

USI CORPORATION AND
SUBSIDIARIES

Consolidated Financial Statements
and Independent Auditors' Report
For the Years Ended December 31, 2021 and 2020

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Statement of Consolidated Financial Statements of Affiliated Companies

In 2021 (from January 1 to December 31, 2021), the "companies" required to be included in the consolidated financial statements of affiliates under the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises", are all the same as companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in the International Financial Reporting Standards No. 10 (IFRS 10), and relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the proceeding consolidated financial statements of parent and subsidiary companies, thus the Company is not required to prepare separate consolidated financial statements of affiliates.

Hereby declare

Company name: USI Corporation

Representative: Yi-Gui, Wu

March 10, 2022

Independent Auditors' Report

TO USI Corporation

Audit opinion

We have audited the consolidated balance sheets of USI Corporation and its subsidiaries (the Group) as of the years ended December 31, 2021 and 2020, and the Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows and Notes to the Consolidated Financial Statements (including the Summary of Significant Accounting Policies) for the months from January 1 to December 31 of 2021 and 2020.

The accountant opinions are that the preparations of significant issues of the accompanying financial statements are made in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), and Interpretations developed by the International Financial Reporting Interpretations Committee (IFRIC) or the former Standing Interpretations Committee (SIC) as endorsed and issued into effect by the Financial Supervisory Commission (FSC), which fairly present the consolidated financial conditions of the Group for the years ended December 31, 2021 and 2020, and the consolidated financial performance and consolidated cash flows for the months from January 1 to December 31, 2021 and 2020.

Basis for audit opinion

The audit was conducted in accordance with the Rules Governing Auditing and Certification of Financial Statements by Certified Public Accountants and Generally Accepted 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.

Emphasis of matter

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance for the Group in our audit of the consolidated financial statements for the year 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in the audit of the Group's consolidated financial statements for the year ended December 31, 2021 is as follows.

Authenticity of specific sales revenue

In 2021, the Group's sales revenue from specific customers increased year-on-year. Whether the sales revenue is properly recognized at the time of meeting performance obligations will have a material impact on the Consolidated Financial Statements and is therefore considered a key audit matter for the current year.

For accounting policies relating to sales revenue and relevant disclosure information, please refer to Notes 4(17) and 27 to 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, 2021 and 2020 on which we have issued an unmodified opinion.

Responsibilities of management and those charging 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 concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those in charge with governance (including the Audit Committee) are responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. 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 these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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's 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's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements (including the related notes) and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the Group for the year ended December 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Deloitte & Touche
Taipei, Taiwan

Republic of China

Notice to Readers

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

March 16, 2022

USI Corporation and Subsidiaries
Consolidated Balance Sheets
For the Years Ended December 31, 2021 and 2020

(In Thousands of New Taiwan Dollars)

Code	Assets	December 31, 2021		December 31, 2020	
		Amount	%	Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents (Notes 4, 6 and 32)	\$ 10,365,353	12	\$ 9,637,007	13
1110	Financial assets at fair value through profit or loss (FVTPL) - current (Notes 4, 7 and 37)	5,742,266	7	5,511,683	7
1120	Financial assets at fair value through other comprehensive income (FVTOCI) - current (Notes 4 and 8)	145,921	-	164,922	-
1136	Financial assets at amortized cost - current (Notes 4, 9 and 37)	349,137	1	348,450	-
1150	Notes receivable, net (Notes 4 and 10)	875,745	1	671,576	1
1170	Accounts receivable, net (Notes 4, 5 and 10)	8,515,477	10	6,810,340	9
1200	Other receivables (Notes 4, 10 and 36)	511,725	1	293,459	-
1220	Current tax assets (Notes 4 and 29)	8,931	-	29,231	-
130X	Inventories (Notes 4, 5 and 11)	7,599,843	9	4,296,228	6
1410	Prepayments (Note 32)	1,009,420	1	766,824	1
1470	Other current assets (Notes 4 and 15)	243,222	-	9,834	-
11XX	Total current assets	<u>35,367,040</u>	<u>42</u>	<u>28,539,554</u>	<u>37</u>
	NON-CURRENT ASSETS				
1517	Financial assets at fair value through other comprehensive income (FVTOCI) - non-current (Notes 4 and 8)	2,286,817	3	2,393,734	3
1535	Financial assets at amortized cost - non-current (Notes 4, 9, 37 and 38)	382,501	-	390,828	1
1550	Investments accounted for using the equity method (Notes 4 and 14)	19,335,554	23	20,170,030	26
1600	Property, plant and equipment (Notes 4, 5, 15, 32 and 37)	24,471,011	29	23,169,313	30
1755	Right-of-use assets (Notes 4, 16 and 37)	727,341	1	704,951	1
1760	Investment properties, net (Notes 4, 17 and 37)	711,345	1	753,220	1
1805	Goodwill (Notes 4, 18 and 32)	270,211	-	269,026	-
1821	Other intangible assets (Notes 4, 18 and 32)	43,983	-	10,807	-
1840	Deferred tax assets (Note 4 and 29)	651,568	1	573,850	1
1990	Other non-current assets (Note 37)	577,842	-	349,203	-
15XX	Total non-current assets	<u>49,458,173</u>	<u>58</u>	<u>48,784,962</u>	<u>63</u>
1XXX	Total Assets	<u>\$ 84,825,213</u>	<u>100</u>	<u>\$ 77,324,516</u>	<u>100</u>
	Liabilities and Equity				
	CURRENT LIABILITIES				
2100	Short-term borrowings (Notes 19 and 37)	\$ 2,498,041	3	\$ 2,726,270	3
2110	Short-term notes payable (Note 19)	279,635	-	656,704	1
2120	Financial liabilities at fair value through profit or loss (FVTPL) - current (Notes 4 and 7)	3,380	-	20,724	-
2170	Trade payables (Note 21)	3,528,998	4	3,406,837	4
2219	Other payables (Notes 22 and 32)	2,894,818	3	2,216,533	3
2230	Current tax liabilities (Notes 4 and 29)	2,618,632	3	1,211,350	2
2280	Lease liabilities - current (Notes 4 and 16)	73,065	-	75,284	-
2320	Current portion of long-term borrowings (Notes 19, 20 and 37)	3,059,116	4	1,999,233	3
2365	Refund liabilities - current (Note 22)	28,630	-	16,390	-
2399	Other current liabilities (Note 27)	565,262	1	374,501	-
21XX	Total current liabilities	<u>15,549,577</u>	<u>18</u>	<u>12,703,826</u>	<u>16</u>
	NON-CURRENT LIABILITIES				
2530	Bonds payable (Note 20)	5,989,773	7	4,995,069	6
2540	Long-term borrowings (Notes 19 and 37)	4,453,323	5	7,590,000	10
2550	Provisions - non-current (Notes 5, 23 and 38)	136,375	-	136,375	-
2570	Deferred tax liabilities (Notes 4 and 29)	1,417,922	2	1,434,806	2
2580	Lease liabilities - non-current (Notes 4 and 16)	387,502	1	384,402	1
2640	Net defined benefit liabilities - non-current (Notes 4 and 24)	1,151,009	1	1,292,053	2
2670	Other non-current liabilities (Note 25)	94,771	-	64,342	-
25XX	Total non-current liabilities	<u>13,630,675</u>	<u>16</u>	<u>15,897,047</u>	<u>21</u>
2XXX	Total Liabilities	<u>29,180,252</u>	<u>34</u>	<u>28,600,873</u>	<u>37</u>
	Equity attributable to owners of the Company (Notes 4, 8, 13, 24, 26 and 29)				
3100	Share capital	11,887,635	14	11,887,635	15
3200	Capital surplus	366,185	-	321,798	1
	Retained earnings				
3310	Legal reserve	3,343,086	4	3,109,625	4
3320	Special reserve	375,127	-	781,059	1
3350	Unappropriated earnings	9,881,214	12	5,606,462	7
3300	Total retained earnings	<u>13,599,427</u>	<u>16</u>	<u>9,497,146</u>	<u>12</u>
3490	Other equity	84,358	-	(240,195)	-
3500	Treasury shares	(475,606)	-	(475,606)	(1)
31XX	Total equity attributable to owners of the Company	<u>25,461,999</u>	<u>30</u>	<u>20,990,778</u>	<u>27</u>
36XX	Non-controlling Interests	<u>30,182,962</u>	<u>36</u>	<u>27,732,865</u>	<u>36</u>
3XXX	Total equity	<u>55,644,961</u>	<u>66</u>	<u>48,723,643</u>	<u>63</u>
	Total Liabilities and Equity	<u>\$ 84,825,213</u>	<u>100</u>	<u>\$ 77,324,516</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.
(Please refer to Deloitte & Touche auditors' review report dated March 16, 2022)

USI Corporation and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Years Ended December 31, 2021 and 2020

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code		For the Year Ended December 31, 2021		For the Year Ended December 31, 2020	
		Amount	%	Amount	%
4100	OPERATING REVENUE (Notes 4 and 27)	\$ 71,755,542	100	\$ 50,201,273	100
5110	COST OF GOODS SOLD (Notes 4, 11, 15, 16, 18, 24, 28 and 36)	<u>54,001,841</u>	<u>75</u>	<u>39,721,391</u>	<u>79</u>
5900	GROSS PROFIT	<u>17,753,701</u>	<u>25</u>	<u>10,479,882</u>	<u>21</u>
	OPERATING EXPENSES (Notes 4, 10, 12, 15, 16, 18, 24, 25, 28 and 36)				
6100	Selling and marketing expenses	3,163,322	4	2,020,552	4
6200	General and administrative expenses	1,277,631	2	1,209,777	2
6300	Research and development expenses	<u>429,830</u>	<u>1</u>	<u>362,961</u>	<u>1</u>
6000	Total operating expenses	<u>4,870,783</u>	<u>7</u>	<u>3,593,290</u>	<u>7</u>
6900	PROFIT FROM OPERATIONS	<u>12,882,918</u>	<u>18</u>	<u>6,886,592</u>	<u>14</u>
	NON-OPERATING INCOME AND EXPENSES				
7100	Interest income (Notes 4, 12 and 28)	79,601	-	102,809	-
7010	Other income (Notes 4, 12, 25, 28 and 36)	627,387	1	403,492	1
7020	Other gains and losses (Notes 4, 12, 17, 28 and 40)	57,628	-	116,953	-
7050	Finance costs (Notes 4, 19, 20 and 28)	(167,097)	-	(221,690)	(1)
7060	Share of loss of joint ventures accounted for using the equity method (Notes 4 and 14)	(<u>727,995</u>)	(<u>1</u>)	(<u>165,161</u>)	<u>-</u>
7000	Total non-operating income and expenses	(<u>130,476</u>)	<u>-</u>	<u>236,403</u>	<u>-</u>
7900	PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	12,752,442	18	7,122,995	14
7950	Income tax expense (Notes 4 and 29)	<u>2,672,991</u>	<u>4</u>	<u>1,440,358</u>	<u>3</u>
8200	NET PROFIT FOR THE PERIOD	<u>10,079,451</u>	<u>14</u>	<u>5,682,637</u>	<u>11</u>

(Continued)

(Continued)

Code		For the Year Ended December 31, 2021		For the Year Ended December 31, 2020	
		Amount	%	Amount	%
	OTHER COMPREHENSIVE INCOME (LOSS)				
	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurements of the defined benefit plan (Notes 4, 24 and 26)	(\$ 9,779)	-	\$ 19,250	-
8316	Profit (loss) of equity instruments at FVTOCI (Notes 4 and 26)	107,187	-	350,419	1
8349	Income tax relating to items that will not be reclassified subsequently to profit or loss (Notes 4, 26 and 29)	(1,691)	-	(6,122)	-
8310		<u>95,717</u>	<u>-</u>	<u>363,547</u>	<u>1</u>
	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating the financial statements of foreign operations (Notes 4 and 26)	(337,228)	-	166,163	-
8399	Income tax relating to items that may be reclassified subsequently to profit or loss (Notes 4, 26 and 29)	54,262	-	(12,938)	-
8360		<u>282,966</u>	<u>-</u>	<u>153,225</u>	<u>-</u>
8300	Other comprehensive income for the period, net of income tax	(187,249)	-	516,772	1
8500	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 9,892,202</u>	<u>14</u>	<u>\$ 6,199,409</u>	<u>12</u>
	Net income attributable to				
8610	Owners of the Company	\$ 5,191,394	7	\$ 2,409,778	5
8620	Non-controlling Interests	4,888,057	7	3,272,859	6
8600		<u>\$ 10,079,451</u>	<u>14</u>	<u>\$ 5,682,637</u>	<u>11</u>
	Total comprehensive income attributable to				
8710	Owners of the Company	\$ 5,615,597	8	\$ 2,875,537	6
8720	Non-controlling Interests	4,276,605	6	3,323,872	6
8700		<u>\$ 9,892,202</u>	<u>14</u>	<u>\$ 6,199,409</u>	<u>12</u>
	Earnings per share (Note 30)				
	From continuing operations				
9710	Basic earnings per share	<u>\$ 4.84</u>		<u>\$ 2.25</u>	
9810	Diluted earnings per share	<u>\$ 4.83</u>		<u>\$ 2.24</u>	

The accompanying notes are an integral part of the consolidated financial statements.
(Please refer to Deloitte & Touche auditors' review report dated March 16, 2022)

USI Corporation and Subsidiaries
Consolidated Statements of Changes in Equity
For the Years Ended December 31, 2021 and 2020

(In Thousands of New Taiwan Dollars)

