

USI CORPORATION AND SUBSIDIARIES

Consolidated Financial Statements and Independent Auditors' Report From January 1 to December 31, 2025 and 2024

**Address: No. 330, Fengren Rd., Renwu Dist., Kaohsiung City 814, Taiwan
TEL: (02)87516888**

Declaration of Consolidated Financial Statements of Affiliates

For the year 2025 (from January 1 to December 31, 2025), the entities required to be included in the consolidated financial statements of affiliated in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” are the same as those required to be included in the consolidated financial statements of the parent and its subsidiaries under International Financial Reporting Standards NO. 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 12, 2026

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 December 31, 2025 and 2024, and the Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows for the years ended December 31, 2025 and 2024, and Notes to the Consolidated Financial Statements (including the Summary of Significant Accounting Policies) for the period from January 1 to December 31, 2025 and 2024.

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, 2025 and 2024, and the consolidated financial performance and consolidated cash flow for the period from January 1 to December 31, 2025 and 2024.

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 from January 1 to December 31, 2025. 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 from January 1 to December 31, 2025 is as follows:

The Authenticity of Specific Sales Revenue

Due to the impact of market supply and demand and fluctuations in international crude oil prices, the Group's sales revenue declined year-on-year in 2025. However, the sales revenue from specific customers significantly diverged from the overall sales revenue trend. The amount involved is material and will have a significant impact on the sales revenue and financial performance in the consolidated financial statements. Therefore, the authenticity of this sales revenue is 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, 2025 and 2024 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 auditors' 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 auditors' 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 auditors' 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 from January 1 to December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' 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 Chun-Hung Chen and Cheng-Hsiu Chang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 12, 2026

Notice to Readers

The accompanying financial statements are intended only to present the accompanying 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 accompanying financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying 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 accompanying financial statements shall prevail.

USI CORPORATION AND SUBSIDIARIES
Consolidated Balance Sheets
December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars)

Assets	December 31, 2025		December 31, 2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 3,897,651	6	\$ 7,604,583	11
Financial assets at fair value through profit or loss (FVTPL) - current (Notes 4, 7, 34 and 35)	2,005,326	3	2,095,680	3
Financial assets at fair value through other comprehensive income (FVTOCI) - current (Notes 4 and 8)	28,380	-	28,892	-
Financial assets at amortized cost - current (Notes 4, 9 and 34)	5,445,060	9	5,029,139	7
Notes receivable, net (Notes 4, 10 and 26)	335,394	1	528,934	1
Accounts receivable, net (Notes 4, 10, 26 and 33)	4,263,092	7	5,334,780	7
Other receivables (Notes 4, 10 and 33)	334,131	-	328,499	-
Current tax assets (Notes 4 and 28)	34,383	-	49,809	-
Inventories (Notes 4 and 11)	6,142,633	10	6,937,922	10
Prepayments	904,857	1	866,660	1
Other current assets (Notes 4 and 14)	42,792	-	54,225	-
Total current assets	<u>23,433,699</u>	<u>37</u>	<u>28,859,123</u>	<u>40</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income (FVTOCI) - non-current (Notes 4 and 8)	1,896,034	3	1,995,079	3
Financial assets at amortized cost - non-current (Notes 4, 9, 34 and 35)	439,175	1	483,182	1
Investments accounted for using the equity method (Notes 4 and 13)	1,311,904	2	5,873,274	8
Property, plant and equipment (Notes 4, 14 and 34)	28,573,680	45	27,476,881	38
Right-of-use assets (Notes 4, 15 and 34)	2,679,237	4	2,696,133	4
Investment properties, net (Notes 4 and 16)	650,879	1	773,653	1
Goodwill (Notes 4 and 17)	270,211	1	270,211	-
Other intangible assets, net (Notes 4 and 17)	38,424	-	46,264	-
Deferred tax assets (Notes 4 and 28)	3,178,112	5	2,537,204	4
Net defined benefit assets - non-current (Notes 4 and 23)	69,447	-	45,117	-
Other non-current assets (Notes 12 and 34)	715,063	1	774,260	1
Total non-current assets	<u>39,822,166</u>	<u>63</u>	<u>42,971,258</u>	<u>60</u>
Total Assets	<u>\$63,255,865</u>	<u>100</u>	<u>\$71,830,381</u>	<u>100</u>
Liabilities and Equity				
CURRENT LIABILITIES				
Short-term borrowings (Notes 18 and 34)	\$ 3,590,616	6	\$ 4,837,886	7
Short-term notes payable (Note 18)	309,903	1	419,841	1
Financial liabilities at fair value through profit or loss (FVTPL) - current (Notes 4 and 7)	4,982	-	1,970	-
Account payables (Note 20)	2,203,512	4	3,224,586	4
Other payables (Note 21)	2,197,650	3	2,295,905	3
Current tax liabilities (Notes 4 and 28)	15,404	-	64,750	-
Provisions - current (Notes 4 and 22)	69,289	-	-	-
Lease liabilities - current (Notes 4 and 15)	147,855	-	146,388	-
Current portion of long-term borrowings (Notes 18, 19 and 34)	3,395,535	5	3,252,100	4
Refund liabilities - current (Note 21)	29,821	-	41,931	-
Other current liabilities (Note 26)	411,916	1	410,678	1
Total current liabilities	<u>12,376,483</u>	<u>20</u>	<u>14,696,035</u>	<u>20</u>
NON-CURRENT LIABILITIES				
Bonds payable (Note 19)	2,298,296	4	3,146,843	4
Long-term borrowings (Notes 18 and 34)	8,915,473	14	6,753,809	10
Provision for liabilities - non-current (Notes 4, 5, 22 and 35)	136,375	-	136,375	-
Deferred tax liabilities (Notes 4 and 28)	1,369,775	2	1,417,060	2
Lease liabilities - non-current (Notes 4 and 15)	2,168,961	3	2,324,578	3
Net defined benefit liabilities - non-current (Notes 4 and 23)	338,855	1	419,112	1
Other non-current liabilities (Note 24)	197,329	-	166,253	-
Total non-current liabilities	<u>15,425,064</u>	<u>24</u>	<u>14,364,030</u>	<u>20</u>
Total Liabilities	<u>27,801,547</u>	<u>44</u>	<u>29,060,065</u>	<u>40</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4, 8, 12, 23, 25 and 28)				
Share capital	11,887,635	19	11,887,635	16
Capital surplus	501,471	1	491,652	1
Retained Earnings				
Legal reserve	4,036,296	6	4,036,296	6
Special reserve	468,233	1	375,127	1
Unappropriated earnings	1,522,933	3	4,623,160	6
Total retained earnings	<u>6,027,462</u>	<u>10</u>	<u>9,034,583</u>	<u>13</u>
Other equity	(429,878)	(1)	(138,216)	-
Treasury shares	(475,606)	(1)	(475,606)	(1)
Total equity attributable to owners of the Company	<u>17,511,084</u>	<u>28</u>	<u>20,800,048</u>	<u>29</u>
NON-CONTROLLING INTERESTS	<u>17,943,234</u>	<u>28</u>	<u>21,970,268</u>	<u>31</u>
Total equity	<u>35,454,318</u>	<u>56</u>	<u>42,770,316</u>	<u>60</u>
Total Liabilities and Equity	<u>\$63,255,865</u>	<u>100</u>	<u>\$71,830,381</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
From January 1 to December 31, 2025 and 2024

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

	From January 1 to December 31, 2025		From January 1 to December 31, 2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 26 and 33)	\$ 44,167,999	100	\$ 51,008,156	100
COST OF GOODS SOLD (Notes 4, 11, 14, 15, 17, 23, 27 and 33)	<u>42,820,346</u>	<u>97</u>	<u>48,710,747</u>	<u>96</u>
GROSS PROFIT	<u>1,347,653</u>	<u>3</u>	<u>2,297,409</u>	<u>4</u>
OPERATING EXPENSES (Notes 4, 10, 14, 15, 17, 23, 27 and 33)				
Selling and marketing expenses	2,243,717	5	2,502,260	5
Administrative expenses	1,198,809	3	1,278,174	2
Research and development expenses	555,219	1	517,983	1
Expected credit impairment loss	<u>1,542</u>	<u>-</u>	<u>7,706</u>	<u>-</u>
Total operating expenses	<u>3,999,287</u>	<u>9</u>	<u>4,306,123</u>	<u>8</u>
NET LOSS FROM OPERATIONS	(<u>2,651,634</u>)	(<u>6</u>)	(<u>2,008,714</u>)	(<u>4</u>)
NON-OPERATING INCOME AND EXPENSES				
Interest income (Notes 4 and 27)	246,796	1	330,756	1
Other income (Notes 4, 18, 24, 27 and 33)	304,242	1	401,229	1
Other gains and losses (Notes 4, 16, 17, 27, 36 and 37)	(276,543)	(1)	(10,322)	-
Finance costs (Notes 4, 18, 19 and 27)	(351,242)	(1)	(307,688)	(1)
Share of loss of associates and joint ventures accounted for using the equity method (Notes 4 and 13)	<u>(4,294,137)</u>	<u>(10)</u>	<u>(3,923,315)</u>	<u>(8)</u>
Total non-operating income and expenses	<u>(4,370,884)</u>	<u>(10)</u>	<u>(3,509,340)</u>	<u>(7)</u>
NET LOSS BEFORE INCOME TAX	(7,022,518)	(16)	(5,518,054)	(11)
INCOME TAX GAIN (Notes 4 and 28)	<u>617,238</u>	<u>1</u>	<u>608,175</u>	<u>1</u>
NET LOSS FOR THE YEAR	<u>(6,405,280)</u>	<u>(15)</u>	<u>(4,909,879)</u>	<u>(10)</u>

(Continued)

(Continued)

	<u>From January 1 to December 31, 2025</u>		<u>From January 1 to December 31, 2024</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</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)	\$ 26,279	-	\$ 196,760	-
Unrealized loss on equity instruments at FVTOCI (Notes 4 and 25)	(51,942)	-	(148,672)	-
Income tax relating to items that will not be reclassified (Notes 4, 25 and 28)	(<u>4,979</u>)	<u>-</u>	(<u>45,313</u>)	<u>-</u>
	(<u>30,642</u>)	<u>-</u>	(<u>2,775</u>)	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations (Notes 4 and 25)	(524,804)	(1)	1,139,542	2
Income tax relating to items that may be reclassified subsequently to profit or loss (Notes 4, 25 and 28)	(<u>83,769</u>)	<u>-</u>	(<u>182,987</u>)	<u>-</u>
	(<u>441,035</u>)	(<u>1</u>)	(<u>956,555</u>)	(<u>2</u>)
Other comprehensive income (loss) for the year (net of income tax)	(<u>471,677</u>)	(<u>1</u>)	(<u>959,330</u>)	(<u>2</u>)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(<u>\$ 6,876,957</u>)	(<u>16</u>)	(<u>\$ 3,950,549</u>)	(<u>8</u>)
Net loss attributable to:				
Owners of the Company	(\$ 2,790,962)	(6)	(\$ 2,147,470)	(4)
Non-controlling interests	(<u>3,614,318</u>)	(<u>8</u>)	(<u>2,762,409</u>)	(<u>6</u>)
	(<u>\$ 6,405,280</u>)	(<u>14</u>)	(<u>\$ 4,909,879</u>)	(<u>10</u>)
Total comprehensive income attributable to:				
Owners of the Company	(\$ 3,061,030)	(7)	(\$ 2,053,023)	(4)
Non-controlling interests	(<u>3,815,927</u>)	(<u>9</u>)	(<u>1,897,526</u>)	(<u>4</u>)
	(<u>\$ 6,876,957</u>)	(<u>16</u>)	(<u>\$ 3,950,549</u>)	(<u>8</u>)
Loss per share (Note 29)				
From continuing operations				
Basic loss per share	(<u>\$ 2.60</u>)		(<u>\$ 2.00</u>)	
Diluted loss per share	(<u>\$ 2.60</u>)		(<u>\$ 2.00</u>)	

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

USI CORPORATION AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
From January 1 to December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars)

	Equity attributable to owners of the Company											Total equity	
	Capital surplus				Retained Earnings			Other equity					
	Share capital (Notes 4 and 25)	Treasury share transaction (Note 25)	Changes in capital surplus of associates recognized by equity method (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)	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		Non-controlling interests (Notes 8, 12 and 25)
Balance as of January 1, 2024	\$ 11,887,635	\$ 414,131	\$ 39,748	\$ 22,920	\$ 4,036,296	\$ 375,127	\$ 7,115,479	(\$ 452,386)	\$ 290,941	(\$ 475,606)	\$ 23,254,285	\$ 24,289,615	\$ 47,543,900
Appropriation of 2023 earnings													
Cash dividends to shareholders of the Company	-	-	-	-	-	-	(416,067)	-	-	-	(416,067)	-	(416,067)
Cash dividends to shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(420,285)	(420,285)
Net loss for the year ended December 31, 2024	-	-	-	-	-	-	(2,147,470)	-	-	-	(2,147,470)	(2,762,409)	(4,909,879)
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	-	-	-	70,742	418,120	(394,415)	-	94,447	864,884	959,331
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	-	-	(2,076,728)	418,120	(394,415)	-	(2,053,023)	(1,897,525)	(3,950,548)
Changes in equity of subsidiaries recognized by equity method	-	-	759	-	-	-	-	-	-	-	759	1,841	2,600
Changes in other capital surplus	-	-	-	679	-	-	-	-	-	-	679	-	679
Adjustment to capital surplus for dividends paid to subsidiaries	-	13,415	-	-	-	-	-	-	-	-	13,415	-	13,415
Disposal of equity instruments at FVTOCI	-	-	-	-	-	-	476	-	(476)	-	-	-	-
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(3,378)	(3,378)
Balance as of December 31, 2024	11,887,635	427,546	40,507	23,599	4,036,296	375,127	4,623,160	(34,266)	(103,950)	(475,606)	20,800,048	21,970,268	42,770,316
Distribution of earing in 2024													
Provision for special reserve	-	-	-	-	-	93,106	(93,106)	-	-	-	-	-	-
Cash dividends to shareholders of the Company	-	-	-	-	-	-	(237,753)	-	-	-	(237,753)	-	(237,753)
Cash dividends to shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(208,082)	(208,082)
Net loss for the year ended December 31, 2025	-	-	-	-	-	-	(2,790,962)	-	-	-	(2,790,962)	(3,614,318)	(6,405,280)
Other comprehensive income for the year ended December 31, 2025, net of income tax	-	-	-	-	-	-	5,388	(195,094)	(80,362)	-	(270,068)	(201,609)	(471,677)
Total comprehensive income for the year ended December 31, 2025	-	-	-	-	-	-	(2,785,574)	(195,094)	(80,362)	-	(3,061,030)	(3,815,927)	(6,876,957)
Changes in equity of subsidiaries recognized by equity method	-	-	830	-	-	-	-	-	-	-	830	1,771	2,601
Changes in other capital surplus	-	-	-	1,323	-	-	-	-	-	-	1,323	-	1,323
Adjustment to capital surplus for dividends paid to subsidiaries	-	7,666	-	-	-	-	-	-	-	-	7,666	-	7,666
Disposal of equity instruments at FVTOCI	-	-	-	-	-	-	16,206	-	(16,206)	-	-	-	-
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(4,796)	(4,796)
Balance as of December 31, 2025	\$ 11,887,635	\$ 435,212	\$ 41,337	\$ 24,922	\$ 4,036,296	\$ 468,233	\$ 1,522,933	(\$ 229,360)	(\$ 200,518)	(\$ 475,606)	\$ 17,511,084	\$ 17,943,234	\$ 35,454,318

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

USI CORPORATION AND SUBSIDIARIES
Consolidated Statements of Cash Flows
From January 1 to December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars)

	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss before income tax for the year	(\$ 7,022,518)	(\$ 5,518,054)
Income (expenses) items		
Depreciation expense	2,687,009	2,682,930
Amortization expense	61,622	56,340
Expected credit impairment loss	1,542	7,706
Net loss (gain) on financial assets and liabilities at FVTPL	31,351	(25,791)
Finance costs	351,242	307,688
Interest income	(246,796)	(330,756)
Dividend income	(84,523)	(153,255)
Share of loss of associates and joint ventures accounted for using the equity method	4,294,137	3,923,315
Net gain (loss) on disposal and scrapping of property, plant and equipment	(8,906)	113,263
Gain on disposal of investment properties	(47,086)	-
Gain on disposal of investments accounted for using the equity method	(6,610)	-
Gain (loss) on lease modification	(304)	162
Impairment loss on non-financial assets	31,876	4,343
Provision (reversal) of write-downs of inventories and obsolescence losses	(66,662)	157,272
Deferred revenue	(17,202)	(11,860)
Changes in operating assets and liabilities		
Decrease in financial instruments mandatorily classified at FVTPL	62,015	1,049,977
(Decrease) increase in notes receivable	193,540	(49,664)
(Decrease) increase in accounts receivable	1,070,625	(312,797)
Decrease (increase) in other receivables	10,930	(1,599)
Decrease (increase) in inventories	863,258	(180,488)
Increase in prepayments	(38,841)	(49,323)
Decrease (increase) in other current assets	11,433	(4,824)
(Decrease) increase in accounts payable	(1,021,074)	206,919
Decrease (increase) in other payables	(136,811)	100,625
Increase in provisions	69,289	-
Decrease in net defined benefit liabilities	(78,308)	(58,897)
Decrease (increase) in other current liabilities	(2,504)	170,746
Decrease (increase) in refund liabilities	(12,110)	11,227
Cash from operating activities	949,614	2,095,205
Interest received	249,499	327,727
Interest paid	(306,255)	(290,213)
Income tax paid	(26,085)	(659,051)
Net cash generated from operating activities	<u>866,773</u>	<u>1,473,668</u>

(Continued)

(Continued)

	From January 1 to December 31, 2025	From January 1 to December 31, 2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at FVTOCI	(\$ 19,992)	(\$ 2,369)
Disposal of financial assets at FVTOCI	32,990	4,046
Return of capital from Financial assets at FVTOCI	29,505	-
Acquisition of financial assets at amortized cost	(450,167)	(3,460,121)
Proceeds from disposal of investments accounted for using the equity method	73,778	-
Acquisition of property, plant and equipment	(3,688,995)	(3,712,588)
Proceeds from disposal of property, plant and equipment	28,743	82,336
Increase (decrease) in refundable deposits	(24,785)	11,378
Acquisitions of other intangible assets	(621)	(4,368)
Proceeds from disposal of right-of-use assets	1,818	-
Acquisition of investment properties	-	(665)
Proceeds from disposal of investment properties	32,404	-
(Increase) decrease in other non-current assets	(60,520)	36,144
Dividends received	84,523	153,255
Net cash used in investing activities	(3,961,319)	(6,892,952)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease) increase in short-term borrowings	(1,247,270)	1,581,529
(Decrease) increase in short-term bills payable	(110,000)	420,000
Repayment of Bonds payable	(850,000)	(2,000,000)
Proceeds from mid- to long-term borrowings	12,529,161	15,045,118
Repayment of mid- to long-term borrowings	(10,246,562)	(12,641,949)
Decrease in guarantee deposits received	(2,858)	(4,016)
Repayment of the principal portion of lease liabilities	(146,272)	(148,910)
Increase in other non-current liabilities	53,036	29,903
Cash dividends paid	(237,753)	(416,067)
Payment of cash dividends to non-controlling shareholders	(208,082)	(420,285)
Change in non-controlling interests	(4,796)	(3,378)
Net cash (outflow) inflow from financing activities	(471,396)	1,441,945
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES		
	(140,990)	522,376
Decrease in cash and cash equivalents for the year	(3,706,932)	(3,454,963)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	7,604,583	11,059,546
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	\$ 3,897,651	\$ 7,604,583

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

USI CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
From January 1 to December 31, 2025 and 2024
(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 12, 2026.

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).

Amendments to IAS 21 "Lack of Exchangeability"

The application of the Amendments to IAS 21 "Lack of Exchangeability" would not have any material impact on the consolidated company's accounting policies.

- b. FSC-approved IFRSs applicable in 2026

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Issued by IASB</u>
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Involving Dependence on Natural Power"	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 "Insurance Contracts" (including the 2020 and 2021 amendments)	January 1, 2023

As of the date the consolidated financial statements were authorized for issue, the Group assessed that the amendments to the aforementioned standards and interpretations would not have a material impact on the financial position and financial performance.

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

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture"	To be determined by IASB
IFRS 18 - "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note 2)
IFRS 19 - "Subsidiaries without Public Accountability: Disclosures" (including the 2025 amendments)	January 1, 2027
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2027

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

Note 2: On September 25, 2025, the FSC announced that companies in our country should apply IFRS 18 starting January 1, 2028, and may choose to apply it earlier once IFRS 18 is endorsed by the FSC.

IFRS 18 - "Presentation and Disclosure in Financial Statements" and the associated amendments

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

- The Group shall assess whether it engages in specific principal activities that involve investing in certain types of assets and providing financing to customers, and on that basis, classify the income and expense items in the statement of profit or loss into the following categories: operating, investing, financing, income taxes, and discontinued operations.
- The statement of profit or loss shall present subtotals and totals for: operating profit or loss, profit or loss before financing, and income taxes and profit or loss.
- Provides guidelines for enhanced aggregation and disaggregation: The Group shall identify assets, liabilities, equity, income, expenses, and cash flows given rise by individual transactions or events, and classify and aggregate them based on shared characteristics, so that single-line items presented on the main financial statements have at least one shared characteristic. Items of different characteristics shall be disaggregated in main financial statements and notes. The Group will label an item as "Other" only if it is unable to find a more informative name.

- Introduction of disclosure for management-defined performance measure: When publishing financial statements or communicating with financial statement users about the management's perspective on a certain aspect of the Group's overall financial performance, the Group shall disclose, in a single note, information relating to management-defined performance measures (MPMs), including a description of MPM, the method of calculation, and a reconciliation with the subtotal or total required by IFRS Accounting Standards, including the income tax effect and the effect on non-controlling interests for each item disclosed in the reconciliation.

In addition, the following associated amendments were made to IAS 7 "Cash Flow Statements":

- When a consolidated company prepares cash flows from operating activities using the indirect method, it should use operating profit or loss as the starting point for adjustments.
- Interest received and dividends received by the Group should be classified as investing activities, while interest paid and dividends paid should be classified as financing activities. If the Group assesses that it engages in specific principal activities, it must consider the type of Dividend income, Interest income, and Interest expense reported in the statement of profit or loss to determine the classification of dividends received, interest received, and interest paid in the cash flow statement. However, each of the above cash flows can only be classified under a single activity in the cash flow statement.

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS Accounting Standard that has been issued by IASB but not yet endorsed 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 that are due to be settled within 12 months after the balance sheet date (even if a long-term refinancing or payment rescheduling agreement is completed after the balance sheet date and before the approval of financial statements, it still constitutes current liabilities); and
- 3) Liabilities for which the Company does not have a substantive right to defer settlement for at least 12 months after the balance sheet date.

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

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. Adjustments have been made to the financial statements of subsidiaries to bring their accounting policies in line with those of the Group. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. The total comprehensive income of subsidiaries is attributed to the owners of the Company and the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

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

Please refer to Note 12, Tables 6 and 7 for detailed information on subsidiaries, percentages of ownership and main businesses.

e. Business combination

Business combination is accounted for using the acquisition method. The costs directly attributable to the acquisition are expensed as incurred when the costs are incurred and services are received.

Goodwill is measured as the excess of the aggregate of the Fair Value of the consideration transferred and the Fair Value of the acquirer's previously held equity interests in the acquiree at the acquisition date over the net amount of the 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 include raw materials, supplies, finished goods, and work in process. Inventories are measured at the lower of cost and net realizable value. In comparing cost and net realizable value, the comparison is made on an item-by-item basis, except for inventories that are of the same category. Net realizable value refers to the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories is determined using the moving average method.

h. Investments in associates and joint ventures

Associates refer to a company over which the Group has significant influence, but which is neither a Subsidiary nor a Joint venture. A joint venture refers to a joint arrangement where the Group and another company have joint control and rights to the net assets.

Investments in joint venture are accounted for using the equity method. Under the equity method, the initial recognition of investments in associates and joint ventures is at cost. The carrying amount is subsequently adjusted by the Group's share of the profit or loss and other comprehensive income of associates and joint ventures, as well as profit distribution. In addition, changes in the equity attributable to the Group from associates and joint ventures are recognized based on the proportion of the Group's ownership.

When associates and joint ventures issue new shares, if the Group does not subscribe in proportion to its ownership percentage, resulting in a change in the ownership percentage and thus a change in the investment's share of equity, the increase or decrease is adjusted in the capital surplus - adjustments to share of changes in equities of associates and joint ventures accounted for using the equity method and investments accounted for using the equity method. However, if the ownership equity in associates and joint ventures is reduced due to not subscribing or acquiring in proportion to the ownership percentage, amounts recognized in other comprehensive income related to those associates and joint ventures will be reclassified according to the reduction percentage. This accounting treatment is based on the same principles as if the associates and joint ventures had directly disposed of the related assets or liabilities. If the adjustments mentioned above result in a debit to capital surplus and the balance of capital surplus generated from investments accounted for using the equity method is insufficient, the difference is debited to retained earnings.

When the Group's share of the loss of associates and joint ventures equals or exceeds its interest in the associates and joint ventures (including the carrying amount of investments in associates and joint ventures accounted for using the equity method and other long-term interests that form part of the Group's net investment in the associates and joint ventures in substance), recognition of further losses is discontinued. The Group recognizes additional losses and liabilities only to the extent of a legal obligation, constructive obligation, or payments made on behalf of associates and joint ventures.

When assessing impairment, the Group treats the total carrying amount of the investment (including goodwill) as a single asset, comparing the recoverable amount to the carrying amount for impairment testing. The recognized impairment loss is not allocated to any asset that forms part of the carrying amount of the investment, including goodwill. Any reversal of an impairment loss is recognized to the extent of the subsequent increase in the recoverable amount of the investment.

The Group discontinues the application of the equity method from the date its investments cease to be associates and joint ventures. The retained interest in the former associates and joint ventures is measured at fair value. The difference between this fair value and the proceeds from disposal and the carrying amount of the investment at the date the equity method is discontinued is recognized in profit or loss for the current period. In addition, all amounts recognized in other comprehensive income related to that associate and joint ventures are accounted for on the same basis as would be required if the associates and joint ventures had directly disposed of the related assets or liabilities.

Gains and losses resulting from upstream, downstream, and side stream transactions between the Group and associates and joint ventures are recognized in the consolidated financial statements only to the extent that they are unrelated to the Group's equity in the associates and joint ventures.

i. Property, plant and equipment

Property, plant and equipment are recognized at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Property, plant and equipment under construction is recognized at cost less accumulated impairment losses. The cost includes professional service fees and borrowing costs eligible for capitalization. When these assets are completed and reach the expected state of use, they are classified into the appropriate category of property, plant and equipment and begin to be depreciated.

Except for not depreciating Freehold Land, the remaining Property, plant and equipment are depreciated on a straight-line basis over their useful lives, with each significant part depreciated individually. The Group reviews the estimated useful lives, residual values, and depreciation methods at least at the end of each year and defers the effect of changes in accounting estimates.

