>

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

Net (loss) profit for the year

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Net (loss) income attributable to owners of the Company (used to calculate the Net (loss) profit income from basic and diluted earnings per share)	(\$ <u>207,006</u>)	\$ <u>1,555,097</u>

Share Unit: thousands of shares

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Weighted average number of ordinary shares used in the computation of basic (loss) earnings per share	1,072,298	1,072,298
Effect of potentially dilutive ordinary shares: Employees' compensation	<u>-</u>	<u>1,285</u>
Weighted average number of ordinary shares used in the computation of diluted (loss) earnings per share	<u>1,072,298</u>	<u>1,073,583</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.

In the fiscal year 2023, the company incurred a net loss. Employees' compensation was excluded from the calculation of diluted loss per share due to its anti-dilutive effect.

30. SHARE-BASED PAYMENT ARRANGEMENTS

USIO did not issue employee share options for the year ended December 31, 2022. Information on employee share options that were issued was as follows (year ended December 31, 2023: None):

<u>Employee share options</u>	<u>For the Year Ended December 31, 2022</u>	
	<u>Unit</u>	<u>Weighted average Exercise Price (NT\$)</u>
Exercisable at the beginning of the year	133	\$ 10.8
Expired during the current year	(133)	10.8
Exercisable at the end of the year	-	-

31. CASH FLOW INFORMATION

a. Non-cash transactions

Except as disclosed in other notes, the following non-cash investing and financing activities of the Group for the ended December 31, 2023 and 2022 were:

- 1) As of December 31, 2023 and 2022, the amounts of payables for purchases of equipment were NT\$392,863 thousand and NT\$292,673 thousand, respectively.
- 2) As of December 31, 2023 and 2022, the amounts of payables for dividends declared but not issued were NT\$46,742 thousand and NT\$27,294 thousand, respectively.

b. Changes in liabilities arising from financing activities

	<u>Non-cash Changes</u>						<u>December 31, 2023</u>
	<u>January 1, 2023</u>	<u>Cash flow</u>	<u>New Leases</u>	<u>Amortization of Finance Costs</u>	<u>Changes in Foreign Currency Exchange Rates</u>	<u>Others</u>	
Short-term borrowings	\$2,400,326	\$ 586,031	\$ -	\$ -	\$ -	\$ 270,000	\$3,256,357
Short-term bills payable	290,613	(291,000)	-	-	-	387	-
Bonds payable (including those due within 1 year)	5,992,228	-	-	2,476	-	-	5,994,704
Long-term borrowings (including those due within 1 year)	6,366,223	610,083	-	19,075	-	(270,000)	6,725,381
Guarantee deposits received	46,189	1,111	-	-	-	-	47,300
Lease liabilities (including those due within 1 year)	1,365,026	(151,048)	900,318	41,107	399	(19,457)	2,136,345
Other non-current liabilities	87,324	17,602	-	-	-	-	104,926
	<u>\$16,547,929</u>	<u>\$ 772,779</u>	<u>\$ 900,318</u>	<u>\$ 62,658</u>	<u>\$ 399</u>	<u>(\$ 19,070)</u>	<u>\$18,265,013</u>

	<u>Non-cash Changes</u>						<u>December 31, 2022</u>
	<u>January 1, 2022</u>	<u>Cash flow</u>	<u>New Leases</u>	<u>Amortization of Finance Costs</u>	<u>Changes in Foreign Currency Exchange Rates</u>	<u>Others</u>	
Short-term borrowings	\$2,498,041	(\$ 97,715)	\$ -	\$ -	\$ -	\$ -	\$2,400,326
Short-term bills payable	279,635	11,000	-	-	-	(22)	290,613
Bonds payable (including those due within 1 year)	8,988,972	(3,000,000)	-	3,256	-	-	5,992,228
Long-term borrowings (including those due within 1 year)	4,513,240	1,840,887	-	12,096	-	-	6,366,223
Guarantee deposits received	29,528	16,661	-	-	-	-	46,189
Lease liabilities (including those due within 1 year)	460,567	(89,717)	991,962	12,820	2,214	(12,820)	1,365,026
Other non-current liabilities	65,243	22,081	-	-	-	-	87,324
	<u>\$16,835,226</u>	<u>(\$1,296,803)</u>	<u>\$ 991,962</u>	<u>\$ 28,172</u>	<u>\$ 2,214</u>	<u>(\$ 12,842)</u>	<u>\$16,547,929</u>

32. CAPITAL MANAGEMENT

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

The capital structure of the Group consists of its net debt and equity.

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

33. FINANCIAL INSTRUMENTS

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

December 31, 2023

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

December 31, 2022

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

Except 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

December 31, 2023

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivatives	\$ -	\$ 5,061	\$ -	\$ 5,061
Domestic listed (OTC) shares	478,329	-	-	478,329
Fund beneficiary certificates	2,365,052	-	-	2,365,052
Beneficiary securities	<u>272,258</u>	<u>-</u>	<u>-</u>	<u>272,258</u>
Total	<u>\$3,115,638</u>	<u>\$ 5,061</u>	<u>\$ -</u>	<u>\$3,120,700</u>

(Continued)

(Continued)

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
- Domestic listed (OTC) shares	\$1,634,224	\$ -	\$ -	\$1,634,224
- Domestic unlisted shares and emerging market shares	-	-	366,003	366,003
- Foreign listed (OTC) shares	16,457	-	-	16,457
— Overseas unlisted equity investments	-	-	151,245	151,245
Total	<u>\$1,650,681</u>	<u>\$ -</u>	<u>\$ 517,248</u>	<u>\$2,167,929</u>
<u>Financial liabilities at FVTPL</u>				
Derivatives	<u>\$ -</u>	<u>\$ 2,804</u>	<u>\$ -</u>	<u>\$ 2,804</u>

December 31, 2022

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Derivatives	\$ -	\$ 2,121	\$ -	\$ 2,121
Domestic listed (OTC) shares	228,677	-	-	228,677
Fund beneficiary certificates	2,259,780	-	-	2,259,780
Beneficiary securities	233,828	-	-	233,828
Foreign listed stocks	91	-	-	91
Total	<u>\$2,722,376</u>	<u>\$ 2,121</u>	<u>\$ -</u>	<u>\$2,724,497</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
- Domestic listed (OTC) shares	\$1,629,053	\$ -	\$ -	\$1,629,053
- Domestic unlisted shares and emerging market shares	-	-	359,548	359,548
- Foreign listed (OTC) shares	30,041	-	-	30,041
— Overseas unlisted equity investments	-	-	139,376	139,376
Total	<u>\$1,659,094</u>	<u>\$ -</u>	<u>\$ 498,924</u>	<u>\$2,158,018</u>
<u>Financial liabilities at FVTPL</u>				
Derivatives	<u>\$ -</u>	<u>\$ 27,839</u>	<u>\$ -</u>	<u>\$ 27,839</u>

There were no transfers between Levels 1 and 2 fair value measurement for Year 2023 and 2022.

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

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
<u>Financial assets at FVTPL</u>		
Balance at January 1	\$ 498,924	\$ 573,021
Purchase	39,950	43
Recognized in other comprehensive income (included in unrealized gain (loss) on financial assets at FVTOCI)	(21,626)	(45,741)
Disposal	-	(22,453)
Return of Capital	-	(5,946)
Balance at December 31	<u>\$ 517,248</u>	<u>\$ 498,924</u>

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

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

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

The Group applied the valuation techniques and inputs for Level 3 fair value measurement for its independent fair value authentication of financial instruments which was carried out by the financial department. Through information from independent resources, the Group keeps the results close to the market state and reviews such results periodically to ensure that they are reasonable. The fair values of domestic and foreign unlisted equity securities were determined using the asset-based approach. In this approach, the fair value is determined by the latest net value of the investee company and the financial and business conditions of its observable company. If the discount for the lack of marketability decreases, the fair value of investments will increase. When the discount for lack of marketability increases/decreases by 10%, the fair value would have decreased/increased by NT\$51,725 thousand and NT\$49,892 thousand, respectively for the year ended December 31, 2023 and 2022.

c. Categories of financial instruments

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Financial assets</u>		
Financial assets at FVTPL		
Financial assets mandatorily classified at FVTPL	\$ 3,120,700	\$ 2,724,497
Measured at amortized cost		
Cash and cash equivalents	11,059,546	11,522,009
Pledged time and demand deposits	721,697	775,014
Bank fixed-term deposits with a maturity over 3 months	625,694	-
Reserve repurchase agreements collateralized by bonds with a maturity over 3 months	704,809	-
Notes receivable	479,270	544,546
Accounts receivable (including related parties)	5,031,335	7,395,035
Other receivables (including related parties)	100,624	59,146
Refundable deposits	204,563	222,205
Financial assets at FVTOCI – investments in equity instruments	2,167,929	2,158,018
<u>Financial liabilities</u>		
Measured at FVTPL - held for trading	2,804	27,839
Measured at amortized cost		
Short-term borrowings	3,256,357	2,400,326
Short-term bills payable	-	290,613
Accounts payable	3,017,667	3,349,040
Other payables (including related parties, excluding salaries payable and taxes payable)	1,433,213	1,314,722
Current portion of long-term borrowings	2,283,668	-
Bonds payable	3,994,990	5,992,228
Long-term borrowings	6,441,427	6,366,223
Guarantee deposits received	47,300	46,189

d. Financial Risk Management Objectives and Policies

The Group's conduct of risk controlling and hedging strategy is influenced by the operational environment. The Group monitors and manages the financial risk by business nature and risk dispersion. These risks include market risk (including foreign currency risk, interest rate risk and other price risks), credit risk and liquidity risk.

1) Market risk

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

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

a) Foreign currency risk

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

For the carrying amount of monetary assets and monetary liabilities denominated in non-functional currencies of the Group as of the balance sheet date, please refer to Note 38. For carrying amount of derivatives exposed to exchange rate risk, please refer to Note 7.

Sensitivity analysis

The sensitivity analysis of foreign currency risk mainly focuses on the computation of foreign currency monetary items at the end of the financial reporting period (U.S. dollar and RMB denominated items). When the Group's individual functional currency relative to the US\$ and RMB appreciates/depreciates by 3%, the Group's profit before tax for the year ended December 31, 2023 would have decreased/increased by NT\$91,179 thousand; the profit before tax for the year ended December 31, 2022 would have decreased/increased by NT\$151,772 thousand.

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

b) Interest rate risk

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

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

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Fair value interest rate risk		
- Financial assets	\$ 9,822,484	\$ 9,261,151
- Financial liabilities	11,870,537	10,608,268
Cash flow interest rate risk		
- Financial assets	2,945,405	2,921,919
- Financial liabilities	6,393,637	5,806,148

Sensitivity analysis

Regarding the sensitivity analysis of interest risk, the Group's computation was based on the balance sheet date of financial assets and financial liabilities with cash flow interest rate risk. A 0.5% increase/decrease of market interest was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rate. If interest rates had been 0.5% higher/lower and all other variables were held constant, the Group's net losses before tax for the year ended December 31, 2023 would have increased/decreased by NT\$17,241 thousand; the net profit before tax for the year ended December 31, 2022 would have decreased/increased by NT\$14,421 thousand.

c) Other price risks

The Group was exposed to the equity price risk through its investments in domestic and foreign listed (OTC) shares, fund beneficiary certificates and other investments. The Group manages this exposure by maintaining a portfolio of investments with different risks. In addition, the Group has appointed a special team to monitor the price risk.

Sensitivity analysis

The following sensitivity analysis was determined based on the price of equity securities on the balance sheet date. However, the fund beneficiary certificates held by the Group are mainly money market funds, which have very low price volatility risk, so it is not included in sensitivity analysis.

If the equity price had increased/decreased by 5%, the net losses before tax for the years ended December 31, 2023 would have increased/decreased by NT\$ 37,529 thousand, as a result of the changes in fair value of financial assets at FVTPL (excluding fund beneficiary certificates); the net profit before tax for the year ended December 31, 2022 would have increased/decreased by NT\$23,130 thousand. The pre-tax other comprehensive income for the years ended December 31, 2023 and 2022 would have increased/decreased by NT\$108,396 thousand and NT\$107,901 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations and result in financial loss to the Group. As of the balance sheet date, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligation, could arise from:

- a) The carrying amount of the financial assets recognized in the consolidated balance sheets; and
- b) The maximum amount payable by the Group due to financial guarantees provided by the Group.

The Group adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored.

The counterparties of the Group's accounts receivable included numerous clients distributed over a variety of areas and were not centered on a single client or location. Furthermore, the Group continuously assesses the financial condition of its clients, and then the Group's credit risk was limited. On the balance sheet date, the Group's maximum exposure to credit risk is approximately the carrying amounts respective recognized financial assets as stated in the balance sheet.

3) Liquidity risk

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

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

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

December 31, 2023

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

Additional information about the maturity analysis for lease liabilities:

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

December 31, 2022

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

Additional information about the maturity analysis for lease liabilities:

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

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.

December 31, 2023

	On Demand or Less than 1 Month	1-3 Months	3 months to 1 year
<u>Gross settled</u>			
Foreign exchange forward contracts			
- Inflows	\$ 359,565	\$ 48,048	\$ 29,478
- Outflows	(<u>355,655</u>)	(<u>141,335</u>)	<u>30,705</u>
	<u>\$ 3,910</u>	(<u>\$ 93,287</u>)	(<u>\$ 1,227</u>)

December 31, 2022

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

c) Financing facilities

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

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Bank loan facilities		
- Amount unused	<u>\$ 42,459,373</u>	<u>\$ 46,856,940</u>

34. RELATED PARTY TRANSACTIONS

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

a. Name of the related party and their relationship

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

b. Other operating income (classified as sales revenue)

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Joint ventures	<u>\$ 48,457</u>	<u>\$ -</u>

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

c. Purchase (classified as cost of goods sold)

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Joint ventures	<u>\$ 2,152,810</u>	<u>\$ 2,439,051</u>

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

d. Donation (classified as administrative expenses)

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Other related parties		
USIF	<u>\$ 10,000</u>	<u>\$ 20,000</u>

e. Management service income (classified as other revenue)

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Joint ventures	\$ 36,072	\$ 32,481
Associate	<u>3,735</u>	<u>3,571</u>
	<u>\$ 39,807</u>	<u>\$ 36,052</u>

f. Rental income (classified as other income)

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Associate	<u>\$ 318</u>	<u>\$ 251</u>

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

g. Accounts receivable, net

<u>Related Party Category/Name</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Joint ventures	<u>\$ 9,164</u>	<u>\$ -</u>

No guarantee deposits were received for the outstanding accounts receivable from related parties. No allowance for losses was provided for the accounts receivable from related parties for the years ended 2023 (For the years ended December 31, 2022: None).

h. Other receivables

<u>Related Party Category/Name</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Joint ventures	<u>\$ 17,687</u>	<u>\$ 15,819</u>

i. Compensation of key management personnel

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

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Short-term employee benefits	\$ 73,211	\$ 82,417
Retirement benefits	<u>845</u>	<u>918</u>
	<u>\$ 74,056</u>	<u>\$ 83,335</u>

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

35. COLLATERALIZED ASSETS

The following assets of the Group have been pledged as collateral for material purchase, outward documentary bill, long-term and short-term financing quotas, guarantee for gas explosion case and third-party application for leave to court for seizure and execution:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Pledged time deposits (recorded as financial assets at amortized cost)	\$ 701,951	\$ 755,265
Financial assets at FVTPL	6,939	7,659
Property, plant and equipment	303,617	225,314
Land use right (classified as right-of-use assets)	23,799	20,099
Refundable deposits (classified as other non-current assets)	<u>131,983</u>	<u>127,211</u>
	<u>\$ 1,168,289</u>	<u>\$ 1,135,548</u>

36. SIGNIFICANT CONTINGENT LIABILITY AND UNRECOGNIZED CONTRACTUAL COMMITMENTS

- a. As of December 31, 2023 and 2022, the Group's unused letters of credit amounted to NT\$2,449,155 thousand, and NT\$2,952,429 thousand, respectively.
- b. As of December 31, 2023, the amount of performance guarantee provided by the bank for the application made by ACME to the Taiwan government for the Industrial Upgrading Platform Innovation Counseling Program amounted to NT\$9,000 thousand.
- c. Regarding the Company's associate, China General Terminal & Distribution Corporation ("CGTD"), who was commissioned to operate the propylene pipeline of LCY Chemical Corp. ("LCY") resulting in a gas explosion on July 31, 2014, the appeal was dismissed by the Supreme Court on September 15, 2021, and all three employees of CGTD were innocent.