		Equity Attributable to Owners of the Company							Other equity					
		Capital surplus				Retained earnings			Exchange differences on translating the financial statements of foreign operations (Notes 4, 26 and 29)	Unrealized Gain (Loss) on Financial Assets at FVTOCI (Notes 4, 8, 26 and 29)	Treasury shares (Note 26)	Total	Non-controlling Interests (Note 8, 13 and 26)	Total equity
Code		Share Capital (Notes 4 and 26)	Treasury Share Transactions (Note 26)	Shares of Changes in Capital Surplus of Associates (Notes 4, 13 and 26)	Others (Note 26)	Legal Reserve (Note 26)	Special Reserve (Note 26)	Unappropriated Earnings (Notes 4, 8, 13, 24 and 26)						
A1	Balance as of January 1, 2020	\$ 11,887,635	\$ 245,482	\$ 7,291	\$ 18,840	\$ 2,979,753	\$ 430,526	\$ 4,346,640	(\$ 602,871)	(\$ 178,187)	(\$ 475,606)	\$ 18,659,503	\$ 20,517,444	\$ 39,176,947
	Distribution of earnings in 2019													
B1	Provision for legal reserve	-	-	-	-	129,872	-	(129,872)	-	-	-	-	-	-
B3	Provision of special reserve	-	-	-	-	-	350,533	(350,533)	-	-	-	-	-	-
B5	Cash dividends distributed to the Company	-	-	-	-	-	-	(594,382)	-	-	-	(594,382)	-	(594,382)
O1	Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(519,048)	(519,048)
D1	Net profit for the year 2020	-	-	-	-	-	-	2,409,778	-	-	-	2,409,778	3,272,859	5,682,637
D3	Other comprehensive income for the year 2020, net of income tax	-	-	-	-	-	-	2,974	19,016	443,769	-	465,759	51,013	516,772
D5	Total comprehensive income for the year 2020	-	-	-	-	-	-	2,412,752	19,016	443,769	-	2,875,537	3,323,872	6,199,409
C7	Changes in equity of subsidiaries recognized by equity method	-	-	29,920	-	-	-	(65)	-	-	-	29,855	(28,871)	984
C17	Other changes in capital surplus	-	-	-	1,100	-	-	-	-	-	-	1,100	-	1,100
M1	Dividends distributed to subsidiaries to adjust capital reserve	-	19,165	-	-	-	-	-	-	-	-	19,165	-	19,165
Q1	Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	-	-	(78,078)	-	78,078	-	-	-	-
O1	Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	4,439,468	4,439,468
Z1	Balance as of December 31, 2020	11,887,635	264,647	37,211	19,940	3,109,625	781,059	5,606,462	(583,855)	343,660	(475,606)	20,990,778	27,732,865	48,723,643
	Distribution of surplus in 2020													
B1	Provision for legal reserve	-	-	-	-	233,461	-	(233,461)	-	-	-	-	-	-
B17	Reversal of special surplus reserve	-	-	-	-	-	(405,932)	405,932	-	-	-	-	-	-
B5	Cash dividends distributed to the Company	-	-	-	-	-	-	(1,188,763)	-	-	-	(1,188,763)	-	(1,188,763)
O1	Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(1,714,633)	(1,714,633)
D1	Net profit for the year 2021	-	-	-	-	-	-	5,191,394	-	-	-	5,191,394	4,888,057	10,079,451
D3	Other comprehensive income for the year 2021, net of income tax	-	-	-	-	-	-	(804)	(127,118)	552,125	-	424,203	(611,452)	(187,249)
D5	Total comprehensive income for the year 2021	-	-	-	-	-	-	5,190,590	(127,118)	552,125	-	5,615,597	4,276,605	9,892,202
C7	Changes in equity of subsidiaries recognized by equity method	-	-	4,691	-	-	-	-	-	-	-	4,691	2,586	7,277
C17	Changes in capital surplus	-	-	-	1,367	-	-	-	-	-	-	1,367	-	1,367
M1	Dividends distributed to subsidiaries to adjust capital reserve	-	38,329	-	-	-	-	-	-	-	-	38,329	-	38,329
Q1	Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	-	-	100,454	-	(100,454)	-	-	-	-
O1	Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(114,461)	(114,461)
Z1	Balance as of December 31, 2021	\$ 11,887,635	\$ 302,976	\$ 41,902	\$ 21,307	\$ 3,343,086	\$ 375,127	\$ 9,881,214	(\$ 710,973)	\$ 795,331	(\$ 475,606)	\$ 25,461,999	\$ 30,182,962	\$ 55,644,961

The accompanying notes are an integral part of the consolidated financial statements.
(Please refer to Deloitte & Touche auditors' review report dated March 16, 2022)

USI Corporation and Subsidiaries
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2021 and 2020

(In Thousands of New Taiwan Dollars)

Code		For the Year Ended December 31, 2021	For the Year Ended December 31, 2020
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Net profit before tax for the year	\$ 12,752,442	\$ 7,122,995
A20010	Income (expenses) items		
A20100	Depreciation expenses	2,272,146	2,279,397
A20200	Amortization expense	63,774	73,804
A20300	Expected credit loss reversed on accounts receivable	(1,426)	(2,415)
A20400	Net gain on fair value change of financial assets and liabilities as at FVTPL	(336,404)	(376,857)
A20900	Finance costs	167,097	221,690
A21200	Interest income	(79,601)	(102,809)
A21300	Dividend income	(390,903)	(186,949)
A22300	Share of loss of joint ventures accounted for using the equity method	727,995	165,161
A22500	Loss of disposal and scrapping of property, plant and equipment	64,669	37,249
A23700	Impairment loss recognized on non- financial assets	39	27,901
A23800	Provision for write-downs of inventories and obsolescence losses	32,415	24,765
A29900	Recognition of refund liabilities	19,165	7,576
A29900	Gain on revised lease	(660)	-
A30000	Changes in operating assets and liabilities		
A31115	Decrease in financial assets and liabilities mandatorily classified as at FVTPL	88,477	1,239,787
A31130	Increase in notes receivable	(204,169)	(37,141)
A31150	Increase in accounts receivable	(1,703,446)	(396,848)
A31180	Increase in other receivables	(269,309)	(6,149)
A31200	(Increase) decrease in inventories	(3,334,541)	601,880
A31230	(Increase) decrease in prepayments	(196,431)	15,898
A31240	(Increase) decrease in other current assets	(61,585)	7,316
A32150	Increase in accounts payable	122,161	649,469
A32180	Increase in other payables	525,173	368,359
A32200	Decrease in refund liabilities	(6,925)	(19,407)
A32240	Decrease in net defined benefit liabilities	(140,684)	(179,158)
A32230	Increase in other current liabilities	<u>190,761</u>	<u>111,543</u>
A33000	Cash generated from operations	10,300,230	11,647,057
A33100	Interest received	79,222	92,630

(Continued)

(Continued)

<u>Code</u>		<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
A33300	Interest paid	(\$ 159,354)	(\$ 234,213)
A33500	Income tax paid	(1,286,929)	(689,753)
AAAA	Net cash generated from operating activities	<u>8,933,169</u>	<u>10,815,721</u>
	Cash flows from investing activities		
B00010	Acquisition of FVTOCI	(4,835)	-
B00020	Disposal of FVTOCI	203,458	76,643
B00030	Return of capital from financial assets at FVTOCI	52,244	83,402
B00040	(Acquisition) disposal of financial assets measured at amortized cost	(71,820)	78,793
B01800	Acquisition of long-term equity investments using the equity method	-	(5,122,441)
B02200	Net cash outflows from acquisition of subsidiaries (Note 32)	(34,056)	-
B02700	Acquisitions of property, plant and equipment	(3,622,312)	(2,330,747)
B02800	Proceeds from disposal of property, plant and equipment	36,325	25,612
B03700	(Increase) decrease in refundable deposit	(6,401)	14,836
B04500	Acquisition of other intangible assets	(733)	(113)
B05350	Acquisition of right-of-use assets	(25,567)	-
B05400	Acquisition of investment properties	(3,298)	(85,673)
B06700	(Increase) decrease in other non-current assets	(280,145)	32,231
B07600	Dividends received	<u>390,903</u>	<u>186,949</u>
BBBB	Net cash used in investing activities	<u>(3,366,237)</u>	<u>(7,040,508)</u>
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00100	Decrease in short-term borrowings	(228,229)	(1,532,710)
C00600	Decrease in short-term notes payable	(377,000)	(696,000)
C01200	Issuing of bonds	3,991,268	-
C01300	Repayments of bonds	(2,000,000)	(1,000,000)
C01600	Proceeds from mid- to long-term borrowings	24,225,000	13,380,000
C01700	Repayments of mid- to long-term borrowings	(27,277,000)	(15,283,200)
C03000	Increase (decrease) in guarantee deposits received	6,186	(4,133)
C04020	Repayments of the principal portion of lease liabilities	(70,349)	(68,659)
C04300	Decrease in other non-current liabilities	(1,670)	(778)
C04500	Cash dividends paid	(1,188,763)	(594,382)

(Continued)

(Continued)

<u>Code</u>		<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
C05800	Change in non-controlling interests	(\$ 114,461)	\$ 4,439,468
C05800	Cash dividends paid on non-controlling interests	(1,714,633)	(519,048)
CCCC	Net cash used in financing activities	(4,749,651)	(1,879,442)
DDDD	EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	(88,935)	(186,167)
EEEE	NET INCREASE IN CASH AND CASH EQUIVALENTS	728,346	1,709,604
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>9,637,007</u>	<u>7,927,403</u>
E00200	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 10,365,353</u>	<u>\$ 9,637,007</u>

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

(Please refer to Deloitte & Touche auditors' review report dated March 16, 2022)

USI CORPORATION AND SUBSIDIARIES
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 For the Years Ended December 31, 2021 and 2020
 (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 10, 2022.

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 "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC).

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

b. New IFRSs endorsed by the FSC and applicable in 2022

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

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

1 "First-time Adoptions of IFRSs" are applied retrospectively for annual reporting periods beginning on or after January 1, 2022.

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

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

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

As of the date the consolidated financial statements were authorized for issue, the Group assessed that the amendments to other standards and interpretations had no significant impact on the Group's financial position and financial performance.

- c. IFRSs that have been issued by IASB but not yet endorsed and issued into effect by the FSC

New/Revised/Amended Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendment to IFRS 17 "Initial Application of IFRS 17 and IFRS 9—Comparative Information "	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-Current"	January 1, 2023
Amendments to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023 (Note 2)
Amendment to IAS 8 "Definition of Accounting Estimates"	January 1, 2023 (Note 3)
Amendments to IAS 12 "Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction"	January 1, 2023 (Note 4)

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

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

Note 3. The amendments are applicable to the changes of the accounting estimates and changes of accounting policies which happen on the annual reporting periods beginning on or after January 1, 2023.

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

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs as endorsed and issued into effect by the FSC.

b. Basis of preparation

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

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

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

c. Criteria classifying current/non-current assets and liabilities

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to realize in 12 months after the balance sheet date; and
- 3) Cash and cash equivalents (but excluded those restricted from being exchanged or used for debt repayment after more than 12 months of the balance sheet date).

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities expected to realize in 12 months after the balance sheet date; and
- 3) Liabilities for which the Company is not able to defer the repayment deadline to more than 12 months after the balance sheet date unconditionally.

Other items excluded from above are classified as non-current assets or non-current liabilities.

d. Basis of consolidation

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

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

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

Please refer to Note 13, Table 7, and Table 8 for detailed information on subsidiaries (including the percentages of ownership and main businesses).

e. Business combination

Business combination is accounted for by acquisition method. Acquisition related costs are included as expenses in the period when costs are incurred and services are acquired. Goodwill is measured by the aggregate of the fair value of the transfer consideration and the fair value at the acquisition date of the acquirer's previously held interests in the acquiree exceeding the net identifiable assets acquired and liabilities assumed at the acquisition date.

f. Foreign currency

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

Monetary items denominated in foreign currencies are retranslated at the rates prevailing on each balance sheet date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the current period.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising from the re-translation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the re-translation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income.

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, associates and joint ventures in other countries that use currencies which are different from the currency of the Company) are translated into the presentation currency, the New Taiwan dollar, at the exchange rates prevailing at the balance sheet date. 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 (attributed to the owners of the Group and non-controlling interests as appropriate).

When disposing of all or part of the subsidiaries of foreign operations which resulted in losing control of the foreign operations, all the accumulated exchange differences attributable to the owners of the Company and related to such foreign operations are classified as profit and loss.

When disposing of part of the subsidiaries and associates which did not result in losing control of the foreign operations, the accumulated exchange differences will be attributed pro rata to the non-controlling interests of the subsidiary rather than profit or loss. In other disposal of foreign operations, the accumulated exchange differences will be classified as profit and loss based on its proportion.

g. INVENTORIES

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

h. Investments in associates

An associate is an entity over which the Group has significant influence on and that is not a subsidiary or joint venture. A joint venture is a joint agreement whereby the Group has joint control with another company and has rights to the net assets.

The Group uses the equity method to account for its investments in associates. Under the equity method, investments in an associate are initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the An associate is an entity over which . In addition, changes in the Group's share of equity in the associates and joint ventures are recognized according to the shareholding ratio.

When the Company subscribes for additional new shares of an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Group's proportionate interest in the associate. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in capital surplus from investments in associates accounted for using the equity method. If the Group's ownership interest is reduced due to its additional subscription of the new shares of the associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required if the investee had directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

When the Group's shares of losses of an associate equal or exceed its equity in that associate (which includes any carrying amount of the investment accounted for by using the equity method and long-term equity that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its further losses. Additional losses and liabilities are recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

The entire carrying amount of an investment is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment's fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Group accounts for all amounts recognized in other comprehensive income in relation to that associate on the same basis as would be required if the associate had directly disposed of the related assets or liabilities.

When a group entity transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the Group' consolidated financial statements only to the extent that interests in the associate are not related to the Group.

i. Property, plant and equipment

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

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

Except for self-owned land, which is not depreciated, the remaining real property, plant and equipment are depreciated separately for each significant part on a straight-line basis over their useful lives. The Group shall review the estimated useful life, residual value and depreciation method at least at each financial year-end, and shall prospectively apply the effects of changes in accounting estimates.

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

j. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including the right-of-use assets as defined for investment properties).

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

Investment properties acquired by lease are initially measured at cost (including the original measurement amount of the lease liability and the lease payment paid before the lease start date), and subsequently measured at cost less the accumulated amount of depreciation and impairment loss, and re-measurements of adjustments on lease liabilities. All investment property is depreciated on a straight-line basis.

For a transfer of classification from property, plant and equipment to investment properties, the deemed cost of an item of property from subsequent accounting is its carrying amount on the date of transfer to owner-occupation.

Property, plant and equipment are rerecognized as investment properties at the carrying amount at the time of termination for owner-occupation.

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

k. Goodwill

Goodwill acquired through M&A uses the goodwill value recognized on the M&A day as the cost, subsequently measured by cost deducting accrued impairment loss.

For purposes of impairment test, the goodwill shares to the Group benefits cash generation unit or its group due to integrative M&A effect (hereinafter referred to as the "cash generation unit").

The cash generation unit shared with the goodwill conducts impairment test through comparison between its face value containing goodwill and recoverable value every year (and the time with sign showing potential impairment). If the goodwill with such shares was acquired by corporate M&A, then, the unit should conduct impairment test at end of the year. If the recoverable amount of the cash generation unit with shared goodwill is less than its face value, firstly, the loss deducts the face value with shared goodwill, second, decrease the face value of each asset with respect of the proportion in the unit. Any impairment loss is recognized directly as a loss of the current period and goodwill impairment loss may not be reversed subsequently.

The disposal of profit/loss is defined by including disposal related goodwill value during operation of the cash generation unit with goodwill shares.

1. Intangible assets

1) Separate acquisition

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at the amount of cost less accumulated amortization and accumulated impairment loss. Intangible assets are amortized on a straight-line basis over the useful life. The estimated useful life, residual value, and amortization method are reviewed at the end of each reporting period by the Group, with the effect of any changes in estimate accounted for on a prospective basis. Intangible assets without definite service life shall be measured at cost minus accumulated impairment loss.

2) Acquisition by business combination

Intangible assets acquired by a business combination shall be recognized at fair value on the acquisition date, and subsequently measured by the same method as that of intangible assets acquired separately, and the goodwill shall be recognized separately.

3) Derecognition

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

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

On each balance sheet date, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use asset, investment property and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the smallest group of cash-generating units on a reasonable and consistent basis of allocation. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually.

The recoverable amount is the higher of fair value less costs of sale and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its

carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

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

n. Non-current assets available for sale

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

Non-current assets classified as available for sale are measured at the lower of their carrying amount and fair value minus the cost of sale, of which the depreciation of shall be ceased.

o. Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value plus the transaction costs that are directly attributable to an acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL). Transaction costs directly attributable to the acquisition or issuance of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1) Financial assets

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

a) Measurement categories

Financial assets held by the Group are classified into the following categories: financial assets at FVTPL, financial assets at amortized cost and investments in equity instruments at FVTOCI.

i. Financial assets at FVTPL

Financial assets are classified as at FVTPL when such a financial asset is mandatorily classified as at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI and derivative instruments and fund beneficiary certificates that do not meet the criteria to classify as at amortized cost or at FVTOCI.