When property, plant and equipment are derecognized, the difference between the net proceeds from disposal and the asset carrying amount is recognized in profit or loss.

j. Investment properties

Investment properties are real estate held for the purpose of earning rental income, capital appreciation, or both (including right-of-use assets that meet the definition of investment properties).

Self-owned investment properties are initially measured at cost (including transaction costs) and subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Investment properties acquired through leases are initially measured at cost (including the initial measurement amount of lease liabilities and lease payments made before the lease commencement date), and subsequently measured at cost less accumulated depreciation and accumulated impairment losses, adjusted for remeasurements of lease liabilities.

All investment properties are depreciated on a straight-line basis.

Investment properties are reclassified into property, plant and equipment and right-of-use assets at the carrying amount on the date they begin to be used for self-use.

Real estate within property, plant and equipment is reclassified as investment properties at the carrying amount when they cease to be used by the company.

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

k. Goodwill

Goodwill acquired in a business combination is recognized at the cost of goodwill at the acquisition date and is subsequently measured at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each cash-generating unit or group of cash-generating units (collectively referred to as "cash-generating units") of the Group that are expected to benefit from the synergy of the combination.

Cash-generating units to which goodwill has been allocated are tested for impairment annually (and whenever there is an indication that the unit may be impaired) by comparing the carrying amount of the unit, including goodwill, to its recoverable amount. If the goodwill allocated to a cash-generating unit is acquired in a business combination during the year, the unit should be tested for impairment before the end of that year. If the recoverable amount of a cash-generating unit to which goodwill has been allocated is less than its carrying amount, the impairment loss is first allocated to reduce the carrying amount of the goodwill allocated to that cash-generating unit and then to the other assets within the unit on a pro-rata basis according to their carrying amounts. Any impairment is directly recognized as an expense in the current period. Goodwill impairment losses shall not be reversed in subsequent periods.

When disposing of an operation within a cash-generating unit to which goodwill has been allocated, the amount of goodwill associated with the operation is included in the carrying amount of the operation to determine the gain on disposal.

1. Intangible assets

1) Separate acquisitions

Intangible assets with finite useful lives acquired individually are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment losses. Intangible assets are amortized on a straight-line basis over their useful lives. The Group reviews the estimated useful lives, residual values, and amortization methods at least at the end of each year and defers the effect of changes in accounting estimates. Indefinite useful life Intangible assets are reported at cost less accumulated impairment losses.

2) Acquisitions of a business combination

Intangible assets acquired in a business combination are recognized at the Fair Value at the acquisition date and separately from Goodwill. Subsequent measurement follows the same approach as for Acquisitions of Intangible assets .

3) Derecognition

When intangible assets are derecognized, the difference between the net proceeds from disposal and the asset carrying amount is recognized in profit or loss for the current period.

m. Impairment of Property, plant and equipment, Right-of-use assets, Investment properties, and Intangible assets (excluding Goodwill)

The Group assesses at each balance sheet date whether there is any indication that Property, plant and equipment, Right-of-use assets, Investment properties, and Intangible assets (excluding Goodwill) may be impaired. If any indication of impairment exists, the recoverable amount of the asset is estimated. If 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. Common assets are allocated to the smallest group of cash-generating units on a reasonable and consistent basis.

For intangible assets with indefinite useful lives and those not yet available for use, impairment tests are conducted at least annually and whenever there is an indication of impairment.

The recoverable amount is the higher of its fair value less costs of disposal and its value in use. When the recoverable amount of an individual asset or cash-generating unit is less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, and the impairment loss is 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 its revised recoverable amount. However, the increased carrying amount shall not exceed the carrying amount that would have been determined had no impairment loss been recognized in prior years, after deducting any amortization or depreciation. The reversal of impairment loss is recognized in profit or loss.

n. Financial instruments

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

At initial recognition, financial assets and financial liabilities are measured at fair value. For those not measured at FVTPL, transaction costs that are directly attributable to the acquisition or issuance of the financial assets or financial liabilities are added. Transaction costs directly attributable to the acquisition or issuance of financial assets or financial liabilities measured at FVTPL are recognized immediately in profit or loss.

1) Financial assets

Regular-way purchases and sales of financial assets are recognized and derecognized using trade date accounting.

(1) Measurement categories

The types of financial assets held by the consolidated company are financial assets at FVTPL, financial assets at amortized cost, and investments in equity instruments at FVTOCI.

A. Financial assets measured at FVTPL

Financial assets at FVTPL are those mandatorily measured at FVTPL. Financial assets mandatorily measured at FVTPL include investments in equity instruments not designated at FVTOCI, and derivatives and mutual funds that do not qualify for classification as measured at amortized cost or at FVTOCI.

Financial assets at FVTPL are measured at fair value. Dividends and interest income are recognized in other income and interest income, respectively, and gains or losses arising from remeasurement are recognized in other gains and losses. For the determination of Fair Value, please refer to Note 32.

B. Financial assets measured at cost after amortization

If the investments in financial assets of the consolidated company meet the following two conditions simultaneously, they are classified as financial assets at amortized cost:

- a) Held under a business model whose objective is to hold financial assets to collect contractual cash flows; and
- b) The contractual terms generate cash flows on specific dates, which are solely the payment of principal and interest on the outstanding principal amount.

Financial assets at amortized cost (including cash and cash equivalents, notes receivable at amortized cost, accounts receivable, other receivables, pledged time deposits, and refundable deposits) are measured at amortized cost after initial recognition, which is the gross carrying amount determined using the effective interest method minus any impairment losses. Any foreign exchange gains (losses) are recognized in profit or loss.

Except in the following two circumstances, interest income is calculated by applying the effective interest rate to the gross carrying amount of the financial assets:

- a) For purchased or originated credit-impaired financial assets, interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of the financial assets.
- b) For financial assets that were not purchased or originated credit-impaired but subsequently become credit-impaired, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset from the next reporting period following the credit impairment.

Credit-impaired financial assets refer to those for which the issuer or debtor has experienced significant financial difficulty, is in default, is highly likely to enter bankruptcy or other financial reorganization, or for which an active market has disappeared due to financial difficulties.

Cash equivalents include highly liquid time deposits and reserve repurchase agreements collateralized by bonds that are readily convertible to fixed amounts of cash and are subject to an insignificant risk of changes in value, and are held to meet short-term cash commitments.

C. Investments in equity instruments at FVTOCI

At initial recognition, the consolidated company may make an irrevocable election to designate investments in equity instruments, which are not held for trading nor contingent consideration recognized by a business combination acquisition, to be measured at FVTOCI.

Investments in equity instruments designated at FVTOCI are measured at fair value, with subsequent changes in fair value recognized in other comprehensive income and accumulated in other equity. Upon the disposal of the investment, the cumulative gains and losses are directly transferred to retained earnings and are not reclassified to profit or loss.

Dividends from investments in equity instruments at FVTOCI are recognized in profit or loss when the right to receive payment is established, unless the dividend clearly represents a recovery of part of the investment cost.

(2) Impairment of financial Assets

On each balance sheet date, the Group assesses impairment for financial assets at amortized cost (including accounts receivable) based on expected credit losses.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses (ECLs). Other financial assets are assessed to determine whether there has been a significant increase in credit risk since initial recognition. If not, a loss allowance is recognized at an amount equal to 12-month expected credit losses. If so, a loss allowance is recognized at an amount equal to lifetime expected credit losses.

Expected credit loss is the weighted average credit loss with the risk of default as the weight. 12 months expected credit loss represents the expected credit loss resulting from possible default events on a financial instrument within 12 months after the reporting date, while lifetime expected credit loss represents the expected credit loss from all possible default events over the expected life of the financial instrument.

For internal credit risk management purposes, the Group considers that the following conditions indicate that a financial asset is in default, without taking into account any collateral held:

- A. There is internal or external information indicating that the debtor is unable to repay the debt.

- B. Overdue beyond a certain number of days, unless reasonable and verifiable information indicates that a later default criterion is more appropriate.

The impairment losses of all financial assets are reflected by reducing their carrying amount through an allowance account.

- (3) Derecognition of financial assets

The Group derecognizes financial assets only when the contractual rights to the cash flows from the financial assets expire, or when the financial assets have been transferred and almost all the risks and rewards of ownership of the assets have been transferred to another entity.

When financial assets at amortized cost are entirely derecognized, the difference between their carrying amount and the consideration received is recognized in profit or loss. Upon the disposal of investments in equity instruments at FVTOCI, the cumulative gains and losses are directly transferred to retained earnings and are not reclassified to profit or loss.

- 2) Equity instruments

Debt and equity instruments issued by the Group are classified as financial liabilities or equity based on the substance of the contractual agreement and the definitions of financial liabilities and equity instruments.

The equity instruments issued by the merged company are recognized at the amount of the consideration received less the direct issuance cost.

The reacquisition of the Company's own equity instruments is recognized and deducted under equity. The purchase, sale, issue, or cancellation of the Company's own equity instruments is not recognized in profit or loss.

- 3) Financial liabilities

- (1) Subsequent measurement

Except for Financial liabilities at FVTPL, all Financial liabilities are measured at amortized cost using the effective interest method.

Financial liabilities at FVTPL are Financial liabilities held for trading and are measured at fair value; related gains or losses are recognized in other gains and losses. For the determination of Fair Value, please refer to Note 32.

- (2) Derecognition of financial liabilities

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

4) Derivatives

The derivatives contracted by the Group are forward exchange contracts used to manage the Group's currency risk.

Derivatives are initially recognized at Fair Value upon entering into derivative contracts and subsequently remeasured at Fair Value at balance sheet dates. Gains or losses from subsequent measurement are directly recognized in profit or loss. When the Fair Value of a derivative is positive, it is classified as a Financial Asset; when the Fair Value is negative, it is classified as a Financial Liability.

o. Provisions

The amount recognized as provisions for liabilities considers the risks and uncertainties of the obligation and represents the best estimate of the expenditure required to settle the obligation on the balance sheet date. Provisions for liabilities are measured at the present value of the estimated cash flow required to settle the obligation.

Provisions for carbon fee liabilities

According to the relevant regulations, such as the carbon fee charging method in Taiwan, the provisions for carbon fee liabilities are based on the best estimate of the expenditure required to settle the obligation in the year of discharge.

p. Recognition of revenue

After the Group identifies the performance obligations in the customer contracts, it allocates the transaction price to each performance obligation and recognizes revenue when each performance obligation is satisfied. Refund Liabilities are recognized based on a reasonable estimate of future return amounts according to past experiences and other relevant factors.

1) Net revenue from sale of goods

Product sales revenue of the Group mainly comes from selling polyethylene plastic and other related products. At the time of shipment or when the products reach the customer's specified location, customers have established pricing and usage rights for the goods, bear primary responsibility for resale, and assume the risk of obsolescence. The Group recognizes revenue and accounts receivable at this point. Payments received in advance for product sales are recognized as contract liabilities.

During subcontracting, control of the ownership of the processed products is not transferred; therefore, revenue is not recognized at the time of dispatch.

2) Service revenue

Service revenue is derived from commissioned operations for the warehousing and transportation of various petrochemical raw materials, with the related service revenue recognized when the services are rendered.

q. Leases

On the inception date of the contract, the Group assesses whether the contract is or contains a lease.

1) The Group as lessor

When the terms of a lease transfer substantially all the risks and rewards incidental to ownership of the assets to the lessee, it is classified as a finance lease. All other leases are classified as operating leases.

When the Group subleases right-of-use assets, the classification of the sublease is determined based on the right-of-use assets, rather than the underlying assets. However, if the head lease is a short-term lease for which the Group applies the recognition exemption, the sublease is classified as an operating lease.

Under operating leases, lease payments are recognized as income on a straight-line basis over the relevant lease term.

Variable lease payments not dependent on a rate in the lease arrangements are recognized as income in the period in which they occur.

2) For details of lease information, please refer to the following table (the Group as lessee):

Except for lease payments of low-value asset leases and short-term leases to which the recognition exemptions apply, which are recognized as expenses on a straight-line basis over the lease term, other leases recognize right-of-use assets and lease liabilities at the commencement date.

Right-of-use assets are initially measured at cost (including the initial measurement amount of lease liabilities and lease payments made before the commencement date of the lease) and subsequently measured at cost less accumulated depreciation, with adjustments for the remeasurement of lease liabilities. Except for those that meet the definition of investment properties, right-of-use assets are presented separately on the consolidated balance sheets. For the recognition and measurement of right-of-use assets that meet the definition of investment properties, please refer to the aforementioned investment properties accounting policy (j).

Depreciation of right-of-use assets is provided on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life or the end of the lease term.

Lease liabilities are initially measured at the present value of lease payments, including fixed payments, in substance fixed payments, and variable lease payments based on an index or rate. If the lease implied interest rate is easy to determine, the lease payment is discounted according to the said implied interest rate. If the rate is not readily determinable, the lessee's incremental borrowing rate is used.

Subsequently, lease liabilities are measured on an amortized cost basis using the effective interest method, and interest expenses are apportioned over the lease term. If the lease term or the rate used to determine the lease payments changes, resulting in changes in future lease payments, the Group remeasures the lease liabilities and makes a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets has already been reduced to zero, the remaining remeasurement amount is recognized in profit or loss. Lease liabilities are presented separately on the consolidated balance sheets.

Variable lease payments not dependent on a rate in the lease arrangements are recognized as expenses in the period in which they occur.

r. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets are capitalized as part of the cost of those assets until all activities necessary to prepare the asset for its intended use or sale are substantially complete. Except for the above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

s. Government grants

Government grants are recognized only when there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants related to income are recognized in profit or loss on a systematic basis over the periods in which the related costs, intended to be compensated, are expensed by the Group. Government grants conditional on the Group purchasing, constructing, or otherwise acquiring non-current assets are recognized as Deferred revenue and systematically transferred to profit or loss over the useful lives of the related assets on a reasonable and systematic basis.

If Government grants are intended to compensate for expenses or losses already incurred, or to provide the Group with immediate financial support with no future related costs, they are recognized in profit or loss in the period in which they become receivable.

The difference between the loan amount received by the Group at below-market interest rates and the fair value of the loan calculated at the market interest rate at that time is recognized as a Government grants.

t. Employee benefits

1) Short-term employee benefits

Liabilities related to Short-term employee benefits are measured at the undiscounted amount expected to be paid in exchange for employee services.

2) Retirement benefits

The pension for defined contribution plans is recognized as an expense during the employees' service period to allocate the pension amount that should be contributed.

The defined benefit cost of defined benefit retirement plans (including service cost, net interest, and remeasurement) is actuarially calculated using the projected unit credit method. Service cost and the net interest on net defined benefit liabilities (assets) are recognized as employee benefit expenses when incurred. Remeasurement amounts (including actuarial gains and losses and the return on plan assets, excluding interest) are recognized in Other Comprehensive Income when incurred and included in Retained Earnings, and are not reclassified to profit or loss in subsequent periods.

The net defined benefit liability represents the deficit in a defined benefit plan.

u. Share-based payment arrangements

For the equity-settled Share-based payment arrangements granted to employees by the combined company, they are measured at the Fair Value of the Equity instruments at the grant date.

Employee stock options are recognized as expenses on a straight-line basis over the vesting period at the Fair Value of the Equity instruments at the grant date and the best estimate of expected vesting, with simultaneous adjustments to Non-controlling Interests. If they vest immediately at the grant date, the expense is fully recognized at the grant date.

On each balance sheet date, the Group revises its estimate of the number of employee stock options expected to vest. If there is a revision to the originally estimated quantity, the impact is recognized in profit or loss, so that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to Non-controlling Interests.

v. Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current income tax

The Group determines current income (loss) based on the regulations set by the jurisdictions in which each income tax return is filed, which serves as the basis for calculating income tax payable (recoverable).

The additional tax on unappropriated earnings calculated in accordance with the Income Tax Act of the Republic of China is recognized in the year of the shareholders' meeting resolution.

Adjustments of income tax payable for prior years are included in the current tax.

2) Deferred income tax

Deferred tax is calculated based on the temporary differences arising from the carrying amount of assets and liabilities and their tax bases used to compute taxable income.

Deferred income tax liabilities are generally recognized for all taxable temporary differences, while deferred income tax assets are recognized when it is probable that there will be taxable income available against which the deductible temporary differences and loss carryforwards can be utilized.

Taxable temporary differences related to investments in subsidiaries and associates are recognized as deferred income tax liabilities, except when the group is able to control the timing of the reversal of the temporary differences and it is probable that these temporary differences will not reverse in the foreseeable future. Deductible temporary differences related to such investments are recognized as deferred income tax assets only to the extent that it is probable that there will be sufficient taxable income to realize the temporary differences and that they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the assets to be recovered. Deferred tax assets that were not originally recognized are also reviewed at each balance sheet date, and the carrying amount is increased if it becomes probable that future taxable income will be available to recover all or part of the assets.

Deferred tax assets and liabilities are measured at the tax rates expected to apply in the period in which the liability is settled or the asset realized, based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The measurement of Deferred income tax liabilities and assets reflects the tax consequences that arise from the manner in which the Group expects to recover or settle the carrying amount of its assets and liabilities at the balance sheet date.

3) Current and deferred income tax

Current and deferred income tax are recognized in profit or loss, except for those related to amounts recognized in Other Comprehensive Income, which are 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.

Estimated compensation for damages from the gas explosion incident of the subsidiary.

The subsidiary, China General Terminal & Distribution Corporation (CGTD), has recognized a provision for liability due to civil compensation resulting from the gas explosion incident. The management made this estimation based on the progress of related civil and criminal lawsuits and settlements, as well as legal counsel opinions. However, the actual results may differ from current estimates.

6. CASH AND CASH EQUIVALENTS

	December 31, 2025	December 31, 2024
Cash on hand and petty cash	\$ 2,788	\$ 3,125
Checking accounts and demand deposits	2,428,914	2,526,920
Cash equivalents		
Time deposits	1,154,622	1,884,988
Reserve repurchase agreements collateralized by bonds	311,327	3,189,550
	<u>\$ 3,897,651</u>	<u>\$ 7,604,583</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:

	December 31, 2025	December 31, 2024
Time deposits	1.25%~4.25%	1.00%~6.80%
Reserve repurchase agreements collateralized by bonds	1.68%~3.85%	1.42%~4.40%

7. FINANCIAL INSTRUMENTS AT FVTPL - CURRENT

	<u>December 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
<u>Financial assets mandatorily measured at FVTPL.</u>		
Derivative financial assets (not under hedge accounting)		
- Foreign exchange forward contracts	\$ 1,623	\$ 4,485
Non-derivative financial assets		
- Domestic publicly traded shares	396,560	317,000
- Foreign listed shares	64,139	56,262
- Mutual funds	1,312,114	1,471,811
- Beneficiary securities	230,890	246,122
Subtotal	<u>2,003,703</u>	<u>2,091,195</u>
	<u>\$ 2,005,326</u>	<u>\$ 2,095,680</u>
<u>Financial liabilities held for trading</u>		
Derivative financial assets (not under hedge accounting)		
- Foreign exchange forward contracts	\$ 4,982	\$ 1,970

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</u>	<u>Contract Amount (In Thousands)</u>	
<u>December 31, 2025</u>				
Sell	USD/MYR	2026.01.09-2026.01.16	USD 400	/MYR 1,720
Sell	USD/NTD	2026.01.06-2026.03.30	USD 10,940	/NTD 338,127
Buy	NTD/USD	2026.01.06	NTD 25,561	/USD 840
<u>December 31, 2024</u>				
Sell	USD/MYR	2025.01.16-2025.06.23	USD 2,600	/MYR 11,208
Sell	USD/NTD	2025.01.02-2025.01.06	USD 1,210	/NTD 38,941
Buy	NTD/USD	2025.01.03-2025.01.14	NTD 161,290	/USD 5,040
Buy	JPY/USD	2025.01.23-2025.02.21	JPY 90,000	/USD 598

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

8. FINANCIAL ASSETS AT FVOCI

	<u>December 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
<u>Current</u>		
Investments in equity instruments		
Domestic investments		
Publicly traded shares	\$ 28,380	\$ 28,892
<u>Non-current</u>		
Investments in equity instruments		
Domestic investments		
Publicly traded shares	\$ 1,369,066	\$ 1,448,645
Unlisted shares	307,132	314,434
	<u>1,676,198</u>	<u>1,763,079</u>
Foreign investments		
Listed shares	8,053	9,563
Unlisted shares	211,783	222,437
	<u>219,836</u>	<u>232,000</u>
	<u>\$ 1,896,034</u>	<u>\$ 1,995,079</u>

The Group had invested in domestic and foreign publicly traded and emerging stocks and unlisted shares for medium- to long-term strategic purposes, and expected to profit from long-term investment. 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.

In the years 2025 and 2024, the consolidated company sold financial assets measured at FVTOCI - investments in equity instruments, and the related other equity - unrealized gains on financial assets at FVTOCI of NT\$16,206 thousand and NT\$476 thousand were transferred to retained earnings, respectively.

From January 1 to December 31, 2025, the Group received a capital refund of NT\$29,505 thousand according to its ownership percentage due to the investee company's capital reduction.

From January 1 to December 31, 2025 and 2024, the Group recognized NT\$44,424 thousand and NT\$92,424 thousand of dividend income, respectively.

9. FINANCIAL ASSETS MEASURED AT COST AFTER AMORTIZATION

	December 31, 2025	December 31, 2024
<u>Current</u>		
Pledged time deposits	\$ 365,054	\$ 372,384
Constricted time deposits	17,276	21,083
Bank fixed-term deposits with a maturity over 3 months	4,616,667	3,944,542
Reserve repurchase agreements collateralized by bonds with a maturity over 3 months	446,063	691,130
	<u>\$ 5,445,060</u>	<u>\$ 5,029,139</u>
<u>Non-current</u>		
Pledged time deposits	\$ 343,035	\$ 339,517
Bank fixed-term deposits with a maturity over 12 months	96,140	143,665
	<u>\$ 439,175</u>	<u>\$ 483,182</u>
Interest rate range		
Pledged time deposits	0.66%~2.35%	0.66%~2.60%
Constricted time deposits	0.71%~4.00%	5.28%
Bank fixed-term deposits with a maturity over 3 months	1.00%~6.80%	1.38%~5.75%
Reserve repurchase agreements collateralized by bonds with a maturity over 3 months	1.69%~1.72%	1.80%~1.94%
Bank fixed-term deposits with a maturity over 12 months	2.50%~3.05%	2.15%~3.05%

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

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

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

10. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	December 31, 2025	December 31, 2024
<u>Notes receivable (a)</u>		
Amortized cost		
Total book value	\$ 335,394	\$ 528,934
 <u>Accounts receivable (a)</u>		
Amortized cost		
Gross carrying amount	\$ 4,301,116	\$ 5,373,771
Less: loss allowance	(38,024)	(38,991)
	\$ 4,263,092	\$ 5,334,780
 <u>Other receivables (b)</u>		
Tax refund receivable	\$ 202,300	\$ 238,573
Interests receivable	50,427	53,130
Others	81,404	36,796
	\$ 334,131	\$ 328,499

a. Notes and accounts receivable

The average credit period of sales of goods was 10 to 180 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, 2025

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	\$ 2,113,212	\$ 65,186	\$ 6,948	\$ 2,185,346
Loss allowance (Lifetime ECLs)	(7,092)	(811)	(2,735)	(10,638)
Amortized cost	<u>\$ 2,106,120</u>	<u>\$ 64,375</u>	<u>\$ 4,213</u>	<u>\$ 2,174,708</u>

Based on credit quality

	<u>Credit Rating A</u>	<u>Credit Rating B</u>	<u>Credit Rating C</u>	<u>Others</u>	<u>Total</u>
Gross carrying amount	\$ 158,454	\$ 734,612	\$ 234,657	\$ 1,323,441	\$ 2,451,164
Loss allowance (Lifetime ECLs)	-	(2,104)	(3,153)	(22,129)	(27,386)
Amortized cost	<u>\$ 158,454</u>	<u>\$ 732,508</u>	<u>\$ 231,504</u>	<u>\$ 1,301,312</u>	<u>\$ 2,423,778</u>

December 31, 2024

Based on the number of days past due

	<u>Up to 60 Days</u>	<u>61~90 Days</u>	<u>Over 91 Days</u>	<u>Total</u>
Gross carrying amount	\$ 2,459,029	\$ 94,023	\$ 5,903	\$ 2,558,955
Loss allowance (Lifetime ECLs)	(6,455)	(679)	(5,476)	(12,610)
Amortized cost	<u>\$ 2,452,574</u>	<u>\$ 93,344</u>	<u>\$ 427</u>	<u>\$ 2,546,345</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	\$ 173,629	\$ 1,005,179	\$ 238,280	\$ 1,926,662	\$ 3,343,750
Loss allowance (Lifetime ECLs)	-	(2,217)	(2,865)	(21,299)	(26,381)
Amortized cost	<u>\$ 173,629</u>	<u>\$ 1,002,962</u>	<u>\$ 235,415</u>	<u>\$ 1,905,363</u>	<u>\$ 3,317,369</u>

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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Not past due	\$ 2,178,558	\$ 3,171,540
Up to 60 Days	225,328	162,415
Over 61 days	47,278	9,795
	<u>\$ 2,451,164</u>	<u>\$ 3,343,750</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>2025</u>	<u>2024</u>
Beginning balance	\$ 38,991	\$ 32,572
Impairment losses provided for the year	1,542	7,706
Actual write-off for the year	(2,030)	(2,933)
Foreign currency exchange difference	(479)	1,646
Ending balance	<u>\$ 38,024</u>	<u>\$ 38,991</u>

b. Other receivables

The Group assessed impairment losses based on expected credit losses as of December 31, 2025 and 2024.

11. INVENTORIES

	December 31, 2025	December 31, 2024
Finished goods	\$ 3,503,212	\$ 3,830,236
Work in process	485,011	656,212
Raw materials	1,791,324	2,099,122
Supplies	363,086	352,352
	<u>\$ 6,142,633</u>	<u>\$ 6,937,922</u>

The Group's cost of inventories recognized as cost of goods sold from January 1 to December 31, 2025 and 2024 were NT\$42,820,346 thousand and NT\$48,710,747 thousand, respectively.

The cost of goods sold from January 1 to December 31, 2025 and 2024 included (reversal) provision of write-downs of inventories and obsolescence losses of NT\$(66,662) thousand and NT\$157,272 thousand, respectively. Reversal of write-downs of inventories and obsolescence losses was due to inventory clearance.