On February 12, 2016, CGTD entered into an agreement with the Kaohsiung City Government to provide the Kaohsiung City Government with a pledge right set of a bank deposit certificate of NT\$231,585 thousand (including interests) as the guarantee for the

loss caused by the gas explosion. Kaohsiung City Government has also filed civil lawsuits against LCY, CGTD and CPC Corporation. Taiwan Power Company applied for provisional attachment against CGTD's property on August 27 and November 26, 2015.

CGTD had deposited cash of NT\$99,207 thousand to the court to avoid provisional attachment. Taiwan Water Corporation also applied for provisional attachment against CGTD's property on February 3 and March 2, 2017. As of February 27, 2023, the provisionally attached property of CGTD was worth NT\$9,555 thousand.

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

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

As of February 27, 2024, the victims and victims' families had written letters or filed civil lawsuits (including criminal lawsuits) against LCY, CGTD, and CPC for compensation claims. To reduce the lawsuit costs, CGTD came to a compromise and reduced the original claim of NT\$46,677 thousand and settled for a compensation amount of NT\$4,519 thousand instead. Along with the case still under litigation and the above-mentioned compensation, the accumulated amount of compensation is NT\$3,856,447 thousand. The first-instance judgments of some of the above-mentioned civil cases (with a total amount of compensation of approximately NT\$1,470,793 thousand) have been gradually announced, starting from June 22, 2018. The proportion of fault liability of the Kaohsiung City Government, LCY and CGTD is 4 : 3 : 3 in most judgments. The total amount of

compensation that CGTD, LCY and the other defendants should pay is around NT\$401,979 thousand. (In particular, CGTD was exempted from paying NT\$6,194 thousand according to the court's judgment.) For the civil cases that have been sentenced but not settled, CGTD has filed an appeal and has started the second trial procedure one after another. The remaining cases are still pending in the Court of First Instance (the amount claimed is approximately NT\$1,882,829 thousand). CGTD and its insurance company signed a settlement agreement, covering the proportion of the liability for negligence determined in the first-instance judgment, the estimated amount of the settlement with the victims and the severely injured, and the amount of compensation in civil cases (including cases that have been settled); after the maximum insurance claims is deducted, the estimated amount that should be borne by CGTD and has been recognized is NT\$136,375 thousand. However, the actual amount of the aforementioned relevant settlements and compensation will not be confirmed until the proportion of the liabilities that should be borne by CGTD is determined in the civil case judgment in the future.

37. SIGNIFICANT CONTRACTS

- a. TVCM signed a dichloroethane purchase contract with CPC Corporation, Formosa Plastics Corporation and Mitsui Corp. The purchase price was negotiated by both parties according to a pricing formula.

- b. Key operation contracts

CGTD is commissioned by the Company, TTC, APC, TVCM, TSRC Corporation, Oriental Union Chemical Corporation, and others to operate the storage and transportation of any items of petrochemical raw materials; operating service charges are calculated in accordance with the actual operation quantities and at the rate per ton stated in the contracts. The insurance expenses of petrochemical raw materials are borne by individual commissioned companies.

38. SIGNIFICANT FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

Unit: Foreign and Functional Currencies in Thousands

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

December 31, 2022					
	Foreign Currency	Exchange Rate (In Single Dollars)		Functional Currencies	NT\$
<u>Foreign currency assets</u>					
<u>Monetary items</u>					
USD	\$ 161,638	30.71	(USD/NTD)	\$ 4,963,909	\$ 4,963,909
USD	4,274	6.96	(USD/RMB)	29,764	131,242
USD	4,612	4.58	(USD/MYR)	21,141	141,621
RMB	604,397	4.41	(RMB/NTD)	2,665,028	2,665,028
RMB	3,542	0.14	(RMB/USD)	508	15,607
AUD	707	20.83	(AUD/NTD)	14,732	14,732
EUR	851	32.72	(EUR/NTD)	27,839	27,839
<u>Non-monetary items</u>					
Joint ventures accounted for using the equity method					
RMB	3,067,840	0.14	(RMB/USD)	440,490	13,527,463
Derivatives					
Sell USD	3,220	30.71	(USD/NTD)	40	40
Sell USD	100	4.58	(USD/MYR)	8	51
Sell RMB	82,900	4.41	(RMB/NTD)	1,631	1,631
Sell Euro	270	4.88	(EUR/MYR)	60	399
<u>Foreign currency liabilities</u>					
<u>Monetary items</u>					
USD	69,686	30.71	(USD/NTD)	2,140,067	2,140,067
USD	19,924	6.96	(USD/RMB)	139,213	613,091
USD	1,659	4.58	(USD/MYR)	7,607	50,958
RMB	12,295	4.41	(RMB/NTD)	54,214	54,214
<u>Non-monetary items</u>					
Derivatives					
Purchase USD	18,400	30.71	(USD/NTD)	9,529	9,529
Sell RMB	428,200	4.41	(RMB/NTD)	16,781	16,781
Purchase JPY	120,000	0.01	(JPY/USD)	862	1,529

The net realized and unrealized foreign exchange Functional Currencies gain or loss of the Company for the years ended December 31, 2023 and 2022, were NT\$26,492 thousand gain and NT\$463,721 thousand gain, respectively. Due to the wide variety of foreign currency transactions and functional currencies of the Company's individual entities, thus the exchange gains and losses were not disclosed by currency of significant impact.

39. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

- 1) Financing provided to others. (Table 1)
- 2) Endorsements/guarantees provided. (Table 2)
- 3) Marketable securities held (excluding investment in subsidiaries and joint ventures). (Table 3)

- 4) Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital. (Table 4)
 - 5) Acquisitions of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital. (None)
 - 6) Disposals of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital. (None)
 - 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 5)
 - 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 6)
 - 9) Trading in derivative instruments. (Notes 7 and 33)
 - 10) Others: The Business Relationships and Significant Transactions and Amounts between Parent and Subsidiaries and between Subsidiaries. (Table 9)
- b. Information on investees. (Table 7)
- c. Information on Investments in Mainland China:
- 1) Information on the investee company in mainland China, including the company names, major business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, current profit and loss and recognized investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China. (Table 8)
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: Tables 5 and 9.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: Tables 5 and 9.
 - c) The amount of property transactions and the amount of the resultant gains or losses: None.
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: Table 2.
 - e) The highest balance during the period, the end of period balance, the interest rate range, and total current period interest with respect to the financing of funds: Table 1.
 - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services: None.

- d. Information on major shareholders: Name, number of shares held, and shareholding percentage of shareholders with shareholding percentage exceeding 5%. (Table 10)

40. SEGMENT INFORMATION

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

a. Profit or Loss of Reporting Segment

	For the Year Ended December 31, 2023						
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Others	Total
Segment revenue	\$ 11,449,372	\$ 13,707,305	\$ 15,205,462	\$ 2,551,746	\$ 6,717,128	\$ 4,385,730	\$ 54,016,743
Interest income	20,176	31,052	45,090	13,766	21,737	161,574	293,395
Finance costs	(58,644)	(69,539)	(19,850)	(45,779)	(9,112)	(74,364)	(277,288)
Depreciation and amortization	(659,347)	(771,196)	(215,407)	(282,271)	(319,462)	(394,465)	(2,642,148)
Impairment losses	-	-	-	-	-	(133)	(133)
Pre-tax (loss) gain of reporting segment	(259,671)	466,524	(346,012)	(249,465)	151,132	(4,078,249)	(4,315,741)
Income tax gain (expenses) of reporting segment	52,665	(72,850)	72,475	37,548	(34,848)	(24,815)	30,175
Net gain (loss) of reporting segment	(207,006)	393,674	(273,537)	(211,917)	116,284	(4,103,064)	(4,285,566)

	For the Year Ended December 31, 2022						
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Others	Total
Segment revenue	\$ 15,632,151	\$ 17,637,479	\$ 18,083,799	\$ 3,057,217	\$ 9,815,332	\$ 4,842,592	\$ 69,068,570
Interest income	16,538	10,127	42,437	7,964	11,475	57,998	146,539
Finance costs	(76,146)	(26,810)	(6,835)	(34,399)	(10,311)	(66,032)	(220,533)
Depreciation and amortization	(640,340)	(715,454)	(208,628)	(25,074)	(305,207)	(551,686)	(2,446,389)
Pre-tax profit of reporting segment	1,931,735	(517,183)	544,374	53,072	1,817,771	(5,604,317)	(1,774,548)
Income tax expenses of reporting segment	(376,638)	179,466	(132,296)	(38,355)	(370,402)	(19,954)	(758,179)
Net profit of reporting segment	1,555,097	(337,717)	412,078	14,717	1,447,369	(5,624,271)	(2,532,727)

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

1) Segment revenue and results

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Pre-tax net profit (loss) of reporting segment	(\$ 237,492)	\$ 3,829,769
Income tax gain (expenses) of reporting segment	54,990	(738,225)
Total of net after-tax Net (loss) profit of reporting segment	(182,502)	3,091,544
Loss of another non-reporting segment	(4,103,064)	(5,624,271)
Deduction of inter-segment loss	2,378,924	2,471,538
Consolidated net after-tax loss	(\$ 1,906,642)	(\$ 61,189)

2) Other significant items reconciliation

	For the Year Ended December 31, 2023							
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Others	Adjustments	Total
Interest income	\$ 20,176	\$ 31,052	\$ 45,090	\$ 13,766	\$ 21,737	\$ 161,574	\$ -	\$ 293,395
Finance costs	(58,644)	(69,539)	(19,850)	(45,779)	(9,112)	(74,364)	1,943	(275,345)
Depreciation and amortization	(659,347)	(771,196)	(215,407)	(282,271)	(319,462)	(394,465)	33,085	(2,609,063)
Impairment losses	-	-	-	-	-	(133)	-	(133)

	For the Year Ended December 31, 2022							
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Others	Adjustments	Total
Interest income	\$ 16,538	\$ 10,127	\$ 42,437	\$ 7,964	\$ 11,475	\$ 57,998	(\$ 41)	\$146,498
Finance costs	(76,146)	(26,810)	(6,835)	(34,399)	(10,311)	(66,032)	1,891	(218,642)
Depreciation and amortization	(640,340)	(715,454)	(208,628)	(25,074)	(305,207)	(551,686)	36,703	(2,409,686)

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.

c. Revenue from principal products

Product categories	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Plastic Raw Materials	\$ 49,351,795	\$ 62,934,920
Electronic Materials	2,213,169	3,057,090
Others	699,798	445,112
	<u>\$ 52,264,762</u>	<u>\$ 66,437,122</u>

d. Regional information

The Group's main operating region is Asia, and information regarding non-current assets located in undisclosed regions is relevant.

The revenue from continuing operations of the Group derived from external customers is categorized based on the countries where the customers are located as follows:

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Asia	\$ 40,060,202	\$ 52,534,401
Americas	4,339,605	4,950,262
Europe	1,055,672	1,530,328
Africa	1,829,378	2,350,640
Oceania	387,643	369,129
Others	4,592,262	4,702,362
	<u>\$ 52,264,762</u>	<u>\$ 66,437,122</u>

e. Information on main customers

During the fiscal years 2023 and 2022, the Group did not have revenues from any single customer exceeding 10% of the total consolidated revenue.

USI CORPORATION AND SUBSIDIARIES

Acme Electronics Corporation

FINANCING PROVIDED TO OTHERS

For the Year Ended December 31, 2023

Table 1

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

No.	Lender	Borrower	Financial Statement Account	Related Party (Yes/No)	Highest Balance for the year	Balance at December 31 (Notes 3 and 4)	Actual Borrowing Amount (Notes 3 and 4)	The range of interest rate (%)	Nature of Financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)	Remark
													Item	Value			
1	Acme Electronics (Guang-Zhou) Co., Ltd.	Acme Electronics (Kunshan) Co., Ltd.	Other receivables - related parties	Yes	\$ 176,040 (RMB40,000 thousand)	\$ 173,048 (RMB40,000 thousand)	\$ 104,045 (RMB24,000 thousand)	3.45	2	\$ -	Business turnover	\$ -	-	-	\$ 383,828	\$ 383,828	

Note 1. The total financing amounts for Acme Electronics (Guang-Zhou) Co., Ltd. to others shall not exceed 40% of its net value, and the highest aggregate financing limits were calculated by the net value as of December 31, 2023.

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

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

Note 3. The foreign currency amount was calculated based on the spot exchange rate of December 31, 2023.

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 Year Ended December 31, 2023

Table 1-1

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

No.	Lender	Borrower	Financial Statement Account	Related Party (Yes/No)	Highest Balance for the year	Balance at December 31 (Notes 3 and 4)	Actual Borrowing Amount (Note 3)	Range of Interest Rates (%)	Nature of Financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)	Remark
													Item	Value			
1	ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	Other receivables	Yes	\$ 258,440	\$ 190,749	\$ 190,749	3.45	2	\$ -	Business turnover	\$ -	-	-	\$ 538,042	\$ 538,042	

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

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

(1) Business relationship is coded "1."

(2) Short-term financing is coded "2."

Note 3. The calculation was based on the spot exchange rate of December 31, 2023.

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

USI CORPORATION AND SUBSIDIARIES

China General Plastics Corporation

FINANCING PROVIDED TO OTHERS

For the Year Ended December 31, 2023

Table 1-2

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

No.	Lender	Borrower	Financial Statement Account	Related Party (Yes/No)	Highest Balance for the year (Note 3)	Balance at December 31	Actual Borrowing Amount	Range of Interest Rates (%)	Nature of Financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)	Remark
													Item	Value			
0	China General Plastics Corporation	CGPC Polymer Corporation	receivables from related parties	Yes	\$ 300,000	\$ -	\$ -	-	2	\$ -	Business turnover	\$ -	-	-	\$ 3,832,591	\$ 3,832,591	

Note 1. The total amount of funds lent by CGPC to others shall not exceed 40% of the most recent CGPC's financial statements' net worth audited or reviewed by CPA.

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

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

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

USI CORPORATION AND SUBSIDIARIES
 ENDORSEMENTS/GUARANTEES PROVIDED
 For the Year Ended December 31, 2023

Table 2

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

No.	Endorsement and guarantee Company Name	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Made for Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Period (Note 2)	Outstanding Endorsement/ Guarantee at the End of the Period (Note 2)	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 1)	Endorsement/ Guarantee Made by Parent for Subsidiaries	Endorsement/ Guarantee Made by Subsidiaries for Parent	Endorsement/ Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	USI Corporation	Union Polymer International Investment Corporation	Subsidiary which directly held more than 50% of ordinary shares	\$ 11,627,143	\$ 2,600,000	\$ -	\$ -	\$ -	-	\$ 13,952,571	Yes	No	No	
0	USI Corporation	USI Green Energy Corporation	Subsidiary which directly held more than 50% of ordinary shares	11,627,143	1,300,000	1,300,000	150,000		5.59	13,952,571	Yes	No	No	
0	USI Corporation	Chong Loong Trading Co., Ltd.	Subsidiary which directly held more than 50% of ordinary shares	11,627,143	323,525 (US\$ 5,000 thousand) (NT\$170,000 thousand)	-	-	-	-	13,952,571	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 December 31, 2023.