Financial assets at FVTPL are measured at fair value, with the generated dividends and interest recognized in other income and interest income respectively, and with the profits or losses arising from re-measurement are recognized in other profits and losses. Please refer to Note 35 for the way of fair price determination.

ii. Financial assets measured at amortized cost

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

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

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

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

- i) Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit adjusted effective interest rate multiplying the amortized cost of such a financial asset; and
- ii) Financial assets that are not credit impaired on purchase or origination but have subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate multiplying the amortized cost of such financial assets in subsequent reporting periods.

A financial asset is credit impaired when significant financial difficulty of the issuer or the borrower, breach of contract, it is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization or the disappearance of an active market for that financial asset because of financial difficulties have occurred.

Cash equivalents include time deposits and reverse repurchase agreements collateralized by bonds, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

iii. Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination. Investments in equity instruments at FVTOCI are measured at fair value, and subsequently gains and losses arising from changes in fair value are recognized in other comprehensive income and accumulated in other equity. The cumulative gains or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, they will be transferred to retained earnings.

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

b) Impairment of financial assets

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

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

For internal credit risk management purposes, the Group determines that the following situations indicate that a financial asset is in default (without taking into account any collateral held by the Group):

- i. Internal or external information show that the debtor is unlikely to pay its creditors.
- ii. When a financial asset is more than specific days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

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

c) Derecognition of financial assets

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

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

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

Equity instruments issued by the Group are recognized at the acquired prices deducting costs of direct issuance

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

3) Financial liabilities

1) Subsequent measurement

Except for financial liabilities measured at fair value through profit and loss, all financial liabilities are measured at amortized cost using the effective interest method.

Financial liabilities held for transactions are measured pursuant to fair price, wherein their profits or losses generated from re-measurements is recognized as other benefits and losses. Please refer to Note 35 for the way of fair price determination.

2) Derecognition of financial liabilities

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

4) Derivatives

The Group enters into a variety of derivatives to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately. When the fair value of a derivative is positive, the derivative is recognized as a financial asset; when the fair value of a derivative is negative, the derivative is recognized as a financial liability.

p. Provisions for liabilities

The amount recognized as a liability provision is considered with business risk and uncertainty, which is the best estimate for expenditure required for repayment obligations on the balance sheet date. Provision for liabilities is measured at the discount of cash flow estimated from repayment obligations.

q. Revenue recognition

The Group identifies contracts with the customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied. Provision for refund liabilities are reasonable estimates of future returns based on past experience and other relevant factors.

1) Revenue from the sale of goods

Revenue from the sale of goods mainly comes from sales of polyethylene plastic particles and other related products. The sale of goods above is recognized as revenue when the goods are delivered to a customer because it is the time when the customer has full discretion over the manner of distribution and the price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. The receipts in advance from goods sales are recognized as contract liabilities.

Outsourced processing is not recognized as income as the control of the ownership of the processed products has not been transferred.

2) Service revenue

Service revenue comes from warehousing and transportation service of a variety of petrochemical materials consigned to operate; it is recognized in the provision of service.

r. Discontinued operations

A discontinued operation is a component of an entity that either has been disposed of or is classified as held for sale. A component of an entity which is for operational and financial reporting purposes has cash flows which can be clearly distinguished from the rest of the entity.

s. Leasing

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

1) The Group as lessor

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

When the Group subleases the right-of-use asset, it uses the right-of-use asset (instead of underlying asset) to determine the classification of sublease. However, if the main lease is a short-term lease for which the Group applies the recognition exemption, the sublease is classified as an operating lease.

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

The variable rent not depending on the rate under a lease agreement is recognized as revenue for the year.

2) The Group as lessee

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

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Except for those as defined for investment properties, the right-of-use assets are presented on a separate line in the consolidated balance sheets. For the recognition and measurement of right-of-use asset as defined for investment properties, please refer to i. Investment Properties Accounting Policy.

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

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

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

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the periods in which they are incurred.

t. Borrowing costs

Borrowing costs directly attributable to an acquisition, construction or production of qualifying assets are added to the cost of those assets, until the time when the assets are

substantially ready for their intended use or sale. Other than the above-stated, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

u. Government subsidy

Government subsidies are not usually recognized, unless they are reasonable to be certain that the Group will follow supplemental conditions for the same and they are receivable. Revenue-related government subsidies are recognized as the profit and loss based on system with attempted compensation of related costs recognized as expenditure by the Group. Government subsidies conditioned on the acquisition, construction or other acquisition of non-current assets by the Group are recognized as deferred income, and are rerecognized as profit or loss over the useful life of the relevant assets on a reasonable and systematic basis.

If the government subsidy is used to compensate expenditure or loss, or for immediate financial support to the Group without upcoming related cost, it is recognized as profit and loss during collectable period.

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

v. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

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

Net defined benefit liabilities represent the actual deficit in the Group's defined benefit plans.

w. Share-based payment arrangements

The equity-settled share-based payment transaction for employee given by the Group is measured at the fair value of equity tool on the given day.

Employee subscription right is recognized as expenses on straight basis over the given period pursuant to the fair value of equity tool on the given day and the best quantity forecast as expected, while making adjustments on the non-controlling interests. If it is acquired on the given day, all of them are recognized as expense on the given day.

The Group amends the expected employee stock option forecast on every balance sheet date. Any effect from amendments to original forecast is recognized as profit or loss to reflect accrued expenses and make adjustment on the non-controlling interests.

x. Income tax

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

1) Current tax

The Group determines proceeds (loss) of current period pursuant to the laws and regulations prescribed in every income tax declaration region and calculates tax payable (recoverable).

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

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

2) Deferred tax

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

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilized.

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

profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

3) Current tax and deferred tax for the year

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

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION 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.

The Group will incorporate the recent developments of the COVID-19 pandemic in our country and its possible impact on the economic environment into major accounting estimates. Management will continue to review the estimates and underlying assumptions. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key Sources of Estimation Uncertainty

- a. Impairment loss estimates of accounts receivable

The impairment loss estimates of trade receivable is assumed on the basis of the Group for breach of contract rate and expected loss rate. With historic experience, current market and prospects are considered, the Group makes assumption and chooses input of impairment evaluation. If the actual cash flow in future is less as expected, the Group may suffer from material impairment loss. Refer to Note 10 for the Group's adoption of important assumptions, inputs and carrying amount.

b. Inventory Impairment

As a result that inventory requires pricing at lower one between cost and net realized value; hence, the Group has to judge and estimate the net realization of inventory at the end of financial statements. The Group evaluated inventory price due to normal consumption, overdue or no market value as of the end of financial statements and write down inventory cost to net realization. This inventory evaluation is mainly based on product historic sales experiences and in demand during upcoming specified period, as such significant change might derive. Refer to Note 11 for the carrying amount of the Group's inventory.

c. Impairment evaluation of properties, plant and equipment

During asset impairment evaluation, the Group shall rely on subjective judgment to determine the useful life of independent cash flow asset under specified asset group according to the way of use of asset and industry characteristics; any change of evaluation brought by varied economic condition or company strategy may generate significant impairment in future.

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

As for the civil damages incurred by the gas explosion of the subsidiary, China General Terminal & Distribution Co., which is recognized as a liability provision, the management estimates the amount of the liability provision by taking into account the progress of civil and criminal proceedings and settlements as well as the legal advice. However, actual results may differ from current estimates. Please refer to Note 38 for a detailed description.

6. CASH AND CASH EQUIVALENTS

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Cash on hand and petty cash	\$ 70,667	\$ 155,049
Checking accounts and demand deposits	3,383,659	3,065,872
Cash equivalents		
Time deposits	6,655,811	6,392,905
Reserve repurchase agreements collateralized by bonds	255,216	23,181
	<u>\$ 10,365,353</u>	<u>\$ 9,637,007</u>

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

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Time deposits	0.08%~2.50%	0.07%~2.30%
Reserve repurchase agreements collateralized by bonds	0.06%~0.90%	0.15%~1.20%
7. <u>FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS -</u>		

CURRENT

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
<u>Financial assets mandatorily at FVTPL</u>		
Derivative financial assets (not under hedge accounting)		
- Foreign exchange forward contracts	\$ 8,297	\$ 5,328
Non-derivative financial assets		
- Domestic listed (OTC) shares	603,956	506,763
- Fund beneficiary certificates	4,896,869	4,765,536
- Beneficiary securities	232,680	233,670
- Overseas listed shares	464	386
Sub-total	<u>5,733,969</u>	<u>5,506,355</u>
	<u>\$ 5,742,266</u>	<u>\$ 5,511,683</u>

Financial liabilities held for trading

Derivative financial liabilities (not under hedge accounting)		
- Foreign exchange forward contracts	\$ 3,380	\$ 20,724

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

	<u>Currency</u>	<u>Expiration date</u>	<u>Contract Amount (In Thousands)</u>
<u>December 31, 2021</u>			
Sell	RMB/NTD	2022.01.03- 2022.03.24 2022.04.29-	RMB 375,900 /NTD 1,625,844
Sell	USD/MYR	2022.10.31 2022.01.03-	USD 2,150 /MYR 9,075
Sell	USD/NTD	2022.03.30 2022.01.31-	USD 45,290 /NTD 1,259,790
Sell	EUR/MYR	2022.02.28	EUR 60 /MYR 304
Buy	NTD/USD	2022.03.07 2022.01.18-	NTD 128,458 /USD 4,640
Buy	JPY/USD	2022.02.24	JPY 100,000 /USD 883
<u>December 31, 2020</u>			
Sell	RMB/NTD	2021.01.05- 2021.04.07 2021.3.31-	RMB 254,260 /NTD 1,089,330
Sell	USD/MYR	2021.08.30 2021.01.04-	USD 550 /MYR 2,313
Sell	USD/NTD	2021.03.18 2021.05.28-	USD 35,790 /NTD 1,014,569
Sell	EUR/MYR	2021.07.30 2021.01.13-	EUR 284 /MYR 1,399
Buy	JPY/USD	2021.01.27 2021.01.04-	JPY 40,000 /USD 385
Buy	NTD/USD	2021.03.02	NTD 211,769 /USD 7,471

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

Please refer to Note 37 for the pledge of investments in equity instruments at FVTPL

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
<u>Current</u>		
Investments in equity instruments		
Domestic investments		
Listed (OTC) shares	\$ 145,921	\$ 164,922
<u>Non-current</u>		
Investments in equity instruments		
Domestic investments		
Listed (OTC) shares	\$ 1,672,941	\$ 1,529,883
Emerging market shares	21,677	9,626
Unlisted shares	<u>437,569</u>	<u>720,833</u>
	<u>2,132,187</u>	<u>2,260,342</u>
Overseas investments		
Listed (OTC) shares	40,855	30,566
Unlisted shares	<u>113,775</u>	<u>102,826</u>
	<u>154,630</u>	<u>133,392</u>
	<u>\$ 2,286,817</u>	<u>\$ 2,393,734</u>

The Group invested the listed (OTC) shares, emerging market shares and unlisted shares, domestic or abroad, for medium- to long-term strategic purposes, and expects to make a profit via 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.

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

The Group sold 5,745 thousand shares of United Renewable Energy Co., Ltd. and 1,734 thousand shares of Global Biopharma, Inc. respectively in 2020. Related other equity - the unrealized loss of financial assets measured at fair value through other comprehensive income of NT\$115,837 thousand is transferred to retained surplus of NT\$78,078 thousand and non-controlling equity of NT\$37,759 thousand, respectively.

For the years ended December 31, 2021 and 2020, due to the reduction of capital and refund of shares respectively by the invested company, the Group shall recover NT\$52,244 thousand and 83,402 thousand according to the proportion of shares held, respectively.

The Group recognized dividend income of NT\$190,222 thousand and NT\$117,689 thousand, respectively, for the years ended December 31, 2021 and 2020.

9. FINANCIAL ASSETS MEASURED AT AMORTIZED COST

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
<u>Current</u>		
Pledged time deposits	<u>\$ 349,137</u>	<u>\$ 348,450</u>
<u>Non-current</u>		
Restricted bank deposits	<u>\$ 382,501</u>	<u>\$ 390,828</u>
Range of Interest Rates		
Pledged time deposits	0.04%~1.85%	0.04%~1.85%

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

Please refer to Note 37 for the information related to financial assets measured at amortized cost pledged as security.

10. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
<u>Notes receivable (a)</u>		
Operating	\$ 875,745	\$ 671,576
Less: allowance for loss	<u>-</u>	<u>-</u>
	<u>\$ 875,745</u>	<u>\$ 671,576</u>
<u>Accounts receivable (a)</u>		
Financial liabilities measured at amortized cost		
Gross carrying amount	\$ 8,600,861	\$ 6,900,396
Less: allowance for loss	<u>(85,384)</u>	<u>(90,056)</u>
	<u>\$ 8,515,477</u>	<u>\$ 6,810,340</u>
<u>Other receivables (b)</u>		
Tax refund receivable	\$ 299,915	\$ 208,290

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Lent material fees receivable	70,090	27,067
Others	<u>141,720</u>	<u>58,102</u>
	<u>\$ 511,725</u>	<u>\$ 293,459</u>

a. Notes and accounts receivable

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

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

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

The Group writes off a trade receivable when there is information indicating that the debtor is experiencing severe financial difficulty and there is no realistic prospect of recovery. For accounts receivable 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 accounts receivable based on the Group's allowance matrix.

December 31, 2021

Based on the number of overdue days

	<u>Up to 60 Days</u>	<u>61~90 Days</u>	<u>Over 91 Days</u>	<u>Total</u>
Gross carrying amount	\$ 4,887,767	\$ 835	\$ 8,156	\$ 4,896,758
Loss allowance (lifetime ECLs)	(<u>12,511</u>)	(<u>330</u>)	(<u>4,209</u>)	(<u>17,050</u>)
Amortized cost	<u>\$ 4,875,256</u>	<u>\$ 505</u>	<u>\$ 3,947</u>	<u>\$ 4,879,708</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	\$ 366,796	\$ 1,174,614	\$ 296,804	\$ 2,741,634	\$ 4,579,848
Loss allowance (Lifetime ECLs)	-	(<u>6,728</u>)	(<u>5,191</u>)	(<u>56,415</u>)	(<u>68,334</u>)
Amortized cost	<u>\$ 366,796</u>	<u>\$ 1,167,886</u>	<u>\$ 291,613</u>	<u>\$ 2,685,219</u>	<u>\$ 4,511,514</u>

December 31, 2020

Based on the number of overdue days

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

Based on credit quality

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

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

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Not past due	\$ 4,251,618	\$ 4,220,397
Up to 60 days	251,874	357,902
Over 61 days	<u>76,356</u>	<u>159,188</u>
	<u>\$ 4,579,848</u>	<u>\$ 4,737,487</u>

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

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

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Balance at January 1	\$ 90,056	\$ 93,648
Less: Impairment losses reversed	(1,426)	(2,415)
Less: Amounts written off during the period as uncollectible	(2,981)	(1,170)
Foreign exchange translation gains and losses	(265)	(7)
Balance at December 31	<u>\$ 85,384</u>	<u>\$ 90,056</u>

b. Other receivables

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

11. INVENTORIES

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Finished goods	\$ 4,567,525	\$ 2,068,989
Work in progress	476,649	387,559
Raw materials	1,980,596	1,345,791
Supplies	359,533	331,030
Inventory in transit	215,540	162,859
	<u>\$ 7,599,843</u>	<u>\$ 4,296,228</u>

The costs of inventories recognized as cost of goods sold for the years ended December 31 in 2021 and 2020 were NT\$54,001,841 thousand and NT\$39,721,391 thousand, respectively.