12. SUBSIDIARY

a. The subsidiaries in the consolidated financial statements

The detail information of the subsidiaries at the end of reporting period was as follows:

Name of investors	Name of subsidiaries	Business Activities	Proportion of Ownership (%)		Note
			December 31, 2025	December 31, 2024	
The Company	USI Investment Co., Ltd. (USII)	Investment business	100.0%	100.0%	
The Company	Swanlake Traders Ltd.(Swanlake)	Investment business	100.0%	100.0%	
The Company	USI (Hong Kong) Company Ltd. (USI (HK))	Trading and investment	100.0%	100.0%	
The Company	USI Management Consulting Corp (UM)	Providing management services	100.0%	100.0%	
The Company	Chong Loong Trading Co., Ltd. (CLT)	Import and export trade	100.0%	100.0%	
The Company	Union Polymer International Investment Corporation (UPIIC)	Investment business	100.0%	100.0%	
The Company	INOMA Corporation (INOMA)	Engaged in the optical products and fire protection materials business.	-	94.4%	4.
The Company	USI Green Energy Corporation (SG)	Renewable energy power generation business	100.0%	100.0%	
The Company	Taiwan United Venture Capital Corp. (TUVVC)	Venture capital	70.0%	70.0%	
Asia Polymer Corporation (APC)			8.3%	8.3%	
The Company	Swanson Plastics Corp. (SPC)	Production and sales of stretch film, embossed film and industrial use multi-layer wrap.	78.3%	78.3%	6.
APC			40.6%	40.6%	
USII			8.0%	8.0%	
			7.8%	7.5%	2.
			56.4%	56.1%	
The Company	Acme Electronics Corporation (ACME)	Production and sales of manganese-zinc soft ferrite powder	29.0%	29.0%	
China General Plastics Corporation (CGPC)			1.7%	1.7%	
USII			9.5%	9.5%	
APC			3.2%	3.2%	
Taita Chemical Company, Limited (TTC)			2.3%	2.3%	

(Continued)

(Continued)

Name of investors	Name of subsidiaries	Business Activities	Proportion of Ownership (%)		Note
			December 31, 2025	December 31, 2024	
APC Investment Corporation (APCIC)			1.5%	1.5%	9.
The Company	USI Optronics Corporation (USIO)	Manufacturing and marketing of sapphire crystal	47.2%	47.2%	
ACME			50.9%	50.9%	
APC			34.0%	34.0%	
USII			9.2%	9.2%	
			0.2%	0.2%	
			94.3%	94.3%	
ACME	ACME Electronics (Cayman) Corp.(ACME (Cayman))	Investment business	60.1%	60.1%	3.
Swanlake			18.9%	18.9%	
APC (BVI) Holding Co., Ltd. (APC (BVI))			13.6%	13.6%	
TAITA (BVI) Holding Co., Ltd.(TAITA (BVI))			4.4%	4.4%	
			97.0%	97.0%	
ACME	Golden Amber Enterprises Limited (GAEL)	Investment business	100.0%	100.0%	
ACME (Cayman)	Acme Electronics (Kunshan) Co., Ltd. (ACME (KS))	Manufacturing and sales of manganese-zinc soft ferrite core	100.0%	100.0%	
ACME (Cayman)	ACME Components (Malaysia) Sdn. Bhd.(ACME (MA))	Investment business	100.0%	100.0%	
ACME (MA)	ACME Ferrite Products Sdn. Bhd.(ACME Ferrite)	Manufacturing and marketing of soft ferrite core	100.0%	100.0%	
ACME (MA)	ACME Advanced Materials Sdn. Bhd. (ACME Advanced)	Manufacturing and sale of silicon carbide	100.0%	100.0%	
GAEL	Acme Electronics (Guang-Zhou) Co., Ltd. (ACME (GZ))	Manufacturing and sales of manganese-zinc soft ferrite core	100.0%	100.0%	
UPIC	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%	9.
China General Terminal & Distribution Corporation (CGTD)			0.9%	0.9%	
USII			0.3%	0.3%	
Taiwan VCM Corporation (TVCM)			-	-	
			37.3%	37.3%	
APC	APC (BVI)	Investment business	100.0%	100.0%	
APC	USI International Corp.(USIIC)	Investment business	70.0%	70.0%	
APC (BVI)			30.0%	30.0%	
			100.0%	100.0%	
			100.0%	100.0%	
APC	APCIC	Investment business	100.0%	100.0%	
APC (BVI)	USI Trading (Shanghai) Co., Ltd. (USITA)	Sale of chemical products and related equipment	100.0%	100.0%	
UPIC	TTC	Manufacture and sale of polystyrene, acrylonitrile, butadiene, styrene copolymer resins, acrylonitrile-styrene copolymer resins, glass wool insulation products, and plastic raw materials.	36.8%	36.8%	
CGTD			0.6%	0.6%	
USII			0.4%	0.4%	
			37.8%	37.8%	
			100.0%	100.0%	
TTC	TAITA (BVI)	Investment business	100.0%	100.0%	1.
TAITA (BVI)	Taita Chemical (Zhongshan) Co., Ltd. (TTC(ZS))	Manufacture and sale of styrene polymer derivatives.	100.0%	100.0%	
TAITA (BVI)	Taita Chemical (Tianjin) Co., Ltd. (TTC(TJ))	Manufacture and sale of styrene polymer derivatives.	100.0%	100.0%	
TAITA (BVI)	Zhangzhou Taita Chemical Co., Ltd. (TTC(ZZ))	Manufacture and sale of styrene polymer derivatives.	100.0%	100.0%	
Swanlake	Zhangzhou USI Trading Co., Ltd. (GUL)	Sales of chemical products	70.0%	70.0%	
APC (BVI)			30.0%	30.0%	
			100.0%	100.0%	
			100.0%	100.0%	
Swanlake	Xiamen USI Trading Co., Ltd. (XUL)	Sales of chemical products	70.0%	70.0%	
APC (BVI)			30.0%	30.0%	
			100.0%	100.0%	
UPIC	CGPC	The principal business is the manufacture and sale of plastic sheets, plastic films, plastic pipes, plastic pellets, plastic powders, chlor-alkali products, and other related products.	25.0%	25.0%	

(Continued)

(Continued)

Name of investors	Name of subsidiaries	Business Activities	Proportion of Ownership (%)		Note
			December 31, 2025	December 31, 2024	
APC			8.0%	8.0%	
TTC			2.0%	2.0%	
CGTD			0.5%	0.5%	
USII			0.1%	0.1%	
			<u>35.6%</u>	<u>35.6%</u>	9.
CGPC	TVCM	Manufacturing and sales of VCM	87.3%	87.3%	8.
CCPG	CGPC (BVI) Holding Co., Ltd.(CGPC (BVI))	Investment business	100.0%	100.0%	
CGPC	CGPC America Corporation (CGPC-America)	Marketing of PVC two- or three-time processed products	100.0%	100.0%	
CGPC	CGPC Polymer Corporation (CGPCPOL)	Manufacture and sale of PVC resin	100.0%	100.0%	
VCM	Global Green Technology Corporation (GGT)	Environmental detection services	100.0%	100.0%	
CGPC (BVI)	China General Plastics (Zhongshan) Co., Ltd. (CGPC(ZS))	Engaged in the manufacture and sale of PVC coated fabrics and downstream processed products.	100.0%	100.0%	
CGPC	CGTD	Petrochemical feedstock warehousing services	33.3%	33.3%	
TTC			33.3%	33.3%	
APC			33.4%	33.4%	
			<u>100.0%</u>	<u>100.0%</u>	
USII	Taiwan United Venture Management Corp. (TUVVM)	Business management consulting services	100.0%	100.0%	
SPC	Forever Young Company Ltd. (Forever Young)	Trading and agency businesses	100.0%	100.0%	
SPC	Swanson Plastics (Singapore) Corporation (SPS)	Production and marketing of plastic products	100.0%	100.0%	
SPC	Swanson International Ltd. (SIL)	Investment business	100.0%	100.0%	
SPC	PT Swanson Plastics (Indonesia) (SPD)	Manufacturing and marketing of plastic products	1.0%	1.0%	
SPS			99.0%	99.0%	
			<u>100.0%</u>	<u>100.0%</u>	
SPC	Swanson Technologies Corporation (STC)	Production, sale, and development of EVA encapsulation films and other high value-added plastic products.	70.0%	70.0%	
APCIC			15.0%	15.0%	
USII			15.0%	15.0%	
			<u>100.0%</u>	<u>100.0%</u>	
SPS	Swanson Plastics (Malaysia) Corporation (SPM)	Manufacturing and marketing of plastic products	100.0%	100.0%	
SPS	Swanson Plastics (India) Private. Ltd. (SPI)	Manufacturing and marketing of plastic products	100.0%	100.0%	
SPS	Swanson Plastics (Tianjin) Corporation (SPT)	Production, sale, and development of multifunctional films and photodegradable films	100.0%	100.0%	
SIL	A.S.Holdings (UK) Limited (ASH)	Investment business	100.0%	100.0%	
SIL	Swanson Plastics (Kunshan) Corporation (SPK)	Production, sale, and development of multifunctional films and photodegradable films	100.0%	100.0%	
ASH	ASK-Swanson (Kunshan) Co., Ltd. (ASK)	Production and sales of PE release film and other release products	100.0%	100.0%	
STC	Swanson Trading (Kunshan) Co., Ltd. (STK)	Import and export of goods including sales of plastic products, daily necessities, electrical appliances and their parts, and other high value-added plastic products.	100.0%	100.0%	7.
The Company	Ever Conquest Global Limited (ECGL)	Investment business	59.1%	59.1%	
APC			40.9%	40.9%	
			<u>100.0%</u>	<u>100.0%</u>	
ECGL	Ever Victory Global Limited (EVG)	Investment business	67.4%	67.4%	9.
EVG	Dynamic Ever Investments Limited (DEI)	Investment business	85.0%	85.0%	
DEI	Zhangzhou Dynamic Ever Property Co., Ltd. (DEIP)	Property Management	100.0%	100.0%	

- 1) The management of TTC assessed that demand in the local market for expandable polystyrene (EPS), the principal product of TTC(TJ), had declined. Accordingly, management decided to suspend production at TTC(TJ) starting from April 2019. Please refer to Note 14 for further details.

- 2) Based on its mid- to long-term investment strategy, USII acquired 0.3% and 0.9% equity interests from external shareholders of SPC in 2025 and 2024, respectively, for consideration of NT\$6,760 thousand and NT\$17,822 thousand, respectively.
- 3) ACME (Cayman) resolved at board meetings in February and November 2024 to carry out cash capital increases of US\$6,000 thousand each, subscribed by existing shareholders in proportion to their shareholdings. The Group's ownership interest remained at 97.0% before and after the capital increases.
- 4) On March 7, 2024, the board of directors of INOMA resolved to proceed with liquidation, which was completed on May 9, 2025. The remaining liquidation proceeds of NT\$7,527 thousand were recovered in July and August 2025.
- 5) ACME (MA) established ACME Advanced in January 2024, which is principally engaged in the manufacture and sale of silicon carbide for applications in communications, information technology, consumer electronics, and automotive electronics.
- 6) TUVU resolved at its annual shareholders' meeting on June 5, 2024 to carry out a cash capital reduction and return capital to shareholders. The capital reduction base date was June 18, 2024, and the Group received NT\$78,327 thousand in June 2024.
- 7) To expand the product portfolio of SPC, STC resolved at a board meeting on July 29, 2024 to approve the establishment of STK, which was incorporated on September 29, 2024 with a registered capital of RMB3,000 thousand. STC completed the capital injection on November 7, 2024, and the capital verification was completed on November 22, 2024.
- 8) Based on its mid- to long-term investment strategy, CGPC acquired 116 thousand shares of TVCM from external shareholders in July 2025 for NT\$1,330 thousand, increasing its ownership interest from 87.27% to 87.31%.
- 9) Subsidiaries with material non-controlling interests.

b. Information on subsidiaries with material non-controlling interests

Name of subsidiaries	Proportion of ownership and voting rights held by non-controlling interests	
	December 31, 2025	December 31, 2024
CGPC	64.4%	64.4%
TTC	62.2%	62.2%
ACME	52.8%	52.8%
APC	62.7%	62.7%
EVG	32.6%	32.6%

For information on the principal place of business and country of incorporation of the aforementioned subsidiaries, please refer to Tables 6 and 7.

Name of subsidiaries	Profit (loss) attributable to non-controlling interests		Non-controlling interest	
	From January 1 to December 31, 2025	From January 1 to December 31, 2024	December 31, 2025	December 31, 2024
CGPC	(\$ 604,226)	(\$ 466,800)	\$ 4,992,596	\$ 5,651,106
TTC	(\$ 270,642)	(\$ 141,227)	\$ 3,597,438	\$ 3,931,411
ACME	(\$ 35,235)	\$ 82,431	\$ 1,032,729	\$ 1,063,434
APC	(\$ 706,629)	(\$ 507,730)	\$ 6,539,626	\$ 7,370,249
EVG	(\$ 1,174,627)	(\$ 1,067,412)	\$ 841,635	\$ 2,091,073

The following summarized financial information of the subsidiaries is prepared on a pre-elimination basis.

CGPC and CGPC's subsidiaries

	December 31, 2025	December 31, 2024
Current assets	\$ 4,401,466	\$ 6,702,735
Non-current assets	13,025,663	11,372,341
Current liabilities	(4,029,423)	(4,924,846)
Non-current liabilities	(5,159,364)	(3,834,390)
Equity	\$ 8,238,342	\$ 9,315,840
Equity attributable to:		
Owners of the Company	\$ 2,733,335	\$ 3,088,476
Non-controlling interests of CGPC	4,992,596	5,651,106
Non-controlling interests of CGPC's subsidiaries	512,411	576,258
	\$ 8,238,342	\$ 9,315,840

(Continued)

(Continued)

	From January 1 to December 31, 2025	From January 1 to December 31, 2024
Revenue	<u>\$ 9,220,952</u>	<u>\$ 11,086,725</u>
Net loss for the year	(\$ 982,229)	(\$ 751,363)
Other comprehensive (loss) income	(7,513)	71,327
Total comprehensive income	<u>(\$ 989,742)</u>	<u>(\$ 680,036)</u>
Loss attributable to:		
Owners of the Company	(\$ 314,754)	(\$ 243,167)
Non-controlling interests of CGPC	(604,226)	(466,800)
Non-controlling interests of CGPC's subsidiaries	(63,249)	(41,396)
	<u>(\$ 982,229)</u>	<u>(\$ 751,363)</u>
Total comprehensive income attributable to:		
Owners of the Company	(\$ 325,100)	(\$ 296,089)
Non-controlling interests of CGPC	(602,452)	(344,471)
Non-controlling interests of CGPC's subsidiaries	(62,190)	(39,476)
	<u>(\$ 989,742)</u>	<u>(\$ 680,036)</u>
Cash flow		
Operating activities	(\$ 87,482)	\$ 776,268
Investing activities	(1,601,659)	(1,461,580)
Financing activities	675,234	1,004,952
Effects of exchange rate changes	2,415	1,086
Net cash (outflow) inflow	<u>(\$ 1,011,492)</u>	<u>\$ 320,726</u>
Cash dividends paid to non-controlling interests	<u>\$ 57,306</u>	<u>\$ 133,713</u>

(Continued)

(Continued)

TTC and TTC's subsidiaries

	December 31, 2025	December 31, 2024
Current assets	\$ 5,302,070	\$ 6,505,163
Non-current assets	3,266,863	3,334,414
Current liabilities	(2,362,679)	(3,195,806)
Non-current liabilities	(452,455)	(345,884)
Equity	<u>\$ 5,753,799</u>	<u>\$ 6,297,887</u>
Equity attributable to:		
Owners of the Company	\$ 2,156,361	\$ 2,366,476
Non-controlling interests of TTC	3,597,438	3,931,411
	<u>\$ 5,753,799</u>	<u>\$ 6,297,887</u>
	From January 1 to December 31, 2025	From January 1 to December 31, 2024
Revenue	<u>\$ 14,485,681</u>	<u>\$ 18,622,910</u>
Net loss for the year	(\$ 427,371)	(\$ 223,012)
Other comprehensive loss	(37,912)	(7,857)
Total comprehensive income	<u>(\$ 465,283)</u>	<u>(\$ 230,869)</u>
Loss attributable to:		
Owners of the Company	(\$ 156,729)	(\$ 81,785)
Non-controlling interests of TTC	(270,642)	(141,227)
	<u>(\$ 427,371)</u>	<u>(\$ 223,012)</u>
Total comprehensive income attributable to:		
Owners of the Company	(\$ 177,606)	(\$ 92,186)
Non-controlling Interests	(287,677)	(138,683)
	<u>(\$ 465,283)</u>	<u>(\$ 230,869)</u>
Cash flow		
Operating activities	\$ 734,485	(\$ 661,457)
Investing activities	(572,639)	(1,613,353)
Financing activities	(383,598)	892,057
Effects of exchange rate changes	4,732	57,640
Net cash outflow	<u>(\$ 217,020)</u>	<u>(\$ 1,325,113)</u>
Cash dividends paid to non-controlling interests	<u>\$ 50,356</u>	<u>\$ 75,534</u>

(Continued)

(Continued)

ACME and ACME's subsidiaries

	December 31, 2025	December 31, 2024
Current assets	\$ 2,628,574	\$ 2,490,327
Non-current assets	3,036,442	3,120,089
Current liabilities	(957,887)	(1,153,625)
Non-current liabilities	(2,025,876)	(1,710,093)
Equity	<u>\$ 2,681,253</u>	<u>\$ 2,746,698</u>
Equity attributable to:		
Owners of the Company	\$ 930,947	\$ 957,149
Non-controlling interests of ACME	1,032,729	1,063,434
Non-controlling interests of ACME's subsidiaries	717,577	726,115
	<u>\$ 2,681,253</u>	<u>\$ 2,746,698</u>
	From January 1 to December 31, 2025	From January 1 to December 31, 2024
Revenue	<u>\$ 3,069,021</u>	<u>\$ 3,095,379</u>
Net (loss) income for the year	(\$ 94,591)	\$ 130,197
Other comprehensive income	29,142	140,360
Total comprehensive income	<u>(\$ 65,449)</u>	<u>\$ 270,557</u>
Net (loss) income attributable to:		
Owners of the Company	(\$ 31,147)	\$ 72,867
Non-controlling interests of ACME	(35,235)	82,431
Non-controlling interests of ACME's subsidiaries	(28,209)	(25,101)
	<u>(\$ 94,591)</u>	<u>\$ 130,197</u>
Total comprehensive income attributable to:		
Owners of the Company	(\$ 26,703)	\$ 117,804
Non-controlling interests of ACME	(30,208)	133,264
Non-controlling interests of ACME's subsidiaries	(8,538)	19,489
	<u>(\$ 65,449)</u>	<u>\$ 270,557</u>
Cash flow		
Operating activities	\$ 186,289	\$ 315,695
Investing activities	(388,720)	(773,466)
Financing activities	134,338	645,344
Effects of exchange rate changes	5,377	83,290
Net cash (outflow) inflow	<u>(\$ 62,716)</u>	<u>\$ 270,863</u>

(Continued)

(Continued)

APC and APC's subsidiaries

	December 31, 2025	December 31, 2024
Current assets	\$ 2,653,267	\$ 3,294,702
Non-current assets	9,053,142	10,303,888
Current liabilities	(872,781)	(1,101,984)
Non-current liabilities	(597,222)	(1,012,914)
Equity	<u>\$ 10,236,406</u>	<u>\$ 11,483,692</u>
Equity attributable to:		
Owners of the Company	\$ 3,696,780	\$ 4,113,443
Non-controlling interests of APC	6,539,626	7,370,249
	<u>\$ 10,236,406</u>	<u>\$ 11,483,692</u>
	From January 1 to December 31, 2025	From January 1 to December 31, 2024
Revenue	<u>\$ 5,743,172</u>	<u>\$ 6,031,266</u>
Net loss for the year	(\$ 1,044,503)	(\$ 750,500)
Other comprehensive income (loss)	(55,185)	(838,278)
Total comprehensive income	<u>(\$ 1,099,688)</u>	<u>(\$ 1,588,778)</u>
Loss attributable to:		
Owners of the Company	(\$ 337,874)	(\$ 242,770)
Non-controlling interests of APC	(706,629)	(507,730)
	<u>(\$ 1,044,503)</u>	<u>(\$ 750,500)</u>
Total comprehensive income attributable to:		
Owners of the Company	(\$ 368,147)	(\$ 784,447)
Non-controlling interests of APC	(731,541)	(804,331)
	<u>(\$ 1,099,688)</u>	<u>(\$ 1,588,778)</u>
Cash flow		
Operating activities	\$ 241,016	\$ 339,577
Investing activities	(566,728)	(391,984)
Financing activities	(550,329)	358,261
Effects of exchange rate changes	(2,460)	10,111
Net cash (outflow) inflow	<u>(\$ 878,501)</u>	<u>\$ 315,965</u>
Cash dividends paid to non-controlling interests	<u>\$ 100,420</u>	<u>\$ 180,756</u>

(Continued)

(Continued)

EVG and EVG's subsidiaries

	December 31, 2025	December 31, 2024
Current assets	\$ 1,513,429	\$ 1,533,725
Non-current assets	1,342,207	5,831,490
Current liabilities	(12,987)	(13,188)
Equity	<u>\$ 2,842,649</u>	<u>\$ 7,352,027</u>
Equity attributable to:		
Owners of the Company	\$ 1,740,278	\$ 4,323,787
Non-controlling interests of EVG	841,635	2,091,073
Non-controlling interests of EVG's subsidiaries	260,736	937,167
	<u>\$ 2,842,649</u>	<u>\$ 7,352,027</u>
	From January 1 to December 31, 2025	From January 1 to December 31, 2024
Net loss for the year	(\$ 4,247,339)	(\$ 3,861,874)
Other comprehensive (loss) income	(40,268)	534,353
Total comprehensive income	<u>(\$ 4,287,607)</u>	<u>(\$ 3,327,521)</u>
Loss attributable to:		
Owners of the Company	(\$ 2,428,789)	(\$ 2,207,096)
Non-controlling interests of EVG	(1,174,627)	(1,067,412)
Non-controlling interests of EVG's subsidiaries	(643,923)	(587,366)
	<u>(\$ 4,247,339)</u>	<u>(\$ 3,861,874)</u>
Total comprehensive income attributable to:		
Owners of the Company	(\$ 2,361,737)	(\$ 1,894,107)
Non-controlling interests of EVG	(1,249,439)	(916,044)
Non-controlling interests of EVG's subsidiaries	(676,431)	(517,370)
	<u>(\$ 4,287,607)</u>	<u>(\$ 3,327,521)</u>
Cash flow		
Operating activities	\$ 42,020	\$ 38,679)
Investing activities	3,307	(1,292,678)
Effects of exchange rate changes	(61,975)	95,306
Net cash outflow	<u>(\$ 16,648)</u>	<u>(\$ 1,158,693)</u>

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Investments in joint ventures		
Associates that are individually material		
Fujian Gulei Petrochemical Company Limited. (Gulei)	\$ 1,303,125	\$ 5,791,628
Investments in associates		
Associates that are not individually material		
Chem Union Renewable Energy Corporation (CURE)	8,779	9,334
Delmind Inc. (Delmind)	-	72,312
	<u>8,779</u>	<u>81,646</u>
	<u>\$ 1,311,904</u>	<u>\$ 5,873,274</u>

The Group accounts for the above investments using the equity method.

a. Associates that are individually material - Gulei

The Company and APC entered into a joint venture agreement for the Gulei investment project on April 17, 2014 with Ho Tung Chemical Corporation, LCY Chemical Corp., Hsin Tay Petroleum Co., Ltd., Chenery Global Co., Ltd., and Lien Hwa Industrial Holdings Corp. The main terms of the agreement provide that: (a) each shareholder shall invest, in accordance with the agreement, in the establishment of EVG, and agree to make investments in the Gulei Petrochemical Park in Zhangzhou, Fujian Province, the PRC, through DEI, a wholly owned subsidiary established in Hong Kong, for the refining and production of ethylene and six other products, as well as other businesses approved by the competent authorities of the Republic of China and resolved by the board of directors of the joint venture company. (b) DEI and Fujian Refining and Chemical Industry Co., Ltd., in accordance with the laws and regulations of the PRC, jointly established a company in the Gulei Petrochemical Park in Zhangzhou, Fujian Province to engage in the business activities of the joint venture, and acquired 50% of the issued shares of Gulei as the basis for the joint investment.

Due to an increase in the investment amount stipulated in the “Joint Venture Contract for Fujian Gulei Petrochemical Co., Ltd.” entered into by DEI and Fujian Refining and Chemical Industry Co., Ltd., certain original parties to the joint venture agreement were unable to subscribe for shares or participate in subsequent capital increases in accordance with their original ownership proportions. To ensure the continuation and achievement of the business objectives of the original agreement, a new joint venture agreement was entered into on September 30, 2016, with CTCI Corporation added as a new party. The joint venture agreement was further re-executed on December 18, 2019, with Fubon Financial Holding Venture Capital Co., Ltd. and Hung Fu Investment Co., Ltd. added as new parties.

To strengthen the working capital of Gulei., EVG entered into a joint venture agreement with DOR PO Investment Company Limited (DOR PO) on June 5, 2019 to

jointly invest in DEI Under the agreement, DOR PO agreed to contribute US\$109,215 thousand to participate in the capital increase of DEI. As of December 31, 2025, DOR PO had contributed US\$103,915 thousand and obtained a 15% equity interest in DEI.

As of December 31, 2025, the Company and APC had invested US\$246,670 thousand (approximately NT\$7,645,981 thousand) and US\$170,475 thousand (approximately NT\$5,255,587 thousand), respectively, in ECGL. Through EVG, the investments were made in EVG and subsequently in DEI. The Group's cumulative ownership interest in EVG was 67.4%. DEI had cumulatively invested RMB4,657,200 thousand in Gulei.

As of December 31, 2025 and 2024, the Group's ownership interest and voting rights in Gulei were both 50%.

For information on the nature of operations, principal place of business, and country of incorporation of the above joint ventures, please refer to Table 7.

The following summarized financial information is prepared based on the IFRS-compliant consolidated financial statements of the joint ventures and has been adjusted to reflect the application of the equity method.

	December 31, 2025	December 31, 2024
Cash	<u>\$ 9,252,588</u>	<u>\$ 6,129,356</u>
Current assets	\$ 17,189,076	\$ 14,479,094
Non-current assets	86,692,285	95,751,158
Current liabilities	(46,529,964)	(39,107,656)
Non-current liabilities	(54,745,148)	(59,539,340)
Equity	2,606,249	11,583,256
Proportion of the Group's ownership	50%	50%
Equity attributable to the Group	<u>\$ 1,303,125</u>	<u>\$ 5,791,628</u>
Carrying amount	<u>\$ 1,303,125</u>	<u>\$ 5,791,628</u>
	From January 1 to December 31, 2025	From January 1 to December 31, 2024
Revenue	<u>\$ 79,420,664</u>	<u>\$ 80,863,021</u>
Net loss / total comprehensive income	<u>(\$ 8,576,877)</u>	<u>(\$ 7,830,279)</u>

b. Summarized information on individually immaterial associates

The Company's board of directors approved the establishment of 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. The Company invested NT\$10,000 thousand in December 2022. CURE was incorporated on April 13, 2023 with a registered capital of NT\$30,000 thousand, of which the Company holds a 33.3% equity interest.

In September 2025, the Company disposed of its entire equity interest in Delmind. The proceeds from disposal (net of disposal costs) amounted to NT\$73,778 thousand, and the equity transfer process was completed in September 2025. A gain on disposal of investments of NT\$6,610 thousand was recognized and recorded under other gains and losses.

The following summarized financial information is prepared based on the IFRS-compliant consolidated financial statements of the associates and has been adjusted to reflect the application of the equity method.