USI CORPORATION AND SUBSIDIARIES
Acme Electronics Corporation
ENDORSEMENTS/GUARANTEES PROVIDED
For the Year Ended December 31, 2023

Table 2-1

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

No.	Endorsement and guarantee Company Name	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period (Note 3)	Actual Borrowing Amount (Note 3)	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%) (Note 1)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Made by Parent for Subsidiaries	Endorsement/ Guarantee Made by Subsidiaries for Parent	Endorsement/ Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	Subsidiary of ACME (Cayman)	\$ 2,654,198	\$ 778,716 (US\$ 18,500 thousand) (RMB49,000 thousand)	\$ 365,950 (US\$5,000 thousand) (RMB 49,000 thousand)	\$ 151,732 (RMD35,000 thousand)	\$ -	20.68	\$ 3,538,930	No	No	Yes	
		Acme Electronics (Guang-Zhou) Co., Ltd.	Subsidiary of GAEL	2,654,198	64,850 (US\$2,000 thousand)	-	-	-	-	3,538,930	No	No	Yes	
		ACME Electronics (Cayman) Corp.	Subsidiary of ACME	2,654,198	314,200 (US\$ 10,000 thousand)	-	-	-	-	3,538,930	No	No	No	
1	ACME Components (Malaysia) Sdn.Bhd.	ACME Ferrite Products Sdn. Bhd.	Subsidiary of ACME (MA)	480,703	115,597 (MYR17,584 thousand)	112,731 (MYR17,584 thousand)	64,271 (MYR10,025 thousand)	-	16.42	549,375	No	No	No	

Note 1. The rate was calculated by the equity of ACME as of December 31, 2023.

Note 2. The maximum amount of total endorsement/guarantee shall not exceed 200% of the equity attributable to owners of ACME. The maximum amount of endorsement/guarantee for an individual entity shall not exceed 150% of the equity attributable to owners of ACME. The maximum amount of endorsement/guarantee was calculated based on the equity of the endorser guarantor as of December 31, 2023. The total amount of ACME (MA)'s external endorsement/guarantee shall not exceed 80% of its net worth; the limit of ACME (MA)'s endorsement/guarantee for a single company shall not exceed 70% of its net worth. The maximum amount of endorsement/guarantee was calculated based on the equity of the endorser guarantor as of December 31, 2023.

Note 3. The calculation was based on the spot exchange rate of December 31, 2023.

USI CORPORATION AND SUBSIDIARIES
Swanson Plastics Corporation
ENDORSEMENTS/GUARANTEES PROVIDED
For the Year Ended December 31, 2023

Table 2-2

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

No.	Endorsement and guarantee Company Name	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Made for Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Year	Outstanding Endorsement/ Guarantee at the End of the Year (Note 2)	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 1)	Endorsement/ Guarantee Made by Parent for Subsidiaries	Endorsement/ Guarantee Made by Subsidiaries for Parent	Endorsement/ Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	Swanson Plastics Corporation	Swanson Plastics (Singapore) Pte., Ltd.	Subsidiary	\$ 4,994,574	\$ 58,041	\$ 54,962	\$ -	\$ -	2.20	\$ 6,243,218	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Malaysia) Sdn. Bhd.	Sub-subsidiary Corporation	4,994,574	38,910	36,846	-	-	1.48	6,243,218	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Kunshan) Co., Ltd.	Sub-subsidiary Corporation	4,994,574	90,105	61,410	-	-	2.46	6,243,218	No	No	Yes	
0	Swanson Plastics Corporation	Swanson Technologies Corporation	Subsidiary	4,994,574	579,354	499,063	69,000	-	19.98	6,243,218	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Tianjin) Co., Ltd.	Sub-subsidiary Corporation	4,994,574	32,425	30,705	-	-	1.23	6,243,218	No	No	Yes	
0	Swanson Plastics Corporation	PT. Swanson Plastics Indonesia	Subsidiary	4,994,574	64,850	61,410	-	-	2.46	6,243,218	No	No	No	
0	Swanson Plastics Corporation	Forever Young Company Limited	Subsidiary	4,994,574	1,391,033	1,317,245	-	-	52.75	6,243,218	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (India) Private Limited	Subsidiary	4,994,574	31,160	29,520	-	-	1.18	6,243,218	No	No	No	

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

Note 2. The calculation was based on the spot exchange rate of December 31, 2023.

USI CORPORATION AND SUBSIDIARIES
China General Plastics Corporation
ENDORSEMENTS/GUARANTEES PROVIDED
For the Year Ended December 31, 2023

Table 2-3

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

No.	Endorsement and guarantee Company Name	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/Guaranteed During the Year	Outstanding Endorsement/ Guarantee at the End of the Year	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%) (Note 1)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Made by Parent for Subsidiaries	Endorsement/ Guarantee Made by Subsidiaries for Parent	Endorsement/ Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	China General Plastics Corporation	CGPC Polymer Corporation	Subsidiary	\$ 5,748,886	\$ 1,361,717	\$ 1,061,717	\$ 400,307	\$ -	11.08	\$9,581,477	No	No	No	

Note 1. The ratio was calculated by the equity of CGPC as of December 31, 2023.

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

USI CORPORATION AND SUBSIDIARIES
Taita Chemical Company, Ltd.
ENDORSEMENTS/GUARANTEES PROVIDED
For the Year Ended December 31, 2023

Table 2-4

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

No.	Endorsement and guarantee Company Name	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Year (Note 1)	Outstanding Endorsement/ Guarantee at the End of the Year (Note 1)	Actual Borrowing Amount (Note 1)	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Made by Parent for Subsidiaries	Endorsement/ Guarantee Made by Subsidiaries for Parent	Endorsement/ Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	Taita Chemical Company, Ltd.	TAITA (BVI) Holding Co., Ltd.	Subsidiaries that the Company holds 100% of common equity directly	\$ 6,647,991	\$ 184,230 (US\$6,000 thousand)	\$ 92,115 (US\$3,000 thousand)	\$ -	\$ -	1.39	\$ 9,971,987	No	No	No	
0	Taita Chemical Company, Ltd.	Taita Chemical (Zhongshan) Co., Ltd.	Subsidiaries that TTC's subsidiaries hold 100% of common equity directly	6,647,991	346,816 (RMB80,000 thousand)	216,760 (RMB50,000 thousand)	-	-	3.26	9,971,987	No	No	Yes	

Note 1. The calculation was based on the spot exchange rate of December 31, 2023.

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

USI CORPORATION AND SUBSIDIARIES
MARKETABLE SECURITIES HELD
December 31, 2023

Table 3

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Year				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
USI Corporation	Shares							
	CTCI Corporation	—	Financial assets at FVTOCI - non-current	15,130,656	\$ 637,757	1.89	\$ 637,757	
	KHL IB Venture Capital Co., Ltd.	—	"	13,132,193	120,948	11.90	120,948	
	AU Optronics Corporation	—	"	6,811,204	123,624	0.09	123,624	
	PELL Bio-Med Technology Co. Ltd.	—	"	235,000	19,975	0.44	19,975	
	UPC Technology Corporation	—	Financial assets at FVTPL - current	290,000	4,408	0.02	4,408	
	Taiwan Cement Corporation	—	"	2,000,000	69,700	0.03	69,700	
	Hon Hai Precision Industry Co., Ltd.	—	"	100,000	10,450	-	10,450	
	China Steel Corporation	—	"	350,000	9,450	-	9,450	
	Teratech Corporation	—	Financial assets at FVTPL - non-current	110,000	-	0.65	-	Note 2
	Fund beneficiary certificates							
	Hua Nan Phoenix Money Market Fund	—	Financial assets at FVTPL - current	1,503,362	25,143	-	25,143	
	Capital Money Market Fund	—	"	11,526,061	191,182	-	191,182	
	Taishin 1699 Money Market Fund	—	"	7,262,234	101,254	-	101,254	
	Jih Sun Money Market Fund	—	"	10,284,152	156,879	-	156,879	
SinoPac TWD Money Market Fund	—	"	14,778,813	211,352	-	211,352		
Beneficiary securities								
Cathay No. 1 Real Estate Investment Trust Fund Fund	—	Financial assets at FVTPL - current	4,054,000	68,837	-	68,837		

(Continued)

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Year				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Union Polymer International Investment Corporation	Shares							
	Asia Polymer Corporation	Investments accounted for using the equity method	Financial assets at FVTOCI - non-current	22,182,486	\$ 519,070	3.74	\$ 519,070	
	China General Plastics Corporation	"	"	4,469,307	99,666	0.77	99,666	
	Taita Chemical Company, Ltd.	"	"	456,253	7,505	0.11	7,505	
	Fund beneficiary certificates							
	Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	644,079	8,980	-	8,980	
Swanlake Traders Ltd.	Shares							
	Sohoware Inc.	—	Financial assets at FVTOCI - non-current	1,150,000	-	1.05	-	Note 2
	TGF Linux Communications Inc.	—	"	300,000	-	2.14	-	Note 2
	Neurosky Inc. Preferred Stock D	—	"	2,397,364	-	0.70	-	Note 2
USIFE Investment Co., Ltd.	Shares							
	AU Optronics Corporation	—	Financial assets at FVTOCI - current	1,012,849	18,383	0.01	18,383	
	AU Optronics Corporation	—	Financial assets at FVTOCI - non-current	1,012,849	18,383	0.01	18,383	
	Wafer Works Corporation	—	"	1,502,433	65,055	0.28	65,055	
	Solargiga Energy Holdings Limited	—	"	11,876,111	7,046	0.37	7,046	
	Dah Chung Bills Finance Corp.	—	"	482,757	7,188	0.10	7,188	
	Swanson Plastics Corporation	Same chairman	"	10,155,875	139,643	6.58	139,643	
	USI Optronics Corporation	"	"	165,279	116	0.25	116	
	Digimax Inc.	—	"	23,234	-	0.05	-	
	Silicon Technology Investment (Cayman) Corp.	—	"	911,849	67,222	1.77	67,222	
	Taiwan Cement Corporation	—	Financial assets at FVTPL - current	1,000,000	34,850	0.01	34,850	
	China General Plastics Corporation	Same chairman	"	550,722	12,281	0.09	12,281	
	Asia Polymer Corporation	"	"	1,714,180	40,112	0.29	40,112	
Taita Chemical Company, Ltd.	"	"	1,415,368	23,283	0.36	23,283		
UPC Technology Corporation	—	"	127,000	1,930	0.01	1,930		

(Continued)

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Year				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Taiwan United Venture Capital Corp.	China Steel Corporation	—	Financial assets at FVTPL - current	175,000	\$ 4,725	-	\$ 4,725	
	Hon Hai Precision Industry Co., Ltd.	—	"	50,000	5,225	-	5,225	
	Acme Electronics Corporation	Same chairman	"	500,000	12,550	0.23	12,550	
	Fund beneficiary certificates							
	Yuanta De-Li Money Market Fund	—	Financial assets at FVTPL - current	3,707,988	62,167	-	62,167	
	Fuh Hwa Money Market	—	"	3,440,659	50,882	-	50,882	
	Cathay Taiwan Money Market Fund	—	"	5,044,200	64,378	-	64,378	
	Shares							
	Innovation & Infinity Global Corp.	—	Financial assets at FVTPL - non-current	720,804	-	0.73	-	Note 2
	Teratech Corporation	—	"	90,000	-	0.58	-	Note 2
	Leadwell Cnc Machines Mfg., Corp.	—	Financial assets at FVTOCI - non-current	419,753	15,611	0.68	15,611	
	Digimax Inc.	—	"	518,898	-	1.18	-	Note 2
	Hexawave Inc.	—	"	109,109	546	0.27	546	
	Uranus Chemicals Co., Ltd.	—	"	15,351	320	0.03	320	
	Neuro Sky, Inc. Preferred Stock A	—	"	10,000,000	-	1.42	-	Note 2
Neuro Sky, Inc. Preferred Stock B	—	"	12,595,523	-	1.78	-	Note 2	
Neuro Sky, Inc. Preferred Stock C	—	"	4,532,823	-	0.64	-	Note 2	
Fund beneficiary certificates								
Cathay Taiwan Money Market Fund	—	Financial assets at FVTPL - current	2,721,146	34,729	-	34,729		
Taiwan United Venture Management Corporation	Fund beneficiary certificates							
Fuh Hwa Money Market	—	Financial assets at FVTPL - current	91,730	1,357	-	1,357		
INOMA Corporation	Fund beneficiary certificates							
Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	186,139	2,595	-	2,595		

(Continued)

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Year				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
USI Optronics Corporation	Fund beneficiary certificates Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	776,598	\$ 10,828	-	\$ 10,828	
Chong Loong Co., Ltd.	Fund beneficiary certificates Fubon Chi-Hsiang Money Market Fund	—	Financial assets at FVTPL - current	1,741,498	28,044	-	28,044	
USI Green Energy Corporation	Fund beneficiary certificates Fubon Chi-Hsiang Money Market Fund	—	Financial assets at FVTPL - current	2,374,323	38,235	-	38,235	

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

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

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

USI CORPORATION AND SUBSIDIARIES

China General Plastics Corporation

MARKETABLE SECURITIES HELD

December 31, 2023

Table 3-1

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Year				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
China General Plastics Corporation	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust Fund	—	Financial assets at FVTPL - current	3,964,000	\$ 67,309	-	\$ 67,309	Note 1
	Fund beneficiary certificates							
	CTBC Hwa-win Money Market Fund	—	Financial assets at FVTPL - current	2,651,301	30,000	-	30,000	Note 1
	KGI Money Market	—	"	2,521,602	30,000	-	30,000	Note 1
	Prudential Financial Money Market	—	"	1,845,166	30,000	-	30,000	Note 1
	Hua Nan Phoenix Money Market Fund	—	"	1,793,765	30,000	-	30,000	Note 1
	UPAMC James Bond Money Market Fund	—	"	583,216	10,000	-	10,000	Note 1
	Taiwan Cooperative Bank Money Market Fund	—	"	960,227	30,000	-	10,000	Note 1
	Shares							
	Taiwan Cement Corporation	—	Financial assets at FVTPL - current	2,000,000	69,700	0.03	69,700	Note 1
Hon Hai Precision Industry Co., Ltd.	—	"	100,000	10,450	-	10,450	Note 1	
China Steel Corporation	—	"	350,000	9,450	-	9,450	Note 1	
Shares								
KHL IB Venture Capital Co., Ltd.	—	Financial assets at FVTOCI - non- current	6,566,096	60,474	5.95	60,474	Note 1	
Taiwan VCM Corporation	Fund beneficiary certificates							
	SinoPac TWD Money Market Fund	—	Financial assets at FVTPL - current	10,792,282	154,340	-	154,340	Note 1
	Hua Nan Phoenix Money Market Fund	—	"	5,994,413	100,254	-	100,254	Note 1
	Taishin 1699 Money Market Fund	—	"	6,787,013	94,628	-	94,628	Note 1
	Capital Money Market Fund	—	"	3,018,394	50,066	-	50,066	Note 1
Jih Sun Money Market Fund	—	"	1,967,394	30,012	-	30,012	Note 1	

(Continued)

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Year				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
CGPC Polymer Corporation	Shin Kong Chi-Shin Money-Market Fund	—	Financial assets at FVTPL - current	1,887,208	\$ 30,011	-	\$ 30,011	Note 1
	Fubon Chi-Hsiang Money Market Fund	—	"	1,863,655	30,011	-	30,011	Note 1
	Shares Asia Polymer Corporation	With the same main shareholders as CGPC	Financial assets at FVTOCI - non- current	130,244	3,047	0.02	3,047	Note 1
	Fund beneficiary certificates							
	SinoPac TWD Money Market Fund	—	Financial assets at FVTPL - current	7,007,081	100,208	-	100,208	Note 1
	Shin Kong Chi-Shin Money-Market Fund	—	"	2,201,438	35,009	-	35,009	Note 1
	Fubon Chi-Hsiang Money Market Fund	—	"	1,243,588	20,026	-	20,026	Note 1
CGPC (BVI) Holding Co., Ltd.	Shares Teratech Corporation	—	Financial assets at FVTPL - non-current	112,000	-	0.67	-	Notes 1 and 3
	SOHOWare, Inc. - preferred shares	—	"	100,000	-	-	-	Notes 1, 2 and 3

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

Note 2. The preferred shares are not used in the calculation of the shareholding ratio.

Note 3. As of December 31, 2023, the fair value of CGPC's equity investment in the company was evaluated as 0.

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

USI CORPORATION AND SUBSIDIARIES

Taita Chemical Company, Ltd.