The net realizable value of inventory write-downs included in the cost of goods sold for the years ended December 31 in 2021 and 2020 were NT\$32,415 thousand and NT\$24,765 thousand, respectively.

12. DISCONTINUED OPERATIONS

On October 24, 2011, the board of directors of Subsidiary China General Plastics Corporation ("CGPC") approved to dispose of Continental General Plastics (Zhong Shan) Co., Ltd. ("CGPC (ZS)") and CGPC Consumer Products Corporation ("CGPC (CP)") took into account the fact that the discontinued unit has resumed its operations, therefore, the amount of the prior period shall be re-expressed and the consolidated financial statement for the comparison period shall be recompiled in accordance with the provisions of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations in the preparation of the comparative consolidated financial statements for the continued unit reversed from discontinued unit from 2021. The consolidated income statement for the years ended December 31, 2020 has the following effects:

Impact on comprehensive income for the year 2020	Amount Before Restatement	Profit or Loss from	
		Discontinued Operations	Amount After Restatement
Administrative expenses	(\$ 1,200,353)	(\$ 9,424)	(\$ 1,209,777)
Interest income	102,548	261	102,809
Other income	374,667	28,825	403,492
Other gains and losses	132,342	(15,389)	116,953
Net income from continuing operations for the year	5,678,364	4,273	5,682,637

13. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements

The consolidated financial statements are prepared by the following subjects:

Investor	Name of Subsidiary	Nature of Activities	Proportion of Ownership (%)		Remark
			December 31, 2021	December 31, 2020	
The Company	USI Investment Co., Ltd. (USII)	Investment business	<u>100.0%</u>	<u>100.0%</u>	12.
	Swanlake Traders Ltd. (Swanlake)	Trading and investment	<u>100.0%</u>	<u>100.0%</u>	

Investor	Name of Subsidiary	Nature of Activities	Proportion of Ownership (%)		Remark
			December 31, 2021	December 31, 2020	
	USI (Hong Kong) Company Ltd.	Trading and investment	<u>100.0%</u>	<u>100.0%</u>	
	USI Management Consulting Corp. (UM)	Providing management services	<u>100.0%</u>	<u>100.0%</u>	
	Chong Loong Trading Co., Ltd. (CLT)	Import and export trade	<u>99.9%</u>	<u>99.9%</u>	
	Union Polymer International Investment Corporation (UPIIC)	Investment business	<u>100.0%</u>	<u>100.0%</u>	
	Cypress Epoch Limited	Investment business	<u>-</u>	<u>100.0%</u>	13.
	INOMA Corporation (INOMA)	Optical products and fireproof materials	<u>94.4%</u>	<u>94.4%</u>	1.
	USI Green Energy Corporation (USIGE)	Solar power generation business	<u>100.0%</u>	<u>-</u>	15.
The Company	USIG (Shanghai) Co., Ltd.	Import and distribution of various types of chemical raw materials and products	100.0%	-	13.
Cypress Epoch Limited			<u>-</u> <u>100.0%</u>	<u>100.0%</u> <u>100.0%</u>	
The Company	Taiwan United Venture Capital Corp. (TUVC)	Venture capital	70.0%	70.0%	
Asia Polymer Corporation (APC)			<u>8.3%</u>	<u>8.3%</u>	
			<u>78.3%</u>	<u>78.3%</u>	16.
The Company	Swanson Plastics Corporation (SPC)	Production and marketing of stretch film, embossed film and industrial use multi-layer wrap	40.6%	40.6%	
Asia Polymer Corporation			8.0%	8.0%	
USIFE Investment Co., Ltd.			<u>6.0%</u>	<u>4.9%</u>	2.
			<u>54.6%</u>	<u>53.5%</u>	
The Company	Acme Electronics Corp. (ACME)	Production and marketing of manganese-zinc soft ferrite powder	26.9%	26.9%	
China General Plastics Corporation			1.7%	1.7%	
USIFE Investment Co., Ltd.			9.3%	9.3%	
Asia Polymer Corporation			3.3%	3.3%	
Taita Chemical Company, Ltd.			2.4%	2.4%	
APC Investment Corporation			<u>1.0%</u>	<u>1.0%</u>	
			<u>44.6%</u>	<u>44.6%</u>	18.
The Company	USI Optronics Corporation ("USIO")	Manufacturing and marketing of sapphire crystal	50.9%	50.9%	
Acme Electronics Corporation			34.0%	34.0%	
Asia Polymer Corporation			9.2%	9.2%	
USIFE Investment Co., Ltd.			<u>0.2%</u>	<u>0.2%</u>	
			<u>94.3%</u>	<u>94.3%</u>	
Acme Electronics Corporation	ACME Electronics (Cayman) Corp.	Reinvestment business	51.3%	51.3%	
APC (BVI) Holding Co., Ltd.			16.6%	16.6%	
Swanlake Traders Ltd.			16.7%	11.2%	14.
TAITA (BVI) Holding Co., Ltd.			<u>5.4%</u>	<u>5.4%</u>	
			<u>90.0%</u>	<u>84.5%</u>	
Acme Electronics Corporation	Golden Amber Enterprises Limited	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	
ACME Electronics (Cayman) Corp.	Acme Electronics (Kunshan) Co., Ltd. ("ACME (KS)")	Manufacturing and marketing of manganese-zinc soft ferrite core	<u>100.0%</u>	<u>100.0%</u>	
	ACME Components (Malaysia) Sdn.Bhd.	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	
Golden Amber Enterprises Limited	Acme Electronics (Guang-Zhou) Co., Ltd. ("ACME (GZ)")	Manufacturing and marketing of manganese-zinc soft ferrite core	<u>100.0%</u>	<u>100.0%</u>	
Union Polymer Int'l Investment Corp.	Asia Polymer Corporation (APC)	Production and marketing of low-density polyethylene, medium-density polyethylene, ethylene vinyl acetate and importing and marketing of linear low-density polyethylene and high-density polyethylene	36.1%	36.1%	
China General Terminal & Distribution Co.			0.9%	0.9%	
USIFE Investment Co., Ltd.			0.3%	0.3%	
Taiwan VCM Corporation			<u>-</u>	<u>-</u>	
			<u>37.3%</u>	<u>37.3%</u>	12. & 18.
Asia Polymer Corporation	APC (BVI) Holding Co., Ltd. ("APC (BVI)")	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	12.
Asia Polymer Corporation	USI International Corporation	Reinvestment business	70.0%	70.0%	
APC (BVI) Holding Co., Ltd.			<u>30.0%</u>	<u>30.0%</u>	
			<u>100.0%</u>	<u>100.0%</u>	
Asia Polymer Corporation	APC Investment Corporation (APCI)	Investment business	<u>100.0%</u>	<u>100.0%</u>	
APC (BVI) Holding Co., Ltd.	USI Trading (Shanghai) Co., Ltd.	Management of chemical products, equipment and plastic products and whole sale of electronic materials, commission agency services and related supporting import and export services	<u>100.0%</u>	<u>100.0%</u>	
Union Polymer Int'l Investment Corp.	Taita Chemical Company, Limited (TTC)	Production and marketing of polystyrene, acrylonitrile, butadiene, ABS resin, SAN resin, glass wool insulation products and plastic materials	36.8%	36.8%	

Investor	Name of Subsidiary	Nature of Activities	Proportion of Ownership (%)		Remark
			December 31, 2021	December 31, 2020	
China General Terminal & Distribution Co. USIFE Investment Co., Ltd.			0.6%	0.6%	
			<u>0.4%</u>	<u>0.4%</u>	
			<u>37.8%</u>	<u>37.8%</u>	18.
Taita Chemical Company, Ltd.	TAITA (BVI) Holding Co, Ltd. (TAITA (BVI))	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	8.
TAITA (BVI) Holding Co, Ltd.	Taita Chemical (Zhong Shan) Co., Ltd. ("TTC (ZS)")	Production and marketing of polystyrene derivatives	<u>100.0%</u>	<u>100.0%</u>	
	Taita Chemical (Tianjin) Co., Ltd. ("TTC (TJ)")	Production and marketing of polystyrene derivatives	<u>100.0%</u>	<u>100.0%</u>	7.
Union Polymer Int'l Investment Corp.	China General Plastics Corporation (CGPC)	Production and marketing of plastic cloths, plastic skins, plastic tubes, plastic pellets, plastic powder and other related products	25.0%	25.0%	
Asia Polymer Corporation			8.0%	8.0%	
Taita Chemical Company, Ltd.			2.0%	2.0%	
China General Terminal & Distribution Co. USIFE Investment Co., Ltd.			0.5%	0.5%	
			<u>0.1%</u>	<u>0.1%</u>	
			<u>35.6%</u>	<u>35.6%</u>	18.
China General Plastics Corporation	Taiwan VCM Corporation (TVCM)	Manufacturing and marketing of vinyl chloride monomer and related petrochemical products	<u>87.3%</u>	<u>87.2%</u>	17.
	CGPC (BVI) Holding Co., Ltd.	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	
	CGPC America Corporation	Marketing of PVC two- or three-time processed products	<u>100.0%</u>	<u>100.0%</u>	
	CGPC Polymer Corporation ("CGPCPOL")	Manufacturing and marketing of PVC powder	<u>100.0%</u>	<u>100.0%</u>	
CGPC (BVI) Holding Co., Ltd.	Continental General Plastics (ZhongShan) Co.,Ltd. ("CGPC (ZS)")	Manufacturing and marketing of PVC film and third-time processed products	<u>100.0%</u>	<u>100.0%</u>	6.
	CGPC Consumer Products Corporation ("CGPC (CP)")	Manufacturing and marketing of PVC film and third-time processed products	<u>100.0%</u>	<u>100.0%</u>	6.
China General Plastics Corporation	China General Terminal & Distribution Corporation (CGTD)	Warehousing petrochemical raw materials	33.3%	33.3%	
Taita Chemical Company, Ltd.			33.3%	33.3%	
Asia Polymer Corporation			<u>33.4%</u>	<u>33.4%</u>	
			<u>100.0%</u>	<u>100.0%</u>	
USIFE Investment Co., Ltd.	Taiwan United Venture Management Corp. (TUVM)	Business management consulting	<u>100.0%</u>	<u>100.0%</u>	
ACME Components (Malaysia) Sdn.Bhd.	ACME Ferrite Products Sdn.Bhd	Manufacturing and marketing of soft ferrite core	<u>100.0%</u>	<u>100.0%</u>	
Swanson Plastics Corporation	Curtana Company Ltd.	Reinvestment business	<u>-</u>	<u>100.0%</u>	5.
	Forever Young Company Ltd.	Trading and agency businesses	<u>100.0%</u>	<u>100.0%</u>	
	Swanson Plastics (Singapore) Pte., Ltd.	Production and marketing of plastic products	<u>100.0%</u>	<u>100.0%</u>	
	Swanson International Ltd.	Import and export trade	<u>100.0%</u>	<u>100.0%</u>	
Swanson Plastics Corporation	PT. Swanson Plastics Indonesia Ltd.	Production and marketing of plastic products	1.0%	1.0%	
Swanson Plastics (Singapore) Pte., Ltd.			99.0%	99.0%	
			<u>100.0%</u>	<u>100.0%</u>	
Swanson Plastics Corporation	Swanson Technologies Corporation (STC)	Production, marketing and development of EVA packaging film and other value added plastic products	70.0%	70.0%	
APC Investment Corporation			15.0%	15.0%	
USIFE Investment Co., Ltd.			<u>15.0%</u>	<u>15.0%</u>	
			<u>100.0%</u>	<u>100.0%</u>	
Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	Production and marketing of plastic products	<u>100.0%</u>	<u>100.0%</u>	
	Swanson Plastics (India) Private Limited	Production and marketing of plastic products	<u>100.0%</u>	<u>100.0%</u>	
	Swanson Plastics (Tianjin) Co., Ltd.	Production, marketing and development of multi-functional film and light-solution film	<u>100.0%</u>	<u>100.0%</u>	
Swanson International Ltd.	A.S.Holdings (UK) Limited	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	
	Swanson Plastics (Kunshan) Co., Ltd.	Production, marketing and development of multi-functional film and light-solution film	<u>100.0%</u>	<u>100.0%</u>	
A.S. Holdings (UK) Limited	ASK-Swanson (Kunshan) Co., Ltd.	Production and sales of PE release film and other release products	<u>100.0%</u>	<u>100.0%</u>	
The Company (Asia Polymer Corporation)	Ever Conquest Global Limited ("ECGL")	Investment business	59.1%	59.1%	
			<u>40.9%</u>	<u>40.9%</u>	
			<u>100.0%</u>	<u>100.0%</u>	
Ever Conquest Global Limited	Ever Victory Global Limited("EVGL")	Investment business	<u>67.4%</u>	<u>67.4%</u>	10, 11 and18.
Ever Victory Global Limited	Dynamic Ever Investments Limited ("DEIL")	Investment business	<u>85.0%</u>	<u>85.0%</u>	10 and 11.

- 1) In June 2020, the Company acquired 1.2% of shares from the external shareholders of INOMA, acquired price being NT\$349 thousand. After the equity purchase, the proportion of INOMA's equity held by the Group increased from 93.2% to 94.4%. As these transactions did not change the Group's control over these subsidiaries, they are deemed as equity transactions. Differences generated from the aforementioned equity transactions were adjusted to a decrease in retained earnings of NT\$65 thousand.
- 2) USI Investment Co., Ltd. (USII) acquired 1.1% and 4.5% equity from external shareholders of Swanson Plastics Corporation (SPC) in 2021 and 2020 based on medium and long-term investment strategy, thus acquired a price of NT\$19,691 thousand and NT\$84,399 thousand, respectively.
- 3) TMC has had no actual production or sales activities in recent years. Therefore, on April 12, 2019, the board of directors of TMC had approved the proposal for dissolution and liquidation of the company starting from the dissolution date of May 25, 2019. The Group has acquired NT\$12,214 thousand of the remaining property distribution from liquidation in May 2020, and TMC has completed the dissolution and liquidation procedures on July 22, 2020.
- 4) In June 2020, ACME acquired the remaining assets of NT\$267 thousand returned by its subsidiary ACME Electronics (BVI)Corp., which completed its process of liquidation in June 2020.
- 5) In August 2020, Swanson Plastics Corporation (SPC) resolved to dissolve and liquidate the subsidiary Curtana Company Ltd., with the dissolution and liquidation procedure completed on February 5, 2021.
- 6) CGPC disposed of CGPC (ZS) and CGPC Consumer Products Corporation (“CGPC (CP)”) by resolution as approved in the meeting of the board of directors in October 2011. However, since the Company leased out the idle plant of the discontinued unit in 2021, considering that the operation of the plant is not substantially discontinued, the discontinued operation is reversed to continuing operation after evaluation. Please refer to Note 12 for an explanation.
- 7) The management of TTC decided to suspend the production of TTC (Tianjin) from April 2019 due to the assessment of the demand reduction of its subsidiary TTC (Tianjin) in the local market. Please refer to Note 15 for relevant explanation.
- 8) The boards of TAITA (BVI) resolved on December 3, 2020 to establish a new company, with an investment of RMB 314,000 thousand. The main business of the new company is expected to be the production and sales of expandable polystyrene (EPS), but yet to complete it till March 16, 2022.