	From January 1 to December 31, 2025	From January 1 to December 31, 2024
The Group's share		
Net loss	(\$ 5,698)	(\$ 8,176)

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
Cost								
Balance at January 1, 2025	\$ 4,715,293	\$ 141,745	\$ 8,732,109	\$ 42,226,548	\$ 203,174	\$ 1,680,592	\$ 6,594,331	\$ 64,293,792
Addition	-	-	9,378	204,799	899	36,507	3,451,316	3,702,899
Disposal	-	-	(11,603)	(351,801)	(6,568)	(28,467)	(6,129)	(404,568)
Internal transfer	-	-	319,888	1,289,553	4,526	200,613	(1,817,140)	(2,560)
Net exchange differences	-	-	(43,511)	(145,218)	(855)	(1,232)	(27,276)	(218,092)
Balance at December 31, 2025	<u>\$ 4,715,293</u>	<u>\$ 141,745</u>	<u>\$ 9,006,261</u>	<u>\$ 43,223,881</u>	<u>\$ 201,176</u>	<u>\$ 1,888,013</u>	<u>\$ 8,195,102</u>	<u>\$ 67,371,471</u>
Accumulated depreciation and impairment								
Balance at January 1, 2025	\$ -	\$ 126,093	\$ 5,074,646	\$ 30,085,132	\$ 161,855	\$ 1,367,003	\$ 2,182	\$ 36,816,911
Depreciation expenses	-	3,476	293,323	2,079,791	11,705	88,226	-	2,476,521
Disposal	-	-	(10,633)	(335,640)	(5,507)	(26,822)	-	(378,602)
Impairment loss	-	-	-	25,280	-	-	-	25,280
Internal transfer	-	-	-	4	-	(4)	-	-
Net exchange differences	-	-	(34,187)	(102,301)	(709)	(5,078)	(44)	(142,319)
Balance at December 31, 2025	<u>\$ -</u>	<u>\$ 129,569</u>	<u>\$ 5,323,149</u>	<u>\$ 31,752,266</u>	<u>\$ 167,344</u>	<u>\$ 1,423,325</u>	<u>\$ 2,138</u>	<u>\$ 38,797,791</u>
Carrying amounts at December 31, 2025	<u>\$ 4,715,293</u>	<u>\$ 12,176</u>	<u>\$ 3,683,112</u>	<u>\$ 11,471,615</u>	<u>\$ 33,832</u>	<u>\$ 464,688</u>	<u>\$ 8,192,964</u>	<u>\$ 28,573,680</u>
Cost								
Balance at January 1, 2024	\$ 4,715,293	\$ 141,846	\$ 8,571,099	\$ 41,466,108	\$ 205,361	\$ 1,827,470	\$ 5,027,953	\$ 61,955,130
Addition	-	-	13,015	150,862	4,138	42,295	3,016,946	3,227,256
Disposal	-	(101)	(98,627)	(1,361,391)	(18,601)	(295,304)	(44,481)	(1,818,505)
Internal transfer	-	-	112,351	1,615,649	8,621	76,498	(1,416,801)	396,318
Net exchange differences	-	-	134,271	355,320	3,655	29,633	10,714	533,593
Balance at December 31, 2024	<u>\$ 4,715,293</u>	<u>\$ 141,745</u>	<u>\$ 8,732,109</u>	<u>\$ 42,226,548</u>	<u>\$ 203,174</u>	<u>\$ 1,680,592</u>	<u>\$ 6,594,331</u>	<u>\$ 64,293,792</u>
Accumulated depreciation and impairment								
Balance at January 1, 2024	\$ -	\$ 122,643	\$ 4,777,053	\$ 28,980,153	\$ 164,943	\$ 1,527,870	\$ 2,075	\$ 35,574,737
Depreciation expenses	-	3,551	294,942	2,083,478	12,332	86,262	-	2,480,565
Disposal	-	(101)	(86,497)	(1,244,631)	(18,442)	(273,235)	-	(1,622,906)
Impairment loss	-	-	10	4,330	-	3	-	4,343
Internal transfer	-	-	8,448	-	-	-	-	8,448
Net exchange differences	-	-	80,690	261,802	3,022	26,103	107	371,724
Balance at December 31, 2024	<u>\$ -</u>	<u>\$ 126,093</u>	<u>\$ 5,074,646</u>	<u>\$ 30,085,132</u>	<u>\$ 161,855</u>	<u>\$ 1,367,003</u>	<u>\$ 2,182</u>	<u>\$ 36,816,911</u>
Carrying amounts at December 31, 2024	<u>\$ 4,715,293</u>	<u>\$ 15,652</u>	<u>\$ 3,657,463</u>	<u>\$ 12,141,416</u>	<u>\$ 41,319</u>	<u>\$ 313,589</u>	<u>\$ 6,592,149</u>	<u>\$ 27,476,881</u>

In accordance with the New Taipei City Government Letter Development No. 1072133080 dated November 7, 2018, the land and buildings of the Company located in Linkou are within the scope of "Urban Land Redeveloping Zone at 1st Industrial Park in Linkou District." The land has been delivered for redevelopment and returned on May 2, 2023. On August 8, 2024, the board of directors of The Company passed a resolution to construct an innovative R&D center by commissioning an outside contractor. Additionally, on June 26, 2025, The Company signed a contract with Xu Yuan Construction Engineering Co., Ltd. for the new construction project, with the contract amount not exceeding NT\$934,000 thousand. As of December 31, 2025, the Company had paid a total of NT\$139,710 thousand for the project.

To cooperate with the relocation of petrochemical storage tank facilities operated by tenants in the old port area by Taiwan International Ports Corporation, Ltd., CGTD leased wharf facilities and adjacent backland at the Petrochemical Oil Storage and Transportation Center of Phase II of the Kaohsiung Port Intercontinental Container Center from Taiwan International Ports Corporation, Ltd. The lease term is from August 1, 2017 to July 31, 2042, with rent payable quarterly. In addition, the boards of directors of the Company, CGTD, APC, and TVCM approved the construction of the Phase II Petrochemical Oil Center at the Intercontinental Container Terminal in 2019. As of December 31, 2025, the Group had paid construction costs totaling NT\$3,010,239 thousand. Of this amount, completed buildings of NT\$104,047 thousand were reclassified as right-of-use assets, and the remaining balance was recorded under construction in progress.

The Group recognized impairment losses of NT\$25,280 thousand and NT\$4,343 thousand in 2025 and 2024, respectively, on idle assets that no longer met production requirements. The recoverable amount of these assets was determined based on their estimated disposal value, which is classified as a Level 3 fair value.

Property, plant and equipment of the Group are depreciated on a straight-line basis over the following estimated useful lives:

Land improvements	7 - 20 years
Buildings and Improvements	
Buildings, plant facilities and related improvements	2 - 55 years
Office buildings, laboratories and related improvements	10 - 50 years
General plant buildings and related improvements	3 - 60 years
Others	2 - 45 years
Machinery and equipment	2 - 26 years
Transportation equipment	2 - 15 years
Other equipment	2 - 25 years

For the amount of property, plant and equipment pledged as collateral for borrowings, please refer to Note 34.

For information on interest capitalization, please refer to Note 27(d).

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31, 2025	December 31, 2024
Carrying amounts of right-of-use assets		
Leased land	\$ 1,741,898	\$ 1,806,939
Land use rights	525,550	560,616
Buildings	379,468	283,530
Machinery and equipment	29,868	44,825
Transport equipment	2,453	223
	<u>\$ 2,679,237</u>	<u>\$ 2,696,133</u>
	From January 1 to December 31, 2025	From January 1 to December 31, 2024
Additions to right-of-use assets	<u>\$ 109,018</u>	<u>\$ 34,693</u>
Depreciation of right-of-use assets		
Leased land	\$ 99,327	\$ 96,491
Land use rights	21,306	22,009
Buildings	39,670	29,279
Machinery and equipment	13,743	14,200
Transport equipment	446	418
	<u>\$ 174,492</u>	<u>\$ 162,397</u>

In addition to the aforementioned additions and depreciation expenses, the Group received notices from Taiwan International Ports Corporation, Ltd. in June and January 2025 stating that, pursuant to the lease agreement for the S14 wharf and adjacent backland of the Petrochemical Oil Storage and Transportation Center under the Phase II project of the Kaohsiung Intercontinental Container Terminal, certain lease payments were increased in 2025 and 2024 as the annual construction cost index for Taiwan announced by the Directorate-General of Budget, Accounting and Statistics reached the agreed threshold. In accordance with its accounting policy, the Group remeasured the changes in lease payments, and the remeasurement of lease liabilities was recognized as a corresponding adjustment to right-of-use assets, resulting in increases of NT\$34,353 thousand and NT\$31,202 thousand in 2025 and 2024, respectively.

The Group's right-of-use assets did not have any significant subleases or impairment in 2025 and 2024.

The Group leases office premises in Taipei and subleases them to other companies under operating leases. The related right-of-use assets are presented as investment properties. 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.

Certain right-of-use assets of the Group have been pledged as collateral for credit facilities. Please refer to Notes 18 and 34.

b. Lease liabilities

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Carrying amounts		
Current	\$ 147,855	\$ 146,388
Non-current	<u>\$ 2,168,961</u>	<u>\$ 2,324,578</u>

Ranges of discount rates for lease liabilities are as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Leased land	0.83%~9.25%	0.83%~9.25%
Buildings	0.83%~8.00%	0.83%~8.00%
Machinery and equipment	1.11%	1.11%~1.93%
Transport equipment	2.22%~2.89%	1.25%

c. Material lease-in activities and terms

The Group leases buildings for use as factories, offices, dormitories, and research and development centers, with lease terms ranging from 3 to 21 years. Upon expiration of the lease terms, certain office leases of the Group include renewal options.

Certain land use right lease agreements provide that, commencing from the year following the lease commencement date, lease payments shall be adjusted annually on January 1 based on the percentage change between the annual construction cost indices for Taiwan for the preceding calendar year and the second preceding calendar year, as published in the Monthly Bulletin of Price Statistics by the Directorate-General of Budget, Accounting and Statistics, with the adjustment capped at 3%.

d. Other lease information

For lease agreements under which the Group leases out its investment properties under operating leases, please refer to Note 16. Other lease information of the Group as a lessee is as follows:

	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
Expenses relating to short-term leases	\$ 62,170	\$ 54,541
Expenses relating to low-value asset leases	<u>\$ 353</u>	<u>\$ 323</u>
Variable lease payments not included in the measurement of lease liabilities	\$ 69,193	\$ 70,404
Total cash (outflow) for leases	<u>(\$ 327,318)</u>	<u>(\$ 315,963)</u>

The Group has elected to apply the recognition exemptions for short-term leases of buildings and vehicles and for leases of low-value assets, and therefore does not recognize the related right-of-use assets and lease liabilities for such leases.

16. INVESTMENT PROPERTIES

	Completed investment properties		Right-of-use assets	Total
	Land	Buildings		
<u>Cost</u>				
Balance at January 1, 2025	\$ 203,140	\$ 700,194	\$ 434,253	\$ 1,337,587
Disposal	-	-	(52,733)	(52,733)
Reclassification	-	(2,928)	(44,518)	(47,446)
Net exchange differences	-	(10,471)	(2,274)	(12,745)
Balance at December 31, 2025	<u>\$ 203,140</u>	<u>\$ 686,795</u>	<u>\$ 334,728</u>	<u>\$ 1,224,663</u>
<u>Accumulated depreciation and impairment</u>				
Balance at January 1, 2025	\$ 3,969	\$ 448,873	\$ 111,092	\$ 563,934
Depreciation	-	17,440	18,556	35,996
Disposal	-	-	(6,467)	(6,467)
Reclassification	-	-	(11,988)	(11,988)
Net exchange differences	-	(7,243)	(448)	(7,691)
Balance at December 31, 2025	<u>\$ 3,969</u>	<u>\$ 459,070</u>	<u>\$ 110,745</u>	<u>\$ 573,784</u>
Carrying amounts at December 31, 2025	<u>\$ 199,171</u>	<u>\$ 227,725</u>	<u>\$ 223,983</u>	<u>\$ 650,879</u>
<u>Cost</u>				
Balance oat January 1, 2024	\$ 202,475	\$ 688,067	\$ 210,044	\$ 1,100,586
Addition	665	-	412,401	413,066
Reclassification	-	(10,338)	(193,161)	(203,499)
Net exchange differences	-	22,465	4,969	27,434
Balance at December 31, 2024	<u>\$ 203,140</u>	<u>\$ 700,194</u>	<u>\$ 434,253</u>	<u>\$ 1,337,587</u>
<u>Accumulated depreciation and impairment</u>				
Balance at January 1, 2024	\$ 3,969	\$ 419,157	\$ 90,139	\$ 513,265
Depreciation	-	21,767	18,201	39,968
Reclassification	-	(8,448)	(1,845)	(6,603)
Net exchange differences	-	16,397	907	17,304
Balance at December 31, 2024	<u>\$ 3,969</u>	<u>\$ 448,873</u>	<u>\$ 111,092</u>	<u>\$ 563,934</u>
Carrying amounts at December 31, 2024	<u>\$ 199,171</u>	<u>\$ 251,321</u>	<u>\$ 323,161</u>	<u>\$ 773,653</u>

Investment properties mainly comprise office premises in Taipei owned or leased by the Group and subleased to other companies under operating leases, with lease terms ranging from 2 to 6 years and options to extend the leases. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend.

The total future lease payments to be received from investment properties leased out under operating leases as of December 31, 2025 and 2024 are as follows:

	December 31, 2025	December 31, 2024
Year 1	\$ 93,126	\$ 91,625
Year 2	56,681	67,799
Year 3	41,811	49,291
Year 4	36,207	41,219
Year 5	26,655	36,364
More than 5 years	66,638	93,293
	<u>\$ 321,118</u>	<u>\$ 379,591</u>

Except for the recognition of depreciation expense, the Group did not have any significant additions, disposals, or impairment of investment properties in 2025 and 2024.

The Group's investment properties are depreciated on a straight-line basis over the following estimated useful lives:

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

Certain investment properties of the Group are located in the Toufen and Linyuan Industrial Parks. As these areas are designated for industrial use, comparable market transactions are infrequent and reliable alternative fair value estimates are not available; therefore, the fair value cannot be reliably determined. The fair values of the remaining investment properties have not been determined by independent valuers and are estimated by management with reference to transaction prices of similar properties in nearby areas. The fair value of right-of-use assets is determined based on the net amount of expected rental income less all expected payments, plus the carrying amount of the related lease liabilities recognized.

The fair values as of December 31, 2025, and December 31, 2024, are as follows:

	December 31, 2025	December 31, 2024
Fair value	\$ 1,795,174	\$ 1,859,922

17. GOODWILL AND OTHER INTANGIBLE ASSETS

	December 31, 2025	December 31, 2024
Goodwill (a)	\$ 270,211	\$ 270,211
Other intangible assets (b)		
Technology royalties and patent right	\$ -	\$ -
Computer software	12,738	18,920
Project site development	25,686	27,344
Plant design fees	-	-
	<u>\$ 38,424</u>	<u>\$ 46,264</u>

a. Goodwill

The Group performs an annual impairment assessment of goodwill at each year-end. As of December 31, 2025 and 2024, the recoverable amount of the cash-generating units to which goodwill has been allocated exceeded their carrying amounts; therefore, no impairment loss was recognized.

b. Other Intangible Assets

	Technology royalties and patent right	Computer software	Project-based engagements	Plant design costs	Total
<u>Cost</u>					
Balance at January 1, 2025	\$ 183,349	\$ 45,266	\$ 33,144	\$ 400	\$ 262,159
Addition	-	621	-	-	621
Disposal	-	(2,123)	-	(400)	(2,523)
Internal transfer	-	644	-	-	644
Net exchange differences	-	(573)	-	-	(573)
Balance at December 31, 2025	<u>\$ 183,349</u>	<u>\$ 43,835</u>	<u>\$ 33,144</u>	<u>\$ -</u>	<u>\$ 260,328</u>
<u>Accumulated amortization and impairment</u>					
Balance at January 1, 2025	\$ 183,349	\$ 26,346	\$ 5,800	\$ 400	\$ 215,895
Amortization expenses	-	7,193	1,658	-	8,851
Disposal	-	(2,123)	-	(400)	(2,523)
Net exchange differences	-	(319)	-	-	(319)
Balance at December 31, 2025	<u>\$ 183,349</u>	<u>\$ 31,097</u>	<u>\$ 7,458</u>	<u>\$ -</u>	<u>\$ 221,904</u>
Carrying amounts at December 31, 2025	<u>\$ -</u>	<u>\$ 12,738</u>	<u>\$ 25,686</u>	<u>\$ -</u>	<u>\$ 38,424</u>
<u>Cost</u>					
Balance at January 1, 2024	\$ 227,484	\$ 118,929	\$ 33,144	\$ 5,201	\$ 384,758
Addition	-	4,368	-	-	4,368
Disposal	(44,135)	(79,090)	-	(4,801)	(128,026)
Net exchange differences	-	1,059	-	-	1,059
Balance at December 31, 2024	<u>\$ 183,349</u>	<u>\$ 45,266</u>	<u>\$ 33,144</u>	<u>\$ 400</u>	<u>\$ 262,159</u>
<u>Accumulated amortization and impairment</u>					
Balance at January 1, 2024	\$ 227,484	\$ 97,927	\$ 4,143	\$ 4,801	\$ 334,355
Amortization expenses	-	6,922	1,657	400	8,979
Disposal	(44,135)	(79,090)	-	(4,801)	(128,026)
Net exchange differences	-	587	-	-	587
Balance at December 31, 2024	<u>\$ 183,349</u>	<u>\$ 26,346</u>	<u>\$ 5,800</u>	<u>\$ 400</u>	<u>\$ 215,895</u>
Carrying amounts at December 31, 2024	<u>\$ -</u>	<u>\$ 18,920</u>	<u>\$ 27,344</u>	<u>\$ -</u>	<u>\$ 46,264</u>

Apart from the recognition of amortization expense, the Group's other intangible assets did not have any significant additions, disposals, or impairment in 2025 and 2024.

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 - 7 years
Computer software	1 - 3 years
Project-based engagements	20 years
Plant design costs	10 years

18. BORROWINGS

a. Short-term borrowings

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>Secured borrowings</u> (Note 34)		
-Bank loans	\$ 4,460	\$ 4,575
<u>Unsecured loans</u>		
- Borrowings under credit facilities	3,586,156	4,833,311
	<u>\$ 3,590,616</u>	<u>\$ 4,837,886</u>
Interest rate range	0.38%~4.13%	1.80%~4.43%

b. Short-term notes payable

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Commercial paper payable	\$ 310,000	\$ 420,000
Less: Discount on short-term notes payable	97	159
	<u>\$ 309,903</u>	<u>\$ 419,841</u>
The range of interest rate	1.63%~2.04%	1.74%~2.03%

c. Long-term borrowings

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Secured borrowings (Note 34)	\$ 4,362,669	\$ 1,700,438
Credit borrowings	7,098,597	7,455,726
	11,461,266	9,156,164
Less: Current portion due within one year	2,545,793	2,402,355
	<u>\$ 8,915,473</u>	<u>\$ 6,753,809</u>
The range of Interest rate range		
Secured borrowings	1.12%~4.11%	1.12%~4.36%
Unsecured borrowings	1.08%~2.20%	1.03%~2.45%

To support medium- to long-term working capital needs, the Group has entered into medium- and long-term credit facilities with banks, under which the total credit lines can be used on a revolving basis within the contract period. The total credit facilities obtained by each company are as follows:

<u>Company Name</u>	<u>Total credit facilities</u>	<u>Credit facility maturity date</u>
USI	\$ 2,600,000	August 2028
CGPC	4,300,000	August 2030
CGPCPOL	900,000	May 2028
TTC	1,034,148	July 2027
APC	900,000	November 2028
ACME	1,453,077	May 2043
SPC	750,000	November 2028

The Group's loan agreements require compliance with specified financial ratios, including the current ratio, bank borrowing ratio, debt ratio, and interest coverage ratio. If any of these requirements are not met, the Group must submit improvement measures to the banks. As of December 31, 2025, the Group was not in breach of any of the aforementioned financial ratio requirements.

As of December 31, 2025, the Group had obtained bank loans under special low-interest financing programs totaling NT\$11,574,200 thousand, in accordance with government initiatives, including the Action Plan for Supporting Taiwan's Export Supply Chains in Response to U.S. Tariffs, the Action Plan for Accelerated Investment by Taiwan-rooted Enterprises, the Action Plan for Accelerated Investment by SMEs, and the Action Plan for Welcoming Taiwanese Businesses to Return to Taiwan for Investment. Of this amount, NT\$5,435,910 thousand had been drawn down. The loans are recognized and measured based on market interest rates, and the difference between the market rates and the preferential repayment rates is accounted for as a government grant.

19. BONDS PAYABLE

	December 31, 2025	December 31, 2024
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	\$ 500,000	\$ 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	350,000	700,000
Domestic unsecured bonds B 110-2 - issuance on October 26, 2021, 7 years, total amount NT\$1,300,000 thousand, coupon rate 0.77%, repaid NT\$650,000 thousand in the 6th and 7th years respectively from the issuance date	1,300,000	1,300,000
	3,150,000	4,000,000
Discounts on bonds payable	(1,962)	(3,412)
	3,148,038	3,996,588
Less: Portion maturing within one year	849,742	849,745
	<u>\$ 2,298,296</u>	<u>\$ 3,146,843</u>

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. A repayment of NT\$500,000 thousand was made in June 2025, at the end of Year 4 from the issuance date.

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 5-7 years maturity, due for repayment, were all issued in October 2021. A repayment of NT\$350,000 thousand was made in October, 2025, at the end of Year 4 from the issuance date.

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 of approval of these consolidated financial statements, the unsecured ordinary corporate bonds have not yet been issued.

20. ACCOUNTS PAYABLE

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>Operating</u>		
Accounts payable	\$ 2,203,512	\$ 3,224,586

The Group's average credit term for accounts payable is one to three months. The Group has established financial risk management policies to ensure that all payables are settled within the agreed credit terms.

21. OTHER LIABILITIES

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>Current</u>		
Other payables		
Payables for salary and bonus	\$ 648,854	\$ 627,976
Payables for purchases of equipment	396,079	371,347
Payables for water electricity and gas	313,990	341,448
Payables for fares	152,495	169,610
Payables for Insurance	43,654	38,768
Payables for dividends	37,587	42,701
Payables for taxes	32,279	40,753
Payable for interest	14,862	17,769
Others	557,850	645,533
	<u>2,197,650</u>	<u>2,295,905</u>
Other liabilities		
Refund liabilities	29,821	41,931
	<u>\$ 2,227,471</u>	<u>\$ 2,337,836</u>

Refund liabilities are estimated based on historical experience, management’s judgment, and other known factors regarding expected product returns and allowances, and are recognized as a reduction of operating revenue in the year in which the related products are sold.

22. PROVISIONS

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>Current</u>		
Carbon fee (a)	\$ 69,289	\$ -
<u>Non-current</u>		
Provision for litigation liabilities (b)	\$ 136,375	\$ 136,375

- a. Starting from 2025, the Group has recognized a provision for carbon fee liabilities in accordance with Taiwan’s carbon fee regulations and related laws. Except for certain subsidiaries that have assessed it as highly probable that their voluntary reduction plans will be approved by the competent authority, are likely to meet the specified targets for 2025, and are expected to submit the 2025 progress report on the implementation of the voluntary reduction plans by April 30, 2026—therefore applying the preferential rate as the basis for measuring the carbon fee provision—the remaining subsidiaries measure the provision based on the standard rate.
- b. The provision for litigation liabilities represents an estimate by the Group’s management of probable future cash outflows arising from the first-instance judgment and settlement of the Kaohsiung gas explosion incident on July 31, 2014. For related information, please refer to Note 35(b).

23. RETIREMENT BENEFITS PLAN

- a. Defined contribution pension plan

For the Company and its domestic subsidiaries within the Group, the pension plan governed by the Labor Pension Act is a government-managed defined contribution plan, under which contributions are made at 6% of each employee’s monthly salary to individual pension accounts maintained by the Bureau of Labor Insurance. In addition, the foreign subsidiaries have established employee pension plans in accordance with local regulations, which are also defined contribution plans.

b. Defined benefit plan

For the Company and its subsidiaries within the Group, the pension plan established in accordance with Taiwan's Labor Standards Act is a defined benefit plan. The payment of employee pensions is based on the length of service and the average salary of the six months prior to the approved retirement date. The Company contributes 12% of employees' total monthly salaries to the pension fund. Subsidiaries contribute a specified percentage of employees' total monthly salaries (12% for TTC and CGPC; 10% for APC, CGPC, and TVCM; 3.5% for SPC; and 2% for ACME, USII, UM, and TUVVM). These contributions are deposited in a dedicated account with the Bank of Taiwan under the name of the Labor Pension Reserve Supervisory Committee. The account is managed by the Bureau of Labor Funds, Ministry of Labor, and the Group has no right to influence the investment management strategies.

The amounts recognized in the consolidated balance sheets in respect of the defined benefit plans are as follows:

	December 31, 2025	December 31, 2024
The present value of the defined benefit obligation	(\$ 2,072,723)	(\$ 2,181,911)
Fair value of plan assets	1,803,315	1,807,916
Net defined benefit liability - asset	<u>(\$ 269,408)</u>	<u>(\$ 373,995)</u>

Analyzed by line items as follows:

	December 31, 2025	December 31, 2024
Net defined benefit assets - non-current	\$ 69,447	\$ 45,117
Net defined benefit liabilities - non-current	(338,855)	(419,112)
Net defined benefit liability - asset	<u>(\$ 269,408)</u>	<u>(\$ 373,995)</u>

Movements in net defined benefit liability (asset) are as follows:

	The present value of the defined benefit obligation	Fair value of plan assets	Net defined benefit liability - asset
January 1, 2024	(\$ 2,462,745)	\$ 1,806,829	(\$ 655,916)
Service cost incurred in the current period	(18,654)	-	(18,654)
Interest (expenses) income	(29,580)	22,023	(7,557)
Recognized in the profit or loss	(48,234)	22,023	(26,211)
Remeasurement amounts			
The return on plan assets, excluding amounts included in net interest	-	169,585	169,585
Actuarial gains - changes in financial assumptions	23,752	-	23,752
Actuarial gains - experience adjustments	3,423	-	3,423
Recognized in the other comprehensive income (loss)	27,175	169,585	196,760
Employer contributions	-	99,941	99,941
Benefits paid	290,462	(290,462)	-
Payment for provisions for liabilities	11,431	-	11,431
December 31, 2024	(\$ 2,181,911)	\$ 1,807,916	(\$ 373,995)
January 1, 2025	(\$ 2,181,911)	\$ 1,807,916	(\$ 373,995)
Service cost incurred in the current period	(13,574)	-	(13,574)
Interest (expenses) income	(30,779)	26,250	(4,529)
Recognized in the profit or loss	(44,353)	26,250	(18,103)
Remeasurement amounts			
The return on plan assets, excluding amounts included in net interest	-	134,844	134,844
Actuarial losses - changes in financial assumptions	(24,255)	-	(24,255)
Actuarial losses - experience adjustments	(84,310)	-	(84,310)
Recognized in the other comprehensive income (loss)	(108,565)	134,844	26,279
Employer contributions	-	83,477	83,477
Benefits paid	249,172	(249,172)	-
Payment for provisions for liabilities	12,934	-	12,934
December 31, 2025	(\$ 2,072,723)	\$ 1,803,315	(\$ 269,408)

The Group is exposed to the following risks due to the pension system under the "Labor Standards Act":

- 1) Investment risk: The Bureau of Labor Funds, Ministry of Labor, manages the Labor Retirement Fund through self-management and outsourcing, investing in domestic and foreign equity securities, debt securities, and bank deposits. However, the amount of the Company's plan assets is allocated based on the return calculated at a rate no lower than the local banks' two-year time deposits rate.