MARKETABLE SECURITIES HELD

December 31, 2023

Table 3-2

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Year				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Taita Chemical Company, Ltd.	Shares							
	USI Corporation	Ultimate parent company	Financial assets at FVTOCI - non-current	15,109,901	\$ 298,421	1.27	\$ 298,421	Note 1
	Harbinger Venture Capital Corp.	—	"	990	6	0.50	6	Note 2
	Taiwan Cement Corporation	—	Financial assets at FVTPL - current	2,000,000	69,700	0.03	69,700	Note 1
	UPC Technology Corporation	—	"	282,000	4,286	0.02	4,286	Note 1
	China Steel Corporation	—	"	350,000	9,450	-	9,450	Note 1
	Hon Hai Precision Industry Co., Ltd.	—	"	100,000	10,450	-	10,450	Note 1
	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust Fund	—	Financial assets at FVTPL - current	3,963,000	67,292	-	67,292	Note 1
TAITA (BVI) Holding Ltd	Shares							
	Budworth Investment Ltd.	—	Financial assets at FVTOCI - non-current	20,219	-	2.22	-	Note 3
	Teratech Corporation	—	Financial assets at FVTPL - non-current	112,000	-	0.74	-	Note 3
	Sohoware — Inc. - Preferred Shares	—	"	100,000	-	-	-	Note 3

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

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

Note 3. As of December 31, 2023, the fair value of equity investment was evaluated by TTC as 0.

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

USI CORPORATION AND SUBSIDIARIES

Asia Polymer Corporation

MARKETABLE SECURITIES HELD

December 31, 2023

Table 3-3

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Year				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Asia Polymer Corporation	Shares							
	Harbinger Venture Capital Corp.	—	Financial assets at FVTOCI - non-current	2,377	\$ 14	1.20	\$ 14	
	KHL IB Venture Capital Co., Ltd.	—	"	13,132,193	120,948	11.90	120,948	
	PELL Bio-Med Technology Co. Ltd.	—	"	235,000	19,975	0.44	19,975	
	USI Corporation	Ultimate parent company	"	101,355,673	2,001,775	8.53	2,001,775	
	CTCI Corporation	—	"	14,446,107	608,903	1.80	608,903	
	AU Optronics Corporation	—	"	7,694,812	139,661	0.10	139,661	
	Wafer Works Corporation	—	Financial assets at FVTOCI - current	518,668	22,458	0.10	22,458	
	Taiwan Cement Corporation	—	Financial assets at FVTPL - current	2,0000,000	69,700	0.03	69,700	
	Hon Hai Precision Industry Co., Ltd.	—	"	100,000	10,450	-	10,450	
	China Steel Corporation	—	"	350,000	9,450	-	9,450	
	UPC Technology Corporation	—	"	293,000	4,454	0.02	4,454	
	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust Fund	—	"	4,053,,000	68,820	-	68,820	
	Fund beneficiary certificates							
	Jih Sun Money Market Fund	—	"	3,953,746	60,312	-	60,312	
Taishin 1699 Money Market Fund	—	"	18,260,735	254,600	-	254,600		
Capital Money Market Fund	—	"	2,897,690	48,064	-	48,064		
CITIC Huaying Money Market Fund	—	"	1,771,181	20,041	-	20,041		
SinoPac TWD Money Market Fund	—	"	11,202,715	160,210	-	160,210		

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Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Year				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
APC (BVI) Holding Co., Ltd.	Shares							
	Budworth Investment Ltd.	—	Financial assets at FVTOCI - non-current	40,467	\$ 2	4.45	\$ 2	
	Silicon Technology Investment (Cayman) Corp. - Preferred Shares	—	"	1,139,776	84,022	2.21	84,022	
	Neurosky Inc. - Preferred Stock D	—	"	2,397,364	-	0.37	-	Note 1
	Solargiga Energy Holdings Ltd.	—	"	15,863,333	9,411	0.48	9,411	
	Teratech Corporation	—	"	112,000	-	0.67	-	Note 1
	TGF Linux Communication, Inc. - Preferred Shares	—	Financial assets at FVTPL - non-current	300,000	-	-	-	Note 1
	Sohoware Inc. - Preferred Shares	—	"	450,000	-	-	-	Note 1
Boldworks, Inc. - Preferred Shares	—	"	689,266	-	-	-	Note 1	
APC Investment Corporation	Shares							
	USI Corporation	Ultimate parent company	Financial assets at FVTPL - current	44,808	885	-	885	
	UPC Technology Corporation	—	"	116,000	1,763	0.01	1,763	
	China Steel Corporation	—	"	175,000	4,725	-	4,725	
	Taiwan Cement Corporation	—	"	1,000,000	34,850	0.01	34,850	
	Hon Hai Precision Industry Co., Ltd.	—	"	50,000	5,225	-	5,225	
	Fund beneficiary certificates							
Cathay Taiwan Money Market Fund	—	Financial assets at FVTPL - current	2,274,563	29,030	-	29,030		

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

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

USI CORPORATION AND SUBSIDIARIES
China General Terminal & Distribution Corporation
MARKETABLE SECURITIES HELD
December 31, 2023

Table 3-4

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Year				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
China General Terminal & Distribution Corporation	Shares							
	Asia Polymer Corporation	Investee Companies Using Equity Method for CGTD	Financial assets at FVTOCI - non-current	5,290,482	\$ 123,797	0.89	\$ 123,797	Note 1
	China General Plastics Corporation	//	//	2,940,788	65,580	0.51	65,580	Note 1
	Taita Chemical Company, Ltd.	//	//	2,278,217	37,477	0.57	37,477	Note 1
	China Steel Corporation	—	Financial assets at FVTPL - current	499,552	13,488	-	13,488	Note 2
	Fund beneficiary certificates							
	Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	1,405,621	20,225	-	20,225	

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

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

USI CORPORATION AND SUBSIDIARIES

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

For the Year Ended December 31, 2023

Table 4

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

Buyer/Seller	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Acquisition		Disposal			End of the Year (Note)		
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
USI Corporation	Shares													
	Acme Electronics Corporation	Investments accounted for using the equity method	—	Subsidiary	61,682,967	\$ 898,361	12,432,234	\$ 248,645	-	-	\$ -	\$ -	74,115,201	\$ 1,147,006
	Taiwan Cement Corporation	Financial assets at FVTPL - current	—	—	-	-	2,000,000	67,866	-	-	-	-	2,000,000	67,866
	Fund beneficiary certificates													
	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	—	—	-	-	10,656,986	170,000	10,656,986	170,765	170,000	765	-	-
	Hua Nan Phoenix Money Market Fund	"	—	—	-	-	9,634,916	160,000	8,131,554	135,122	135,000	122	1,503,362	25,000
	Yuanta De-Li Money Market Fund	"	—	—	10,265,239	170,000	7,837,289	130,000	18,102,528	300,950	300,000	950	-	-
	Capital Money Market Fund	"	—	—	-	-	11,526,061	190,000	-	-	-	-	11,526,061	190,000
	Jih Sun Money Market Fund	"	—	—	-	-	10,284,152	156,000	-	-	-	-	10,284,152	156,000
	Taishin Ta-Chong Money Market Fund	"	—	—	-	-	13,839,873	200,000	13,839,873	200,693	200,000	693	-	-
	SinoPac TWD Money Market Fund	"	—	—	3,540,976	50,000	19,713,464	280,000	8,475,627	120,069	120,000	69	14,778,813	210,000
	CTBC Hwa-win Money Market Fund	"	—	—	-	-	8,887,318	100,000	8,887,318	100,113	100,000	113	-	-
Taishin 1699 Money Market Fund	"	—	—	12,357,362	170,000	11,608,020	160,000	16,703,148	231,090	230,000	1,090	7,262,234	100,000	
USIFE Investment Co., Ltd.	Shares													
	Acme Electronics Corporation	Investments accounted for using the equity method	—	Associate	19,780,230	167,099	3,355,988	67,120	-	-	-	-	23,136,218	234,219
	Taiwan Cement Corporation	Financial assets at FVTPL - current	—	—	-	-	1,000,000	33,931	-	-	-	-	1,000,000	33,931
Fund beneficiary certificates														
Yuanta De-Li Money Market Fund	Financial assets at FVTPL - current	—	—	4,907,988	80,284	-	-	1,200,000	19,904	19,630	274	3,707,988	60,654	
USI Optronics Corporation	Fund beneficiary certificates													
	Jih Sun Money Market Fund	Financial assets at FVTPL - current	—	—	338,874	5,000	-	-	338,874	5,110	5,000	110	-	-
	Taishin Ta-Chong Money Market Fund	"	—	—	417,233	6,000	138,179	2,000	555,412	8,085	8,000	85	-	-
Taishin 1699 Money Market Fund	"	—	—	887,541	12,000	-	-	110,943	1,533	1,500	33	776,598	10,500	

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Buyer/Seller	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Acquisition		Disposal				End of the Year (Note)	
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
Union Polymer International Investment Corporation	Fund beneficiary certificates	Financial assets at FVTPL - current	—	—	-	\$ -	6,911,997	\$ 100,000	6,911,997	\$ 100,032	\$ 100,000	\$ 32	-	\$ -
	Taishin Ta-Chong Money Market Fund				"	—	—	726,718	10,000	2,168,319	30,000	2,250,958	31,156	31,100
Chong Loong Trading Co., Ltd.	Fund beneficiary certificates	Financial assets at FVTPL - current	—	—	-	-	5,114,388	82,000	3,372,891	54,066	54,000	66	1,741,498	28,000
China General Terminal & Distribution Corporation	Fund beneficiary certificates	Financial assets at FVTPL - current	—	—	-	-	1,450,621	20,000	-	-	-	-	1,450,621	20,000
INOMA Corporation	Fund beneficiary certificates	Financial assets at FVTPL - current	—	—	230,813	3,100	-	-	44,674	618	600	18	186,139	2,500

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

Note 2. The ending amount of fund beneficiary certificates denotes the original acquisition cost.

USI CORPORATION AND SUBSIDIARIES

China General Plastics Corporation

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

For the Year Ended December 31, 2023

Table 4-1

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

Buyer/Seller	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Acquisition		Disposal			End of the Year (Note)		
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
China General Plastics Corporation	Shares													
	Acme Electronics Corporation	Investments accounted for using the equity method	—	Associate	3,566,526	\$ 54,497	390,507	\$ 7,820	-	\$ -	\$ -	\$ -	3,957,033	\$ 62,307
	Taiwan Cement Corporation	Financial assets at FVTPL - current	—	—	-	-	2,000,000	67,865	-	-	-	-	2,000,000	67,865
	Fund beneficiary certificates													
	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	—	—	-	-	9,991,880	160,000	9,991,880	160,064	160,000	64	-	-
	Hua Nan Phoenix Money Market Fund	"	—	—	-	-	18,861,293	313,000	17,067,528	283,246	283,000	246	1,793,765	30,000
	Yuanta De-Li Money Market Fund	"	—	—	3,019,311	50,000	6,029,036	100,000	9,048,347	150,104	150,000	104	-	-
	Capital Money Market Fund	"	—	—	-	-	7,888,079	130,000	7,888,079	130,055	130,000	55	-	-
	Jih Sun Money Market Fund	"	—	—	7,974,063	120,000	3,297,892	50,000	11,271,955	170,246	170,000	246	-	-
	Taishin Ta-Chong Money Market Fund	"	—	—	-	-	6,920,176	100,000	6,920,176	100,028	100,000	28	-	-
	SinoPac TWD Money Market Fund	"	—	—	-	-	14,091,991	200,000	14,091,991	200,138	200,000	138	-	-
	CTBC Hwa-win Money Market Fund	"	—	—	4,475,635	50,000	11,550,282	130,000	13,374,616	150,082	150,000	82	2,651,301	30,000
	Taishin 1699 Money Market Fund	"	—	—	9,445,668	130,000	9,059,935	125,000	18,505,603	255,575	255,000	575	-	-
	Taiwan VCM Corporation	Fund beneficiary certificates												
Fubon Chi-Hsiang Money Market Fund		Financial assets at FVTPL - current	—	—	-	-	31,264,720	500,000	29,401,065	470,561	470,000	561	1,863,655	30,000
Hua Nan Phoenix Money Market Fund		"	—	—	2,119,619	35,000	22,881,593	380,000	19,006,799	315,541	315,000	541	5,994,413	100,000
Yuanta De-Li Money Market Fund		"	—	—	6,037,918	100,000	3,010,452	50,000	9,048,370	150,166	150,000	166	-	-
Capital Money Market Fund		"	—	—	-	-	15,134,948	250,000	12,116,554	200,193	200,000	193	3,018,394	50,000
Jih Sun Money Market Fund		"	—	—	-	-	8,549,648	130,000	6,582,254	100,141	100,000	141	1,967,394	30,000
Taishin Ta-Chong Money Market Fund		"	—	—	8,593,337	123,800	6,896,340	100,000	15,489,677	224,234	223,800	434	-	-
SinoPac TWD Money Market Fund		"	—	—	-	-	28,431,994	404,000	17,639,712	251,432	250,000	1,432	10,792,282	154,000
CTBC Hwa-win Money Market Fund		"	—	—	-	-	21,330,619	240,000	21,330,619	240,246	240,000	246	-	-
Taishin 1699 Money Market Fund		"	—	—	8,735,968	120,000	19,528,079	270,000	21,477,034	297,534	296,000	1,534	6,787,013	94,000

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Buyer/Seller	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Acquisition		Disposal				End of the Year (Note)	
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
CGPC Polymer Corporation	Fund beneficiary certificates													
	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	—	—	-	\$ -	3,862,564	\$ 62,000	2,618,976	\$ 42,034	\$ 42,000	\$ 34	1,243,588	\$ 20,000
	Hua Nan Phoenix Money Market Fund	"	—	—	-	-	6,002,924	100,000	6,002,924	100,092	100,000	92	-	-
	Yuanta De-Li Money Market Fund	"	—	—	1,811,091	30,000	-	-	1,811,091	30,053	30,000	53	-	-
	Capital Money Market Fund	"	—	—	-	-	9,311,739	154,000	9,311,739	154,252	154,000	252	-	-
	Taishin Ta-Chong Money Market Fund	"	—	—	-	-	19,716,800	285,000	19,716,800	285,125	285,000	125	-	-
	SinoPac TWD Money Market Fund	"	—	—	-	-	29,715,575	423,000	22,708,494	323,258	323,000	258	7,007,081	100,000
	Taishin 1699 Money Market Fund	"	—	—	-	-	3,605,111	50,000	3,605,111	50,021	50,000	21	-	-

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

Note 2. The ending amount of fund beneficiary certificates denotes the original acquisition cost.

USI CORPORATION AND SUBSIDIARIES

Taita Chemical Company, Ltd.

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

For the Year Ended December 31, 2023

Table 4-2

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

Buyer/Seller	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Acquisition		Disposal			End of the Year (Note)		
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
Taita Chemical Company, Ltd.	Shares													
	Acme Electronics Corporation	Financial assets at FVTPL - current	—	Associate	4,991,556	\$ 76,353	546,537	\$ 10,931	-	\$ -	\$ -	\$ -	5,538,093	\$ 87,284
	Taiwan Cement Corporation	Investments accounted for using the equity method	—	—	-	-	2,000,000	67,868	-	-	-	-	2,000,000	67,868
	Fund beneficiary certificates													
	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	—	—	-	-	3,121,196	50,000	3,121,196	50,020	50,000	20	-	-
	Hua Nan Phoenix Money Market Fund	"	—	—	1,816,596	30,000	5,723,053	95,000	7,539,649	125,064	125,000	64	-	-
	Yuanta De-Li Money Market Fund	"	—	—	3,018,303	50,000	-	-	3,018,303	50,077	50,000	77	-	-
	Capital Money Market Fund	"	—	—	-	-	9,341,669	154,000	9,341,669	154,117	154,000	117	-	-
	Taishin Ta-Chong Money Market Fund	"	—	—	3,465,868	50,000	-	-	3,465,868	50,087	50,000	87	-	-
	SinoPac TWD Money Market Fund	"	—	—	-	-	4,215,733	60,000	4,215,733	60,082	60,000	82	-	-
Taishin 1699 Money Market Fund	"	—	—	6,539,203	90,000	6,526,342	90,000	13,065,545	180,303	180,000	303	-	-	

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

Note 2. The ending amount of fund beneficiary certificates denotes the original acquisition cost.