- 9) The management of Forum Pacific Trading Ltd. resolved to make dissolution and liquidation in September 2019. And CLT acquired its remaining assets 6,828 thousand returned in May 2020. The subsidiary has been dissolved and liquidated on December 29, 2020.
- 10) 10. As of December 31, 2021, the Company and APC invested capital amounted to US\$246,670 thousand (around NT\$7,645,981 thousand) and US\$170,475 thousand (around NT\$5,255,587 thousand) in ECGL, respectively, and reinvested in EVGL via ECGL as well as in DEIL. The total ownership percentage of the Group in EVGL is 67.4%. For more detailed explanation, please refer to 11. and Note 39.
- 11) In March and December 2020, ECGL did not participate in the cash capital increase of EVGL according to the original shareholding ratio, and in April and December 2020, ECGL did not invest in DEIL according to the original shareholding ratio through EVGL. After the capital increase, the equity proportion of EVGL held by the combined company decreased from 80.0% to 67.4%, and the equity proportion of DEIL held by EVGL decreased from 89.9% to 85.0%. As these transactions did not change the Group's control over these subsidiaries, they are deemed as equity transactions. Differences generated from the aforementioned equity transactions were adjusted to increases in capital surplus of NT\$34,896 thousand.
- 12) In order to sell the products by Gulei, the Company and APC resolved on August 13, 2020 and August 12, 2020, respectively, to establish a joint venture sales company in Fujian Province, China, with a planned capital of RMB 300,000 thousand (approximately US\$46,000 thousand). The funds are expected to be US\$32,200 thousand and US\$13,800 thousand, respectively invested by Swanlake and APC (BVI) Holding Co.Ltd., and the registration was completed on March 12, 2022.
- 13) To simplify investing framework, the Company hanged its indirect investment in USIG (Shanghai) Co., Ltd. in China with approval of the Investment Commission, Ministry of Economics Affairs (Investment Commission) dated January 25, 2021, as such, with the approval, it was revised to be direct investment. And Cypress Epoch Limited has completed the dissolution and liquidation procedures on September 28, 2021.
- 14) On January 21, 2021, Swanlake acquired 5.42% equity from the external shareholders of Acme Electronics (Cayman) Corp. approved by the Investment Commission, MOEA with the purchase price of NT\$2,172 thousand. After the purchase of equity, the proportion of equity held by the Group in Acme Electronics (Cayman) Corp. increased from 84.53% to 89.95%. Since the transaction does not change the Group's control over the subsidiary, it is treated as an equity transaction, and the difference

arising from the said equity transaction of the Group is an adjustment to increase the capital reserve of NT\$3,564 thousand.

- 15) In response to the government's green power policy, the Company purchased 100% of the equity from the non-related parties, USIGE. on July 5, 2021 at a purchase price of NT\$34,092 thousand, which was confirmed by the Board of Directors on July 8, 2021. Please refer to Note 32 for details. In addition, USIGE issued 7,000 thousand ordinary shares through cash capital increase by resolution of the board of directors on November 3, 2021, which was subscribed by the Company in full. The paid-up capital after capital increase was NT\$70,100 thousand.
 - 16) To improve the financial structure and activate the company's capital utilization, TUVVC passed the resolution of the extraordinary shareholders' meeting on November 25, 2021 to cover losses of NT\$100,000 thousand with retained earnings, and to cancel the issued shares of 10,000 thousand shares. The capital reduction ratio was 21.28%, and the base date for it was December 3, 2021. After the capital reduction, the paid-in share capital of TUVVC was NT\$370,000 thousand.
 - 17) Based on the medium- and long- term investment strategy, the Group acquired 157 thousand shares of Taiwan VCM Corporation (TVCM) from external shareholders from March to September 2021 at a price of NT\$2,653 thousand. After the purchase of shares, the equity proportion of the Group to Taiwan VCM Corporation (TVCM) increased from 87.22% to 87.27%. As these transactions did not change the Group's control over the subsidiary, it is deemed as an equity transaction. Differences generated from the aforementioned equity transaction were adjusted to increases in capital surplus of NT\$252 thousand.
 - 18) This is a subsidiary with material non-controlling interests.
- b. Details of subsidiaries that have material non-controlling interests

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

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

Name of Subsidiary	Profit (Loss) Allocated to Non-controlling Interests		Non-controlling Interests	
	For the Year Ended	For the Year Ended	December 31,	December 31,
	December 31, 2021	December 31, 2020	2021	2020
CGPC	\$ 1,623,144	\$ 1,074,470	\$ 7,063,369	\$ 6,187,422
TTC	\$ 1,171,507	\$ 1,215,763	\$ 4,715,783	\$ 3,885,632
ACME	\$ 32,991	\$ 18,569	\$ 720,250	\$ 716,599
APC	\$ 2,097,980	\$ 746,600	\$ 9,385,928	\$ 7,574,659
EVGL	(\$ 207,283)	(\$ 39,915)	\$ 5,740,914	\$ 5,988,872

The summarized financial information in respect of each of the Group's subsidiaries below represents amounts before intra-group eliminations:

CGPC and CGPC's subsidiaries

	December 31, 2021	December 31, 2020
Current assets	\$ 7,888,292	\$ 5,874,585
Non-current assets	9,087,023	8,019,040
Current liabilities	(2,992,501)	(2,220,603)
Non-current liabilities	(2,147,545)	(1,369,264)
Equity	<u>\$ 11,835,269</u>	<u>\$ 10,303,758</u>
Equity attributable to:		
Owners of the Company	\$ 4,099,608	\$ 3,516,093
Non-controlling interests of CGPC	7,063,369	6,187,422
Non-controlling interests of CGPC's subsidiaries	<u>672,292</u>	<u>600,243</u>
	<u>\$ 11,835,269</u>	<u>\$ 10,303,758</u>
	For the Year Ended December 31, 2021	For the Year Ended December 31, 2020
Revenue	<u>\$ 20,221,524</u>	<u>\$ 13,733,148</u>
Net profit from continuing operations	\$ 2,631,418	\$ 1,791,710
Other comprehensive (loss) income	(14,961)	82,647
Total comprehensive income	<u>\$ 2,616,457</u>	<u>\$ 1,874,357</u>
Net profit attributable to:		
Owners of the Company	\$ 845,532	\$ 559,714
Non-controlling interests of CGPC	1,623,144	1,074,470
Non-controlling interests of CGPC's subsidiaries	<u>162,742</u>	<u>157,526</u>
	<u>\$ 2,631,418</u>	<u>\$ 1,791,710</u>
Total comprehensive income attributable to:		
Owners of the Company	\$ 917,989	\$ 627,523
Non-controlling interests of CGPC	1,535,895	1,088,417
Non-controlling interests of CGPC's subsidiaries	<u>162,573</u>	<u>158,417</u>
	<u>\$ 2,616,457</u>	<u>\$ 1,874,357</u>

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Cash flow		
Operating activities	\$ 2,206,421	\$ 2,088,323
Investing activities	(1,697,443)	(1,194,306)
Financing activities	(64,629)	(765,171)
Effects of exchange rate changes	(1,159)	(5,092)
Net cash inflow	<u>\$ 443,190</u>	<u>\$ 123,754</u>
Dividends paid on non-controlling interests	<u>\$ 654,923</u>	<u>\$ 173,260</u>
<u>TTC and TTC's subsidiaries</u>		
	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Current assets	\$ 7,290,336	\$ 5,942,120
Non-current assets	3,454,323	3,303,750
Current liabilities	(2,343,160)	(2,170,177)
Non-current liabilities	(739,686)	(719,887)
Equity	<u>\$ 7,661,813</u>	<u>\$ 6,355,806</u>
Equity attributable to:		
Owners of the Company	\$ 2,946,030	\$ 2,470,174
Non-controlling interests of TTC	<u>4,715,783</u>	<u>3,885,632</u>
	<u>\$ 7,661,813</u>	<u>\$ 6,355,806</u>
	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Revenue	<u>\$ 20,771,165</u>	<u>\$ 15,498,381</u>
Net profit from continuing operations	\$ 1,849,932	\$ 1,919,818
Other comprehensive income (loss)	<u>144,361</u>	<u>236,480</u>
Total comprehensive income	<u>\$ 1,994,293</u>	<u>\$ 2,156,298</u>
Net profit attributable to:		
Owners of the Company	\$ 678,425	\$ 704,055
Non-controlling interests of TTC	<u>1,171,507</u>	<u>1,215,763</u>
	<u>\$ 1,849,932</u>	<u>\$ 1,919,818</u>
Total comprehensive income attributable to:		
Owners of the Company	\$ 729,130	\$ 856,789
Non-controlling interests of TTC	<u>1,265,163</u>	<u>1,299,509</u>
	<u>\$ 1,994,293</u>	<u>\$ 2,156,298</u>
	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Cash flow		
Operating activities	\$ 736,221	\$ 3,046,274
Investing activities	(91,278)	(120,224)
Financing activities	(490,800)	(1,818,584)
Effects of exchange rate changes	(14,366)	<u>39,022</u>
Net cash inflow	<u>\$ 139,777</u>	<u>\$ 1,146,488</u>
Dividends paid on non-controlling interests	<u>\$ 435,982</u>	<u>\$ 63,493</u>

ACME and ACME's subsidiaries

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Current assets	\$ 2,335,126	\$ 1,886,912
Non-current assets	2,005,472	1,679,406
Current liabilities	(1,600,758)	(1,161,937)
Non-current liabilities	(804,698)	(519,306)
Equity	<u>\$ 1,935,142</u>	<u>\$ 1,885,075</u>
Equity attributable to:		
Owners of the Company	\$ 614,791	\$ 580,765
Non-controlling interests of ACME	720,250	716,599
Non-controlling interests of ACME's subsidiaries	<u>600,101</u>	<u>587,711</u>
	<u>\$ 1,935,142</u>	<u>\$ 1,885,075</u>
	<u>For the Year Ended</u>	<u>For the Year Ended</u>
	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Revenue	<u>\$ 3,070,315</u>	<u>\$ 2,169,471</u>
Net profit from continuing operations	\$ 90,481	\$ 37,374
Other comprehensive (loss) income	(40,414)	12,092
Total comprehensive income	<u>\$ 50,067</u>	<u>\$ 49,466</u>
Net profit attributable to:		
Owners of the Company	\$ 26,338	\$ 14,824
Non-controlling interests of ACME	32,991	18,569
Non-controlling interests of ACME's subsidiaries	<u>31,152</u>	<u>3,981</u>
	<u>\$ 90,481</u>	<u>\$ 37,374</u>
Total comprehensive income attributable to:		
Owners of the Company	\$ 16,726	\$ 19,844
Non-controlling interests of ACME	20,951	25,048
Non-controlling interests of ACME's subsidiaries	<u>12,390</u>	<u>4,574</u>
	<u>\$ 50,067</u>	<u>\$ 49,466</u>
Cash flow		
Operating activities	\$ 71,338	\$ 213,754
Investing activities	(488,339)	11,334
Financing activities	438,971	(42,059)
Effects of exchange rate changes	(27,555)	8,547
Net cash (outflow) inflow	<u>(\$ 5,585)</u>	<u>\$ 191,576</u>

APC and APC's subsidiaries

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Current assets	\$ 4,098,928	\$ 2,964,269
Non-current assets	14,879,618	13,919,234
Current liabilities	(1,942,077)	(1,479,196)
Non-current liabilities	(1,574,420)	(3,294,762)
Equity	<u>\$ 15,462,049</u>	<u>\$ 12,109,545</u>
Equity attributable to:		
Owners of the Company	\$ 6,076,121	\$ 4,534,886
Non-controlling interests of APC	<u>9,385,928</u>	<u>7,574,659</u>
	<u>\$ 15,462,049</u>	<u>\$ 12,109,545</u>
	<u>For the Year Ended</u>	<u>For the Year Ended</u>
	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Revenue	<u>\$ 9,565,813</u>	<u>\$ 5,703,546</u>
Net profit from continuing operations	\$ 3,101,127	\$ 1,103,587
Other comprehensive income (loss)	<u>947,852</u>	<u>1,099,896</u>
Total comprehensive income	<u>\$ 4,048,979</u>	<u>\$ 2,203,483</u>
Net profit attributable to:		
Owners of the Company	\$ 1,003,147	\$ 356,987
Non-controlling interests of APC	<u>2,097,980</u>	<u>746,600</u>
	<u>\$ 3,101,127</u>	<u>\$ 1,103,587</u>
Total comprehensive income attributable to:		
Owners of the Company	\$ 1,739,582	\$ 887,393
Non-controlling interests of APC	<u>2,309,397</u>	<u>1,316,090</u>
	<u>\$ 4,048,979</u>	<u>\$ 2,203,483</u>
Cash flow		
Operating activities	\$ 2,746,534	\$ 2,878,346
Investing activities	(5,161)	(916,265)
Financing activities	(2,579,254)	(2,289,221)
Effects of exchange rate changes	(3,827)	(5,832)
Net cash outflow	<u>(\$ 158,292)</u>	<u>(\$ 332,972)</u>
Dividends paid on non-controlling interests	<u>\$ 472,565</u>	<u>\$ 225,031</u>

EVGL and EVGL's subsidiaries

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Current assets	\$ 1,253,726	\$ 1,309,763
Non-current assets	19,335,554	20,170,030
Current liabilities	(15,576)	(15,128)
Equity	<u>\$ 20,573,704</u>	<u>\$ 21,464,665</u>
Equity attributable to:		
Owners of the Company	\$ 11,870,694	\$ 12,383,404
Non-controlling interests of EVGL	5,740,914	5,988,872
Non-controlling interests of EVGL's subsidiaries	<u>2,962,096</u>	<u>3,092,389</u>
	<u>\$ 20,573,704</u>	<u>\$ 21,464,665</u>

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Loss for the period	(\$ 748,375)	(\$ 176,803)
Other comprehensive (loss) income	(142,586)	234,751
Total comprehensive (loss) income	<u>(\$ 890,961)</u>	<u>\$ 57,948</u>
Loss attributable to:		
Owners of the Company	(\$ 428,607)	(\$ 113,720)
Non-controlling interests of EVGL	(207,283)	(39,915)
Non-controlling interests of EVGL's subsidiaries	(112,485)	(23,168)
	<u>(\$ 748,375)</u>	<u>(\$ 176,803)</u>
Total comprehensive income attributable to:		
Owners of the Company	(\$ 512,710)	\$ 16,651
Non-controlling interests of EVGL	(247,957)	20,062
Non-controlling interests of EVGL's subsidiaries	(130,294)	21,235
	<u>(\$ 890,961)</u>	<u>\$ 57,948</u>
Cash flow		
Operating activities	(\$ 21,545)	(\$ 13,696)
Investing activities	-	(5,122,441)
Financing activities	-	5,359,526
Effects of exchange rate changes	(36,104)	(110,736)
Net cash (outflow) inflow	<u>(\$ 57,649)</u>	<u>\$ 112,653</u>

14. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Investments in joint ventures		
Associates that are individually material		
Fujian Gulei Petrochemical Co., Ltd. (Gulei)	<u>\$ 19,335,554</u>	<u>\$ 20,170,030</u>

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

The percentage of the Group's ownership and voting rights of Gulei as of December 30, 2020 and 2021 was 50% of the outstanding shares respectively. For more explanation, please refer to Note 39.