- 2) Interest rate risk: A decrease in government bond rates will increase the present value of the defined benefit obligation, but the returns on debt investments in plan assets will also increase, which will partially offset the impact on net defined benefit liabilities.
- 3) Salary risk: The calculation of the present value of the defined benefit obligation is based on future salaries of plan members. Therefore, the increase in the plan members' salaries will increase the present value of the defined benefit obligation.

The present value of the defined benefit obligation of the Company is actuarially calculated by a qualified actuary, and the significant assumptions on the measurement date are as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Discount rate	1.25%~1.38%	1.38%~1.50%
Expected salary increase rate	2.25%~3.25%	2.25%~3.25%

If any reasonably possible change in significant actuarial assumptions were to occur, while holding all other assumptions constant, the amount by which the present value of the defined benefit obligation would increase (decrease) is as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Discount rate		
Additions of 0.25%	(\$ 32,961)	(\$ 34,828)
Decrease 0.25%	<u>\$ 33,843</u>	<u>\$ 35,768</u>
Expected salary increase rate		
Additions of 0.25%	<u>\$ 32,830</u>	<u>\$ 34,726</u>
Decrease 0.25%	<u>(\$ 32,142)</u>	<u>(\$ 33,988)</u>

Since actuarial assumptions may be interrelated, the likelihood of changes in a single assumption alone is low, and therefore the abovementioned sensitivity analysis may not reflect the actual changes in the present value of the defined benefit obligation.

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
The expected amount to be allocated within 1 year.	<u>\$ 85,269</u>	<u>\$ 104,487</u>
The average maturity of the present value of the defined benefit obligation	3 to 13 years	3 to 15 years

24. GOVERNMENT GRANTS

ACME (KS) entered into an agreement with the Zhoushi Township Government of Kunshan in 2006, under which it committed to relocate from its original site and increase its investment. In return, it received subsidies for land use rights and basic power infrastructure. The subsidies received were recognized as long-term deferred income and are amortized over the useful lives of the related assets.

ACME (GZ) received government grants related to depreciable assets in 2025 and 2023. The grants received were recognized as long-term deferred income and are amortized over the useful lives of the related assets.

As of December 31, 2025 and 2024, the unamortized deferred income arising from the above amounted to RMB 11,908 thousand (NTD 53,249 thousand) and RMB 7,329 thousand (NTD 33,424 thousand), respectively.

25. EQUITY

a. Share capital

	December 31, 2025	December 31, 2024
Number of shares authorized (in thousands)	<u>1,342,602</u>	<u>1,342,602</u>
Share 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 issued	<u>\$ 11,887,635</u>	<u>\$ 11,887,635</u>

The holder of issued common shares with par value of NT\$10 is entitled to 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 dividend 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 Company's policy on the distribution of compensation to employees and directors as stipulated in the Articles of Incorporation, please refer to 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 2024 and 2023 as resolved in the shareholders' meetings on May 29, 2025 and May 31, 2024, respectively, are as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	From January 1 to December 31, 2024	From January 1 to December 31, 2023	From January 1 to December 31, 2024	From January 1 to December 31, 2023
Special reserve	\$ 93,106	\$ -		
Cash dividends	<u>237,753</u>	<u>416,067</u>	\$ 0.2	\$ 0.35
	<u>\$ 330,859</u>	<u>\$ 416,067</u>		

The appropriations of earnings from January 1 to December 31, 2025, by the Company's Board of Directors on March 12, 2026, are as follows:

	Distribution of retained earnings	Dividends Per Share (NT\$)
Special reserve	\$ 43,274	
Cash dividends	178,315	\$ 0.15
	<u>\$ 221,589</u>	

The appropriation of earnings from January 1 to December 31, 2025, is subject to the resolution of the shareholders' meeting tentatively scheduled for May 29, 2026.

d. Other equity

1) Exchange differences from the translation of financial statements of foreign operations

	From January 1 to December 31, 2025	From January 1 to December 31, 2024
Beginning balance	(\$ 34,266)	(\$ 452,386)
Recognized for the year		
Exchange differences arising on translation of foreign operations	(245,172)	525,364
Related income tax on exchange differences arising on translation of financial statements of foreign operations	50,078	(107,244)
Ending balance	<u>(\$ 229,360)</u>	<u>(\$ 34,266)</u>

2) Unrealized Gain (Loss) on Financial Assets at FVTOCI

	From January 1 to December 31, 2025	From January 1 to December 31, 2024
Beginning balance	(\$ 103,950)	\$ 290,941
Recognized for the year		
Unrealized gains (losses)		
Equity instruments	(80,468)	(392,483)
Related income tax	106	(1,932)
Cumulative unrealized gain (loss) of equity instruments transferred to retained earnings due to disposal	(16,206)	(476)
Ending balance	<u>(\$ 200,518)</u>	<u>\$ 103,950</u>

e. Non-controlling interest

	From January 1 to December 31, 2025	From January 1 to December 31, 2024
Beginning balance	\$ 21,970,268	\$ 24,289,615
Cash dividends to shareholders of subsidiaries	(208,082)	(420,285)
Net loss for the year	(3,614,318)	(2,762,409)
Other comprehensive income for the year		
Exchange differences from the translation of financial statements of foreign operations	(279,632)	614,178
Income tax relating to exchange differences on translation of financial statements of foreign operations	33,691	(75,743)
Unrealized Gain (Loss) on Financial Assets at FVTOCI	28,526	243,811
Income tax relating to unrealized gains (losses) on financial assets at FVTOCI	221	(4,040)
Remeasurement of defined benefit plans	19,147	107,255
Income tax relating to remeasurements of defined benefit plans	(3,562)	(20,578)
Share of changes in equity of associates and joint ventures accounted for using the equity method	1,771	1,842
Changes in non-controlling interests	(4,796)	(3,378)
Ending balance	<u>\$ 17,943,234</u>	<u>\$ 21,970,268</u>

f. Treasury shares

Purpose of Buy-Back	Number of shares at January 1 (in thousands)	Increase in the current year	Decrease in the current year	Number of shares at December 31 (in thousands)
<u>From January 1 to December 31, 2025</u>				
Subsidiaries' holding of the Company's shares reclassified from investment into treasury stock	116,466	-	-	116,466
<u>From January 1 to December 31, 2024</u>				
Subsidiaries' holding of the Company's shares reclassified from investment into treasury stock	116,466	-	-	116,466

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

Name of subsidiaries	Number of shares (In Thousands)	Carrying Amount	Market Price
<u>December 31, 2025</u>			
APC	101,356	\$ 1,377,381	\$ 1,125,048
TTC	15,110	81,875	167,720
		<u>\$ 1,459,256</u>	<u>\$ 1,292,768</u>
<u>December 31, 2024</u>			
APC	101,356	\$ 1,377,381	\$ 1,089,574
TTC	15,110	81,875	162,431
		<u>\$ 1,459,256</u>	<u>\$ 1,252,005</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.

APC and TTC held shares of the Company that were presented as financial assets at FVTOCI. Using closing prices on the final trading dates as of December 31, 2025, and December 31, 2024, the two entities reported unrealized gain (loss) on financial assets at FVTOCI, for which the Company had adjusted the value of equity-accounted investments and unrealized loss on valuation of financial assets at FVTOCI by NT\$50,150 thousand and NT\$63,566 thousand, respectively, based on the prevailing shareholding percentages.

26. REVENUE

	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
Net revenue from sale of goods		
Plastic Raw Materials	\$ 40,213,397	\$ 46,948,456
Electronic materials	2,652,850	2,474,256
Others	1,301,752	1,585,444
	<u>\$ 44,167,999</u>	<u>\$ 51,008,156</u>

The Group's revenue from the sale of goods is primarily derived from the sales of ethylene plastic pellets and related plastic products.

a. Contract balances

	<u>December 31, 2025</u>	<u>December 31, 2024</u>	<u>January 1, 2024</u>
Notes and accounts receivable (Note 10)	\$ 4,598,486	\$ 5,863,714	\$ 5,510,605
Contract liabilities (presented in other current liabilities)			
Merchandise sales	\$ 361,237	\$ 356,786	\$ 196,129

b. For disaggregation of revenue, please refer to Note 40.

27. NET LOSS FOR THE YEAR

Net loss for the period includes the following:

a. Interest revenue

	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
Bank deposits	\$ 216,935	\$ 275,451
Reserve repurchase agreements collateralized by bonds	17,771	41,386
Beneficiary securities	9,707	8,829
Others	2,383	5,090
	<u>\$ 246,796</u>	<u>\$ 330,756</u>

b. Other income

	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
Rent revenue	\$ 115,572	\$ 123,635
Dividend income	84,523	153,255
Management service revenue (Notes 33)	37,778	39,102
Compensation income	\$ 36,454	\$ 13,369
Government grant income (Notes 18 and 24)	28,640	26,954
Others	1,275	44,914
	<u>\$ 304,242</u>	<u>\$ 401,229</u>

c. Other gains and losses

	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
Net gain (loss) on disposal and write-off of property, plant and equipment	\$ 8,906	(\$ 113,263)
Gain on disposal of investments accounted for using the equity method	6,610	-
Gain on disposal of investment properties	47,086	-
Net foreign exchange gain (loss)	(210,360)	261,470
Net (loss) gain on financial assets and liabilities at FVTPL	(31,351)	25,791
Depreciation expenses	(42,843)	(46,034)
Other gains and losses	(54,591)	(138,286)
	<u>(\$ 276,543)</u>	<u>(\$ 10,322)</u>

d. Finance costs

	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
Interest on bank loans	\$ 286,020	\$ 233,183
Interest on bonds payable	27,422	36,165
Interest on lease liabilities	49,330	41,785
Less: Capitalized interest (presented under construction in progress)	(11,530)	(3,445)
	<u>\$ 351,242</u>	<u>\$ 307,688</u>

Information about capitalized interest is as follows:

	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
Capitalized interest	\$ 11,530	\$ 3,445
Capitalization rate	0.74%~1.91%	0.74%~1.80%

e. Depreciation and amortization

	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
Property, plant and equipment	\$ 2,476,521	\$ 2,480,565
Right-of-use assets	174,492	162,397
Investment properties	35,996	39,968
Intangible assets	8,851	8,979
Others	52,771	47,361
	<u>\$ 2,748,631</u>	<u>\$ 2,739,270</u>

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	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
Summary of depreciation by function		
Operating costs	\$ 2,449,536	\$ 2,454,210
Operating expenses	194,630	182,686
Other gains and losses	42,843	46,034
	<u>\$ 2,687,009</u>	<u>\$ 2,682,930</u>

An analysis of amortization by function		
Operating costs	\$ 53,591	\$ 47,168
Operating expenses	8,031	9,172
	<u>\$ 61,622</u>	<u>\$ 56,340</u>

f. Employee benefits expenses

	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
Post-employment benefits (Note 23)		
Defined contribution pension plan	\$ 183,007	\$ 172,471
Defined benefit plan	18,103	26,211
	<u>201,110</u>	<u>198,682</u>
Other employee benefits	4,339,838	4,382,465
Total employee benefits expenses	<u>\$ 4,540,948</u>	<u>\$ 4,581,147</u>

An analysis of employee benefits expense by function		
Operating costs	\$ 3,154,497	\$ 3,141,749
Operating expenses	1,386,451	1,439,398
	<u>\$ 4,540,948</u>	<u>\$ 4,581,147</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. Pursuant to the amendment to the Securities and Exchange Act in August 2024, the Company amended its Articles of Incorporation as approved at the 2025 shareholders' meeting to stipulate that no less than 40% of the employee compensation appropriated for the year shall be allocated to non-management employees.

For the Years Ended December 31, 2025 and 2024, due to the company's net loss, employees' compensation (including profit sharing bonus to employees) and remuneration of directors were not estimated.

h. Foreign exchange gains (losses)

	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
Gross foreign exchange gains	\$ 530,470	\$ 533,507
Foreign exchange losses	(740,830)	(272,037)
Net (loss) profit	<u>(\$ 210,360)</u>	<u>\$ 261,470</u>

28. INCOME TAX

a. Income tax recognized in the profit or loss

The major components of income tax (benefit) expense are as follows:

	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
Current income tax		
Incurred in the current period	\$ 76,712	\$ 115,425
Adjustments for previous years	(83,140)	(29,549)
Foreign tax credits	-	(24,119)
	<u>(6,428)</u>	<u>61,757</u>
Deferred income tax		
Incurred in the current period	(610,836)	(663,298)
Adjustments for previous years	26	(6,634)
	<u>(610,810)</u>	<u>(669,932)</u>
Income tax benefit recognized in profit or loss	<u>(\$ 617,238)</u>	<u>(\$ 608,175)</u>

Reconciliation between accounting income and income tax (benefit) expense is as follows:

	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
Net loss before income tax	<u>(\$ 7,022,518)</u>	<u>(\$ 5,518,054)</u>
Income tax benefit calculated at the statutory tax rate on net loss before income tax	(\$ 1,506,696)	(\$ 1,040,575)
Non-deductible expenses for tax purposes	16,993	34,290
Tax-exempt income	(25,529)	(43,654)
Unrecognized tax loss carryforwards and deductible temporary differences	504,349	167,592
Adjustment of current tax expenses from previous years in the current year.	(83,114)	(36,183)
Others	476,759	310,355
Income tax benefit recognized in profit or loss	<u>(\$ 617,238)</u>	<u>(\$ 608,175)</u>

The applicable income tax rate for the Company and its domestic subsidiaries is 20%, and for subsidiaries in China is 25%. Income tax arising in other jurisdictions is calculated at the tax rates applicable in the respective jurisdictions.

The Pillar 2 income tax law has come into effect in the countries where some of the Company's subsidiaries are registered. According to the law, the Company must pay a top-up tax on the profits of each of its subsidiaries that are taxed at an effective tax rate of less than 15%. There is no related current tax impact on current tax expenses related to Pillar Two income taxes from January 1 to December 31, 2025, and 2024.

b. Income tax recognized in the other comprehensive income

	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
<u>Deferred income tax</u>		
Incurred in the current period		
— Exchange differences on foreign operations translations	\$ 83,769	(\$ 182,987)
— Unrealized Gain (Loss) on Financial Assets at FVTOCI	327	(5,972)
— Remeasurement of defined benefit plans	(5,306)	(39,341)
Income tax recognized in the other comprehensive income	<u>\$ 78,790</u>	<u>(\$ 228,300)</u>

c. Current tax assets and liabilities

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Current tax assets		
Tax refund receivable	<u>\$ 34,383</u>	<u>\$ 49,809</u>
Current tax liabilities		
Income tax payable	<u>\$ 15,404</u>	<u>\$ 64,750</u>

d. Deferred tax assets and liabilities

The changes in deferred tax assets and liabilities are as follows:

From January 1 to December 31, 2025

	<u>Beginning balance</u>	<u>Recognized in the profit or loss</u>	<u>Recognized in the other comprehensive income (loss)</u>	<u>Reclassification</u>	<u>Exchange differences</u>	<u>Ending balance</u>
<u>Deferred tax assets</u>						
Temporary differences						
Defined benefit retirement plans	\$ 93,897	(\$ 10,714)	(\$ 2,739)	\$ -	\$ -	\$ 80,444
Investments accounted for using the equity method	1,525,720	(6,456)	8,601	-	-	1,527,865
Allowance for write-downs of inventories and obsolescence losses	119,078	(16,970)	-	-	(155)	101,953
Loss allowance	7,935	(100)	-	-	(169)	7,666

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	Beginning balance	Recognized in the profit or loss	Recognized in the other comprehensive income (loss)	Reclassification	Exchange differences	Ending balance
Unrealized loss on sales	\$ 8,560	(\$ 2,536)	\$ -	\$ -	\$ -	\$ 6,024
Payables for vacation benefits	27,482	(3,232)	-	-	-	24,250
Others	92,719	(716)	28,958	-	1,444	122,405
	1,875,391	(40,724)	34,820	-	1,120	1,870,607
Loss offset	661,813	646,014	-	-	(322)	1,307,505
	<u>\$ 2,537,204</u>	<u>\$ 605,290</u>	<u>\$ 34,820</u>	<u>\$ -</u>	<u>\$ 798</u>	<u>\$ 3,178,112</u>
<u>Deferred tax liabilities</u>						
Temporary differences						
Investments accounted for using the equity method	\$ 485,849	(\$ 1,286)	(\$ 46,210)	\$ -	\$ -	\$ 438,353
Differences between accounting and tax depreciation periods	65,094	(5,158)	-	-	1,777	61,713
Land revaluation surplus	800,993	-	-	-	-	800,993
Others	65,124	924	2,240	604	(176)	68,716
	<u>\$ 1,417,060</u>	<u>(\$ 5,520)</u>	<u>(\$ 43,970)</u>	<u>\$ 604</u>	<u>\$ 1,601</u>	<u>\$ 1,369,775</u>

From January 1 to December 31, 2024

	Beginning balance	Recognized in the profit or loss	Recognized in the other comprehensive income (loss)	Reclassification	Exchange differences	Ending balance
<u>Deferred tax assets</u>						
Temporary differences						
Defined benefit retirement plans	\$ 139,438	(\$ 12,443)	(\$ 33,098)	\$ -	\$ -	\$ 93,897
Investments accounted for using the equity method	1,233,068	299,047	(6,395)	-	-	1,525,720
Allowance for write-downs of inventories and obsolescence losses	91,284	27,608	-	-	186	119,078
Loss allowance	5,146	2,535	-	-	254	7,935
Unrealized loss on sales	11,965	(3,405)	-	-	-	8,560
Payables for vacation benefits	28,926	(1,444)	-	-	-	27,482
Others	141,233	(4,041)	(46,161)	-	1,688	92,719
	1,651,060	307,857	(85,654)	-	2,128	1,875,391
Loss offset	334,408	325,438	-	-	1,967	661,813
	<u>\$ 1,985,468</u>	<u>\$ 633,295</u>	<u>(\$ 85,654)</u>	<u>\$ -</u>	<u>\$ 4,095</u>	<u>\$ 2,537,204</u>
<u>Deferred tax liabilities</u>						
Temporary differences						
Investments accounted for using the equity method	\$ 410,859	(\$ 55,441)	\$ 130,431	\$ -	\$ -	\$ 485,849
Differences between accounting and tax depreciation periods	54,061	8,438	-	-	2,595	65,094
Land revaluation surplus	800,993	-	-	-	-	800,993
Others	32,171	10,366	12,215	10,185	187	65,124
	<u>\$ 1,298,084</u>	<u>(\$ 36,637)</u>	<u>\$ 142,646</u>	<u>\$ 10,185</u>	<u>\$ 2,782</u>	<u>\$ 1,417,060</u>

e. Items not recognized as deferred tax assets

	December 31, 2025	December 31, 2024
Loss offset	<u>\$ 3,368,286</u>	<u>\$ 3,471,343</u>

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	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Deductible temporary differences		
Share of profit of foreign subsidiaries accounted for using the equity method	\$ 2,428,810	\$ -
Write-downs of inventories and obsolescence losses	313,272	307,095
Impairment losses on property, plant and equipment	65,936	75,081
Impairment losses on receivables	67,074	68,412
Others	58,476	56,130
	<u>\$ 2,933,568</u>	<u>\$ 506,718</u>

f. Unused loss offset related information

As of December 31, 2025, the Group had unused tax loss carryforwards of NT\$9,933,352 thousand, which will expire in stages before 2045.

g. Income tax examination

The income tax returns of the Company, ACME, USII, CGPC, CGPCPOL, TVCM, GGT, USIO, APC, APCIC, TUVU, UM, SG, UPIIC, CGTD, TUVU, CLT, SPC, and STC have been assessed by the tax authorities through 2023. The income tax returns of TTC have been assessed by the tax authorities through 2022.

29. LOSSES PER SHARE

	Unit: NT\$ Per Share	
	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
Basic loss per share	(\$ 2.60)	(\$ 2.00)
Diluted loss per share	(\$ 2.60)	(\$ 2.00)

The losses and weighted average number of shares used for calculating losses per share is explained below:

Net loss for the year

	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
Net loss attributable to owners of the Company (used in calculating basic and diluted loss per share)	(\$ 2,790,962)	(\$ 2,147,470)

Number of shares

	Unit: thousands of share	
	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
Weighted average number of ordinary shares used in the computation of basic and diluted loss per share	<u>1,072,298</u>	<u>1,072,298</u>

If the Group has a choice of settling employee compensation in cash or shares, it is assumed that such compensation will be settled in shares when calculating diluted earnings per share. The resulting potential ordinary shares are included in the weighted average number of shares outstanding if they have a dilutive effect. When calculating diluted loss per share prior to determining the number of shares for employee compensation in the following year, the dilutive effect of such potential common shares is also considered.

30. CASH FLOW INFORMATION

a. Non-cash transactions

Except for those disclosed elsewhere in the notes, the Group engaged in the following non-cash investing and financing activities for the years ended December 31, 2025 and 2024:

- As of December 31, 2025 and 2024, payables for purchases of equipment amounted to NT\$396,079 thousand and NT\$371,347 thousand, respectively.
- As of December 31, 2025 and 2024, dividends payable declared but not yet distributed amounted to NT\$37,587 thousand and NT\$42,701 thousand, respectively.

b. Reconciliation of liabilities arising from financing activities

			Non-cash changes				December 31, 2025
	January 1, 2025	Cash flow	New Leases	Amortization of Finance Costs	Exchange rate changes	Others	
Short-term borrowings	\$ 4,837,886	(\$ 1,247,270)	\$ -	\$ -	\$ -	\$ -	\$ 3,590,616
Short-term notes payable	419,841	(110,000)	-	-	-	62	309,903
Bonds payable (including those due within 1 year)	3,996,588	(850,000)	-	1,450	-	-	3,148,038
Long-term borrowings (including those due within 1 year)	9,156,164	2,282,599	-	22,503	-	-	11,461,266
Deposits received	43,284	(2,858)	-	-	-	-	40,426
Lease liabilities (including those due within 1 year)	2,470,966	(146,272)	4,971	49,330	(2,885)	(59,294)	2,316,816
Other non-current liabilities	122,969	53,036	-	-	-	(19,102)	156,903
	<u>\$ 21,047,698</u>	<u>(\$ 20,765)</u>	<u>\$ 4,971</u>	<u>\$ 73,283</u>	<u>(\$ 2,885)</u>	<u>(\$ 78,334)</u>	<u>\$ 21,023,968</u>

			Non-cash changes				December 31, 2024
	January 1, 2024	Cash flow	New Leases	Amortization of Finance Costs	Exchange rate changes	Others	
Short-term borrowings	\$ 3,256,357	\$ 1,581,529	\$ -	\$ -	\$ -	\$ -	\$ 4,837,886
Short-term notes payable	-	420,000	-	-	-	(159)	419,841
Bonds payable (including those due within 1 year)	5,994,704	(2,000,000)	-	1,884	-	-	3,996,588
Long-term borrowings (including those due within 1 year)	6,725,381	2,403,169	-	27,614	-	-	9,156,164
Deposits received	47,300	(4,016)	-	-	-	-	43,284
Lease liabilities (including those due within 1 year)	2,136,345	(148,910)	447,094	41,785	4,064	(9,412)	2,470,966
Other non-current liabilities	104,926	18,043	-	-	-	-	122,969
	<u>\$ 18,265,013</u>	<u>\$ 2,269,815</u>	<u>\$ 447,094</u>	<u>\$ 71,283</u>	<u>\$ 4,064</u>	<u>(\$ 9,571)</u>	<u>\$ 21,047,698</u>

31. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to continue as a going concern while maximizing returns to shareholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged from prior years.

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

The Group's key management personnel review the capital structure of the Group on a regular basis. This review includes consideration of the cost of capital and the risks associated with each class of capital. Based on the recommendations of key management personnel, the Group will balance its overall capital structure through the payment of dividends, the issuance of new debt, or the repayment of existing debt.

32. FINANCIAL INSTRUMENTS

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

December 31, 2025

	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities at amortized costs					
- Domestic corporate bonds	\$ 3,148,038	\$ -	\$ 3,132,366	\$ -	\$ 3,132,366

December 31, 2024

	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities at amortized costs					
- Domestic corporate bonds	\$ 3,996,588	\$ -	\$ 3,963,354	\$ -	\$ 3,963,354

Except as described above, the Group's management considers that the carrying amounts of financial assets and financial liabilities not measured at fair value approximate their fair values, or that their fair values cannot be reliably measured.

b. Fair value information – financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

December 31, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets measured at FVTPL</u>				
Derivatives	\$ -	\$ 1,623	\$ -	\$ 1,623
Domestic publicly trade shares	396,560	-	-	396,560
Foreign listed shares	64,139	-	-	64,139
Mutual funds	1,312,114	-	-	1,312,114
Beneficiary securities	230,890	-	-	230,890
Total	\$ 2,003,703	\$ 1,623	\$ -	\$ 2,005,326

	Level 1	Level 2	Level 3	Total
<u>Financial assets measured at FVOCI</u>				
Investments in equity instruments				
- Domestic publicly trade shares	\$ 1,397,446	\$ -	\$ -	\$ 1,397,446
- Domestic unlisted shares	-	-	307,132	307,132
- Foreign listed shares	8,053	-	-	8,053
- Foreign unlisted shares	-	-	211,783	211,783
Total	<u>\$ 1,405,499</u>	<u>\$ -</u>	<u>\$ 518,915</u>	<u>\$ 1,924,414</u>
<u>Financial liabilities measured at FVTPL</u>				
Derivatives	<u>\$ -</u>	<u>\$ 4,982</u>	<u>\$ -</u>	<u>\$ 4,982</u>

December 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets measured at FVTPL</u>				
Derivatives	\$ -	\$ 4,485	\$ -	\$ 4,485
Domestic publicly trade shares	317,000	-	-	317,000
Foreign listed shares	56,262	-	-	56,262
Mutual funds	1,471,811	-	-	1,471,811
Beneficiary securities	246,122	-	-	246,122
Total	<u>\$ 2,091,195</u>	<u>\$ 4,485</u>	<u>\$ -</u>	<u>\$ 2,095,680</u>
<u>Financial assets measured at FVOCI</u>				
Investments in equity instruments				
- Domestic publicly trade shares	\$ 1,477,537	\$ -	\$ -	\$ 1,477,537
- Domestic unlisted shares	-	-	314,434	314,434
- Foreign listed shares	9,563	-	-	9,563
- Foreign unlisted shares	-	-	222,437	222,437
Total	<u>\$ 1,487,100</u>	<u>\$ -</u>	<u>\$ 536,871</u>	<u>\$ 2,023,971</u>
<u>Financial liabilities measured at FVTPL</u>				
Derivatives	<u>\$ -</u>	<u>\$ 1,970</u>	<u>\$ -</u>	<u>\$ 1,970</u>

There were no transfers between Level 1 and Level 2 fair value measurements during 2025 and 2024.