USI CORPORATION AND SUBSIDIARIES

Asia Polymer Corporation

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

For the Year Ended December 31, 2023

Table 4-3

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

Buyer/Seller	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Acquisition		Disposal			End of the Year (Note)		
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
Asia Polymer Corporation	Shares													
	Acme Electronics Corporation	Financial assets at FVTPL - current	—	Associate	6,801,315	\$ 104,951	744,692	\$ 14,894	-	\$ -	\$ -	\$ -	7,546,007	\$ 119,845
	Taiwan Cement Corporation	Investments accounted for using the equity method	—	—	-	-	2,000,000	67,866	-	-	-	-	2,000,000	67,866
	Fund beneficiary certificates													
	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	—	—	-	-	9,102,494	145,000	9,102,494	145,818	145,000	818	-	-
	Hua Nan Phoenix Money Market Fund	"	—	—	605,752	10,000	3,011,323	50,000	3,617,075	60,196	60,000	196	-	-
	Yuanta De-Li Money Market Fund	"	—	—	-	-	3,016,264	50,000	3,016,264	50,207	50,000	207	-	-
	Capital Money Market Fund	"	—	—	-	-	7,448,119	123,000	4,550,429	75,448	75,000	448	2,897,690	48,000
	Jih Sun Money Market Fund	"	—	—	9,317,246	140,000	8,236,971	125,000	13,600,471	206,116	205,000	1,116	3,953,746	60,000
	Taishin Ta-Chong Money Market Fund	"	—	—	4,519,224	65,000	12,448,775	180,000	16,967,999	246,070	245,000	1,070	-	-
	SinoPac TWD Money Market Fund	"	—	—	7,101,315	100,000	4,101,400	58,000	-	-	-	-	11,202,715	158,000
CTBC Hwa-win Money Market Fund	"	—	—	-	-	7,099,541	80,000	5,328,360	60,068	60,000	68	1,771,181	20,000	
Taishin 1699 Money Market Fund	"	—	—	726,470	10,000	17,534,265	242,000	-	-	-	-	18,260,735	252,000	
APC Investment Corporation	Shares													
	Acme Electronics Corporation	Financial assets at FVTPL - current	—	Associate	3,116,262	29,533	1,231,714	24,634	-	-	-	-	4,347,976	54,167
	Taiwan Cement Corporation	Investments accounted for using the equity method	—	—	-	-	1,000,000	33,932	-	-	-	-	1,000,000	33,932

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

Note 2. The ending amount of fund beneficiary certificates denotes the original acquisition cost.

USI CORPORATION AND SUBSIDIARIES

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

For the Year Ended December 31, 2023

Table 5

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark
			Purchase (Sale)	Amount	Ratio to Total Purchase (Sales) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	Ratio to Total Notes or Accounts Receivable (Payable) (%)	
USI Corporation	Asia Polymer Corporation	Subsidiary	Purchase	\$ 813,477	10.31	Within 60 days after purchasing on credit	No significant difference	No significant difference	(\$ 97,256)	(8.31)	Note
	Asia Polymer Corporation	Subsidiary	Sale	(201,867)	(1.76)	Within 60 days after selling on credit	"	"	235,113	29.89	Note
	Fujian Gulei Petrochemical Co., Ltd.	Joint ventures	Purchase	730,951	9.26	Current Letter of Credit	"	"	-	-	—
	USI (Hong Kong) Company Ltd.	Subsidiary	Sale	(130,924)	(1.23)	Within 60 days after selling on credit	"	"	4,618	0.59	Note
	USI Trading (Shanghai) Co., Ltd.	Subsidiary	Sale	(118,333)	(1.14)	Within 60 days after selling on credit	"	"	31,651	4.02	Note
	Forever Young Company Limited	Subsidiary	Sale	(141,160)	(1.03)	Within 60 days after selling on credit	"	"	5,217	0.66	Note
USI (Hong Kong) Company Ltd.	USI Corporation	Parent company	Purchase	130,924	1.66	Within 60 days after purchasing on credit	"	"	(4,618)	(0.39)	Note
USI Trading (Shanghai) Co., Ltd.	USI Corporation	Parent company	Purchase	118,333	1.50	Within 60 days after purchasing on credit	"	"	(31,651)	(2.71)	Note
Forever Young Company Limited	USI Corporation	Parent company	Purchase	141,160	1.79	Within 60 days after purchasing on credit	"	"	(5,217)	(0.45)	Note

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

USI CORPORATION AND SUBSIDIARIES

Acme Electronics Corporation

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

For the Year Ended December 31, 2023

Table 5-1

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark
			Purchase (Sale)	Amount	Ratio to Total Purchase (Sales) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	Ratio to Total Notes or Accounts Receivable (Payable) (%)	
Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	Subsidiary of GAEL	Purchase (including processing expenses)	\$ 242,598	39	55 days	No significant difference	No significant difference	(\$ 22,477)	(32)	Note 2
Acme Electronics (Guang-Zhou) Co., Ltd.	Acme Electronics Corporation	Subsidiary of GAEL	Sale (including processing expenses)	(242,598)	(29)	55 days	"	"	22,477	9	Note 2
Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	Subsidiary of GAEL	Sale	(129,989)	(11)	55 days	"	"	22,560	7	Note 2
Acme Electronics (Guang-Zhou) Co., Ltd.	Acme Electronics Corporation	Subsidiary of GAEL	Purchase	129,989	77	55 days	"	"	(22,560)	(67)	Note 2
Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	Subsidiary of ACME (Cayman)	Sale	(173,680)	(15)	55 days	"	"	47,271	15	Note 2
Acme Electronics (Kunshan) Co., Ltd.	Acme Electronics Corporation	Subsidiary of ACME (Cayman)	Purchase	173,680	75	55 days	"	"	(47,271)	(70)	Note 2

Note 1. There is no significant difference in payment terms or selling prices for the transactions between ACME and its subsidiaries. ACME Electronics Corporation sold products to its subsidiaries at prices that vary according to the group's operational strategy, which may differ from typical transactions.

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

USI CORPORATION AND SUBSIDIARIES

Swanson Plastics Corporation

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

For the Year Ended December 31, 2023

Table 5-2

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark	
			Purchase (Sale)	Amount	Ratio to Total Purchase (Sales) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	Ratio to Total Notes or Accounts Receivable (Payable) (%)		
Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	Subsidiary	Purchase	\$ 191,218	78	90 days	No significant difference	No significant difference	Accounts receivable - related parties	(\$28,624)	(88)	Note
Forever Young Company Limited	Swanson Plastics (Kunshan) Co., Ltd.	Have the same ultimate parent company	Sale	(338,837)	(43)	90 days	"	"	Accounts receivables - related parties	8,818	30	Note
	Swanson Plastics (Malaysia) Sdn. Bhd.	Have the same ultimate parent company	Sale	(259,996)	(33)	90 days	"	"	Accounts receivables - related parties	3,796	13	Note
	USI Corporation	Ultimate parent company	Purchase	150,651	20	75 days	"	"	Accounts receivable - related parties	(5,217)	(14)	Note
Swanson Plastics (Kunshan) Co., Ltd.	Forever Young Company Limited	Have the same ultimate parent company	Purchase	338,837	34	90 days	"	"	Accounts receivable - related parties	(8,818)	(5)	Note
	ASK-Swanson (Kunshan) Co., Ltd.	Have the same ultimate parent company	Sale	(163,799)	(16)	60 days	"	"	Accounts receivables - related parties	34,641	13	Note
Swanson Plastics (Malaysia) Sdn. Bhd.	Forever Yong Company Limited	Have the same ultimate parent company	Purchase	259,996	41	90 days	"	"	Accounts receivable - related parties	(3,796)	(8)	Note
	Swanson Plastics (Singapore) Pte., Ltd.	Parent company	Sale	(191,218)	(23)	90 days	"	"	Accounts receivables - related parties	28,624	22	Note
ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Kunshan) Co., Ltd.	Have the same ultimate parent company	Purchase	163,799	57	60 days	"	"	Accounts receivable - related parties	(34,641)	(74)	Note

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

USI CORPORATION AND SUBSIDIARIES

China General Plastics Corporation

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

For the Year Ended December 31, 2023

Table 5-3

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark	
			Purchase (Sale)	Amount	Ratio to Total Purchase (Sales) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	Ratio to Total Notes or Accounts Receivable (Payable) (%)		
China General Plastics Corporation	CGPC America Corporation	Subsidiary	Sale	(\$ 455,735)	(6)	90 days	No significant difference	No significant difference	Accounts receivables - related parties	\$ 158,345	21	Note
Taiwan VCM Corporation	China General Plastics Corporation	Parent company	Sale	(4,052,178)	(46)	45 days	"	"	Accounts receivables - related parties	646,641	37	Note
	CGPC Polymer Corporation	Fellow company	Sale	(4,048,292)	(46)	75 days	"	"	Accounts receivables - related parties	1,015,436	58	Note
	Fujian Gulei Petrochemical Co., Ltd.	related party in substance	Purchase	769,160	12	Current Letter of Credit	"	"	Accounts receivable - related parties	-	-	—

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

USI CORPORATION AND SUBSIDIARIES

Asia Polymer Corporation

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

For the Year Ended December 31, 2023

Table 5-4

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark	
			Purchase (Sale)	Amount	Ratio to Total Purchase (Sales) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	Ratio to Total Notes or Accounts Receivable (Payable) (%)		
Asia Polymer Corporation	USI Corporation	Ultimate parent company	Sale	(\$ 813,245)	(12.43)	60 days	No significant difference	No significant difference	Accounts receivables – related parties	\$ 98,763	19.49	Note
	USI Trading (Shanghai) Co., Ltd.	Subsidiary	Sale	(336,955)	(5.15)	90 days	"	"	Accounts receivables – related parties	102,062	20.15	Note
	USI Corporation	Ultimate parent company	Purchase	201,867	5.28	30 days	"	"	Accounts receivable – related parties	(17,007)	(9.27)	Note
	Fujian Gulei Petrochemical Co., Ltd.	Associate	Purchase	651,304	17.05	Letter of Credit	"	"	—	-	-	—
USI Trading (Shanghai) Co., Ltd.	USI Corporation	Ultimate parent company	Purchase	119,853	23.91	30 days	"	"	Accounts receivable - related parties	(31,650)	(23.31)	Note

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
December 31, 2023

Table 6

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

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance (Note 3)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss	
					Amount	Actions Taken			
USI Corporation	Taiwan VCM Corporation	Subsidiary	Other receivables - related parties	\$ 216,415	-	\$ -	—	\$ 109,072	Note 1
	Asia Polymer Corporation	Subsidiary	Other receivables - related parties	235,113	-	-	—	235,113	Note 1

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

Note 2. The subsequent period refers to the period from January 1 to March 8, 2024.

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

USI CORPORATION AND SUBSIDIARIES

Acme Electronics Corporation

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

December 31, 2023

Table 6-1

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

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance (Note 3)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
Acme Electronics (Guang-Zhou) Co., Ltd.	Acme Electronics (Kunshan) Co., Ltd.	Subsidiary of GAEL	Other accounts receivable - related parties \$ 104,317	-	\$ 90	—	\$ 90	Note 1

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

Note 2. The subsequent period refers to the period from January 1 to March 5, 2024.

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

USI CORPORATION AND SUBSIDIARIES

Swanson Plastics Corporation

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

December 31, 2023

Table 6-2

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

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance (Note 3)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	Have the same ultimate parent company	Other accounts receivable - related parties \$ 191,496 (RMB44,172 thousand)	-	\$ -	—	\$ -	Note 1

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

Note 2. The subsequent period refers to the period from January 1 to March 8, 2024.

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

USI CORPORATION AND SUBSIDIARIES

China General Plastics Corporation

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

December 31, 2023

Table 6-3

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

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance (Note 3)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
China General Plastics Corporation	CGPC America Corporation	Subsidiary	Accounts receivables - related parties \$ 158,345	3.01	\$ -	—	\$ 74,657	Note 1
Taiwan VCM Corporation	China General Plastics Corporation	Parent company	Accounts receivables - related parties 646,641	5.64	-	—	646,641	Note 1
	CGPC Polymer Corporation	Fellow company	Accounts receivables - related parties 1,051,436	4.63	-	—	729,940	Note 1

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

Note 2. The subsequent period refers to the period from January 1 to February 23, 2024.

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

USI CORPORATION AND SUBSIDIARIES

Taita Chemical Company, Ltd.

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

December 31, 2023

Table 6-4

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

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance (Note 3)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
Taita Chemical Company, Ltd.	Taita Chemical (Tianjin) Co., Ltd.	Subsidiary	Other receivables \$ 280,281 (US\$9,128 thousand) (Note 1)	-	\$ 280,281	Continuous Collection	\$ -	\$ -

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

Note 2. There was no amount received as of March 7, 2024.

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

December 31, 2023

Table 6-5

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

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance (Note 3)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
Asia Polymer Corporation	USI Trading (Shanghai) Co., Ltd.	Subsidiary	Accounts receivables - related parties \$ 102,062	5.00	\$ -	—	\$ 87,913	Note 1

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

Note 2. The subsequent period refers to the period from January 1 to March 7, 2024.

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

USI CORPORATION AND SUBSIDIARIES
INFORMATION ON INVESTEEES
For the Year Ended December 31, 2023

Table 7

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at the end of the Year			Gain (Loss) of Investee for the year	Recognized Investment Gain (Loss) of the Year	Remark
				End of the This Year	Ending balance of the prior year	Number of Shares	Percentage (%)	Carrying Amount			
USI Corporation	USIFE Investment Co., Ltd.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Investments in production, transportation, warehousing, construction, banking, securities investment companies and trading companies	\$ 550,000	\$ 550,000	89,647,000	100.00	\$ 919,983	(\$ 30,664)	(\$ 30,664)	Subsidiary
	Swanlake Traders Ltd.	Citco Building, Wickhamo Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands	Trading and investment	728,439	728,439	30,000,000	100.00	1,449,066	57,105	57,105	Subsidiary
	USI (Hong Kong) Company Ltd.	6/F., Caltex House, 258 Hennessy Road, Hong Kong	Trading and investment	63,482	63,482	159,999	100.00	64,345	(4,948)	(4,948)	Subsidiary
	Union Polymer International Investment Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Investment (focused on "production and service industry")	3,490,255	3,490,255	918,324,656	100.00	9,794,851	46,741	19,911	Subsidiary
	Taiwan United Venture Capital Corp.	10F., No. 37, Jihu Rd., Taipei City	Venture capital (focused on "high technology industry")	296,800	471,800	14,000,000	70.00	95,574	(149)	(104)	Subsidiary
	Chong Loong Trading Co., Ltd.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Import and export trade	28,323	28,323	6,882,666	99.96	83,147	9,345	9,342	Subsidiary
	Swanson Plastics Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Production and sales of stretch film, embossed film and industrial-use multilayer wrap	171,210	171,210	62,616,299	40.58	1,008,366	(77,152)	(31,306)	Subsidiary
	Acme Electronics Corporation	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and sales of manganese-zinc soft ferrite powder	470,158	221,513	61,682,967	28.96	497,097	(171,224)	(49,856)	Subsidiary
	INOMA Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Optical products and fire protection materials	250,354	250,354	1,334,728	94.37	11,030	(2,456)	(2,317)	Subsidiary
	USI Management Consulting Corp.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Providing management services	1,000	1,000	671,400	100.00	6,672	3,506	3,506	Subsidiary
	Ever Conquest Global Limited	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110	Investment	7,645,980	7,645,980	246,670,000	59.13	3,676,840	(2,331,328)	(1,378,582)	Subsidiary
	USI Optronics Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Manufacturing and marketing of sapphire single crystal	330,000	330,000	33,000,000	50.85	27,214	(13,363)	(6,795)	Subsidiary
	USI Green Energy Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Solar power generation business	357,506	70,100	36,616,004	100.00	392,911	(4,397)	(6,054)	Subsidiary
	Chem Union Renewable Energy Corporation	9F-3, No. 301, Songjiang Rd., Zhongshan Dist., Taipei City 104, Taiwan (ROC)	Energy Technology Services	10,000	-	1,000,000	33.33	9,835	(496)	(165)	Associate
	Delmind Inc.	Xinglong Rd., Taoyuan Dist., Taoyuan City	Manufacturing of machinery and equipment	90,000	90,000	9,000,000	30.00	79,987	(13,118)	(3,935)	Associate
Ever Conquest Global Limited	Ever Victory Global Limited	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110	Investment business	12,808,437 (US\$ 417,145 thousand)	12,808,437 (US\$ 417,145 thousand)	417,145,000	67.40	6,217,923 (US\$ 202,505 thousand)	(3,458,807) (US\$-111,368 thousand)		Sub-sub-sidiary Corporation
Ever Victory Global Limited	Dynamic Ever Investments Limited	61F, Caltex House, 258 Hennessy Road, Hong Kong	Investment business	18,080,639 (US\$ 588,850 thousand)	18,080,639 (US\$ 588,850 thousand)	588,850,000	85.00	8,242,352 (US\$ 268,347 thousand)	(4,128,406) (US\$-131,920 thousand)		Sub-sub-sidiary Corporation
Union Polymer International Investment Corporation	Taita Chemical Company, Ltd.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Production and sales of polystyrene, propylene, butadiene, ABS resin, SAN resin, glass wool insulation products and plastic materials	1,749,212	1,749,212	145,807,007	36.67	2,651,016	(273,537)		Sub-sub-sidiary Corporation
	Asia Polymer Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Production and sales of low-density polyethylene, medium-density polyethylene, ethylene vinyl acetate and importing and marketing of linear low-density polyethylene and high-density polyethylene	1,965,437	1,965,437	192,063,336	32.25	4,814,380	116,284		Sub-sub-sidiary Corporation
	China General Plastics Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Production and sales of plastic cloths, plastic skins, plastic tubes, plastic pellets, plastic powder and other related products	1,320,045	1,320,045	140,609,929	24.20	2,448,322	341,916		Sub-sub-sidiary Corporation