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

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

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Cash and cash equivalents	<u>\$ 5,030,725</u>	<u>\$ 4,356,714</u>
Current assets	\$ 20,980,740	\$ 5,785,331
Non-current assets	103,618,406	82,025,858
Current liabilities	(28,893,712)	(10,734,400)
Non-current liabilities	(57,034,326)	(36,736,729)
Equity	38,671,108	40,340,060
Proportion of the Group's ownership	50%	50%
Equity attributable to the Group	<u>\$ 19,335,554</u>	<u>\$ 20,170,030</u>
Carrying amount	<u>\$ 19,335,554</u>	<u>\$ 20,170,030</u>
	<u>For the Year Ended</u>	<u>For the Year Ended</u>
	<u>December 31, 2021</u>	<u>December 31, 2020</u>
The Group's share of:		
Loss for the period	(\$ 727,995)	(\$ 165,161)

Gulei has been in operation since November 2021 with revenue.

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

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Freehold Land	\$ 4,682,237	\$ 4,682,237
Land improvements	5,623	6,954
Buildings and Improvements	3,809,068	3,974,587
Machinery and Equipment	10,940,540	11,626,815
Transportation equipment	33,559	46,935
Other equipment	294,331	321,524
Construction in progress and equipment under installation	<u>4,705,653</u>	<u>2,510,261</u>
	<u>\$ 24,471,011</u>	<u>\$ 23,169,313</u>

	Freehold Land	Land improvements	Buildings and Improvements	Machinery and Equipment	Transportation equipment	Other equipment	Construction in progress and equipment under installation	Total
<u>Cost</u>								
Balance as of January 1, 2021	\$ 4,682,237	\$ 124,218	\$ 8,001,009	\$ 37,649,789	\$ 202,055	\$ 1,759,327	\$ 2,519,743	\$ 54,938,378
Additions	-	-	44,497	158,094	875	28,228	3,658,722	3,890,416
Disposal	-	-	(11,263)	(970,936)	(5,337)	(59,131)	(7,396)	(1,054,063)
Acquisition by business combination (Note 32)	-	-	-	-	-	-	13,073	13,073
Internal transfer	-	-	83,005	1,115,270	1,681	36,860	(1,299,100)	(62,284)
Rerecognized as non-current assets available for sale	-	-	-	-	-	-	(171,803)	(171,803)
Net foreign currency exchange differences	-	-	(28,550)	(152,839)	(1,147)	(8,453)	(5,509)	(196,498)
Balance as of December 31, 2021	<u>\$ 4,682,237</u>	<u>\$ 124,218</u>	<u>\$ 8,088,698</u>	<u>\$ 37,799,378</u>	<u>\$ 198,127</u>	<u>\$ 1,756,831</u>	<u>\$ 4,707,730</u>	<u>\$ 57,357,219</u>
<u>Accumulated depreciation and impairment</u>								
Balance as of January 1, 2021	\$ -	\$ 117,264	\$ 4,026,422	\$ 26,022,974	\$ 155,120	\$ 1,437,803	\$ 9,482	\$ 31,769,065
Depreciation expense	-	1,331	277,081	1,779,633	15,682	87,477	-	2,161,204
Disposal	-	-	(10,768)	(871,027)	(5,337)	(58,541)	(7,396)	(953,069)
Internal transfer	-	-	-	(10,802)	-	-	-	(10,802)
Recognized impairment loss	-	-	-	39	-	-	-	39
Net foreign currency exchange differences	-	-	(13,105)	(61,979)	(897)	(4,239)	(9)	(80,229)
Balance as of December 31, 2021	<u>\$ -</u>	<u>\$ 118,595</u>	<u>\$ 4,279,630</u>	<u>\$ 26,858,838</u>	<u>\$ 164,568</u>	<u>\$ 1,462,500</u>	<u>\$ 2,077</u>	<u>\$ 32,886,208</u>
Net on December 31, 2021	<u>\$ 4,682,237</u>	<u>\$ 5,623</u>	<u>\$ 3,809,068</u>	<u>\$ 10,940,540</u>	<u>\$ 33,559</u>	<u>\$ 294,331</u>	<u>\$ 4,705,653</u>	<u>\$ 24,471,011</u>
<u>Cost</u>								
Balance as of January 1, 2020	\$ 4,682,237	\$ 124,005	\$ 7,952,060	\$ 37,738,740	\$ 204,178	\$ 1,736,993	\$ 1,501,006	\$ 53,939,219
Additions	-	-	4,796	149,161	2,820	28,058	2,072,826	2,257,661
Disposal	-	-	(28,965)	(1,141,845)	(14,641)	(57,031)	(3,500)	(1,245,982)
Transfer from investment properties (Note 17)	-	-	1,752	-	-	-	-	1,752
Internal transfer	-	213	68,262	949,092	13,815	61,799	(1,045,673)	47,508
Net foreign currency exchange differences	-	-	3,104	(45,359)	(4,117)	(10,492)	(4,916)	(61,780)
Balance as of December 31, 2020	<u>\$ 4,682,237</u>	<u>\$ 124,218</u>	<u>\$ 8,001,009</u>	<u>\$ 37,649,789</u>	<u>\$ 202,055</u>	<u>\$ 1,759,327</u>	<u>\$ 2,519,743</u>	<u>\$ 54,938,378</u>

	Freehold Land	Land improvements	Buildings and Improvements	Machinery and Equipment	Transportation equipment	Other equipment	Construction in progress and equipment under installation	Total
<u>Accumulated depreciation and impairment</u>								
Balance as of January 1, 2020	\$ -	\$ 115,773	\$ 3,767,034	\$ 25,319,954	\$ 157,313	\$ 1,436,928	\$ 11,203	\$ 30,808,205
Depreciation expense	-	1,491	277,815	1,797,570	15,359	78,127	-	2,170,362
Disposal	-	-	(27,833)	(1,084,990)	(13,648)	(53,293)	(3,357)	(1,183,121)
Transfer from investment properties (Note 17)	-	-	717	-	-	-	-	717
Internal transfer	-	-	2,252	(4,212)	-	(17,905)	-	(19,865)
Recognized impairment loss	-	-	-	25,714	-	568	1,619	27,901
Net foreign currency exchange differences	-	-	6,437	(31,062)	(3,904)	(6,622)	17	(35,134)
Balance as of December 31, 2020	<u>\$ -</u>	<u>\$ 117,264</u>	<u>\$ 4,026,422</u>	<u>\$ 26,022,974</u>	<u>\$ 155,120</u>	<u>\$ 1,437,803</u>	<u>\$ 9,482</u>	<u>\$ 31,769,065</u>
Net on December 31, 2020	<u>\$ 4,682,237</u>	<u>\$ 6,954</u>	<u>\$ 3,974,587</u>	<u>\$ 11,626,815</u>	<u>\$ 46,935</u>	<u>\$ 321,524</u>	<u>\$ 2,510,261</u>	<u>\$ 23,169,313</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". Partial of the land will be reclaimed and is expected to be returned in 2022.

In cooperation with the Taiwan International Ports Corporation, Ltd. (Ports Co.), Ministry of Transportation and Communications, to relocate the petrochemical oil storage tank facilities of the old port area operators, CGTD leased the port facilities and storage areas of the Kaohsiung Port Intercontinental Container Center Second Phase Petrochemical Oil Storage and Transportation Center from Ports Co., the lease period being from August 1, 2017 to July 31, 2042, rent paid quarterly. In addition, the boards of directors of the Company, CGTD, APC and TVCM, resolved in 2019 to build the second phase of the Intercontinental Petrochemical Oil Products Center. As of December 31, 2021, the Group had paid NT\$2,090,979 thousand for the project, which was accounted for under construction in progress.

For the year ended December 31, 2020, ACME (GZ) assessed that some of its machinery and equipment had been idle and did not meet the production requirements, thus recognizing an impairment loss of NT\$5,823 thousand.

Due to shrinking demand of EPS in the local market, the main product of Taita Chemical (Tianjin) Co., Ltd. ("TAITA (TJ)"), the management decided to suspend the production of TAITA (TJ) starting from April 2019. TAITA (TJ) determined the recoverable amounts of the property, plant and equipment (including right -of-use assets), on the basis of fair values less costs of disposal. The fair value was measured by Level 3 inputs as at December 31, 2021 and 2020 by an independent appraisal company. The assessment was a revaluation of the replacement cost and economic useful life of the property, plant and equipment within the assessment scope, and the assessment results showed that the recoverable amount was lower than the book value. TAITA (TJ) recognized an impairment loss of NT\$39 thousand and NT\$22,078 thousand in 2021 and 2020 respectively, which was reported under operating costs in the consolidated statements of comprehensive income. The assessed fair values of the proceeds are as follows:

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Plant and right-of-use assets	\$ <u>266,579</u>	\$ <u>275,409</u>
Equipment	\$ <u>2,086</u>	\$ <u>2,689</u>

SPC has completed the construction and acceptance of the plant before the end of 2021, which is expected to be sold and transferred in the future, thus transferring NT\$171,803 thousand of relevant buildings and structures to non-current assets available for sale. As the expected selling price exceeds the carrying amount of the assets to be sold, the buildings and structures are classified as a non-current assets available for sale (accounted for other current assets), without impairment loss to be recognized.

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

Freehold Land - land improvements	7-20 years
Buildings and improvements	
Plant, machine room and improvements	3-55 years
Office building, labs and improvements	20-50 years
General plants and improvements	3-60 years
Others	3-15 years
Machinery and equipment	2-26 years
Transportation equipment	2-10 years
Other equipment	2-25 years

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

For the related capitalized interest, please refer to Note 28 (4) finance cost.

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Carrying amount of right-of-use assets		
Leasehold land	\$ 156,928	\$ 164,180
Land use rights	406,802	336,967
Buildings	90,272	148,111
Machinery and Equipment	71,521	53,510
Transportation equipment	<u>1,818</u>	<u>2,183</u>
	<u>\$ 727,341</u>	<u>\$ 704,951</u>
	<u>For the Year Ended</u>	<u>For the Year Ended</u>
	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Addition for right-of-use assets	<u>\$ 104,277</u>	<u>\$ 3,265</u>
Depreciation expense of right-of-use assets		
Leasehold land	\$ 16,700	\$ 15,618
Land use rights	11,828	21,358
Buildings	30,921	18,500
Machinery and Equipment	7,758	10,264

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Transportation equipment	<u>978</u>	<u>718</u>
	<u>\$ 68,185</u>	<u>\$ 66,458</u>

Except for the addition and recognition of depreciation expense, the Group's right-of-use assets did not experience significant sub-lease or impairments for the years ended December 31, 2021 and 2020.

The Group leases the office in Taipei and sublets it to another company on a operating lease basis. The related right-of-use assets are presented as investment properties (as set out in Note 17). The amounts disclosed above with respect to the right-of-use assets do not include right-of-use assets that meet the definition of investment properties.

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

b. Lease liabilities

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Carrying amount of lease liabilities		
Current	<u>\$ 73,065</u>	<u>\$ 75,284</u>
Non-current	<u>\$ 387,502</u>	<u>\$ 384,402</u>

Range of discount rate for lease liabilities was as follows:

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Leasehold land	0.83%~9.25%	0.83%~9.25%
Buildings	1.04%~2.00%	1.04%~2.00%
Machinery and Equipment	1.04%~1.25%	1.04%~1.16%
Transportation equipment	1.06%~1.25%	1.06%~1.25%

c. Material lease-in activities and terms

The Group leases buildings for use as factories, offices, dormitories and R&D centers with lease terms of 1 to 14 years.. The Group has options to lease office at the end of the lease terms.

d. Other lease information

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

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Expenses relating to short-term leases	<u>\$ 67,824</u>	<u>\$ 50,200</u>
Expenses relating to low-value asset leases	<u>\$ 884</u>	<u>\$ 1,301</u>

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 41,990</u>	<u>\$ 37,265</u>
Total cash (outflow) for leases	<u>(\$ 187,757)</u>	<u>(\$ 164,728)</u>

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

17. INVESTMENT PROPERTIES

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Completed investment properties		
Land	\$ 204,024	\$ 200,726
Buildings	357,945	384,483
Right-of-use assets	<u>149,376</u>	<u>168,011</u>
	<u>\$ 711,345</u>	<u>\$ 753,220</u>

	<u>Land</u>	<u>Buildings</u>	<u>Right-of-use assets</u>	<u>Total</u>
<u>Cost</u>				
Balance as of January 1, 2021	\$ 204,695	\$ 736,810	\$ 203,817	\$ 1,145,322
Additions	3,298	-	-	3,298
Net foreign currency exchange differences	<u>-</u>	<u>(4,133)</u>	<u>(513)</u>	<u>(4,646)</u>
Balance as of December 31, 2021	<u>\$ 207,993</u>	<u>\$ 732,677</u>	<u>\$ 203,304</u>	<u>\$ 1,143,974</u>
<u>Accumulated depreciation and impairment</u>				
Balance as of January 1, 2021	\$ 3,969	\$ 352,327	\$ 35,806	\$ 392,102
Depreciation expense	-	24,600	18,157	42,757
Net foreign currency exchange differences	<u>-</u>	<u>(2,195)</u>	<u>(35)</u>	<u>(2,230)</u>
Balance as of December 31, 2021	<u>\$ 3,969</u>	<u>\$ 374,732</u>	<u>\$ 53,928</u>	<u>\$ 432,629</u>
Net on December 31, 2021	<u>\$ 204,024</u>	<u>\$ 357,945</u>	<u>\$ 149,376</u>	<u>\$ 711,345</u>
<u>Cost</u>				
Balance as of January 1, 2020	\$ 119,022	\$ 738,314	\$ 205,110	\$ 1,062,446
Additions	85,673	-	-	85,673
Rerecognized as property, plant and equipment (Note 15)	-	(1,752)	-	(1,752)
Rerecognized as right-of-use assets	-	-	(1,293)	(1,293)
Net foreign currency exchange differences	<u>-</u>	<u>248</u>	<u>-</u>	<u>248</u>
Balance as of December 31, 2020	<u>\$ 204,695</u>	<u>\$ 736,810</u>	<u>\$ 203,817</u>	<u>\$ 1,145,322</u>

	Land	Buildings	Right-of-use assets	Total
<u>Accumulated depreciation and impairment</u>				
Balance as of January 1, 2020	\$ 3,969	\$ 326,570	\$ 18,199	\$ 348,738
Depreciation expense	-	24,735	17,842	42,577
Rerecognized as property, plant and equipment (Note 15)	-	(717)	-	(717)
Rerecognized as right-of-use assets	-	-	(347)	(347)
Net foreign currency exchange differences	-	1,739	112	1,851
Balance as of December 31, 2020	<u>\$ 3,969</u>	<u>\$ 352,327</u>	<u>\$ 35,806</u>	<u>\$ 392,102</u>
Net on December 31, 2020	<u>\$ 200,726</u>	<u>\$ 384,483</u>	<u>\$ 168,011</u>	<u>\$ 753,220</u>

Right-of-use assets included in investment properties are units of office space located in Taipei and subleased under operating leases to other companies. The investment properties were leased out for 1 to 8 years, with an option to extend. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend.