2) Reconciliation of financial assets measured at Level 3 fair value

	From January 1 to December 31, 2025	From January 1 to December 31, 2024
<u>Financial assets measured at</u>		
<u>FVOCI</u>		
Beginning balance	\$ 536,871	\$ 517,248
Additions	19,992	-
Transfers out of Level 3	-	(40,270)
Recognized in other comprehensive income (unrealized gains (losses) on financial assets at FVTOCI)	(8,443)	59,893
Return of capital	(29,505)	-
Ending balance	<u>\$ 518,915</u>	<u>\$ 536,871</u>

3) Valuation techniques and inputs used in Level 2 fair value measurements

<u>Category of financial instruments</u>	<u>Valuation techniques and inputs</u>
Financial liabilities – domestic corporate bonds payable	Fair value is determined by reference to the published corporate bond benchmark yields. The applicable yield is selected based on credit rating and maturity, and a valuation yield is derived using the spread method, from which the price per NT\$100 face value is calculated.
Derivative instruments - forward foreign exchange contracts	Discounted cash flow method: Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and the contracted exchange rates, and are discounted using rates that reflect the respective counterparties' credit risk.

4) Valuation techniques and inputs used in Level 3 fair value measurements

The Group's valuation processes for fair value measurements classified within Level 3 are performed by the finance department, which is responsible for the independent verification of the fair value of financial instruments. Observable data from independent sources are used to ensure that valuation results are aligned with market conditions, and such valuations are reviewed periodically to ensure their reasonableness. For domestic and foreign unlisted equity investments, the Group adopts the asset-based approach. The fair value is determined with reference to the most recent net asset value of the investees and their observable financial and operating conditions. A decrease in the discount for lack of marketability would result in an increase in the fair value of these investments. If the discount for lack of marketability increases/decreases by 10%, the fair value as of December 31, 2025 and 2024 would decrease/increase by NT\$51,892 thousand and NT\$53,687 thousand, respectively.

c. Categories of financial instruments

	December 31, 2025	December 31, 2024
<u>Financial assets</u>		
Financial assets measured at FVTPL		
Mandatorily measured at FVTPL	\$ 2,005,326	\$ 2,095,680
Financial assets measured at amortized cost		
Cash and cash equivalents	3,897,651	7,604,583
Pledged and restricted deposits	725,365	732,984
Bank fixed-term deposits with a maturity over 3 months	4,616,667	3,944,542
Reserve repurchase agreements collateralized by bonds with a maturity over 3 months	446,063	691,130
Bank fixed-term deposits with a maturity over 12 months	96,140	143,665
Notes receivable	335,394	528,934
Accounts receivable (including related parties)	4,263,092	5,334,780
Other receivables (including related parties, excluding tax refund receivables)	131,831	89,926
Refundable deposits	217,970	193,185
Financial assets measured at FVTOCI - equity instruments	1,924,414	2,023,971
<u>Financial liabilities</u>		
Financial liabilities measured at FVTPL - held for trading	4,982	1,970
Financial liabilities measured at amortized cost		
Short-term borrowings	3,590,616	4,837,886
Short-term notes payable	309,903	419,841
Accounts payable	2,203,512	3,224,586
Other payables (including related parties, excluding salaries payable and taxes payable)	1,516,517	1,627,176
Current portion of long-term debt	3,395,535	3,252,100
Bonds payable	2,298,296	3,146,843
Long-term borrowings	8,915,473	6,753,809
Deposits received	40,426	43,284

d. Financial risk management objectives and policies

The Group's risk control and hedging strategies are influenced by changes in the operating environment. Nevertheless, the Group has established appropriate risk management and control procedures based on the nature of its business and the principle of risk diversification. These risks include market risk (comprising foreign exchange risk, interest rate risk and other price risk), credit risk and liquidity risk.

1) Market Risk

The Group's operating activities expose it to the primary financial risks of changes in foreign exchange rates, interest rates and other prices.

There have been no changes in the Group's exposure to market risks arising from financial instruments or in the manner in which such exposures are managed and measured.

(1) Exchange rate risk

The Group engages in sales and purchases denominated in foreign currencies, which expose it to exchange rate fluctuations. To mitigate the risk of decreases in the value of foreign currency-denominated assets and volatility in future cash flows arising from exchange rate movements, the Group uses forward foreign exchange contracts to hedge such exposures. The use of forward foreign exchange contracts is governed by policies approved by the Board of Directors. Internal auditors continuously review compliance with such policies and exposure limits. The Group does not engage in transactions involving derivative financial instruments for speculative purposes.

For the carrying amounts of the Group's monetary assets and monetary liabilities denominated in non-functional currencies as of the balance sheet date, please refer to Note 38. For the carrying amounts of derivative instruments exposed to foreign exchange risk, please refer to Note 7.

Sensitivity Analysis

The sensitivity analysis of foreign exchange rate risk is primarily based on the Group's foreign currency-denominated monetary items as of the end of the reporting period, mainly denominated in USD and RMB. A 3% appreciation/depreciation of the functional currencies of the Group entities against USD and RMB would result in an increase/decrease in pre-tax net loss of NT\$80,596 thousand and NT\$80,896 thousand for 2025 and 2024, respectively.

As the sensitivity analysis is based on the foreign currency exposures as of the balance sheet date, management considers that it may not be representative of exposures during the year.

(2) Interest rate risk

The Group is exposed to fair value interest rate risk arising from financial assets and financial liabilities bearing fixed interest rates, and to cash flow interest rate risk arising from financial assets and financial liabilities bearing floating interest rates. The Group's management monitors changes in market interest rates on a regular basis and adjusts its positions in floating-rate financial liabilities to align its interest rates with market rates, thereby mitigating risks arising from fluctuations in market interest rates.

The carrying amounts of the Group's financial assets and financial liabilities exposed to interest rate risk as of the balance sheet date are as follows:

	December 31, 2025	December 31, 2024
Financial assets with fair value interest rate risk		
– Financial assets	\$ 7,498,763	\$ 10,112,418
– Financial liabilities	10,221,913	11,487,902
Cash flow interest rate risk		
– Financial assets	2,139,324	3,022,298
– Financial liabilities	10,604,726	9,393,543

Sensitivity Analysis

The sensitivity analysis of interest rate risk is based on the Group's financial assets and financial liabilities exposed to cash flow interest rate risk as of the balance sheet date. The Group considers a 0.5% increase/decrease in market interest rates to be a reasonably possible change for reporting interest rate risk to key management personnel. Assuming all other variables remain constant, a 0.5% increase/decrease in market interest rates would result in an increase/decrease in pre-tax net loss of NT\$42,327 thousand and NT\$31,856 thousand for 2025 and 2024, respectively.

(3) Other price risk

The Group is exposed to equity price risk arising from investments in domestic and foreign listed (TWSE/TPEX) and emerging stocks, as well as beneficiary certificates of funds. The Group's management manages such risk by maintaining a diversified portfolio of investments with different risk profiles. In addition, the Group has designated a specific team to monitor price risk.

Sensitivity Analysis

The following sensitivity analysis is based on the prices of equity securities as of the balance sheet date. However, the beneficiary certificates of funds held by the Group are primarily money market funds with low price volatility and are therefore excluded from the sensitivity analysis.

If equity prices increase/decrease by 5%, pre-tax net loss for 2025 and 2024 would decrease/increase by NT\$34,579 thousand and NT\$30,969 thousand, respectively, due to the increase/decrease in the fair value of financial assets at FVTPL (excluding beneficiary certificates of funds). Pre-tax other comprehensive income for 2025 and 2024 would increase/decrease by NT\$96,221 thousand and NT\$101,199 thousand, respectively, due to the increase/decrease in the 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, resulting in a financial loss to the Group. As of the balance sheet date, the Group's maximum exposure to credit risk that could result in a financial loss due to counterparties' failure to perform their obligations arises mainly from:

- (1) The carrying amount of financial assets recognized in the consolidated balance sheet.
- (2) The maximum amount that the Group may be required to pay under financial guarantees.

The Group's policy is to transact only with creditworthy counterparties in order to mitigate the risk of financial loss, and to continuously monitor credit exposures and the creditworthiness of counterparties.

The Group's accounts receivable are due from a large number of customers and are geographically diversified, with no significant concentration in any single customer or region. The Group also continuously evaluates the financial condition of its customers; accordingly, its exposure to credit risk is considered limited. As of the balance sheet date, the Group's maximum exposure to credit risk is equal to the carrying amount of its financial assets recognized in the consolidated balance sheet.

3) Liquidity Risk

The Group manages liquidity risk by maintaining sufficient levels of cash and cash equivalents to support its operations and to mitigate the effects of fluctuations in cash flows.

(1) Liquidity and interest rate risk table for non-derivative financial liabilities

The following table provides a detailed analysis of the remaining contractual maturities of the Group's non-derivative financial liabilities based on the agreed repayment periods. The analysis is prepared based on the earliest date on which the Group can be required to pay and is presented using undiscounted cash flows of the financial liabilities, including both principal and interest.

December 31, 2025

	Weighted average effective interest rate (%)	On demand or within 1 year	1 - 5 years	Over 5 year
<u>Non-derivative financial liabilities</u>				
Non-interest-bearing liabilities				
Lease liabilities	0.83~9.25	\$ 3,720,029	\$ -	\$ -
Floating-rate instruments	0.38~4.13	201,389	756,391	1,791,593
Fixed-rate instruments	0.63~2.80	3,412,937	5,676,255	1,923,418
		4,604,450	3,373,977	-
		<u>\$ 11,938,805</u>	<u>\$ 9,806,623</u>	<u>\$ 3,715,011</u>

Further information on the maturity analysis of lease liabilities is as follows:

	Within 1 years	1 - 5 years	5 - 10 years	10 - 15 years	15 - 20 years	Over 20 year
Lease liabilities	\$ 201,389	\$ 756,391	\$ 951,489	\$ 615,019	\$ 225,085	\$ -

December 31, 2024

	Weighted average effective interest rate (%)	On demand or within 1 year	1 - 5 years	Over 5 year
<u>Non-derivative financial liabilities</u>				
Non-interest-bearing liabilities				
Lease liabilities	0.83~9.25	\$ 4,851,762	\$ -	\$ -
Floating-rate instruments	1.03~4.43	201,349	778,568	2,017,096
Fixed-rate instruments	0.63~3.10	3,527,783	5,978,166	213,941
		5,905,577	3,191,369	-
		<u>\$ 14,486,471</u>	<u>\$ 9,948,103</u>	<u>\$ 2,231,037</u>

Further information on the maturity analysis of lease liabilities is as follows:

	Within 1 years	1 - 5 years	5 - 10 years	10 - 15 years	15 - 20 years	Over 20 year
Lease liabilities	\$ 201,349	\$ 778,568	\$ 990,171	\$ 666,317	\$ 358,282	\$ 2,326

(2) Liquidity and interest rate risk table for derivative financial liabilities

For the liquidity analysis of derivative financial instruments, derivatives that are settled on a gross basis are presented based on the undiscounted gross cash inflows and outflows. When the amounts payable or receivable are not fixed, the amounts disclosed are determined based on the projected interest rates derived from the yield curves as of the balance sheet date.

December 31, 2025

	On demand or within 1 month	1 - 3 months	3 months - 1 year
<u>Gross settlement</u>			
Forward foreign exchange contracts			
– Inflows	\$ 180,880	\$ 196,517	\$ -
– Outflow	(182,712)	(199,266)	-
	<u>\$ 1,832</u>	<u>\$ 2,749</u>	<u>\$ -</u>

December 31, 2024

	On demand or within 1 month	1 - 3 months	3 months - 1 year
<u>Gross settlement</u>			
Forward foreign exchange contracts			
– Inflows	\$ 235,403	\$ 30,547	\$ 37,023
– Outflow	(233,225)	(32,525)	(39,342)
	<u>\$ 2,178</u>	<u>\$ 1,978</u>	<u>\$ 2,319</u>

(3) Financing facilities

Bank borrowings are an important source of liquidity for the Group. The Group's unused bank credit facilities as of the balance sheet date are as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Bank credit facilities		
– Amounts underdrawn	<u>\$ 34,714,241</u>	<u>\$ 36,717,902</u>

33. RELATED PARTY TRANSACTIONS

Transactions, account balances, income and expenses between the Company and its subsidiaries (which are related parties of the Company) have been eliminated in consolidation and are therefore not disclosed in this note. Except as disclosed elsewhere in the notes, the transactions between the Group and its related parties are as follows:

a. Names of related parties and their relationships

<u>Name of the related party</u>	<u>Relationship with the Group</u>
Gulei	Joint venture
Delmind	Associate (ceased to be a related party from September 12, 2025)
USI Educational Foundation (USIF)	Other related parties

b. Other operating revenue (classified as sales revenue)

<u>Category / Name of related party</u>	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
Joint venture	<u>\$ 60,904</u>	<u>\$ 72,538</u>

The terms and conditions of sales transactions between the Group and its related parties, including pricing and collection terms, are not significantly different from those with non-related parties.

c. Purchases (classified as cost of sales)

<u>Category / Name of related party</u>	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
Joint venture	<u>\$ 99,785</u>	<u>\$ 1,139,419</u>

The terms and conditions of purchases between the Group and its related parties, including pricing and payment terms, are not significantly different from those with non-related parties.

d. Donations (classified as administrative expenses)

<u>Category / Name of related party</u>	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
Other related parties		
USIF	<u>\$ 12,000</u>	<u>\$ 9,000</u>

e. Others (classified as cost of sales)

<u>Category / Name of related party</u>	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
Associates	<u>\$ -</u>	<u>\$ 185</u>

f. Management service revenue (classified as other income)

Category / Name of related party	From January 1 to December 31, 2025	From January 1 to December 31, 2024
Joint venture	\$ 36,984	\$ 36,542
Associates	581	2,560
	\$ 37,565	\$ 39,102

g. Rental income (classified as other income)

Category / Name of related party	From January 1 to December 31, 2025	From January 1 to December 31, 2024
Associates	\$ 208	\$ 312
	\$ 208	\$ 312

The Group leases office premises to its associates. Rental income is charged monthly in accordance with the terms of the lease agreements. Upon termination of the lease term, the associates do not have any preferential right to purchase the leased office premises.

h. Accounts receivable – net

Category / Name of related party	December 31, 2025	December 31, 2024
Joint venture	\$ 5,503	\$ 6,388
	\$ 5,503	\$ 6,388

Outstanding amounts due from related parties are unsecured. No allowance for impairment loss was recognized for amounts due from related parties for 2025 and 2024.

i. Other receivables

Category / Name of related party	December 31, 2025	December 31, 2024
Joint venture	\$ 18,748	\$ 17,793
	\$ 18,748	\$ 17,793

j. Other payables

Category / Name of related party	December 31, 2025	December 31, 2024
Associates	\$ -	\$ 11,450
	\$ -	\$ 11,450

k. Acquisition of property, plant and equipment

Category / Name of related party	December 31, 2025	December 31, 2024
Associates	\$ 7,486	\$ 13,631
	\$ 7,486	\$ 13,631

l. Compensation of key management personnel

The aggregate compensation of directors and other key management personnel is as follows:

	<u>From January 1 to December 31, 2025</u>	<u>From January 1 to December 31, 2024</u>
Short-term employee benefits	\$ 69,694	\$ 69,939
Retirement benefits	626	774
	<u>\$ 70,320</u>	<u>\$ 70,713</u>

The compensation of directors and other key management personnel is determined by the Remuneration Committee based on individual performance and market trends.

34. PLEDGED ASSETS

The following assets of the Group have been pledged as collateral for purchase payments, export bills negotiated, credit facilities for short-term and long-term financing, guarantees related to the gas explosion incident, and provisional attachment ordered by the court upon application by third parties:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Pledged bank deposits (classified as financial assets at amortized cost)	\$ 708,089	\$ 711,901
Property, plant and equipment	2,305,354	2,168,547
Land use rights (classified as right-of-use assets)	25,731	25,266
Refundable deposits (classified as other non-current assets)	126,209	137,023
	<u>\$ 3,165,383</u>	<u>\$ 3,042,737</u>

35. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACTUAL COMMITMENTS

- a. As of December 31, 2025 and 2024, the Group had unused letters of credit amounting to NT\$1,519,615 thousand and NT\$2,085,010 thousand, respectively.
- b. With respect to the gas explosion incident that occurred on July 31, 2014, involving the propylene pipeline operated by CGTD, a subsidiary of the Company, under contract for LCY Chemical Corp. (LCY), the criminal proceedings were concluded on September 15, 2021, when the Supreme Court dismissed the appeal and upheld the acquittal of three employees of CGTD.

On February 12, 2015, CGTD entered into an agreement with the Kaohsiung City Government to provide time deposits totaling NT\$238,306 thousand (including interest), pledged as collateral in favor of the Kaohsiung City Government as security for damages arising from the gas explosion incident. The Kaohsiung City Government has also successively filed civil lawsuits against LCY, CGTD, CPC Corporation, Taiwan, and others for damages. In addition, Taiwan Power Company applied to the court for provisional attachment of CGTD's assets on August 27 and November 26, 2015. CGTD has deposited NT\$99,207 thousand in cash with the court as security to lift the provisional attachment. Taiwan Water Corporation also applied to the court for provisional attachment of CGTD's assets on February 3 and March 2, 2017. As of

February 28, 2026, bank deposits of CGTD amounting to NT\$6,401 thousand had been subject to provisional attachment.

In relation to the gas explosion incident, CGTD and LCY. entered into a tripartite agreement with the Kaohsiung City Government on July 17, 2015, to negotiate compensation with the heirs and other entitled parties of the 32 deceased victims (hereinafter referred to as the “bereaved families”). Under the agreement, compensation of NT\$12,000 thousand was paid for each deceased victim, totaling NT\$384,000 thousand. The settlement amounts were initially advanced by LCY, which also represented the three parties in negotiating with and entering into settlement agreements with the bereaved families of the victims of the gas explosion incident. Pursuant to the tripartite agreement, on August 10, 2022, CGTD reimbursed LCY. in the amount of NT\$157,347 thousand based on a 30% share of negligence as determined in the first-instance judgment. The final allocation remains subject to the outcome of the civil litigation, and any further adjustments will be made in accordance with the final determination of liability.

In respect of the severely injured victims, CGTD and LCY. entered into a tripartite agreement with the Kaohsiung City Government on October 25, 2017, agreeing to negotiate compensation with 65 severely injured victims. The settlement amounts were advanced by CGTD and the Kaohsiung City Government. CGTD also represented the three parties in negotiating settlement arrangements with the severely injured victims and entered into settlement agreements with 64 of them.

As of February 28, 2026, victims of the Kaohsiung gas explosion incident, injured parties, or their relatives have filed civil (including incidental civil actions to criminal proceedings) lawsuits against LCY, CGTD, CPC Corporation, Taiwan, and other parties seeking damages. In consideration of reducing litigation costs and related factors, CGTD has reached a settlement for claims originally totaling NT\$46,677 thousand, with a settlement amount of NT\$4,519 thousand. The remaining claims currently under litigation, together with the settlement amounts agreed for the deceased and severely injured victims as described above, amount in aggregate to approximately NT\$3,831,211 thousand. For certain civil cases as described above (with total claims amounting to approximately NT\$1,616,883 thousand), first-instance judgments have been rendered successively since June 22, 2018. Most judgments determined the proportion of negligence attributable to the Kaohsiung City Government, LCY, and CGTD to be 4:3:3, respectively. Accordingly, CGTD, LCY, and other defendants were ordered to pay damages totaling approximately NT\$489,861 thousand, of which NT\$6,194 thousand was exempted from liability for CGTD pursuant to the court judgments.

For civil cases that have been adjudicated in the first instance but not settled, appeals have been filed and second-instance judgments have been rendered successively since July 10, 2024. As of February 28, 2026, a total of nine second-instance judgments have been rendered in claims filed by the Kaohsiung City Government (with total claims amounting to approximately NT\$1,137,677 thousand). Among these cases, eight determined that CGTD and LCY. shall bear joint and several liability for 10% (five cases) or 20% (three cases) of the negligence, with total compensation amounting to NT\$79,726 thousand. In one case, CGTD was determined to bear 10% of the negligence independently, with compensation amounting to NT\$297 thousand. In addition, second-instance judgments have also been rendered in claims filed by Taiwan Power Company (NT\$265,822 thousand), the National Health Insurance Administration (NT\$35,688 thousand), and Taiwan Water Corporation (NT\$28,643 thousand), in which CGTD and LCY. were held jointly and severally liable for total compensation of NT\$120,143 thousand. With respect to the second-instance judgments mentioned above, CGTD has filed appeals to the third instance for all cases where further appeal is permitted. The remaining cases are still under trial at the first instance courts, with total claims amounting to approximately NT\$1,711,504 thousand.

Based on the proportions of negligence determined in the relevant judgments, CGTD has estimated the settlement amounts for deceased and severely injured victims, as well as compensation for civil litigation cases (including settled cases). After deducting the insurance coverage limits, the amount expected to be borne by the Company has been estimated and recognized at NT\$136,375 thousand. However, the actual amounts of the aforementioned settlements and compensation remain subject to final determination based on the final court judgments in the civil litigation, including the proportion of liability to be borne by CGTD.

36. SIGNIFICANT DISASTER LOSS

On October 19, 2024, a fire occurred at the adhesive tape manufacturing plant of CGPC, a subsidiary of the Company. Certain equipment and inventories at the plant were damaged. As of December 31, 2025, the cumulative property losses amounted to NT\$158,602 thousand, which were recognized under other gains and losses. CGPC has obtained relevant property insurance and is currently negotiating the related claims with the insurer. As the insurance claims involve loss assessment, the related insurance recoveries will be recognized only when they can be reasonably assured by CGPC. Based on CGPC's preliminary assessment of the fire-related losses and the expected insurance recoveries, no material impact on the overall operations is anticipated.

37. SIGNIFICANT CONTRACTS

a. TVCM has entered into purchase agreements for ethylene or ethylene dichloride with CPC Corporation, Taiwan; Formosa Plastics Corporation; Blue Water Alliance JV LLP; and Mitsubishi Corporation. The purchase prices are determined by both parties in accordance with agreed pricing formulas.

b. Significant operating agreements

CGTD provides storage and transportation services for petrochemical raw materials under contract for USI, TTC, APC, TVCM, TSRC Corporation, and Oriental Union Chemical Corporation, among others. Service fees are charged based on the volume handled at agreed rates per ton. Insurance premiums for petrochemical raw materials are borne by the respective contracting parties.

38. INFORMATION ON FOREIGN CURRENCY FINANCIAL ASSETS AND LIABILITIES WITH SIGNIFICANT IMPACT

The following information is presented in foreign currencies other than the functional currencies of the respective entities of the Group. The exchange rates disclosed represent the rates at which such foreign currencies are translated into the respective functional currencies. Information on foreign currency assets and liabilities with significant impact is as follows:

Unit: foreign currencies / carrying amounts in thousands

	December 31, 2025					
	Foreign currency		Exchange rate (In single dollars)		Functional currency	Carrying amount
<u>Foreign currency assets</u>						
<u>Monetary items</u>						
USD	\$	114,871	31.43	(USD: NTD)	\$	3,610,379
USD		15,265	7.03	(USD: RMB)		19,013
USD		6,884	4.20	(USD: MYR)		28,926
RMB		23,610	4.47	(RMB: NTD)		105,577
RMB		288	0.14	(RMB: USD)		41
AUD		2,361	21.01	(AUD: NTD)		49,594
EUR		493	36.90	(EUR: NTD)		18,215
<u>Non-monetary items</u>						
Joint ventures						
accounted for using the equity method						
RMB		291,422	0.14	(RMB: USD)		41,461
Derivatives						
USD		2,540	31.43	(USD: NTD)		882
USD		400	4.20	(USD: MYR)		99

(Continued)

(Continued)

December 31, 2025						
		Foreign currency	Exchange rate (In single dollars)		Functional currency	Carrying amount
Foreign currency liabilities						
<u>Monetary items</u>						
USD	\$	29,944	31.43	(USD: NTD)	\$ 941,160	\$ 941,160
USD		10,753	7.03	(USD: RMB)	75,577	316,669
USD		1,178	4.20	(USD: MYR)	4,948	37,102
RMB		19,312	4.47	(RMB: NTD)	86,356	86,356
<u>Non-monetary items</u>						
Derivatives						
USD		9,240	31.43	(USD: NTD)	4,982	4,982
December 31, 2024						
		Foreign currency	Exchange rate (In single dollars)		Functional currency	Carrying amount
Foreign currency assets						
<u>Monetary items</u>						
USD	\$	131,464	32.79	(USD: NTD)	\$ 4,310,029	\$ 4,310,029
USD		3,049	7.19	(USD: RMB)	21,920	99,968
USD		9,812	4.64	(USD: MYR)	45,530	321,687
RMB		40,478	4.56	(RMB: NTD)	184,608	184,608
RMB		3,010	0.14	(RMB: USD)	419	13,739
AUD		1,505	20.39	(AUD: NTD)	30,669	30,669
EUR		881	34.14	(EUR: NTD)	30,089	30,089
<u>Non-monetary items</u>						
Joint ventures						
accounted for using the equity method						
RMB		1,269,865	0.14	(RMB: USD)	176,655	5,791,628
Derivatives						
USD		5,040	32.79	(USD: NTD)	3,799	3,799
USD		200	4.64	(USD: MYR)	6	44
JPY		90,000	0.01	(JPY: USD)	598	642
Foreign currency liabilities						
<u>Monetary items</u>						
USD		55,269	32.79	(USD: NTD)	1,811,994	1,811,994
USD		10,069	7.19	(USD: RMB)	72,385	311,143
USD		1,124	4.64	(USD: MYR)	5,214	36,839
RMB		16,121	4.56	(RMB: NTD)	73,524	73,524
<u>Non-monetary items</u>						
Derivatives						
USD		1,210	32.79	(USD: NTD)	688	688
USD		2,400	4.64	(USD: MYR)	181	1,282

The Group's realized and unrealized net foreign exchange losses amounted to NT\$210,360 thousand and gains of NT\$261,470 thousand for 2025 and 2024, respectively. Due to the diversity of foreign currency transactions and the variety of functional currencies of the Group entities, it is not practicable to disclose exchange gains and losses by each currency with significant impact.

39. SUPPLEMENTARY DISCLOSURE

a. Significant transactions:

- 1) Loans to others. (Table 1)
- 2) Endorsements and guarantees provided to others. (Table 2)
- 3) Marketable securities held at the end of the period (excluding investments in subsidiaries and joint ventures). (Table 3)
- 4) Purchases from or sales to related parties amounting to NT\$100 million or 20% or more of paid-in capital. (Table 4)
- 5) Receivables from related parties amounting to NT\$100 million or 20% or more of paid-in capital. (Table 5)
- 6) Others: Intercompany relationships and significant transactions between the parent and subsidiaries and among subsidiaries, including related amounts. (Table 8)

b. Information on investees: Table 6.

c. Information on investments in Mainland China:

- 1) Information on investments in Mainland China includes the name of the investee, principal business activities, paid-in capital, method of investment, inflow and outflow of funds, shareholding percentage, profit or loss for the period and recognized investment income or loss, carrying amount of the investment at the end of the period, repatriated investment income, and investment limits in Mainland China. (Table 7)
- 2) Significant transactions with investees in Mainland China, conducted directly or indirectly through third areas, including transaction amounts, pricing, payment terms, and unrealized gains or losses, are disclosed as follows:
 - (1) The amounts and percentages of purchases and the related ending balances and percentages of payables: See Tables 4 and 8.
 - (2) The amounts and percentages of sales and the related ending balances and percentages of receivables: See Tables 4 and 8.
 - (3) The amounts of property transactions and the resulting gains or losses: None.
 - (4) The ending balances of endorsements and guarantees or collateral provided, and their purposes: See Table 2.