(Continued)

(Continued)

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at the end of the Year			Gain (Loss) of Investee for the year	Recognized Investment Gain (Loss) of the Year	Remark
				End of the This Year	Ending balance of the prior year	Number of Shares	Percentage (%)	Carrying Amount			
USIFE Investment Co., Ltd.	Acme Electronics Corporation	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and sales of manganese-zinc soft ferrite powder	\$ 222,752	\$ 155,632	19,780,230	9.29	\$ 173,798	(\$ 171,224)		Subsidiary
	Swanson Technologies Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Planting agriculture, marketing, research and development of agricultural products, production, sale, and development of EVA packaging films and other high value-added plastic products	22,500	22,500	2,250,015	15.00	(5,651)	(35,475)		Sub-sub-sidiary Corporation
	Taiwan United Venture Management Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Corporate management consulting	8,000	8,000	800,000	100.00	15,004	165		Sub-sub-sidiary Corporation
Swanlake Traders Ltd.	ACME Electronics (Cayman) Corp.	Ugland House P.O. Box 309 George Town, Grand Cayman, Cayman Islands	Corporate investments	263,716 (US\$ 8,589 thousand)	263,716 (US\$ 8,589 thousand)	11,553,462	18.93	262,938 (US\$ 8,563 thousand)	(94,932) (US\$-3,046 thousand)		Sub-sub-sidiary Corporation

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

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

USI CORPORATION AND SUBSIDIARIES

Acme Electronics Corporation

INFORMATION ON INVESTEEES

For the Year Ended December 31, 2023

Table 7-1

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount (Note 2)		Hold at End of Period			Net Income (Loss) of Investee (Note 3)	Share of Profit (Loss) (Note 3)	Remark
				Ending balance of the current period	Ending balance of the prior year	Number of Shares	Percentage (%)	Carrying Amount (Note 2)			
Acme Electronics Corporation	ACME Electronics (Cayman) Corp.	Ugland House P.O. Box 309 George Town, Grand Cayman, Cayman Islands	Corporate investments	\$ 880,420	\$ 605,182	36,675,541	60.10	\$ 843,264	(\$ 94,932) (US\$-3,046 thousand)	(\$ 33,582) (US\$-1,063 thousand)	Note 1
	Golden Amber Enterprises Limited	CITCO Building, Wickhams Cay Road Town, Tortola, British Virgin Islands	Corporate investments	669,072	669,072	20,800,000	100.00	958,218	(72,483)	(67,927)	Note 1
	USI Optronics Corporation	12F, No. 37, Jihu Road, Neihu District, Taipei City	Manufacturing and marketing of sapphire single crystal	646,200	646,200	22,064,224	34.00	18,196	(13,363)	(4,543)	
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	365,113 (US\$ 11,891 thousand)	365,113 (US\$ 11,891 thousand)	42,600,000	100.00	695,722 (US\$ 22,660 thousand)	17,755 (MYR 2,704 thousand)		Note 1
ACME Components (Malaysia) Sdn. Bhd.	ACME Ferrite Products Sdn. Bhd.	Plot 15,Jalan Industri 6 Kawasan Perindustrian Jelapang II(ZPB) Jelapang 30020 Ipoh, Perak, Malaysia.	Manufacturing and sales of manganese- zinc soft ferrite core	243,387 (MYR37,964 thousand)	243,387 (MYR37,964 thousand)	9,120,000	100.00	687,154 (MYR107,184 thousand)	18,315 (MYR 2,790 thousand)		Note 1

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

Note 2. The foreign currency amount was calculated based on the spot exchange rate of December 31, 2023.

Note 3. The amount is calculated based on the average exchange rate from January 1 to December 31, 2023.

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

USI CORPORATION AND SUBSIDIARIES

Swanson Plastics Corporation

INFORMATION ON INVESTEES

For the Year Ended December 31, 2023

Table 7-2

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at the end of the Year			Gain (Loss) of Investee for the year (Note 3)	Recognized Investment Gain (Loss) of the Year (Note 3)	Remark
				End of the This Year (Note 2)	Ending balance of the prior year (Note 2)	Number of Shares	Percentage (%)	Carrying Amount (Note 2)			
Swanson Plastics Corporation	Swanson Plastics (Singapore) Pte. Ltd.	2 Venture Drive Vision Exchange #12-10 Singapore 608526	Production and marketing of plastic products	\$ 808,506	\$ 808,506	36,862,980	100.00	\$ 1,817,820	\$ 35,457	\$ 35,457	
	Forever Young Company Limited	Flemming House, Wickhams Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands. VG1110	Trading and agency businesses	1,297	1,297	50,000	100.00	39,576	1,521	1,521	
	Swanson International Ltd.	Ugland House, P.O.Box 309 George Town, Grand Cayman, Cayman Islands, British West Indies	Investment	499,996	499,996	16,041,205	100.00	1,402,764	6,512	6,512	
	Swanson Technologies Corporation	12F, No. 37, Jihu Road, Neihu District, Taipei City	Planting agriculture, marketing, research and development of agricultural products, production, sale, and development of EVA packaging films and other high value-added plastic products	245,000	245,000	10,500,070	70.00	(26,371)	(35,475)	(24,833)	
	PT. Swanson Plastics Indonesia	Ngoro Industrial Park Blok D2-3 Ds. Lolawang Kec. Ngoro Kab. Mojokerto	Manufacturing and marketing of plastic products	7,979	7,979	261,010	1.00	7,892	15,612	156	
	Swanson Plastics (India) Private Ltd.	Phase II, Plot No.2, GIDC, Bhuipal Honda, Sattari, Goa (India) 403 530,	Manufacturing and marketing of plastic products	0.007	0.007	1	-	0.007	3,222	-	
Swanson Plastics (Singapore) Pte. Ltd	Swanson Plastics (Malaysia) Sdn. Bhd.	Plot 505, Tingkat Perusahaan 4A, Kawasan Perusahaan Perai, Zon Perdagangan Bebas, 13600 Perai, Seberang Perai, Malaysia	Manufacturing and marketing of plastic products	202,450 (US\$ 6,593 thousand)	202,450 (US\$6,593 thousand)	20,000,000	100.00	497,795 (US\$16,212 thousand)	37,974 (US\$ 1,219 thousand)		
	Swanson Plastics (India) Private Ltd.	Phase II, Plot No.2, GIDC, Bhuipal Honda, Sattari, Goa (India) 403 530,	Manufacturing and marketing of plastic products	506,966 (US\$16,511 thousand)	506,966 (US\$16,511 thousand)	107,351,389	100.00	280,610 (US\$ 9,139 thousand)	3,222 (INR 8,541 thousand)		
	PT. Swanson Plastics Indonesia	Ngoro Industrial Park Blok D2-3 Ds. Lolawang Kec. Ngoro Kab. Mojokerto	Manufacturing and marketing of plastic products	793,418 (US\$25,840 thousand)	793,418 (US\$25,840 thousand)	25,840,033	99.00	781,336 (US\$25,447 thousand)	15,612 (IDR7,639,532 thousand)		
Swanson International Ltd.	A.S. Holdings (UK) Limited	5TH Floor 7-10 Chandos Street London W1G 9DQ	Investment	217,824 (US\$ 7,094 thousand)	217,824 (US\$7,094 thousand)	3,156,993	100.00	539,874 (US\$17,583 thousand)	70,513 (US\$ 2,263 thousand)		

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

Note 2. Original investment amount and book amounts were calculated using the spot exchange rate of December 31, 2023

Note 3. The amount is calculated based on the average exchange rate from January 1 to December 31, 2023.

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

USI CORPORATION AND SUBSIDIARIES

China General Plastics Corporation

INFORMATION ON INVESTEEES

For the Year Ended December 31, 2023

Table 7-3

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at End of Period			Investee Gain/Loss of Period	Share of Profit (Loss) for the recognized period	Remark
				Ending balance of the current period	Ending balance of the previous period	Number of Shares	Percentage (%)	Carrying Amount			
China General Plastics Corporation	Taiwan VCM Corporation	No. 1, Gongye 1st Rd., Linyuan Dist., Kaohsiung City 832, Taiwan (R.O.C.)	Manufacturing and sales of VCM	\$ 2,933,648	\$ 2,933,648	259,591,005	87.27	\$ 4,430,430	\$ 460,982	\$ 354,966	Subsidiary
	CGPC Polymer Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Manufacturing and marketing of PVC resins	800,000	800,000	70,170,682	100.00	626,961	(74,746)	(74,746)	Subsidiary
	CGPC (BVI) Holding Co., Ltd.	Citco Building, Wickhams Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands	Reinvestment	1,059,344	1,073,906	14,808,258	100.00	313,820	(2,467)	(2,467)	Subsidiary
	China General Terminal & Distribution Corporation	No. 1, Jianji St., Qianzhen Dist., Kaohsiung City 806, Taiwan (R.O.C.)	Warehousing and transportation of petrochemical raw materials	41,106	41,106	25,053,469	33.33	329,972	(26,036)	(8,679)	Associate accounted for using the equity method
	CGPC America Corporation	4 Latitude Way, Suite 108 Corona, CA 92881,U.S.A	Marketing of PVC two- or three-time processed products	648,931	648,931	100	100.00	168,219	(32,191)	(32,191)	Subsidiary
	Acme Electronics Corporation	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	41,805 (Note 1)	33,995	3,566,526	1.67	29,629	(171,224)	(2,867)	Associate accounted for using the equity method
Taiwan VCM Corporation	Global Green Technology Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Environmental detection services	50,000	50,000	5,200,000	100.00	53,544	1,280	-	Subsidiary

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

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

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

USI CORPORATION AND SUBSIDIARIES

Taita Chemical Company, Ltd.

INFORMATION ON INVESTEEES

For the Year Ended December 31, 2023

Table 7-4

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark (Note 1)
				Ending balance of the current period	Ending balance of the previous period	Number of Shares	Percentage (%)	Carrying Amount			
Taita Chemical Company, Ltd.	TAITA (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment	\$ 2,755,405 (US\$89,738 thousand)	\$ 2,755,405 (US\$89,738 thousand)	89,738,000	100.00	\$ 3,037,367 (US\$98,921 thousand)	(\$ 55,081) (US\$ -1,756 thousand)	(\$ 55,081) (US\$ -1,756 thousand)	Subsidiary
	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	189,901	(341,916)	6,777	Investee accounted for equity the equity method
	China General Terminal & Distribution Corporation	Taipei City	Warehousing of petrochemical raw materials	41,082	41,082	25,053,468	33.33	329,972	(26,036)	(8,679)	Investee accounted for equity the equity method
	Acme Electronics Corporation	Taipei City	Production and sales of manganese-zinc soft ferrite powder	55,702	44,771	4,991,556	2.34	41,468	(171,224)	(4,013)	Investee accounted for equity the equity method
TAITA (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment	52,200 (US\$1,700 thousand)	52,200 (US\$1,700 thousand)	2,695,619	4.42	61,348 (US\$1,998 thousand)	(94,932) (US\$ -3,046 thousand)	-	Investee accounted for equity the equity method

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

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

Note 3. Please refer to Table 8-4 for relevant information on mainland investee companies.

USI CORPORATION AND SUBSIDIARIES

Asia Polymer Corporation

INFORMATION ON INVESTEEES

For the Year Ended December 31, 2023

Table 7-5

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at the end of the Year			Net Income (Loss) of Investee	Recognized Investment Gain (Loss) of the Year	Remark
				End of the This Year	Ending balance of the prior year	Number of Shares	Percentage (%)	Carrying Amount			
Asia Polymer Corporation	APC (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment business	\$ 422,955 (US\$ 13,775 thousand)	\$ 422,955 (US\$ 13,775 thousand)	11,342,594	100.00	\$ 596,737	\$ 19,337	\$ 19,337	Subsidiary
	APC Investment Corporation	Taipei City	Investment business	200,000	200,000	20,000,000	100.00	141,678	(3,968)	(3,968)	Subsidiary
	USI International Corp.	British Virgin Islands	Reinvestment business	64,481 (US\$2,100 thousand)	64,481 (US\$2,100 thousand)	2,100,000	70.00	66,669	(3,852)	(2,696)	Subsidiary
	China General Plastics Corporation	Taipei City	Production and sales of plastic cloths, plastic skins, plastic tubes, plastic pellets, plastic powder and other related products	247,412	247,412	46,886,185	8.07	773,150	341,916	27,590	Investments accounted for using the equity method
	China General Terminal & Distribution Corporation	Taipei City	Petrochemical materials storage and transportation operations	41,082	41,082	25,053,469	33.33	329,972	(26,036)	(8,679)	Investments accounted for using the equity method
	Swanson Plastics Corporation	Taipei City	Production and sales of stretch films and industrial use multi-layer films	75,242	75,242	12,266,779	7.95	198,518	(77,152)	(6,133)	Investments accounted for using the equity method
	Acme Electronics Corporation	Taipei City	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	76,241	61,348	6,801,315	3.19	56,503	(171,224)	(5,468)	Investments accounted for using the equity method
	Taiwan United Venture Capital Corp.	Taipei City	Investments in high-tech undertakings	38,636	52,791	1,665,333	8.33	11,369	(149)	(12)	Investments accounted for using the equity method
	USI Optronics Corporation	Taipei City	Manufacturing and marketing of sapphire single crystal	59,725	59,725	5,972,464	9.20	4,925	(13,363)	(1,230)	Investments accounted for using the equity method
	Ever Conquest Global Ltd.	British Virgin Islands	Reinvestment business	5,234,435 (US\$170,475 thousand)	5,234,435 (US\$170,475 thousand)	170,475,000	40.87	2,541,084	(2,331,328)	(952,746)	Investments accounted for using the equity method
APC (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment business	161,045 (US\$5,245 thousand)	161,045 (US\$5,245 thousand)	8,316,450	13.63	189,269	(94,932)	-	APC (BVI) Holding Co., Ltd. Investments accounted for using the equity method
	USI International Corp.	British Virgin Islands	Reinvestment business	27,634 (US\$ 900 thousand)	27,634 (US\$ 900 thousand)	900,000	30.00	28,574	(3,852)	-	APC (BVI) Holding Co., Ltd. Investments accounted for using the equity method
APC Investment Corporation	Acme Electronics Corporation	Taipei City	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	39,523	14,889	3,116,262	1.46	25,888	(171,224)	-	APC Investment Corporation Investments accounted for using the equity method
	Swanson Technologies Corporation	Taipei City	Planting agriculture, marketing, research and development of agricultural products, production, sale, and development of EVA packaging films and other high value-added plastic products	22,500	22,500	2,250,015	15.00	(5,651)	(35,475)	-	APC Investment Corporation Investments accounted for using the equity method
Ever Conquest Global Ltd.	Ever Victory Global Limited	British Virgin Islands	Reinvestment business	12,808,437 (US\$417,145 thousand)	12,808,437 (US\$417,145 thousand)	417,145,000	67.40	6,217,923 (US\$202,505 thousand)	(3,458,807) (US\$ -111,368 thousand)	-	Ever Conquest Global Ltd. Investments accounted for using the equity method
Ever Victory Global Limited	Dynamic Ever Investments Ltd.	Hong Kong	Reinvestment business	18,080,639 (US\$588,850 thousand)	18,080,639 (US\$588,850 thousand)	588,850,000	85.00	8,242,352 (US\$268,437 thousand)	(4,128,406) (US\$ -132,920 thousand)	-	Ever Victory Global Limited Investees accounted for using the equity method