Except for the recognition of depreciation expense, there is no significant addition, disposal or impairment of the investment properties of the Group for the years ended December 31, 2021 and 2020.

Total rents receivable of investment properties under operating lease as of December 31, 2021 and 2020 are as follows:

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Year 1	\$ 53,620	\$ 68,752
Year 2	46,713	50,357
Year 3	37,577	40,458
Year 4	17,734	25,068
Year 5	10,776	13,340
More than 5 years	<u>26,940</u>	<u>23,178</u>
	<u>\$ 193,360</u>	<u>\$ 221,153</u>

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

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

Part of the Group's investment properties is located in the Toufen and Linyuan Industrial District. As these districts are designated for industrial use, the information on comparable market transactions are uncommon and alternative reliable measurements of the fair value estimates

are not available. Hence, the Group determined that the fair value of these investment properties cannot be reliably determined. The fair values of the remaining investment properties were not assessed by independent appraisers; instead, they were arrived at by using the valuation model that most market participants would use in determining fair value by using Level 3 inputs, with reference to the transaction prices of similar properties in the vicinity. The fair value of right-of-use assets was determined by adding back the amount of related lease liabilities recognized to the net amount of the expected lease income after deducting all the expected payments.

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

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Fair Value	<u>\$1,556,205</u>	<u>\$1,540,756</u>

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

18. GOODWILL AND OTHER INTANGIBLE ASSETS

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Goodwill a.	<u>\$ 270,211</u>	<u>\$ 269,026</u>
Other intangible assets b.		
Technology royalties and patent right	\$ 933	\$ 1,863
Computer software	7,134	8,944
Plant design fee	3,601	-
Field project	<u>32,315</u>	<u>-</u>
	<u>\$ 43,983</u>	<u>\$ 10,807</u>

a. Goodwill

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Balance as of January 1, 2021	\$ 269,026	\$ 269,026
Acquisition by combination	<u>1,185</u>	<u>-</u>
Balance as of December 31, 2021	<u>\$ 270,211</u>	<u>\$ 269,026</u>

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

b. Other intangible assets

	Technology royalties and patent right	Computer software	Field project	Others	Total
<u>Cost</u>					
Balance as of January 1, 2021	\$ 227,484	\$ 100,420	\$ -	\$ 29,000	\$ 356,904
Separate acquisition	-	733	-	5,201	5,934
Acquisition by business combination (Note 32)	-	-	33,144	-	33,144
Disposal	-	(496)	-	-	(496)
Net foreign currency exchange differences	-	(43)	-	-	(43)
Balance as of December 31, 2021	<u>\$ 227,484</u>	<u>\$ 100,614</u>	<u>\$ 33,144</u>	<u>\$ 34,201</u>	<u>\$ 395,443</u>
<u>Accumulated amortization and impairment</u>					
Balance as of January 1, 2021	\$ 225,621	\$ 91,476	\$ -	\$ 29,000	\$ 346,097
Amortization expense	930	2,508	829	1,600	5,867
Disposal	-	(496)	-	-	(496)
Net foreign currency exchange differences	-	(8)	-	-	(8)
Balance as of December 31, 2021	<u>\$ 226,551</u>	<u>\$ 93,480</u>	<u>\$ 829</u>	<u>\$ 30,600</u>	<u>\$ 351,460</u>
Net on December 31, 2021	<u>\$ 933</u>	<u>\$ 7,134</u>	<u>\$ 32,315</u>	<u>\$ 3,601</u>	<u>\$ 43,983</u>
<u>Cost</u>					
Balance as of January 1, 2020	\$ 227,484	\$ 100,298	\$ -	\$ 29,000	\$ 356,782
Separate acquisition	-	113	-	-	113
Net foreign currency exchange differences	-	9	-	-	9
Balance as of December 31, 2020	<u>\$ 227,484</u>	<u>\$ 100,420</u>	<u>\$ -</u>	<u>\$ 29,000</u>	<u>\$ 356,904</u>
<u>Accumulated amortization and impairment</u>					
Balance as of January 1, 2020	\$ 220,375	\$ 90,403	\$ -	\$ 29,000	\$ 339,778
Amortization expense	5,246	3,620	-	-	8,866
Net foreign currency exchange differences	-	(2,547)	-	-	(2,547)
Balance as of December 31, 2020	<u>\$ 225,621</u>	<u>\$ 91,476</u>	<u>\$ -</u>	<u>\$ 29,000</u>	<u>\$ 346,097</u>
Net on December 31, 2020	<u>\$ 1,863</u>	<u>\$ 8,944</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,807</u>

Except for the recognition of amortization expenses and the field project classified as intangible asset according to the acquisition price apportion evaluation analysis report, there is no significant addition, disposal or impairment of other intangible assets of the Group for the year ended December 31, 2021 and 2020.

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	6 to 10 Years
Computer software	2 to 10 Years
Field project	20 years
Others	10 years

19. BORROWINGS

a. Short-term borrowings

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
<u>Unsecured borrowings</u>		
- Line of credit borrowings	<u>\$ 2,498,041</u>	<u>\$ 2,726,270</u>

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Range of Interest Rates	0.51%~1.90%	0.52%~2.89%
b. Short-term bills payable		
	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Commercial note payable	\$ 280,000	\$ 657,000
Less: Unamortized discount on bills payable	(365)	(296)
	<u>\$ 279,635</u>	<u>\$ 656,704</u>
Range of Interest Rates	0.98%~1.018%	0.53%~1.098%
c. Long-term borrowings		
	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Secured loans	\$ 400,000	\$ 640,000
Credit borrowings	<u>3,873,493</u>	<u>6,950,000</u>
	<u>4,273,493</u>	<u>7,590,000</u>
Commercial note payable	240,000	-
Unamortized discount on bills payable	(253)	-
	<u>239,747</u>	-
Sub-total	4,513,240	7,590,000
Less: Maturity within one year	(59,917)	-
	<u>\$ 4,453,323</u>	<u>\$ 7,590,000</u>
Range of interest rates		
Secured loans	1.11%	1.00%~1.11%
Credit borrowings	0.30%~0.94%	0.74%~1.04%
Commercial note payable	0.97%~1.09%	-

USI entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to August 2024 with a total credit limit of NT\$4,692,000 thousand, which is used cyclically during the validity period. As of December 31, 2021, USI has not made any borrowing.

UPIIC entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to June 2024 with a total credit limit of NT\$1,600,000 thousand, which is used cyclically during the validity period. As of December 31, 2021, UPIIC had borrowed NT\$500,000 thousand.

CGPC entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to August, 2024 with a total credit limit of NT\$800,000 thousand, which is used cyclically during the validity period. As of December 31, 2021, CGPC has not made any borrowing.

CGPCPOL entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to August 2023 with a total credit limit of NT\$500,000 thousand, which is used cyclically during the validity period. As of March 31, 2021, CGPCPOL has not made any borrowing.

TVCM entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to May 2023 with a total credit limit NT\$300,000 thousand, which is used cyclically during the validity period. As of December 31, 2021, TVCM has not made any borrowing.

TTC entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to August 2024 with a total credit limit of NT\$2,000,000 thousand, which is used cyclically during the validity period. As of December 31, 2021, TTC had borrowed NT\$300,000 thousand.

APC entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to December 2024 with a total credit limit of NT\$6,050,000 thousand, which is used cyclically during the validity period. As of December 31, 2021, APC had borrowed NT\$1,000,000 thousand.

ACME entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to March 2026 with a total credit limit of NT\$400,000 thousand, which is used cyclically during the validity period. As of December 31, 2021, ACME had borrowed all.

SPC entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to August, 2024 with a total credit limit of NT\$1,300,000 thousand, which is used cyclically during the validity period. As of December 31, 2021, SPC had borrowed NT\$730,000 thousand.

USIGE entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to December, 2024 with a total credit limit of NT\$200,000 thousand, which is used cyclically during the validity period. As of December 31, 2021, USIGE has not made any borrowing.

According to the loan contracts of part of subsidiaries, the current ratio, bank loan ratio, debt ratio, and interest protection multiples should not be less than the specified percentage. The subsidiaries should provide improvements to the bank if the requirements were not met. As of December 31, 2021, the subsidiaries did not violate the requirements.

The Group has acquired a special low-interest bank loan line of NT\$5,404,400 thousand in accordance with the "Action Plan for Accelerated Investment by Domestic Corporations" and "Action Plan for Accelerated Investment by SMEs", and has used NT\$1,368,000

thousand in December 2021, recognized and measured the loan at the market interest rate of 0.8%~1.0%. The difference between the market interest rate and the actual preferential repayment rate of 0.1%~0.3% is recognized as government subsidy.

20. BONDS PAYABLE

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Domestic unsecured bonds 104-1 - issuance on February 12, 2015, 7 years, total amount NT\$1,000,000 thousand, coupon rate 1.90%, bullet repayment	\$ 1,000,000	\$ 1,000,000
Domestic unsecured bonds 105-1 - issuance on October 28, 2016, 5 years, total amount NT\$2,000,000 thousand, coupon rate 0.80%, bullet repayment	-	2,000,000
Domestic unsecured bonds 106-1 - issuance on October 27, 2017, 5 years, total amount NT\$2,000,000 thousand, coupon rate 1.10%, bullet repayment	2,000,000	2,000,000
Domestic unsecured bonds 108-1 - issuance on April 26, 2019, 5 years, total amount NT\$2,000,000 thousand, coupon rate 0.98%, bullet repayment	2,000,000	2,000,000
Domestic unsecured bonds 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 in the 4th and 5th years respectively from the issuance date	1,000,000	-
Domestic unsecured bonds 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 in the 6th and 7th years respectively from the issuance date	1,000,000	-
Domestic unsecured bonds 110-2 - issuance on October 26, 2021, 5 years, total amount NT\$700,000 thousand, coupon rate 0.63%, repaid NT\$350,000 thousand in the 4th and 5th years respectively from the issuance date	700,000	-
Domestic unsecured bonds 110-2 - issuance on October 26, 2021, 7 years, total amount NT\$1,300,000 thousand, coupon rate 0.77%, repaid NT\$650,000 thousand in the 6th and 7th years respectively from the issuance date	<u>1,300,000</u>	<u>-</u>
	9,000,000	7,000,000
Discounts on bonds payable	(<u>11,028</u>)	(<u>5,698</u>)
	8,988,972	6,994,302
Less: Portion due within one year	(<u>2,999,199</u>)	(<u>1,999,233</u>)
	<u>\$ 5,989,773</u>	<u>\$ 4,995,069</u>

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

In October 2016, the Company applied for the first issuance of unsecured ordinary corporate bonds issued in 2016 with the amount of NT\$2,000,000 thousand in order to reimburse the bank loans, and the unsecured ordinary corporate bonds with a 5-year maturity, due for repayment, were all issued in October 2016. The Company repaid due in October 2021.

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

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

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

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

In March 2022, the Company applied for the first issuance of unsecured ordinary corporate bonds issued in 2022 with the amount of NT\$2,000,000 thousand in order to reimburse the bank loans as approved by resolution of the board of directors, which are expected to be issued before the end of 2022.

21. ACCOUNTS PAYABLE

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
<u>Operating</u> Accounts payable	<u>\$ 3,528,998</u>	<u>\$ 3,406,837</u>

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

22. Other liabilities

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
<u>Current</u>		
Other payables		
Payables for salaries and bonuses	\$ 1,385,691	\$ 1,112,278
Payables for purchases of equipment	293,455	104,811
Payables for fares	251,643	234,530
Payables for utilities and fuel fees	241,903	246,183
Payables for interests	45,605	41,056
Payable for taxes	36,317	68,251
Payables for insurance	34,394	27,262
Dividends payable	20,551	71,694
Others	<u>585,259</u>	<u>310,468</u>
	2,894,818	2,216,533
Other liabilities		
Refund liabilities	<u>28,630</u>	<u>16,390</u>
	<u>\$ 2,923,448</u>	<u>\$ 2,232,923</u>

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

23. PROVISIONS FOR LIABILITIES

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

Litigation provision is a result of the first-instance judgment and reconciliation of the Kaohsiung gas explosion case on July 31, 2014 for which cash outflows may be recognized in the near future. Please refer to Note 38 for the explanation related to the provision.

24. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The pension system in the "Labor Pension Act" that the Company and domestic subsidiary apply to is a defined appropriation plan managed by government, where 6% of monthly salary is appropriated to personal account in the Labor Insurance Bureau. Besides, foreign subsidiary's formulated employee pension method pursuant to local competent authority is also the same one.

b. Defined benefit plans

The pension system in the "Labor Standards Act" that the Company and domestic subsidiary apply to is a defined benefit plan, where it is paid based on average salary of 6 months prior to the approved retirement day and seniority. The Company appropriates pension to employee based on 9% of monthly salary (the appropriation rate raised to 12% since November 10, 2016), and subsidiaries appropriate pension based on specified percentage of total monthly employee salary (TTC and CGTD 12%; APC, CGPC and VCM 10%, SPC 3.5%; ACME, USIFE Investment Co., Ltd., USI MANAGEMENT CONSULTING CORPORATION and TUVVM all 2%) for Labor Pension Reserve Supervision Committee's deposit to specific account in Bank of Taiwan on its name. This specific account is consigned for management under Bureau of Labor Funds (MOL) and the Group has no right of affecting its investment and management strategy.

The amounts of defined benefit plans included in the consolidated balance sheet are as follows:

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Present value of defined benefit obligation	(\$ 3,146,524)	(\$ 3,415,069)
Fair value of plan assets	<u>1,995,515</u>	<u>2,123,016</u>
Net defined benefit liabilities - non-current	(<u>\$ 1,151,009</u>)	(<u>\$ 1,292,053</u>)

Change in net defined benefits liabilities - non-current:

	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liabilities
January 1, 2020	(<u>\$ 3,674,355</u>)	<u>\$ 2,200,488</u>	(<u>\$ 1,473,867</u>)
Service cost - current period	(30,744)	-	(30,744)
Service cost - previous period	(1,672)	-	(1,672)
Interest revenue (expense)	(<u>22,754</u>)	<u>14,035</u>	(<u>8,719</u>)
Remeasurements recognized as profit and loss	(<u>55,170</u>)	<u>14,035</u>	(<u>41,135</u>)
Return on plan assets (excluding amounts included in net interest)	-	76,957	76,957
Actuarial losses recognized from changes in demographic assumptions	(21)	-	(21)
Actuarial losses recognized from changes in financial assumptions	(63,814)	-	(63,814)
Actuarial gains recognized from experience adjustments	<u>6,128</u>	-	<u>6,128</u>
Amounts recognized in other comprehensive income	(<u>57,707</u>)	<u>76,957</u>	<u>19,250</u>
Contributions from employer	-	185,024	185,024
Benefits paid	353,488	(353,488)	-
Payment for provisions	<u>18,675</u>	-	<u>18,675</u>
December 31, 2020	(<u>\$ 3,415,069</u>)	<u>\$ 2,123,016</u>	(<u>\$ 1,292,053</u>)

	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liabilities
January 1, 2021	(\$ 3,415,069)	\$ 2,123,016	(\$ 1,292,053)
Service cost - current period	(27,258)	-	(27,258)
Service cost - previous period	-	-	-
Interest revenue (expense)	(12,980)	8,288	(4,692)
Remeasurements recognized as profit and loss	(40,238)	8,288	(31,950)
Return on plan assets (excluding amounts included in net interest)	-	30,795	30,795
Actuarial losses recognized from changes in demographic assumptions	(74,361)	-	(74,361)
Actuarial losses recognized from changes in financial assumptions	22,732	-	22,732
Actuarial gains recognized from experience adjustments	11,055	-	11,055
Amounts recognized in other comprehensive income	(40,574)	30,795	(9,779)
Contributions from employer	-	154,307	154,307
Benefits paid	320,891	(320,891)	-
Payment for provisions	28,466	-	28,466
December 31, 2021	(\$ 3,146,524)	\$ 1,995,515	(\$ 1,151,009)

The Group's pension system from the "Labor Standards Act" is exposed in the following risks:

- 1) Investment risk: MOL utilizes or consigns operation to invest the labor pension fund in targets including but not limited to domestic (overseas) equity security, debt security and bank deposits, only that such allocable assets of the Group shall be no less than those calculated with 2-year time deposit interest amid local banks to gain.
- 2) Interest risk: Decline of government bond interest increases latest benefit obligation value, and same does planned assets' return of debt investment; both can write off the effect by its debt partially.
- 3) Salary risk: Present value of defined benefit obligations is calculated from future salary of member participants; therefore, it will increase with their salary.