- (5) The maximum balances, ending balances, interest rate ranges, and total interest for the period of financing provided: See Table 1.
- (6) Other transactions that have a material effect on the current period's profit or loss or financial position, such as the provision or receipt of services: None.

40. DEPARTMENT INFORMATION

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance focuses on the financial information of each individual entity. Information on the Group's reportable segments is as follows:

a. Reportable segment profit or loss information

	2025						
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Others	Total
	Segment revenue	\$ 8,376,427	\$ 9,220,952	\$ 14,485,681	\$ 3,069,021	\$ 5,743,172	\$ 4,390,903
Interest revenue	10,337	27,311	39,265	14,715	22,962	132,206	246,796
Finance costs	(60,941)	(110,243)	(41,439)	(45,296)	(18,802)	(87,263)	(363,984)
Depreciation and amortization	(624,951)	(828,021)	(214,021)	(374,306)	(347,934)	(379,193)	(2,768,426)
Impairment loss	-	-	-	(6,596)	-	(25,080)	(31,876)
Reportable segment loss before income tax	(2,934,218)	(1,327,286)	(513,736)	(91,101)	(1,040,734)	(5,284,127)	(11,191,202)
Income tax (benefit) expense of reportable segments	143,256	345,057	86,365	(3,490)	(3,769)	49,819	617,238
Reportable segment net loss	(2,790,962)	(982,229)	(427,371)	(94,591)	(1,044,503)	(5,234,308)	(10,573,964)

	2024						
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Others	Total
	Segment revenue	\$ 8,821,441	\$ 11,086,725	\$ 18,622,910	\$ 3,095,379	\$ 6,031,266	\$ 4,637,190
Interest revenue	22,121	39,539	45,638	19,461	26,340	177,657	330,756
Finance costs	(52,477)	(93,594)	(39,311)	(38,286)	(12,461)	(76,535)	(312,664)
Depreciation and amortization	(643,460)	(874,290)	(216,120)	(324,096)	(338,855)	(373,679)	(2,770,500)
Impairment loss	-	-	-	(3,074)	-	(1,269)	(4,343)
Reportable segment (loss) income before income tax	(2,389,069)	(919,954)	(241,742)	145,529	(920,352)	(4,381,774)	(8,707,362)
Income tax (benefit) expense of reportable segments	241,599	168,591	18,730	(15,332)	169,852	24,735	608,175
Reportable segment net (loss) profit	(2,147,470)	(751,363)	(223,012)	130,197	(750,500)	(4,357,039)	(8,099,187)

b. Reportable segment net (loss) profit

1) Segment revenue and operating results

	From January 1 to December 31, 2025	From January 1 to December 31, 2024
Reportable segment net loss before income tax	(\$ 5,907,075)	(\$ 4,325,588)
Reportable segment net loss before income tax	567,419	583,440
Total net loss of reportable segments after income tax	(5,339,656)	(3,742,148)
Loss of other non-reportable segments	(5,234,308)	(4,357,039)
Elimination of intersegment losses	4,168,684	3,189,308
Consolidated net loss after income tax	(\$ 6,405,280)	(\$ 4,909,879)

2) Reconciliation of other significant items

	From January 1 to December 31, 2025							
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Others	Reconciliation	Total
Interest revenue	\$ 10,337	\$ 27,311	\$ 39,265	\$ 14,715	\$ 22,962	\$ 132,206	\$ -	\$ 246,796
Finance costs	(60,941)	(110,243)	(41,439)	(45,296)	(18,802)	(87,263)	1,212	(362,772)
Depreciation and amortization	(624,951)	(828,021)	(214,021)	(374,306)	(347,934)	(379,193)	19,795	(2,748,631)
Impairment loss	-	-	-	(6,596)	-	(25,280)	-	(31,876)

	From January 1 to December 31, 2024							
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Others	Reconciliation	Total
Interest revenue	\$ 22,121	\$ 39,539	\$ 45,638	\$ 19,461	\$ 26,340	\$ 177,657	\$ -	\$ 330,756
Finance costs	(52,477)	(93,594)	(39,311)	(38,286)	(12,461)	(74,446)	1,531	(311,133)
Depreciation and amortization	(643,460)	(874,290)	(216,120)	(324,096)	(338,855)	(373,679)	31,230	(2,739,270)
Impairment loss	-	-	-	(3,074)	-	(1,269)	-	(4,343)

As the segment information provided to the chief operating decision maker does not include the assets of individual operating segments, no information on segment assets is presented.

c. Revenue from major products

By product	From January 1 to December 31, 2025	From January 1 to December 31, 2024
Plastic Raw Materials	\$ 40,213,397	\$ 46,948,456
Electronic materials	2,652,850	2,474,256
Others	1,301,752	1,585,444
	<u>\$ 44,167,999</u>	<u>\$ 51,008,156</u>

d. Geographical information

As the Group's principal operating region is Asia, information on the geographical location of non-current assets is not disclosed.

Revenue from continuing operations derived from external customers is presented based on the location of the customers as follows:

	From January 1 to December 31, 2025	From January 1 to December 31, 2024
Asia	\$ 33,940,429	\$ 39,358,488
Americas	3,644,267	4,106,665
Europe	514,365	747,626
Africa	1,565,407	1,785,714
Oceania	350,445	390,510
Others	4,153,086	4,619,153
	<u>\$ 44,167,999</u>	<u>\$ 51,008,156</u>

e. Information about major customers

No revenue from a single customer accounted for 10% or more of the Group's total sales for 2025 and 2024.

USI CORPORATION AND SUBSIDIARIES
Financing Provided to Others
From January 1 to December 31, 2025

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 (Note 3)	Actual Borrowing Amount (Note 3)	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	CGPC	CGPCPOL	Other receivables	Yes	\$ 500,000	\$ 500,000	\$ -	-	2	\$ -	Business turnover	\$ -	—	—	\$3,090,372	\$3,090,372	
2	ACME (GZ)	ACME (KS)	Other receivables	Yes	185,032	134,148	-	-	2	-	Business turnover	-	—	—	411,472	411,472	
3	SPS	SPD	Other receivables	Yes	116,218	110,005	110,005	4.12-5.40	2	-	Business turnover	-	—	—	414,950	414,950	
4	ASK	SPT	Other receivables	Yes	303,615	160,978	160,978	3.00	2	-	Business turnover	-	—	—	463,705	463,705	

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 amount was converted using spot exchange rate as of December 31, 2025.

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

USI CORPORATION AND SUBSIDIARIES
Endorsements/Guarantees Provided
From January 1 to December 31, 2025

Table 2.

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

No.	Endorsement/ guarantee Company Name	Endorsee/Guarantee		Limits on Endorsement/Guarant ee Made for Each Party (Note 1)	Maximum Amount Endorsed/Guarantee d During the Year	Outstanding Endorsement/Guarant ee at the End of the Year (Note 2)	Actual Borrowing Amount (Note 2)	Amount Endorsed/Guarantee d by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/Guarant ee Limit (Note 1)	Endorseme nt/Guarante e Made by Parent for Subsidiarie s	Endorseme nt/Guarante e Made by Subsidiarie s for Parent	Endorsemen t/Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship (Note 3)											
0	USI	SG	2	\$ 8,755,542	\$ 780,000	\$ 780,000	\$ 264,599	\$ -	4.45	\$10,506,650	Yes	No	No	
1	ACME (MA)	ACME Ferrite	2	784,962	139,018	139,018	97,222	-	12.40	897,099	No	No	No	
1	ACME (MA)	ACME Advanced	2	784,962	7,480	7,480	-	-	0.67	897,099	No	No	No	
2	ACME	ACME (KS)	1,2	2,945,514	166,529	-	-	-	-	3,927,352	No	No	Yes	
3	TTC	TAITA (BVI)	2	5,753,799	94,290	94,290	-	-	1.64	8,630,699	No	No	No	
4	CGPC	CGPCPOL	1,2	4,635,559	1,100,314	1,100,314	240,314	-	14.24	7,725,931	No	No	No	
5	SPC	Forever Young	2	4,461,124	255,679	37,716	-	-	1.69	5,576,405	No	No	No	
5	SPC	SPS	2	4,461,124	59,437	56,260	-	-	2.52	5,576,405	No	No	No	
5	SPC	SPM	2	4,461,124	39,846	37,716	-	-	1.69	5,576,405	No	No	No	
5	SPC	SPK	2	4,461,124	66,410	62,860	-	-	2.82	5,576,405	No	No	Yes	
5	SPC	SPI	2	4,461,124	31,040	27,960	-	-	1.25	5,576,405	No	No	No	
5	SPC	SPT	2	4,461,124	33,205	31,430	-	-	1.41	5,576,405	No	No	Yes	
5	SPC	SPD	2	4,461,124	66,410	62,860	-	-	2.82	5,576,405	No	No	No	
5	SPC	STK	2	4,461,124	31,430	31,430	-	-	1.41	5,576,405	No	No	Yes	
5	SPC	STC	2	4,461,124	446,091	403,868	13,000	-	18.11	5,576,405	No	No	No	

Note 1: The total amount of guarantee that may be provided by USI shall not exceed 60% of USI's net worth stated on the latest financial statements; the total amount of guarantee provided by USI to any single entity shall not exceed 50% of USI's net worth stated on the latest financial statements.
The total amount of guarantee that may be provided by USI and subsidiaries shall not exceed 200% of USI's net worth stated on the latest financial statements; the total amount of guarantee provided by USI and subsidiaries to any single entity shall not exceed 150% of USI's net worth stated on the latest financial statements.
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 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 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.
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.
shall not exceed 60% of the net worth of shareholders' equity stated on the latest financial statements.
The total amount of guarantee that may be provided by TTC shall not exceed 150% of TTC's net worth stated on its latest financial statements; the total amount of guarantee provided by TTC to any individual entity shall not exceed 100% of TTC's net worth stated on its latest financial statements.
The total of guarantee that may be provided by TTC and the subsidiaries shall not exceed 200% of TTC's net worth stated on the latest financial statements; the total amount of guarantee provided by TTC and its subsidiaries to any individual entity shall not exceed 150% of TTC's net worth stated on the latest financial statements.
diaries to any individual entity shall not exceed 150% of TTC's net worth stated on the latest financial statements.

Note 2: The amount was converted using spot exchange rate as of December 31, 2025.

Note 3: The relationship between the Endorser/Guarantor and the Endorsee/Guarantee can be categorized as follows:

1. Companies with which there is a business relationship.
2. Companies in which the Company directly and indirectly holds more than 50% of the voting shares.
3. Companies in which directly and indirectly hold more than 50% of the voting shares.
4. Among companies in which the Company directly and indirectly holds 90% or more of the voting shares.
5. Companies that mutually guarantee each other based on contract requirements, either among peers in engineering procurement or among co-developers.
6. Due to a joint investment relationship, the company is endorsed and guaranteed by all contributing shareholders according to their percentage of ownership.
7. Joint guarantee of performance bond for pre-sale housing contracts conducted among peers in accordance with consumer protection law regulations.

USI CORPORATION AND SUBSIDIARIES
Significant Marketable Securities Held
December 31, 2025

Table 3.

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

Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Year				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
	Shares							
USI	CTCI Corporation	—	Financial assets measured at FVTOCI - non-current	16,646,570	\$ 514,379	1.86	\$ 514,379	
USI	KHL IB Venture Capital Co., Ltd.	—	Financial assets measured at FVTOCI - non-current	11,951,984	105,894	10.83	105,894	
USI	AU Optronics Corporation	—	Financial assets measured at FVTOCI - non-current	6,811,204	83,437	0.09	83,437	
USI	PELL Bio-Med Technology Co., Ltd.	—	Financial assets measured at FVTOCI - non-current	185,000	63,363	0.32	63,363	
USI	TTC Group Holdings Co., Ltd.	—	Financial assets measured at FVTPL - current	2,000,000	46,400	0.03	46,400	
USI	EVA Airways Corporation	—	Financial assets measured at FVTPL - current	300,000	10,965	-	10,965	
USI	Rechi Precision Co., Ltd.	—	Financial assets measured at FVTPL - current	300,000	7,440	0.06	7,440	
USI	Tai-tech Advanced Electronics Co., Ltd.	—	Financial assets measured at FVTPL - current	200,000	29,300	0.18	29,300	
USI	Quanta Storage Inc.	—	Financial assets measured at FVTPL - current	85,000	9,095	0.03	9,095	
USI	Zeon Corporation	—	Financial assets measured at FVTPL - current	39,500	14,193	0.02	14,193	
USI	Kyushu Electric Power Co., Inc.	—	Financial assets measured at FVTPL - current	20,000	6,743	-	6,743	
USI	Teratech Corporation	—	Financial assets measured at FVTPL - non-current	110,000	-	0.65	-	Note 2
	Mutual funds							
USI	UPAMC James Bond Money Market Fund	—	Financial assets measured at FVTPL - current	6,794,248	120,000	-	120,000	
USI	Fubon Money Market Fund	—	Financial assets measured at FVTPL - current	8,796,809	138,186	-	138,186	
USI	Hua Nan Phoenix Money Market Fund	—	Financial assets measured at FVTPL - current	930,828	16,021	-	16,021	
	Beneficiary securities							
USI	Cathay No. 1 Real Estate Investment Trust Fund	—	Financial assets measured at FVTPL - current	4,054,000	58,378	-	58,378	
	Shares							
UPIIC	Asia Polymer Corporation	Investments accounted for using the equity method	Financial assets measured at FVTOCI - non-current	22,182,486	291,700	3.74	291,700	
UPIIC	China General Plastics Corporation	Investments accounted for using the equity method	Financial assets measured at FVTOCI - non-current	4,469,307	48,939	0.77	48,939	
UPIIC	Taita Chemical Company, Ltd.	Investments accounted for using the equity method	Financial assets measured at FVTOCI - non-current	456,253	5,087	0.11	5,087	
	Mutual funds							
UPIIC	Taishin Ta-Chong Money Market Fund	—	Financial assets measured at FVTPL - current	16,705,449	251,345	-	251,345	
UPIIC	Taishin 1699 Money Market Fund	—	Financial assets measured at FVTPL - current	542,763	7,800	-	7,800	
	Shares							
Swanlake	SOHOware Inc.	—	Financial assets measured at FVTOCI - non-current	1,150,000	-	1.05	-	Note 2
Swanlake	TGF Linux Communications Inc.	—	Financial assets measured at FVTOCI - non-current	300,000	-	2.14	-	Note 2
Swanlake	Neurosky Inc. Preferred Stock D	—	Financial assets measured at FVTOCI - non-current	2,397,364	-	0.70	-	Note 2

(Continued)

(Continued)

Holding Company Name	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	
	Shares							
USII	AU Optronics Corporation	—	Financial assets measured at FVTOCI - current	1,012,849	\$ 12,407	0.01	\$ 12,407	
USII	AU Optronics Corporation	—	Financial assets measured at FVTOCI - non-current	1,012,849	12,407	0.01	12,407	
USII	Wafer Works Corporation	—	Financial assets measured at FVTOCI - non-current	1,502,875	46,289	0.26	46,289	
USII	Solargiga Energy Holdings Limited	—	Financial assets measured at FVTOCI - non-current	10,876,111	3,372	0.34	3,372	
USII	Dah Chung Bills Finance Corp.	—	Financial assets measured at FVTOCI - non-current	506,894	7,902	0.10	7,902	
USII	Swanson Plastics Corporation	Same chairman	Financial assets measured at FVTOCI - non-current	12,166,447	146,119	7.88	146,119	
USII	USI Optronics Corporation	Same chairman	Financial assets measured at FVTOCI - non-current	165,279	31	0.25	31	
USII	Digimax Inc.	—	Financial assets measured at FVTOCI - non-current	23,234	-	0.05	-	
USII	Zoyi Technology Corporation	—	Financial assets measured at FVTOCI - non-current	784,000	19,992	5.12	19,992	
USII	Silicon Technology Investment (Cayman) Corp.	—	Financial assets measured at FVTOCI - non-current	911,849	94,130	1.77	94,130	
USII	TTC Group Holdings Co., Ltd.	—	Financial assets measured at FVTPL - current	1,000,000	23,200	0.01	23,200	
USII	EVA Airways Corporation	—	Financial assets measured at FVTPL - current	200,000	7,310	-	7,310	
USII	Tai-tech Advanced Electronics Co., Ltd.	—	Financial assets measured at FVTPL - current	50,000	7,325	0.05	7,325	
USII	Rechi Precision Co., Ltd.	—	Financial assets measured at FVTPL - current	200,000	4,960	0.04	4,960	
USII	Quanta Storage Inc.	—	Financial assets measured at FVTPL - current	55,000	5,885	0.02	5,885	
USII	China General Plastics Corporation	Same chairman	Financial assets measured at FVTPL - current	550,722	6,030	0.09	6,030	
USII	Asia Polymer Corporation	Same chairman	Financial assets measured at FVTPL - current	1,714,180	22,541	0.29	22,541	
USII	Taita Chemical Company, Ltd.	Same chairman	Financial assets measured at FVTPL - current	1,415,368	15,781	0.36	15,781	
USII	Acme Electronics Corporation	Same chairman	Financial assets measured at FVTPL - current	500,000	14,200	0.23	14,200	
USII	Zeon Corporation	—	Financial assets measured at FVTPL - current	21,600	7,762	0.01	7,762	
USII	Kyushu Electric Power Co., Inc.	—	Financial assets measured at FVTPL - current	10,000	3,372	-	3,372	
	Mutual funds							
USII	Yuanta De-Li Money Market Fund	—	Financial assets measured at FVTPL - current	913,842	15,763	-	15,763	
	Shares							
TUVC	Innovation & Infinity Global Corp.	—	Financial assets measured at FVTPL - non-current	720,804	-	0.73	-	Note 2
TUVC	Teratech Corporation	—	Financial assets measured at FVTPL - non-current	90,000	-	0.58	-	Note 2
TUVC	Leadwell Cnc Machines Mfg., Corp.	—	Financial assets measured at FVTOCI - non-current	419,753	14,356	0.68	14,356	
TUVC	Digimax Inc.	—	Financial assets measured at FVTOCI - non-current	518,898	-	1.18	-	Note 2
TUVC	Hexawave Inc.	—	Financial assets measured at FVTOCI - non-current	109,109	132	0.27	132	
TUVC	Uranus Chemicals Co., Ltd.	—	Financial assets measured at FVTOCI - non-current	15,351	460	0.02	460	
TUVC	Neuro Sky, Inc. Preferred Stock A	—	Financial assets measured at FVTOCI - non-current	10,000,000	-	1.21	-	Note 2
TUVC	Neuro Sky, Inc. Preferred Stock B	—	Financial assets measured at FVTOCI - non-current	12,595,523	-	1.53	-	Note 2
TUVC	Neuro Sky, Inc. Preferred Stock C	—	Financial assets measured at FVTOCI - non-current	4,532,823	-	0.55	-	Note 2
	Mutual funds							
TUVC	Cathay Taiwan Money Market Fund	—	Financial assets measured at FVTPL - current	1,091,738	14,333	-	14,333	
	Mutual funds							
UM	Taishin Ta-Chong Money Market Fund	—	Financial assets measured at FVTPL - current	3,665,271	55,147	-	55,147	
UM	Taishin 1699 Money Market Fund	—	Financial assets measured at FVTPL - current	3,479,762	50,002	-	50,002	

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Holding Company Name	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	
USIO	Mutual funds Taishin Ta-Chong Money Market Fund	—	Financial assets measured at FVTPL - current	400,275	\$ 6,022	-	\$ 6,022	
USIO	Taishin 1699 Money Market Fund	—	Financial assets measured at FVTPL - current	560,833	8,059	-	8,059	
CLT	Mutual funds Fubon Chi-Hsiang Money Market Fund	—	Financial assets measured at FVTPL - current	732,727	12,094	-	12,094	
CLT	Fubon Money Market Fund	—	Financial assets measured at FVTPL - current	1,275,230	20,021	-	20,021	
SG	Mutual funds Taishin 1699 Money Market Fund	—	Financial assets measured at FVTPL - current	695,923	10,000	-	10,000	
CGPC	Beneficiary securities Cathay No. 1 Real Estate Investment Trust Fund	—	Financial assets measured at FVTPL - current	3,964,000	57,082	-	57,082	
CGPC	Mutual funds UPAMC James Bond Money Market Fund	—	Financial assets measured at FVTPL - current	12,797,468	226,029	-	226,029	
CGPC	Shares TTC Group Holdings Co., Ltd.	—	Financial assets measured at FVTPL - current	2,000,000	46,400	0.03	46,400	
CGPC	KHL IB Venture Capital Co., Ltd.	—	Financial assets measured at FVTOCI - non-current	5,975,992	52,947	5.95	52,947	
TVCM	Mutual funds Fubon Money Market Fund	—	Financial assets measured at FVTPL - current	636,618	10,000	-	10,000	
TVCM	Shares Asia Polymer Corporation	With the same main shareholders as CGPC	Financial assets measured at FVTOCI - non-current	130,244	1,713	0.02	1,713	
CGPCPOL	Mutual funds Fubon Money Market Fund	—	Financial assets measured at FVTPL - current	2,419,042	38,000	-	38,000	
CGPC (BVI)	Shares Teratech Corporation	—	Financial assets measured at FVTPL - non-current	112,000	-	0.65	-	Note 2
CGPC (BVI)	SOHWARE, Inc. - preferred shares	—	Financial assets measured at FVTPL - non-current	100,000	-	-	-	Notes 2 and 3
GGT	Mutual funds Taishin 1699 Money Market Fund	—	Financial assets measured at FVTPL - current	1,246,254	17,908	-	17,908	
TTC	Shares USI Corporation	Ultimate parent company	Financial assets measured at FVTOCI - non-current	15,109,901	167,719	1.27	167,719	
TTC	Harbinger Venture Capital Corp.	—	Financial assets measured at FVTOCI - non-current	990	5	0.50	5	
TTC	TTC Group Holdings Co., Ltd.	—	Financial assets measured at FVTPL - current	2,000,000	46,400	0.03	46,400	
TTC	Mutual funds Fubon Money Market Fund	—	Financial assets measured at FVTPL - current	1,909,770	30,000	-	30,000	

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Holding Company Name	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	
TTC	Beneficiary securities Cathay No. 1 Real Estate Investment Trust Fund	—	Financial assets measured at FVTPL - current	3,963,000	\$ 57,067	-	\$ 57,067	
	Shares							
TAITA (BVI)	Budworth Investment Ltd.	—	Financial assets measured at FVTOCI - non-current	20,219	-	2.22	-	Note 2
TAITA (BVI)	Teratech Corporation	—	Financial assets measured at FVTPL - non-current	112,000	-	0.74	-	Note 2
TAITA (BVI)	SOHOWare, Inc. - preferred shares	—	Financial assets measured at FVTPL - non-current	100,000	-	-	-	Notes 2 and 3
	Shares							
APC	Harbinger Venture Capital Corp.	—	Financial assets measured at FVTOCI - non-current	2,377	9	1.20	9	
APC	KHL IB Venture Capital Co., Ltd.	—	Financial assets measured at FVTOCI - non-current	11,951,984	105,895	11.90	105,895	
APC	USI Corporation	Ultimate parent company	Financial assets measured at FVTOCI - non-current	101,355,673	1,125,048	8.53	1,125,048	
APC	CTCI Corporation	—	Financial assets measured at FVTOCI - non-current	15,893,437	491,107	1.78	491,107	
APC	AU Optronics Corporation	—	Financial assets measured at FVTOCI - non-current	7,694,812	94,261	0.10	94,261	
APC	PELL Bio-Med Technology Co., Ltd.	—	Financial assets measured at FVTOCI - non-current	185,000	63,363	0.32	63,363	
APC	Wafer Works Corporation	—	Financial assets measured at FVTOCI - current	518,605	15,973	0.09	15,973	
APC	TTC Group Holdings Co., Ltd.	—	Financial assets measured at FVTPL - current	2,000,000	46,400	0.03	46,400	
APC	EVA Airways Corporation	—	Financial assets measured at FVTPL - current	300,000	10,965	0.01	10,965	
APC	Rechi Precision Co., Ltd.	—	Financial assets measured at FVTPL - current	300,000	7,440	0.06	7,440	
APC	Tai-tech Advanced Electronics Co., Ltd.	—	Financial assets measured at FVTPL - current	200,000	29,300	0.18	29,300	
APC	Quanta Storage Inc.	—	Financial assets measured at FVTPL - current	85,000	9,095	0.03	9,095	
APC	Zeon Corporation	—	Financial assets measured at FVTPL - current	39,500	14,194	0.02	14,194	
APC	Kyushu Electric Power Co., Inc.	—	Financial assets measured at FVTPL - current	20,000	6,743	-	6,743	
	Beneficiary securities							
APC	Cathay No. 1 Real Estate Investment Trust Fund	—	Financial assets measured at FVTPL - current	4,053,000	58,363	-	58,363	
	Beneficiary certificates							
APC	FSITC Taiwan Money Market Fund	—	Financial assets measured at FVTPL - current	2,474,054	40,101	-	40,101	
APC	UPAMC James Bond Money Market Fund	—	Financial assets measured at FVTPL - current	5,676,078	100,251	-	100,251	
APC	Fubon Money Market Fund	—	Financial assets measured at FVTPL - current	4,395,332	69,045	-	69,045	
	Shares							
APC (BVI)	Budworth Investment Ltd.	—	Financial assets measured at FVTOCI - non-current	40,467	-	4.45	-	Note 2
APC (BVI)	Silicon Technology Investment (Cayman) Corp. Preferred Shares	—	Financial assets measured at FVTOCI - non-current	1,139,776	117,653	2.21	117,653	
APC (BVI)	Neurosky Inc. Preferred Stock D	—	Financial assets measured at FVTOCI - non-current	2,397,364	-	0.37	-	Note 2
APC (BVI)	Solargiga Energy Holdings Ltd.	—	Financial assets measured at FVTOCI - non-current	14,863,333	4,681	0.45	4,681	
APC (BVI)	Teratech Corporation	—	Financial assets measured at FVTOCI - non-current	112,000	-	0.67	-	Note 2
APC (BVI)	TGF Linux Communication, Inc. -Preferred Shares	—	Financial assets measured at FVTPL - non-current	300,000	-	-	-	Notes 2 and 3

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Holding Company Name	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)	SOHWARE, Inc. - preferred shares	—	Financial assets measured at FVTPL - non-current	450,000	\$ -	-	\$ -	Notes 2 and 3
APC (BVI)	Boldworks, Inc. - Preferred Shares	—	Financial assets measured at FVTPL - non-current	100,000	-	-	-	Notes 2 and 3
	Shares							
APCIC	USI Corporation	Ultimate parent company	Financial assets measured at FVTPL - current	44,808	498	-	498	
APCIC	TTC Group Holdings Co., Ltd.	—	Financial assets measured at FVTPL - current	1,000,000	23,200	0.01	23,200	
APCIC	EVA Airways Corporation	—	Financial assets measured at FVTPL - current	200,000	7,310	-	7,310	
APCIC	Rechi Precision Co., Ltd.	—	Financial assets measured at FVTPL - current	200,000	4,960	0.04	4,960	
APCIC	Quanta Storage Inc.	—	Financial assets measured at FVTPL - current	55,000	5,885	0.02	5,885	
APCIC	Tai-tech Advanced Electronics Co., Ltd.	—	Financial assets measured at FVTPL - current	50,000	7,325	0.05	7,325	
APCIC	Zeon Corporation	—	Financial assets measured at FVTPL - current	21,600	7,761	0.01	7,761	
APCIC	Kyushu Electric Power Co., Inc.	—	Financial assets measured at FVTPL - current	10,000	3,371	-	3,371	
	Mutual funds							
APCIC	Cathay Taiwan Money Market Fund	—	Financial assets measured at FVTPL - current	1,158,802	15,213	-	15,213	
	Shares							
CGTD	Asia Polymer Corporation	Investee that accounted for CGTD using the equity method	Financial assets measured at FVTOCI - non-current	5,290,482	69,570	0.89	69,570	Note 1
CGTD	China General Plastics Corporation	Investee that accounted for CGTD using the equity method	Financial assets measured at FVTOCI - non-current	2,940,788	32,202	0.51	32,202	Note 1
CGTD	Taita Chemical Company, Ltd.	Investee that accounted for CGTD using the equity method	Financial assets measured at FVTOCI - non-current	2,278,217	25,402	0.57	25,402	Note 1
	Mutual funds							
CGTD	Taishin 1699 Money Market Fund	—	Financial assets measured at FVTPL - current	2,117,215	30,423	-	30,423	
CGTD	Yuanta U.S. Treasury 20+ Year Bond ETF	—	Financial assets measured at FVTPL - current	380,000	10,351	-	10,351	

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".