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

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

USI CORPORATION AND SUBSIDIARIES
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Year Ended December 31, 2023

Table 8

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 7)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of the beginning of the Period (Note 7)	Investment Flows for the Period (Note 7)		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period (Note 7)	Net Income (Loss) of Investee (Note 8)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Notes 6, 8 and 9)	Carrying Amount as of the End of Period (Notes 6, 7 and 8)	Accumulated Repatriation of Investment Income as of the End of Period
					Outflow	Inflow						
Acme Electronics (Kunshan) Co., Ltd.	Manufacturing and sales of manganese-zinc soft ferrite core	\$ 943,411 (US\$ 30,725 thousand)	Note 1	\$ 86,512 (US\$ 2,818 thousand)	\$ -	\$ -	\$ 86,512 (US\$ 2,818 thousand)	(\$ 104,690) (US\$ -3,362 thousand)	18.93	(\$ 21,097) (US\$ -678 thousand)	\$ 128,375 (US\$ 4,181 thousand)	\$ -
Zhangzhou USI Trading Co., Ltd.	Import and distribution of various types of chemical raw materials and products	43,352 (RMB 10,000 thousand)	Note 1	31,828 (US\$ 1,037 thousand)	-	-	31,828 (US\$ 1,037 thousand)	27,784 (US\$ 866 thousand)	70.00	19,449 (US\$ 606 thousand)	47,288 (US\$ 1,540 thousand)	-
Xiamen USI Trading Co., Ltd.	Import and distribution of various types of chemical raw materials and products	43,352 (RMB 10,000 thousand)	Note 1	-	30,518 (US\$ 974 thousand)	-	30,518 (US\$ 974 thousand)	(5) (US\$ -155)	70.00	(3) (US\$ -109)	30,343 (US\$ 988 thousand)	-
Zhangzhou Dynamic Ever Property Co., Ltd.	Property Management	91,039 (RMB 21,000 thousand)	Note 2	-	31,514 (US\$ 977 thousand)	-	31,514 (US\$ 977 thousand)	27 (US\$ 839)	33.88	9 (US\$ 284)	30,852 (US\$ 1,005 thousand)	-
USIG (Shanghai) Co., Ltd.	Import and distribution of various types of chemical raw materials and products	153,525 (US\$ 5,000 thousand)	Note 3	153,525 (US\$ 5,000 thousand)	-	-	153,525 (US\$ 5,000 thousand)	172 (US\$ 5 thousand)	-	172 (US\$ 5 thousand)	-	-
Fujian Gulei Petrochemical Co., Ltd.	Crude oil processing and petroleum products manufacturing	40,379,787 (RMB9,314,400thousand)	Note 4	7,014,549 (US\$228,450 thousand)	-	-	7,014,549 (US\$228,450 thousand)	(8,237,293) (US\$-265,208 thousand)	16.94	(1,395,345) (US\$ -44,924 thousand)	3,139,781 (US\$ 102,256 thousand)	-

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period (Notes 7 and 10)	Investment Amounts Authorized by Investment Commission, MOEA (Notes 7 and 10)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$ 7,529,263	\$ 9,808,660	\$ -(Note 5)

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

Note 2. 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 100% in Zhangzhou Dynamic Ever Property Co., Ltd.

Note 3. As a mainland company with direct 100% investment, USIG (Shanghai) Co., Ltd. resolved to liquidate on August 8, 2023, completed dissolution and liquidation procedures on December 1, 2023, and repatriated the investment funds on January 16, 2024.

Note 4. 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 5. As the Company has obtained the certificate of being qualified for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11251003100 on February 7, 2023, the upper limit on investment in mainland China is not applicable.

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

Note 7. The calculation was based on the spot exchange rate of December 31, 2023.

Note 8. Except for the Fujian Gulei Petrochemical Co., Ltd., whose numbers were based on the review of KPMG Huazhen Certified Public Accountants and used the accounting principles to adjust and recognize like the parent company, the others were based on its financial statements reviewed by the Certified Public Accountants of its ROC company.

Note 9. The amount is calculated based on the average exchange rate from January 1 to December 31, 2023.

Note 10. Accumulated outward of investment to Mainland China from Taiwan and the investment amounts authorized by the Investment Commission, MOEA at the end of the current period amounted to US\$245,213 thousand and US\$319,448 thousand.

USI CORPORATION AND SUBSIDIARIES
Acme Electronics Corporation
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Year Ended December 31, 2023

Table 8-1

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 6)	Method of Investment	Accumulated Outflow of Investment from Taiwan as of the beginning of the Year (Note 4)	Inflow or Outflow of the Investment for the year		Accumulated Outflow of Investment from Taiwan as of the end of the Year (Note 4)	Investee Gain/Loss of Period (Note 5)	Ownership of Direct or Indirect Investment (%)	Investment income recognized for the current year (Notes 3, 5 and 7)	Carrying Amount as the end of the Year (Notes 6 and 7)	Accumulated Repatriation of Investment Income as of the end of year
					Outflow	Inflow						
Acme Electronics (Kunshan) Co., Ltd.	Manufacturing and sales of manganese- zinc soft ferrite core	\$ 943,411 (US\$30,725 thousand)	Indirect investment via ACME (Cayman).	\$ 374,188 (US\$11,144 thousand)	\$ -	\$ -	\$ 374,188 (US\$11,144 thousand)	(\$ 104,690) (RMB-23,651 thousand)	60.10	(\$ 60,229) (RMB-13,609 thousand)	\$ 407,515 (RMB 94,001 thousand)	\$ -
Acme Electronics (Guang-Zhou) Co., Ltd.	Manufacturing and sales of manganese- zinc soft ferrite core	589,536 (US\$19,200 thousand)	Indirect investment via GAEL.	619,676 (US\$19,200 thousand)	-	-	619,676 (US\$19,200 thousand)	(71,856) (RMB-16,296 thousand)	100.00	(71,856) (RMB-16,296 thousand)	959,571 (RMB221,344 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
\$931,713 (US\$ 30,344 thousand) (Notes 2 and Note 6)	\$1,124,816 (US\$ 36,633 thousand) (Notes 2 and Note 6)	\$ - (Note 1)

Note 1. As ACME has obtained the certificate of qualification for operating headquarters issued by the Investment Development Bureau, MOEA No. 09704604680 on August 29, 2008, the upper limit on investment is not applicable.

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

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

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

Note 5. The amount is calculated based on the average exchange rate from January 1 to December 31, 2023.

Note 6. The calculation was based on the spot exchange rate of December 31, 2023.

Note 7. The carrying amount and the recognized investment gain (loss) for the period have been fully written off when preparing the consolidated financial statements.

USI CORPORATION AND SUBSIDIARIES
Swanson Plastics Corporation
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Year Ended December 31, 2023

Table 8-2

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outflow of Investment from Taiwan as of the beginning of the Year	Inflow or Outflow of the Investment for the year		Accumulated Outflow of Investment from Taiwan as of the end of the Year	Net Income (Loss) of Investee (Note 4)	Ownership of Direct or Indirect Investment (%)	Recognized Investment Gain (Loss) of the Year (Note 4)	Carrying Amount as of the End of Period (Note 5)	Accumulated Repatriation of Investment Income as of the end of year	Remark
					Outflow	Inflow							
Swanson Plastics (Kunshan) Co., Ltd.	Production, sales and development of multi-functional film, optical film, etc.	\$ 408,069 (US\$13,290 thousand)	Indirect investment via Swanson International Ltd. of British Cayman Islands.	\$ 223,930	\$ -	\$ -	\$ 223,930	(\$ 48,836) (US\$-1,568 thousand)	100.00	(\$ 48,836) (US\$-1,568 thousand)	\$ 862,106 (US\$28,077 thousand)	\$ 181,682 (US\$5,898 thousand)	Notes 7, 9 and 10
ASK-Swanson (Kunshan) Co., Ltd.	Production and sales of PE release film and other release products	279,416 (US\$9,100 thousand)	Indirect investment in A.S. Holdings (UK) Limited via Swanson International Ltd. of British Cayman Islands.	193,447	-	-	193,447	80,631 (US\$2,588 thousand)	100.00	80,631 (US\$2,588 thousand)	538,043 (US\$17,523 thousand)	148,194 (US\$5,042 thousand)	Notes 6, 8 and 10
Swanson Plastics (Tianjin) Co., Ltd.	Production, sales and development of multi-functional film, optical film, etc.	328,544 (US\$10,700 thousand)	Indirect investment via Swanson (Singapore) Private Ltd. in the third region.	170,754	-	-	170,754	(25,407) (US\$-815 thousand)	100.00	(25,407) (US\$-815 thousand)	26,592 (US\$866 thousand)		

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period	Investment Amounts Authorized by Investment Commission, MOEA (Note 1)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$ 588,131	\$1,006,687 (US\$ 32,786 thousand)	\$ - (Note 2)

Note 1. The paid-in capital and the investment amount approved by the Industrial Development Bureau, MOEA were calculated using the spot exchange rate on December 31, 2023.

Note 2. As SPC had obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11251024920 on May 31, 2023, the upper limit on investment is not applicable.

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

Note 4. The amount is calculated based on the average exchange rate from January 1 to December 31, 2023.

Note 5. The calculation was based on the spot exchange rate of December 31, 2023.

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

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

Note 8. Swanson International Ltd received a cash dividend of US\$2,771 thousand from its reinvestment company API-Swanson (Kunshan) Co., Ltd., for the year ended December 31, 2023, US\$2,715 of which has been remitted to Swanson Plastics Corporation.

Note 9. Swanson International Ltd received a cash dividend of US\$4,298 thousand from its reinvestment company Swanson Plastics (Kunshan) Co., Ltd for the year end of December 31, 2023, which has been remitted to Swanson Plastics Corporation.

Note 10. Calculated at the spot exchange rate at remittance.

USI CORPORATION AND SUBSIDIARIES
China General Plastics Corporation
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Year Ended December 31, 2023

Table 8-3

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outflow for Investment from Taiwan as of the Beginning of the Year (Note 1)	Inflow or Outflow of the Investment for the year		Accumulated Outflow of Investment from Taiwan as of the end of the Year	Investee Gain/Loss of Period (Note 5)	Ownership of Direct or Indirect Investment (%)	Recognized Investment Gain/Loss of the Year (Note 5)	Carrying Amount as the end of the Year (Notes 1 and 5)	Accumulated Repatriation of Investment Income as of the end of year
					Outflow	Inflow						
China General Plastics (ZhongShan) Co.,Ltd.	Manufacturing and sales of PVC film and third-time processed products	\$ 614,100 (US\$20,000 thousand)	Indirect investment via CGPC (BVI) Holding Co., Ltd.	\$ 614,100 (US\$20,000 thousand)	\$ -	\$ -	\$ 614,100 (US\$20,000 thousand)	(\$ 5,754) (US\$ -174 thousand)	100.00	(\$ 5,754) (US\$ -174 thousand)	\$ 230,558 (US\$7,509 thousand)	\$ -
CGPC Consumer Products Corporation (Note 4)	Manufacturing and sales of PVC film and third-time processed products	- (US\$ - thousand)	Indirect investment via CGPC (BVI) Holding Co., Ltd.	46,058 (US\$1,500 thousand)	-	14,562 (US\$ 467 thousand)	31,496 (US\$ 1,033 thousand)	8 (US\$ - thousand)	100.00	8 (US\$ - thousand)	- (US\$ - thousand)	-

Accumulated Outflow of Investment to Mainland China from Taiwan at the End of the Current Period (Notes 1 and 3)	Investment Amounts Authorized by Investment Commission, MOEA (Note 1)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 2)
\$ 817,214 (US\$ 26,615 thousand)	\$ 918,080 (US\$ 29,900 thousand)	\$ -

Note 1. The calculation was based on the spot exchange rate of December 31, 2023.

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

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

Note 4. CGPC Consumer Products Corporation (CGPC Consumer Products) completed the liquidation and dissolution process on July 17, 2023, and repatriated the remaining liquidation funds to CGPC(BVI), which were then remitted to Taiwan.

Note 5. Transactions were written off when Preparing the consolidated financial statements; The investment Gain (loss) recognized for the year was calculated on the basis of financial statements audited and approved by CPAs of the parent company Taiwan.

USI CORPORATION AND SUBSIDIARIES
Taita Chemical Company, Ltd.
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Year Ended December 31, 2023

Table 8-4

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

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of the beginning of the Period	Investment Flows for the Period		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period	Net Income (Loss) of Investee (Note 6)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 6)	Carrying Amount as of the End of Period (Note 6)	Accumulated Repatriation of Investment Income as of the End of Period
					Outflow	Inflow						
Taita Chemical (Zhongshan) Co., Ltd. ("TAITA (ZS)")	Production and marketing of polystyrene derivatives	\$ 1,420,106 (US\$ 46,250 thousand) (Note 1)	Reinvest in the mainland companies by establishing a company through investment in the third region	\$ 1,320,315 (US\$ 43,000 thousand)	\$ -	\$ -	\$ 1,320,315 (US\$ 43,000 thousand)	(\$ 46,739) (US\$ -1,495 thousand)	100.00	(\$ 46,739) (US\$ -1,495 thousand)	\$ 1,750,099 (US\$ 56,997 thousand)	\$ -
Taita Chemical (Tianjin) Co., Ltd. ("TAITA(TJ) (Note 8)")	Production and marketing of polystyrene derivatives	839,782 (US\$ 27,350 thousand) (Note 2)	Reinvest in the mainland companies by establishing a company through investment in the third region	798,330 (US\$ 26,000 thousand)	-	-	798,330 (US\$ 26,000 thousand)	(18,581) (US\$ -602 thousand)	100.00	(18,581) (US\$ -602 thousand)	(168,501) (US\$ 5,488 thousand)	-
Zhangzhou Taita Chemical Company, Limited (TTCZZ)	Production and marketing of polystyrene derivatives	1,491,636 (US\$ 48,580 thousand) (Note 3)	Reinvest in the mainland companies by establishing a company through investment in the third region	-	-	-	-	17,358 (US\$ 570 thousand)	100.00	17,358 (US\$ 570 thousand)	1,359,597 (US\$ 44,279 thousand)	-
Acme Electronics (Kunshan) Co., Ltd. ("ACME (KS)")	Manufacturing and marketing of manganese-zinc soft ferrite core	943,411 (US\$ 30,725 thousand)	Reinvest in a mainland company by reinvesting in the existing company in the third region, ACME Electronics(Cayman) Corp.	41,575 (US\$ 1,354 thousand)	-	-	41,575 (US\$ 1,354 thousand)	(104,690) (US\$ -3,362 thousand)	4.42	(4,624) (US\$ -148 thousand)	29,952 (US\$ 975 thousand)	-

Accumulated Outflow of Investment to Mainland China from Taiwan at the End of the Current Period	Investment Review Committee of the Ministry of Economic Affairs Authorized by the Investment Commission, MOEA	According In accordance the upper limit on investment in mainland companies
\$2,160,220 (US\$ 70,354 thousand)	\$3,863,221 (US\$ 125,817 thousand) (Note 4)	\$ - (Note 5)

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

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

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

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

Note 5. As TTC has obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11120416710 on June 8, 2022, the upper limit on investment in Mainland China is not applicable.