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

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

Note 3: The preferred shares are not used in the calculation of the shareholding ratio.

Note 4: Please refer to Tables 6 and 7 for detailed information on subsidiaries and associates.

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
From January 1 to December 31, 2025

Table 4.

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

Buyer/Seller	Counterparty	Relationship (Note 3)	Transaction Details			Distinctive terms of trade and reasons		Notes/Accounts Receivable (Payable)		Remark	
			Purchase (Sale)	Amount	As a percentage of total purchase (sale) (%)	Credit Terms	Unit Price (Note 1)	Credit Terms (Note 1)	Ending Balance		As a percentage of total notes or accounts receivable (payable) (%)
USI	APC	(1)	Purchase	\$ 319,842	5	60 days	No significant difference	No significant difference	(\$ 38,729)	(9)	
USI	USI (HK)	(1)	Sale	(112,930)	(1)	60 days	No significant difference	No significant difference	12,692	3	
USI	SPK	(1)	Sale	(138,821)	(2)	60 days	No significant difference	No significant difference	33,364	8	
APC	USI	(2)	Sale	(319,842)	(6)	60 days	No significant difference	No significant difference	39,761	16	
APC	CGPCPOL	(3)	Sale	(121,746)	(2)	60 days	No significant difference	No significant difference	29,646	12	
ACME	ACME (GZ)	(1)	Purchase (including processing fees)	377,172	45	55 days	No significant difference	No significant difference	(85,426)	(57)	
ACME (GZ)	ACME	(2)	Sale (including processing fees)	(377,172)	(51)	55 days	No significant difference	No significant difference	85,426	24	
ACME	ACME (GZ)	(1)	Sale	(125,862)	(9)	55 days	No significant difference	No significant difference	27,185	7	
ACME (GZ)	ACME	(2)	Purchase	125,862	66	55 days	No significant difference	No significant difference	(27,185)	(65)	
ACME	ACME (KS)	(1)	Sale	(122,141)	(9)	55 days	No significant difference	No significant difference	35,503	9	
ACME (KS)	ACME	(2)	Purchase	122,141	49	55 days	No significant difference	No significant difference	(35,503)	(48)	
ACME (KS)	ACME	(2)	Sale	(153,372)	(17)	55 days	No significant difference	No significant difference	20,583	9	
ACME	ACME (KS)	(1)	Purchase	153,372	33	55 days	No significant difference	No significant difference	(20,583)	(14)	
SPS	SPM	(1)	Purchase	224,031	82	90 days	No significant difference	No significant difference	(33,913)	(90)	
SPM	SPS	(2)	Sale	(224,031)	(29)	90 days	No significant difference	No significant difference	33,913	24	
SPK	ASK	(3)	Sale	(263,210)	(23)	60 days	No significant difference	No significant difference	85,925	30	
ASK	SPK	(3)	Purchase	263,210	59	60 days	No significant difference	No significant difference	(85,925)	(81)	
SPK	USI	(2)	Purchase	143,176	13	75 days	No significant difference	No significant difference	(33,364)	(23)	
CGPC	CGPC-America	(1)	Sale	(460,288)	(10)	90 days	No significant difference	No significant difference	189,049	34	
TVCM	CGPC	(2)	Sale	(1,737,192)	(34)	45 days	No significant difference	No significant difference	340,715	33	
TVCM	CGPCPOL	(3)	Sale	(2,399,941)	(47)	75 days	No significant difference	No significant difference	621,365	60	

Note 1: There is no significant difference in transaction payment terms and prices compared to general transactions.

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

Note 3: Investment types are as follows:

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

USI CORPORATION AND SUBSIDIARIES
Receivables From Related Parties Amounting To At Least NT\$100 Million OR 20% Of The Paid-in Capital
December 31, 2025

Table 5.

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

Company Name	Counterparty	Relationship (Note 5)	Financial Statement Account and Ending Balance (Note 4)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss (Note 1)	Remark
					Amount	Actions Taken			
SPS	SPD	(1)	\$ 111,055	-	\$ -	-	\$ 1,050	\$ -	
ASK	SPT	(3)	162,547	-	-	-	-	-	
CGPC	CGPC-America	(1)	189,049	2.84	-	-	52,524	-	
TVCM	CGPC	(2)	340,715	4.37	-	-	340,715	-	
TVCM	CGPCPOL	(3)	621,365	2.80	-	-	423,874	-	
TTC	TTC (TJ)	(1)	286,899	-	286,899	Continuous Collection	-	-	Note 3

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

Note 2: Refers to the period from January 1 to February 28, 2026.

Note 3: The other receivables of TTC are from selling raw materials to Taita Chemical (Tianjin) Co., Ltd. (TTC (TJ)), and transferred to other receivables since it had exceeded the normal credit term by a certain period.

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

Note 5: Investment types are as follows:

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

USI CORPORATION AND SUBSIDIARIES
Information On Investees
From January 1 to December 31, 2025

Table 6.

(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			Profit (loss) of Investee for the year	Investment gains (losses) recognized for the year	Remark
				Ending balance of the current year	Ending balance of the prior year	Number of Shares	Percentage (%)	Carrying Amount			
USI	USIU	Taiwan	Investment business	\$ 550,000	\$ 550,000	89,647,000	100.00	\$ 876,608	(\$ 16,847)	(\$ 16,847)	
USI	Swanlake	British Virgin Islands	Investment business	728,439	728,439	30,000,000	100.00	1,524,816	54,056	54,056	
USI	USI (HK)	Hong Kong	Trading and investment	63,482	63,482	159,999	100.00	55,923	(3,998)	(3,998)	
USI	UPIIC	Taiwan	Investment business	3,490,255	3,490,255	918,324,656	100.00	8,231,379	(709,361)	(717,027)	
USI	TUVC	Taiwan	Venture capital	226,800	226,800	7,000,000	70.00	23,075	(1,334)	(934)	
USI	CLT	Taiwan	Import and export trade	28,323	28,323	9,070,320	99.96	103,363	5,253	5,251	
USI	SPC	Taiwan	Production and sales of stretch films and industrial use multi-layer films	171,210	171,210	62,616,299	40.58	900,135	(218,155)	(88,522)	
USI	ACME	Taiwan	Production and sales of manganese-zinc soft ferrite powder	470,158	470,158	61,682,967	28.96	553,341	(66,382)	(19,224)	
USI	INOMA	Taiwan	Optical products and fire protection materials	-	250,354	-	-	-	(3,110)	(2,934)	
USI	UM	Taiwan	Providing management services	1,000	1,000	1,092,852	100.00	14,981	3,909	3,909	
USI	ECGL	British Virgin Islands	Investment business	7,645,980	7,645,980	246,670,000	59.13	1,029,078	(2,428,817)	(1,436,231)	
USI	USIO	Taiwan	Manufacturing and marketing of sapphire single crystal	330,000	330,000	33,000,000	50.85	7,631	(16,290)	(8,283)	
USI	SG	Taiwan	Renewable energy power generation business	357,506	357,506	36,616,004	100.00	283,204	(68,296)	(69,954)	
USI	CURE	Taiwan	Energy Technology Services	10,000	10,000	1,000,000	33.33	8,779	(1,663)	(555)	
USI	Delmind	Taiwan	Manufacturing of machinery and equipment	-	90,000	-	-	-	(17,146)	(5,144)	
ECGL	EVG	British Virgin Islands	Investment business	13,110,867	13,110,867	417,145,000	67.40	1,740,278	(3,603,444)		
EVG	DEI	Hong Kong	Investment business	18,507,556	18,507,556	588,850,000	85.00	1,477,499	(4,292,809)		
UPIIC	TTC	Taiwan	Manufacturing and marketing of plastic products	1,749,212	1,749,212	145,807,007	36.67	2,323,089	(427,371)		
UPIIC	APC	Taiwan	Manufacturing and marketing of plastic products	1,965,437	1,965,437	192,063,336	32.35	3,810,730	(1,044,503)		
UPIIC	CGPC	Taiwan	Manufacturing and marketing of plastic products	1,320,045	1,320,045	140,609,929	24.20	1,999,294	(918,980)		
USII	ACME	Taiwan	Production and sales of manganese-zinc soft ferrite powder	222,752	222,752	19,780,230	9.29	191,834	(66,382)		
USII	STC	Taiwan	Planting agriculture, marketing, research and development of agricultural products, production, sale, and development of EVA packaging films and other high value-added plastic products	52,500	52,500	3,000,015	15.00	13,534	(33,533)		
USII	TUVM	Taiwan	Corporate management consulting	8,000	8,000	800,000	100.00	11,990	(1,841)		
Swanlake	ACME (Cayman)	Cayman Islands	Investment business	341,349	341,349	13,825,368	18.93	340,489	(70,700)		
ACME	ACME (Cayman)	Cayman Islands	Investment business	1,108,637	1,108,637	43,887,521	60.10	1,080,588	(70,700)		
ACME	GAEL	British Virgin Islands	Investment business	669,072	669,072	20,800,000	100.00	1,031,249	21,493		

(Continued)

(Continued)

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at the end of the Year			Profit (loss) of Investee for the year	Investment gains (losses) recognized for the year	Remark
				Ending balance of the current year	Ending balance of the prior year	Number of Shares	Percentage (%)	Carrying Amount			
ACME	USIO	Taiwan	Manufacturing and marketing of sapphire single crystal	\$ 646,200	\$ 646,200	22,064,224	34.00	\$ 5,102	(\$ 16,290)		
ACME (Cayman)	ACME (MA)	Malaysia	Investment business	750,894	750,894	96,808,000	100.00	1,130,923	(72,968)		
ACME (MA)	ACME Ferrite	Malaysia	Manufacturing and sales of manganese- zinc soft ferrite core	283,990	283,990	9,120,000	100.00	791,793	(23,211)		
ACME (MA)	ACME Advanced	Malaysia	Manufacturing and sale of silicon carbide	405,503	405,503	54,208,000	100.00	151,795	(49,138)		
SPC	SPS	Singapore	Manufacturing and marketing of plastic products	808,506	808,506	36,862,980	100.00	1,685,384	26,303		
SPC	Forever Young	British Virgin Islands	Trading and agency businesses	1,297	1,297	50,000	100.00	630	(18,340)		
SPC	SIL	Cayman Islands	Investment business	499,996	499,996	16,041,205	100.00	1,287,288	3,277		
SPC	STC	Taiwan	Planting agriculture, marketing, research and development of agricultural products, production, sale, and development of EVA packaging films and other high value-added plastic products	385,000	385,000	14,000,070	70.00	63,160	(33,533)		
SPC	SPD	Indonesia	Manufacturing and marketing of plastic products	7,979	7,979	261,010	1.00	7,647	13,037		
SPC	SPI	India	Manufacturing and marketing of plastic products	0.007	0.007	1	-	0.007	3,799		
SPS	SPM	Malaysia	Manufacturing and marketing of plastic products	207,230	207,230	20,000,000	100.00	497,277	22,293		
SPS	SPI	India	Manufacturing and marketing of plastic products	550,324	550,324	115,651,389	100.00	290,780	3,799		
SPS	SPD	Indonesia	Manufacturing and marketing of plastic products	812,152	812,152	25,840,033	99.00	757,082	13,037		
SIL	ASH	UK	Investment business	222,967	222,967	3,156,993	100.00	464,017	21,212		
CGPC	TVCM	Taiwan	Manufacturing and sales of VCM	2,934,978	2,933,648	259,707,456	87.31	3,526,607	(497,671)		
CGPC	CGPCPOL	Taiwan	Manufacture and marketing of PVC powder	1,300,000	800,000	72,508,657	100.00	643,205	(311,346)		
CGPC	CGPC (BVI)	British Virgin Islands	Investment business	1,059,344	1,059,344	14,808,258	100.00	383,279	61,112		
CGPC	CGTD	Taiwan	Warehousing and transportation of petrochemical raw materials	41,106	41,106	25,053,469	33.33	287,145	(37,788)		
CGPC	CGPC-America	United States	Marketing of PVC two- or three-time processed products	648,931	648,931	100	100.00	132,543	(39,030)		
CGPC	ACME	Taiwan	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	41,805	41,805	3,566,526	1.67	32,881	(66,382)		
TVCM	GGT	Taiwan	Environmental detection services	50,000	50,000	5,381,447	100.00	54,788	500		
TTC	TAITA (BVI)	British Virgin Islands	Investment business	2,820,465	2,820,465	89,738,000	100.00	3,224,792	3,201		
TTC	CGPC	Taiwan	Production and marketing of PVC tape and other plastic products	65,365	65,365	11,516,174	1.98	153,125	(918,980)		
TTC	CGTD	Taiwan	Warehousing of petrochemical raw materials	41,082	41,082	25,053,468	33.33	287,145	(37,788)		
TTC	ACME	Taiwan	Production and sales of manganese-zinc soft ferrite powder	55,702	55,702	4,991,556	2.34	46,019	(66,382)		
TAITA (BVI)	ACME (Cayman)	Cayman Islands	Investment business	70,092	70,092	3,225,693	4.42	79,442	(70,700)		

(Continued)

(Continued)

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at the end of the Year			Profit (loss) of Investee for the year	Investment gains (losses) recognized for the year	Remark
				Ending balance of the current year	Ending balance of the prior year	Number of Shares	Percentage (%)	Carrying Amount			
APC	APC (BVI)	British Virgin Islands	Investment business	\$ 432,948	\$ 432,948	11,342,594	100.00	\$ 701,792	\$ 15,650		
APC	APCIC	Taiwan	Investment business	200,000	200,000	20,000,000	100.00	138,297	(3,803)		
APC	USIIC	British Virgin Islands	Investment business	66,003	66,003	2,100,000	70.00	66,201	(626)		
APC	CGPC	Taiwan	Manufacturing and marketing of plastic products	247,412	247,412	46,886,185	8.07	623,422	(918,980)		
APC	CGTD	Taiwan	Petrochemical materials storage and transportation operations	41,082	41,082	25,053,469	33.33	287,145	(37,788)		
APC	SPC	Taiwan	Production and sales of stretch films and industrial use multi-layer films	75,242	75,242	12,266,779	7.95	177,315	(218,155)		
APC	ACME	Taiwan	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	76,241	76,241	6,801,315	3.19	62,704	(66,382)		
APC	TUVC	Taiwan	Investments in high-tech undertakings	30,309	30,309	832,666	8.33	2,745	(1,334)		
APC	USIO	Taiwan	Manufacturing and marketing of sapphire single crystal	59,725	59,725	5,972,464	9.20	1,381	(16,290)		
APC	ECGL	British Virgin Islands	Investment business	5,338,029	5,338,029	170,475,000	40.87	711,201	(2,428,817)		
APC (BVI)	ACME (Cayman)	Cayman Islands	Investment business	216,238	216,238	9,951,820	13.63	245,092	(70,700)		
APC (BVI)	USIIC	British Virgin Islands	Investment business	28,287	28,287	900,000	30.00	28,372	(626)		
APCIC	ACME	Taiwan	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	39,523	39,523	3,116,262	1.46	28,730	(66,382)		
APCIC	STC	Taiwan	Planting agriculture, marketing, research and development of agricultural products, production, sale, and development of EVA packaging films and other high value-added plastic products	52,500	52,500	3,000,015	15.00	13,543	(33,533)		

Note 1: Please refer to Table 7 for relevant information on mainland investee companies.

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

Note 3: Original investment amount and the amount hold at the end of the year were converted using spot exchange rate as of December 31, 2025.

Note 4: Profit/loss of Investee for the year and Investment gains/losses recognized for the year are calculated based on the average exchange rate from January 1 to December 31, 2025.

USI CORPORATION AND SUBSIDIARIES
Information On Investments In Mainland China
From January 1 to December 31, 2025

Table 7.

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 3)	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of the beginning of the Year (Note 3)	Investment Flows for the Year		Accumulated Outward Remittance for Investment from Taiwan as of the End of Year (Note 3)	Profit (loss) of Investee for the year (Note 2)	Ownership of Direct or Indirect Investment (%)	Investment gains (losses) recognized for the year (Note 2)	Carrying Amount as of the End of Year (Note 3)	Accumulated Repatriation of Investment Income as of the End of Year
					Outflow	Inflow						
ACME (KS)	Manufacturing and sales of manganese-zinc soft ferrite core	\$ 965,687	(1)	\$ 88,555	\$ -	\$ -	\$ 88,555	\$ 3,085	18.93	\$ 584	\$ 123,431	\$ -
GUL	Sales of chemical products	44,716	(1)	32,580	-	-	32,580	(1,428)	70.00	(1,000)	49,812	-
XUL	Sales of chemical products	44,716	(1)	30,621	-	-	30,621	35,226	70.00	24,658	83,947	-
DEIP	Property Management	93,904	(2)	30,718	-	-	30,718	491	33.88	166	32,294	-
Gulei	Crude oil processing and petroleum products manufacturing	41,650,271	(2)	7,180,175	-	-	7,180,175	(8,576,846)	16.94	(1,452,857)	441,480	-
ACME (KS)	Manufacturing and sales of manganese-zinc soft ferrite core	965,687	(3)	374,188	-	-	374,188	3,085	60.10	1,854	391,820	-
ACME (GZ)	Manufacturing and sales of manganese-zinc soft ferrite core	603,456	(4)	619,676	-	-	619,676	22,244	100.00	22,244	1,028,679	-
SPK	Production, sales and development of multi- functional film, optical film, etc.	417,705	(5)	223,930	-	-	223,930	(17,909)	100.00	(17,909)	823,248	221,875
ASK	Production and sales of PE release film and other release products	286,013	(5)	193,447	-	-	193,447	21,535	100.00	21,535	463,706	278,333
SPT	Production, sales and development of multi- functional film, optical film, etc.	336,301	(6)	170,754	-	-	170,754	(19,664)	100.00	(19,664)	(14,818)	-
STK	Marketing of plastic products, daily necessities, electrical appliances and their components and import and export of other high value added plastic products	13,415	(7)	13,464	-	-	13,464	(306)	100.00	(306)	13,053	-
CGPC(ZS)	Manufacturing and sales of PVC film and third-time processed products	628,600	(8)	628,600	-	-	628,600	57,446	100.00	57,446	290,086	-
TTC(ZS)	Production and sales of polystyrene derivatives	1,453,638	(9)	1,351,490	-	-	1,351,490	1,444	100.00	1,444	1,907,675	-
TTC(TJ)	Production and sales of polystyrene derivatives	859,611	(9)	817,180	-	-	817,180	(6,760)	100.00	(6,760)	(207,911)	-
TTC(ZZ)	Production and sales of polystyrene derivatives	1,526,856	(9)	-	-	-	-	11,497	100.00	11,497	1,425,818	-
ACME(KS)	Manufacturing and sales of manganese-zinc soft ferrite core	965,687	(9)	42,557	-	-	42,557	3,085	4.42	136	28,798	-
ACME(KS)	Manufacturing and sales of manganese-zinc soft ferrite core	965,687	(10)	131,295	-	-	131,295	3,085	13.63	420	88,848	-
CGPCPOL	Sales of chemical products and equipment, etc.	78,575	(10)	95,409	-	-	95,409	8,051	100.00	8,051	188,482	-
Gulei	Crude oil processing and petroleum products manufacturing	41,650,271	(11)	4,962,259	-	-	4,962,259	(8,576,846)	11.71	(1,004,078)	305,109	-
GUL	Sales of chemical products	44,716	(10)	13,415	-	-	13,415	(1,428)	30.00	(428)	21,348	-
XUL	Sales of chemical products	44,716	(10)	13,415	-	-	13,415	35,226	30.00	10,568	35,977	-
DEIP	Property Management	93,904	(11)	21,986	-	-	21,986	491	23.41	115	22,318	-

Company Name	Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Year	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA	Remark
USI	\$ 7,549,892	\$ 9,883,110	\$ -	Note 5
ACME	953,712	1,151,375	-	Note 5
SPC	588,131	1,030,456	-	Note 5
STC	13,464	13,415	80,000	Note 6
CGPC	804,042	939,757	-	Note 5
TTC	2,211,227	3,954,438	-	Note 5
APC	5,388,774	7,197,817	-	Note 5

Note 1: Method of Investment:

- (1) USI indirectly invested via Swanlake.
- (2) USI indirectly invested via ECGL.
- (3) ACME made an indirect investment via ACME (Cayman).
- (4) ACME made an indirect investment via GAEL.
- (5) SPC made an indirect investment via SIL.
- (6) SPC made an indirect investment via Swanson Singapore Company.
- (7) Direct investment by Swanson Technologies Corporation.
- (8) Indirect investment via CGPC (BVI).
- (9) TTC made an indirect investment via TAITA (BVI).
- (10) Indirect investment via APC (BVI).
- (11) APC indirectly invested via ECGL.

Note 2: The amount is calculated based on the average exchange rate from January 1 to December 31, 2025.

Note 3: The amount was converted using spot exchange rate as of December 31, 2025.

Note 4: Except for Gulei, the recognized investment gain (loss) and carrying amount for the period have been fully written off when preparing the consolidated financial statements.

Note 5: As the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA has been obtained, the upper limit on investment is not applicable.

Note 6: Based on Article 3 of the "Principle of Examination on Investment and Technical Cooperation in Mainland China" issued by the Investment Commission on August 29, 2008, the limit is set at 60% of the net value or consolidated net value of the investment company, STC, or NT\$80,000 thousand, whichever is higher.

USI CORPORATION AND SUBSIDIARIES
Intercompany Relationships and Significant Intercompany Transactions
From January 1 to December 31, 2025

Table 8.

(In Thousands of New Taiwan Dollars)

No. (Note 1)	Trading Company	Counterparty	Relationship with the transaction counterparty (Note 2)	Transactions Details (Note 3)			As a percentage of total revenues or total assets (Note 5)
				Financial Statement Account	Amount (Note 4)	Transaction Terms	
0	USI	SPC	1	Sales revenue	\$ 54,429	No significant difference	0.12%
0	USI	CGPCPOL	1	Sales revenue	84,126	No significant difference	0.19%
0	USI	USI (HK)	1	Sales revenue	112,930	No significant difference	0.26%
0	USI	APC	1	Sales revenue	84,547	No significant difference	0.19%
0	USI	SPK	1	Sales revenue	138,821	No significant difference	0.31%
0	USI	APC	1	Purchase	319,842	No significant difference	0.72%
0	USI	SPC	1	Purchase	51,953	No significant difference	0.12%
0	USI	UM	1	Management service expenses	140,220	No significant difference	0.32%
1	APC	CGPCPOL	3	Sales revenue	121,746	No significant difference	0.28%
2	CGPC	UM	3	Management service expenses	85,026	No significant difference	0.19%
2	CGPC	TVCM	3	Accounts payable	340,715	No significant difference	0.54%
2	CGPC	TVCM	3	Purchase	1,737,192	No significant difference	3.93%
2	CGPC	CGPC-America	3	Accounts receivables	189,049	No significant difference	0.30%
2	CGPC	CGPC-America	3	Sales revenue	460,288	No significant difference	1.04%
3	TTC	UM	3	Management service expenses	73,318	No significant difference	0.17%
3	TTC	TTC (TJ)	3	Other receivables	286,899	No significant difference	0.45%
4	UM	USI	2	Management service revenue	142,132	No significant difference	0.32%
4	UM	APC	3	Management service revenue	54,818	No significant difference	0.12%
5	CGPCPOL	TVCM	3	Accounts payable	621,365	No significant difference	0.98%
5	CGPCPOL	TVCM	3	Purchase	2,399,941	No significant difference	5.43%
6	CGTD	TVCM	3	Storage tank operating expenses	66,462	No significant difference	0.15%
7	ACME	ACME (KS)	3	Sales revenue	122,141	No significant difference	0.28%
7	ACME	ACME (GZ)	3	Sales revenue	125,862	No significant difference	0.28%
7	ACME	ACME (KS)	3	Purchase	153,372	No significant difference	0.35%
7	ACME	ACME (GZ)	3	Notes/Accounts Payable	85,426	No significant difference	0.14%
8	ACME (KS)	ACME Ferrite	3	Sales revenue	58,652	No significant difference	0.13%
9	SPC	USI	2	Sales revenue	62,502	No significant difference	0.14%
9	SPC	USI	2	Purchase	54,633	No significant difference	0.12%
9	SPC	SPK	3	Purchase	62,730	No significant difference	0.14%
9	SPC	SPD	3	Accounts receivables	71,917	No significant difference	0.11%
10	SPK	USI	2	Purchase	138,821	No significant difference	0.31%
10	SPK	ASK	3	Sales revenue	263,210	No significant difference	0.60%
10	SPK	ASK	3	Accounts receivables	85,925	No significant difference	0.14%
10	SPK	SPC	3	Sales revenue	62,730	No significant difference	0.14%

(Continued)

(Continued)

No. (Note 1)	Trading Company	Counterparty	Relationship with the transaction counterparty (Note 2)	Transactions Details (Note 3)			
				Financial Statement Account	Amount (Note 4)	Transaction Terms	As a percentage of total revenues or total assets (Note 5)
11	SPC	SPM	3	Purchase	\$ 224,031	No significant difference	0.51%
11	SPS	SPD	3	Accounts receivables	111,055	No significant difference	0.18%
12	ASK	SPT	3	Other receivables	162,547	No significant difference	0.26%
12	ASK	SPK	3	Accounts payable	92,069	No significant difference	0.15%
12	ASK	SPK	3	Purchase	263,456	No significant difference	0.60%
13	SPM	SPC	3	Accounts payable	52,074	No significant difference	0.08%
13	SPM	SPS	3	Purchase	223,856	No significant difference	0.51%
14	SPT	ASK	3	Other payables	162,547	No significant difference	0.26%
15	SPD	SPS	3	Accounts payable	111,055	No significant difference	0.18%
15	SPD	SPC	3	Accounts payable	71,917	No significant difference	0.11%
15	SPD	SPC	3	Purchase	229,933	No significant difference	0.52%

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: There is no significant difference in transaction payment terms and prices compared to general transactions.

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

Note 5: 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 Balance at December 31 of total consolidated assets; and b. Income or loss: The ratio was calculated based on the end-of-period accumulated amount of total consolidated sales revenue.