Note 6. The calculation is based on the financial statements of the investee company during the same period which have been audited by CPAs.

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

Note 8. TTC management has decided to suspend the production of TAITA (TJ) from April 2019, and please refer to Note 12 to the Consolidated Financial Statements Description.

USI CORPORATION AND SUBSIDIARIES
Asia Polymer Corporation
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Year Ended December 31, 2023

Table 8-5

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 4)	Method of Investment (Note 1)	Accumulated Outflow of Investment from Taiwan as of the beginning of the Year	Inflow or Outflow of the Investment for the year		Accumulated Outflow of Investment from Taiwan as of the end of the Year	Gain (Loss) of Investee for the year (Note 3)	Ownership of Direct or Indirect Investment (%)	Recognized Investment Gain (Loss) of the Year (Note 3)	Carrying Amount as of the End of the Year (Note 4)	Accumulated Repatriation of Investment Income as of the end of year
					Outflow	Inflow						
Acme Electronics (Kunshan) Co., Ltd.	Manufacturing and marketing of manganese-zinc ferritecore	\$ 943,411 (US\$ 30,725 thousand)	(2) ACME Electronics (Cayman) Corp.	\$ 128,266 (US\$ 4,177 thousand)	\$ -	\$ -	\$ 128,266 (US\$ 4,177 thousand)	B (\$ 104,690)	13.63	(\$ 15,186)	\$ 92,407	\$ -
USI Trading (Shanghai) Co., Ltd.	Sales of chemical products and equipment, etc.	76,763 (US\$ 2,500 thousand)	(2) APC (BVI) Holding Co., Ltd.	93,208 (US\$ 3,036 thousand)	-	-	93,208 (US\$ 3,036 thousand)	B 14,541	100.00	14,541	162,488	-
Fujian Gulei Petrochemical Co., Ltd.	Crude oil processing and petroleum products manufacturing	40,379,787 (RMB 9,314,400 thousand)	(2) Dynamic Ever Investments Ltd., (Note 2)	4,847,794 (US\$ 157,883 thousand)	-	-	4,847,794 (US\$ 157,883 thousand)	A (8,237,293)	11.71	(964,327)	2,183,588	-
Zhangzhou USI Trading Co., Ltd.	Sales of chemical products	43,352 (RMB 10,000 thousand)	(2) APC (BVI) Holding Co., Ltd.	13,006 (RMB 3,000 thousand)	-	-	13,006 (RMB 3,000 thousand)	A 27,784	30.00	8,335	20,266	-
Xiamen USI Trading Co., Ltd.	Sales of chemical products	43,352 (RMB 10,000 thousand)	(2) APC (BVI) Holding Co., Ltd.	-	13,006 (RMB 3,000 thousand)	-	13,006 (RMB 3,000 thousand)	A (5)	30.00	(1)	13,004	-
Zhangzhou Dynamic Ever Property Co., Ltd.	Property Management	91,039 (RMB 21,000 thousand)	(2) Dynamic Ever Investments Ltd., (Note 2)	-	21,316 (RMB 4,917 thousand)	-	21,316 (RMB 4,917 thousand)	A 27	23.41	6	21,322	-

Accumulated Outflow of Investment to Mainland China from Taiwan at the End of the Current Period	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$ 5,264,471 (Note 5)	\$ 7,011,045	\$ - (Note 6)

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

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

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

Note 3. In the investment income (loss) recognized for the period:

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

Note 4. The calculation was based on the spot exchange rate of December 31, 2023.

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

Note 6. As APC has obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11120425760 on August 23, 2022, the upper limit on investment is not applicable.

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

USI CORPORATION AND SUBSIDIARIES
INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
For the Year Ended December 31, 2023

Table 9

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

No. (Note 1)	Trading Company	Counterparty	Relationships with trader (Note 2)	Transactions Details			
				Financial Statement Account	Amount (Note 3)	Transaction Terms	Ratio to the Total Consolidated Operating Revenue or Total Asset (Note 4)
0	USI Corporation	Swanson Plastics Corporation	1	Sales revenue	\$ 55,564	No significant difference	0.11%
0	USI Corporation	Forever Young Company Limited	1	Sales revenue	141,160	No significant difference	0.27%
0	USI Corporation	Swanson Plastics (Kunshan) Co., Ltd.	1	Sales revenue	16,159	No significant difference	0.03%
0	USI Corporation	Swanson Plastics (Kunshan) Co., Ltd.	1	Accounts receivable	15,737	No significant difference	0.02%
0	USI Corporation	USI Trading (Shanghai) Co., Ltd.	1	Sales revenue	118,333	No significant difference	0.23%
0	USI Corporation	USI (Hong Kong) Company Ltd.	1	Sales revenue	130,924	No significant difference	0.25%
0	USI Corporation	Asia Polymer Corporation	1	Purchase	813,447	No significant difference	1.56%
0	USI Corporation	Swanson Plastics Corporation	1	Purchase	65,584	No significant difference	0.13%
0	USI Corporation	Dynamic Ever Investments Limited	1	Management service revenue	12,044	No significant difference	0.02%
0	USI Corporation	Asia Polymer Corporation	1	Sales revenue	201,867	No significant difference	0.39%
0	USI Corporation	USI Trading (Shanghai) Co., Ltd.	1	Accounts receivable	31,651	No significant difference	0.04%
0	USI Corporation	Asia Polymer Corporation	1	Other receivables	235,113	No significant difference	0.32%
0	USI Corporation	Taiwan VCM Corporation	1	Other receivables	216,415	No significant difference	0.29%
0	USI Corporation	USI Management Consulting Corp.	1	Management service expenses	149,998	No significant difference	0.29%
0	USI Corporation	Asia Polymer Corporation	1	Accounts payable	97,256	No significant difference	0.13%
1	USI Corporation	China General Terminal & Distribution Corporation	1	Storage tank operating expenses	57,990	No significant difference	0.11%
1	USI Corporation	Taiwan VCM Corporation	1	Accounts receivable	216,415	No significant difference	0.29%
1	Asia Polymer Corporation	China General Terminal & Distribution Corporation	3	Storage tank operating expenses	49,775	No significant difference	0.10%
1	Asia Polymer Corporation	Swanson Plastics Corporation	3	Purchase	38,161	No significant difference	0.07%
1	Asia Polymer Corporation	Swanson Plastics Corporation	3	Sales revenue	18,476	No significant difference	0.04%
1	Asia Polymer Corporation	USI (Hong Kong) Company Ltd.	3	Sales revenue	25,417	No significant difference	0.05%
2	Asia Polymer Corporation	USI Trading (Shanghai) Co., Ltd.	3	Accounts receivable	102,062	No significant difference	0.14%
2	Asia Polymer Corporation	USI Trading (Shanghai) Co., Ltd.	3	Sales revenue	336,955	No significant difference	0.64%
2	China General Plastics Corporation	Swanson Plastics Corporation	3	Purchase	47,784	No significant difference	0.09%
2	China General Plastics Corporation	USI Management Consulting Corp.	3	Management service expenses	75,826	No significant difference	0.15%
2	China General Plastics Corporation	Taiwan VCM Corporation	3	Accounts payable	646,641	No significant difference	0.87%
2	China General Plastics Corporation	Taiwan VCM Corporation	3	Purchase	4,052,178	No significant difference	7.75%
2	China General Plastics Corporation	CGPC America Corporation	3	Accounts receivable	158,345	No significant difference	0.21%
3	China General Plastics Corporation	CGPC America Corporation	3	Sales revenue	455,735	No significant difference	0.87%
3	China General Plastics Corporation	CGPC Polymer Corporation	3	Purchase	31,542	No significant difference	0.06%
3	Taita Chemical Company, Ltd.	USI Management Consulting Corp.	3	Management service expenses	73,694	No significant difference	0.14%

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(Continued)

No. (Note 1)	Trading Company	Counterparty	Relationships with trader (Note 2)	Transactions Details			
				Financial Statement Account	Amount (Note 3)	Transaction Terms	Ratio to the Total Consolidated Operating Revenue or Total Asset (Note 4)
4	Taita Chemical Company, Ltd.	China General Terminal & Distribution Corporation	3	Storage tank operating expenses	\$ 11,869	No significant difference	0.02%
4	Taita Chemical Company, Ltd.	Taita Chemical (Tianjin) Co., Ltd.	3	Other receivables	280,281	No significant difference	0.38%
4	USI Management Consulting Corp.	Taiwan VCM Corporation	3	Management service revenue	25,239	No significant difference	0.05%
4	USI Management Consulting Corp.	Asia Polymer Corporation	3	Management service revenue	54,800	No significant difference	0.10%
4	USI Management Consulting Corp.	Swanson Plastics Corporation	3	Management service revenue	34,359	No significant difference	0.07%
5	USI Management Consulting Corp.	China General Terminal & Distribution Corporation	3	Management service revenue	21,168	No significant difference	0.04%
5	USI Management Consulting Corp.	USI Corporation	2	Management service revenue	149,998	No significant difference	0.29%
5	CGPC Polymer Corporation	Taiwan VCM Corporation	3	Accounts payable	1,015,436	No significant difference	1.37%
6	CGPC Polymer Corporation	Taiwan VCM Corporation	3	Other payables	24,381	No significant difference	0.03%
6	CGPC Polymer Corporation	Taiwan VCM Corporation	3	Purchase	4,048,292	No significant difference	7.75%
7	China General Terminal & Distribution Corporation	Taiwan VCM Corporation	3	Storage tank operating expenses	104,119	No significant difference	0.20%
7	China General Terminal & Distribution Corporation	Taiwan VCM Corporation	3	Accounts receivable	24,231	No significant difference	0.03%
7	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Sales revenue	173,680	No significant difference	0.33%
7	Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Sales revenue	129,989	No significant difference	0.25%
7	Acme Electronics Corporation	ACME Ferrite Product Sdn. Bhd.	3	Sales revenue	13,872	No significant difference	0.03%
7	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Cost of goods sold	40,992	No significant difference	0.08%
7	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Royalty revenue	21,769	No significant difference	0.04%
7	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Accounts receivable	47,271	No significant difference	0.06%
7	Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Accounts receivable	22,560	No significant difference	0.03%
7	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Other receivables	29,062	No significant difference	0.04%
8	Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Notes/Accounts Payable	22,477	No significant difference	0.03%
8	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Notes/Accounts Payable	14,335	No significant difference	0.02%
8	Acme Electronics (Kunshan) Co., Ltd.	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Sales revenue	15,641	No significant difference	0.03%
8	Acme Electronics (Kunshan) Co., Ltd.	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Cost of goods sold	23,633	No significant difference	0.05%
9	Acme Electronics (Kunshan) Co., Ltd.	ACME Ferrite Product Sdn. Bhd.	3	Sales revenue	91,652	No significant difference	0.18%
9	Acme Electronics (Kunshan) Co., Ltd.	ACME Ferrite Product Sdn. Bhd.	3	Accounts receivable	16,464	No significant difference	0.02%
9	Swanson Plastics Corporation	USI Corporation	2	Sales revenue	75,355	No significant difference	0.14%
9	Swanson Plastics Corporation	USI Corporation	2	Cost of goods sold	55,564	No significant difference	0.11%
9	Swanson Plastics Corporation	Asia Polymer Corporation	3	Cost of goods sold	18,476	No significant difference	0.04%
9	Swanson Plastics Corporation	Asia Polymer Corporation	3	Sales revenue	38,161	No significant difference	0.07%
9	Swanson Plastics Corporation	China General Plastics Corporation	3	Sales revenue	47,784	No significant difference	0.09%
9	Swanson Plastics Corporation	USI Management Consulting Corp.	3	Management service expenses	34,359	No significant difference	0.07%
9	Swanson Plastics Corporation	Forever Young Company Limited	3	Sales revenue	14,135	No significant difference	0.03%
9	Swanson Plastics Corporation	Forever Young Company Limited	3	Other income	22,420	No significant difference	0.04%
9	Swanson Plastics Corporation	Swanson Plastics (India) Private Ltd.	3	Accounts receivable	10,098	No significant difference	0.01%
9	Swanson Plastics Corporation	PT. Swanson Plastics Indonesia	3	Accounts receivable	43,280	No significant difference	0.06%

(Continued)

(Continued)

No. (Note 1)	Trading Company	Counterparty	Relationships with trader (Note 2)	Transactions Details			
				Financial Statement Account	Amount (Note 3)	Transaction Terms	Ratio to the Total Consolidated Operating Revenue or Total Asset (Note 4)
9	Swanson Plastics Corporation	Swanson Plastics (Kunshan) Co., Ltd.	3	Accounts receivable	\$ 37,158	No significant difference	0.05%
9	Swanson Plastics Corporation	Swanson Plastics (Kunshan) Co., Ltd.	3	Cost of goods sold	40,247	No significant difference	0.08%
9	Swanson Plastics Corporation	Swanson Plastics (Kunshan) Co., Ltd.	3	Sales revenue	39,755	No significant difference	0.08%
9	Swanson Plastics Corporation	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Accounts receivable	18,277	No significant difference	0.02%
10	Forever Young Company Limited	Swanson Plastics (India) Private Ltd.	3	Accounts receivable	11,976	No significant difference	0.02%
10	Forever Young Company Limited	Swanson Plastics (India) Private Ltd.	3	Sales revenue	54,702	No significant difference	0.10%
10	Forever Young Company Limited	Swanson Plastics (Kunshan) Co., Ltd.	3	Sales revenue	338,837	No significant difference	0.65%
10	Forever Young Company Limited	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Cost of goods sold	43,532	No significant difference	0.08%
10	Forever Young Company Limited	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Sales revenue	259,996	No significant difference	0.50%
10	Forever Young Company Limited	PT. Swanson Plastics Indonesia	3	Sales revenue	91,305	No significant difference	0.17%
10	Forever Young Company Limited	USI Corporation	2	Cost of goods sold	141,160	No significant difference	0.27%
11	Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (India) Private Ltd.	3	Accounts receivable	10,007	No significant difference	0.01%
11	Swanson Plastics (Singapore) Pte., Ltd.	PT. Swanson Plastics Indonesia	3	Cost of goods sold	52,301	No significant difference	0.10%
11	Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Accounts payable	28,624	No significant difference	0.04%
11	Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Cost of goods sold	191,218	No significant difference	0.37%
12	Swanson Plastics (Kunshan) Co., Ltd.	ASK-Swanson (Kunshan) Co., Ltd.	3	Accounts receivable	34,641	No significant difference	0.05%
12	Swanson Plastics (Kunshan) Co., Ltd.	ASK-Swanson (Kunshan) Co., Ltd.	3	Sales revenue	163,799	No significant difference	0.31%
12	Swanson Plastics (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	3	Accounts payable	48,528	No significant difference	0.07%
12	Swanson Plastics (Kunshan) Co., Ltd.	USI Corporation	2	Cost of goods sold	16,159	No significant difference	0.03%
12	Swanson Plastics (Kunshan) Co., Ltd.	USI Corporation	2	Accounts payable	15,737	No significant difference	0.02%
13	ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	3	Other receivables	191,496	No significant difference	0.26%

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

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

Note 2. Investment types are as follows:

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

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

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

The ratio was calculated based on the ending accumulated amount of total consolidated sales revenue.

USI CORPORATION
INFORMATION ON MAJOR SHAREHOLDERS

December 31, 2023

Table 10

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

Note 1. The table discloses shareholding information of shareholders whose shareholding percentage is more than 5%. The share capital reported in the Company's consolidated financial statements and the actual number shares that have completed the dematerialized registration and delivery may be different due to the difference in the basis of calculation.

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