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

	December 31, 2021	December 31, 2020
Discount rate	0.375%~0.50%	0.375%~0.50%
Expected rates of salary increase	2.00%~2.75%	2.00%~2.75%

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

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Discount rate		
0.25% increase	(\$ <u>56,142</u>)	(\$ <u>63,814</u>)
0.25% decrease	<u>\$ 57,834</u>	<u>\$ 65,798</u>
Expected rates of salary increase		
0.25% increase	<u>\$ 55,778</u>	<u>\$ 63,387</u>
0.25% decrease	(\$ <u>54,439</u>)	(\$ <u>61,813</u>)

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

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
The expected contributions to the plan for the next year	<u>\$ 137,236</u>	<u>\$ 190,626</u>
The average duration of the defined benefit obligation	6~12 years	7~13 years

25. Government subsidy

- a. Acme Electronics Corporation (Kunshan) reached an agreement with Kunshan Zhoushizhen People's Government in 2006 in which Acme Electronics Corporation (Kunshan) promised to relocate its new plant and raise its investment amount. Furthermore, Kunshan Zhoushizhen People's Government subsidized Acme Electronics Corporation (Kunshan)'s acquisition of the land for its new plant and the external line project for high voltage power during the relocation process. As of December 31, 2021 and 2020 the amounts of deferred income (booked under other current liabilities) that had not been amortized were RMB7,833 thousand (NT\$34,005 thousand), and RMB8,363 thousand (NT\$36,502 thousand) respectively.
- b. Affected by the global pandemic of COVID-19, the Group has applied to the government for subsidies for items such as salary and operating capital. As of December 31, 2020, NT\$8,367 thousand has been obtained and accounted as operating expenses and other incomes. In addition, in accordance with the policy of the local government in China, ACME (KS), ACME (GZ) and TAITA (CS) have gained exemption from the pension, unemployment and work-related injury insurances borne by the company from February

to December 2020, and ACME (KS) and ACME (GZ) have gained preferential electricity fee reduction, exemption, and subsidies due to good pandemic containment.

The Group has incorporated the economic impact caused by the pandemic into its major accounting estimates based on the information available on the balance sheet date.

26. Equity

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Share capital	\$ 11,887,635	\$ 11,887,635
Capital surplus	366,185	321,798
Retained Earnings	13,599,427	9,497,146
Other Equity	84,358	(240,195)
Treasury shares	(475,606)	(475,606)
Non-controlling Interests	<u>30,182,962</u>	<u>27,732,865</u>
	<u>\$ 55,644,961</u>	<u>\$ 48,723,643</u>

a. Share capital

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

Fully paid ordinary shares, which have a par value of NT\$10, carry one vote per share and carry a right to dividends.

b. Capital surplus

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

c. Retained earnings and dividends policy

In accordance with the dividends policy as set forth in the Company's Articles of Incorporation, where the Company made a profit in a fiscal year, the profit after tax shall be first utilized for offsetting losses of previous years, setting aside as a legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed

retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of employees' compensation and remuneration of directors after the amendment, please refer to "employees' compensation and remuneration of directors" in Note 28 (7).

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, if the distributable earnings of the year are less than NT\$0.1 per share, it shall not be distributed.

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

The appropriations of earnings for the years ended December 31, 2020 and 2019 as approved in the shareholders' meetings on July 26, 2021 and June 12, 2020, respectively, were as follows:

	<u>Appropriation of Earnings</u>		<u>Dividends Per Share (NT\$)</u>	
	<u>For the Year Ended December 31, 2020</u>	<u>For the year ended December 31, 2019</u>	<u>For the year ended December 31, 2020</u>	<u>For the year ended December 31, 2019</u>
Legal reserve	\$ 233,461	\$ 129,872		
Special reserve (reversed)	(405,932)	350,533		
Cash dividends	<u>1,188,763</u>	<u>594,382</u>	\$ 1.0	\$ 0.5
	<u>\$ 1,016,292</u>	<u>\$ 1,074,787</u>		

The appropriations of earnings for the year ended December 31, 2021 had been proposed by the Company's Board of Directors on March 10, 2022. The appropriations were as follows:

	<u>Appropriation of Earnings</u>	<u>Dividends Per Share (NT\$)</u>
Legal reserve	\$ 529,104	
Cash dividends	<u>2,615,280</u>	\$ 2.2
	<u>\$ 3,144,384</u>	

The appropriations of earnings for the year ended December 31, 2021 are subject to the resolution of the shareholders' meeting planned to be held on May 31, 2022.

d. Other equity

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

	<u>For the Year Ended December 31, 2021</u>	<u>For the year ended December 31, 2020</u>
Balance at January 1	(\$ 583,855)	(\$ 602,871)
Recognized during the period		
Exchange differences on translating the financial statements of foreign operations	(159,894)	24,165
Related income tax of the profits and losses on translating the financial statements of foreign operations	32,776	(4,919)
Disposal of subsidiaries' equity	<u>-</u>	<u>(230)</u>
Balance at December 31	<u>(\$ 710,973)</u>	<u>(\$ 583,855)</u>

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

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Balance at January 1	\$ 343,660	(\$ 178,187)
Recognized during the period		
Unrealized gains (losses)		
Equity instruments	553,050	444,886
Related income tax	(925)	(1,117)
Cumulative unrealized gain (loss) of equity instruments transferred to retained earnings due to disposals	<u>(100,454)</u>	<u>78,078</u>
Balance at December 31	<u>\$ 795,331</u>	<u>\$ 343,660</u>

e. Non-controlling Interests

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Balance at January 1	\$ 27,732,865	\$ 20,517,444
Cash dividends distributed by subsidiaries	(1,714,633)	(519,048)
Net profit from continuing operations	4,888,057	3,272,859
Other comprehensive income		
Exchange differences on translating the financial statements of foreign operations	(177,334)	142,313
Income tax relating to exchange difference on translating foreign operations	21,486	(8,019)
Unrealized gain (loss) on financial assets at FVTOCI	(445,863)	(94,467)

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Income tax relating to unrealized gain (loss) on financial assets at FVTOCI	(1,934)	(2,337)
Remeasurement of defined benefit plans	(8,959)	15,846
Income tax relating to re-measurements in defined benefits plan	1,152	(2,238)
Adjustments relating to changes accounted for using the equity method	2,586	(28,871)
Disposal of subsidiaries' equity	-	(85)
Change in non-controlling interests	(<u>114,461</u>)	<u>4,439,468</u>
Balance at December 31	<u>\$ 30,182,962</u>	<u>\$ 27,732,865</u>

f. Treasury shares

Purpose of Buy-Back	Number of Shares at January 1 (In Thousands of Shares)	Increase During the Year Ended	Decrease During the Year Ended	Number of Shares at December 31 (In Thousands of Shares)
<u>For the Year Ended December 31, 2021</u>				
Transfer from shares held by subsidiaries under equity method	<u>116,466</u>	<u>-</u>	<u>-</u>	<u>116,466</u>
<u>For the Year Ended December 31, 2020</u>				
Transfer from shares held by subsidiaries under equity method	<u>116,466</u>	<u>-</u>	<u>-</u>	<u>116,466</u>

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

Name of Subsidiary	Number of Shares Held (In Thousands of Shares)	Carrying Amount (In Thousands of Shares)	Market Price (In Thousands of Shares)
<u>December 31, 2021</u>			
APC	101,356	\$ 1,377,381	\$ 3,197,772
TTC	15,110	<u>81,875</u>	<u>476,717</u>
		<u>\$ 1,459,256</u>	<u>\$ 3,674,489</u>
<u>December 31, 2020</u>			
APC	101,356	\$ 1,377,381	\$ 2,290,638
TTC	15,110	<u>81,875</u>	<u>341,484</u>
		<u>\$ 1,459,256</u>	<u>\$ 2,632,122</u>

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

The Company's shares held by APC and TTC were carried as unrealized gain (loss) on financial assets at FVTOCI and valued at the closing price of December 31, 2021 and 2020.

The carrying amounts of investments accounted for using the equity method and the gain on financial assets at FVTOCI were NT\$733,685 thousand and NT\$390,637 thousand, respectively.

27. REVENUE

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Revenue from the sale of goods		
Plastic raw materials	\$ 68,149,586	\$ 47,540,059
Electronic Materials	3,018,410	2,141,880
Others	<u>587,546</u>	<u>519,334</u>
Total	<u>\$ 71,755,542</u>	<u>\$ 50,201,273</u>

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

a. Contract balances

	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>January 1, 2020</u>
Notes and accounts receivables (Note 10)	<u>\$ 9,391,222</u>	<u>\$ 7,481,916</u>	<u>\$ 7,045,512</u>
Contract liabilities (presented in other current liabilities)			
Merchandise sales	<u>\$ 363,049</u>	<u>\$ 212,751</u>	<u>\$ 151,664</u>

b. Please refer to Note 42 for revenue breakdown list.

28. NET PROFIT FROM CONTINUING OPERATIONS

Net profit from continuing operations was attributable to:

a. Interest income

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Cash and cash equivalents	\$ 73,218	\$ 95,835
Beneficiary securities	4,221	5,042
Financial assets measured at amortized cost	1,839	1,739
Others	<u>323</u>	<u>193</u>
	<u>\$ 79,601</u>	<u>\$ 102,809</u>

b. Other income

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Dividend income	\$ 390,903	\$ 186,949
Rental income	156,014	83,658

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Income from management services (Note 36)	42,221	36,647
Indemnity income	19,064	32,729
Allowance income	15,369	6,021
Others	<u>3,816</u>	<u>57,488</u>
	<u>\$ 627,387</u>	<u>\$ 403,492</u>

c. Other gains and losses

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Loss on disposal of property, plant and equipment	(\$ 64,669)	(\$ 37,249)
Gain (Loss) on disposal of investment	641	(1,660)
Net foreign exchange losses	(93,530)	(141,771)
Net gain on financial assets at FVTPL	384,009	398,104
Net loss on financial liabilities at FVTPL	(47,605)	(21,247)
Depreciation expense	(46,129)	(70,459)
Gain on revised lease	660	-
Other gains and losses	<u>(75,749)</u>	<u>(8,765)</u>
	<u>\$ 57,628</u>	<u>\$ 116,953</u>

d. Finance costs

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Interest on bank loans	\$ 75,987	\$ 136,072
Interest on bonds payable	86,901	80,898
Other interest expense	226	65
Interest on lease liabilities	6,710	7,303
Less: Capitalized interest (presented under construction in progress)	<u>(2,727)</u>	<u>(2,648)</u>
	<u>\$ 167,097</u>	<u>\$ 221,690</u>

Information about capitalized interest is as follows:

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Capitalized interest	\$ 2,727	\$ 2,648
Capitalization rate	0.83%~1.14%	0.66%~1.25%

e. Depreciation and amortization

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Property, plant and equipment	\$ 2,161,204	\$ 2,170,362

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Right-of-use assets	68,185	66,458
Investment properties	42,757	42,577
Intangible assets	5,867	8,866
Others	<u>57,907</u>	<u>64,938</u>
	<u>\$ 2,335,920</u>	<u>\$ 2,353,201</u>
Summary of depreciation by function		
Operating costs	\$ 2,065,525	\$ 2,087,923
Operating expenses	160,492	121,015
Other gains and losses	<u>46,129</u>	<u>70,459</u>
	<u>\$ 2,272,146</u>	<u>\$ 2,279,397</u>
Summary of amortization by function		
Operating costs	\$ 52,722	\$ 62,660
Marketing expenses	14	457
Administrative expenses	4,872	5,074
Research and development expenses	<u>6,166</u>	<u>5,613</u>
	<u>\$ 63,774</u>	<u>\$ 73,804</u>

f. Employee benefits expense

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Post-employment benefits (Note 24)		
Defined contribution plans	\$ 163,437	\$ 108,274
Defined benefit plans	<u>31,950</u>	<u>41,135</u>
	195,387	149,409
Other employee benefits	<u>5,007,221</u>	<u>4,403,559</u>
Total employee benefits expenses	<u>\$ 5,202,608</u>	<u>\$ 4,552,968</u>
Summary of employee benefits expense by function		
Operating costs	\$ 3,707,409	\$ 3,177,791
Operating expenses	<u>1,495,199</u>	<u>1,375,177</u>
	<u>\$ 5,202,608</u>	<u>\$ 4,552,968</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. The employees' compensation and remuneration of directors for the years ended December 31, 2021 and 2020 were resolved by the Company's board of directors on March 10, 2022 and March 8, 2021, respectively, as follows:

Accrual rates

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Employees' compensation	1.00%	1.00%
Remuneration of directors	0.05%	0.12%

Amount

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Employees' compensation	\$ 59,332	\$ 25,892
Remuneration of directors	3,000	3,000

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

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

Information on the employees' compensation and remuneration of directors for the years ended December 31, 2021 and 2020 resolved by the Company's board of directors is available at the "Market Observation Post System" website of the Taiwan Stock Exchange.

h. Loss on foreign currency exchange

	<u>For the Year Ended December 31, 2021</u>	<u>For the year ended December 31, 2020</u>
Foreign exchange gains	\$ 319,677	\$ 207,515
Foreign exchange losses	(413,207)	(349,286)
Net loss	(\$ 93,530)	(\$ 141,771)

29. INCOME TAX RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

The major components of income tax expense were as follows:

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Current tax		
In respect of the current year	\$ 2,673,697	\$ 1,397,023
Surtax on undistributed earnings	109,744	24,895
Adjustments for previous years	(33,257)	(48,698)
Subsidiary repatriation of profits	-	10,685
Change in tax rate	-	114
Foreign tax credit	(35,531)	(17,736)
	<u>2,714,653</u>	<u>1,366,283</u>
Deferred tax		
In respect of the current year	(42,869)	101,398

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
The impact on income tax for the deferred subsidiary repatriation of profits	-	(24,688)
Adjustments for previous years	1,094	(139)
Others	<u>113</u>	<u>(2,496)</u>
	<u>(41,662)</u>	<u>74,075</u>
Income tax expense recognized in profit or loss	<u>\$ 2,672,991</u>	<u>\$ 1,440,358</u>

The adjustment of accounting income and income tax expenses is as follows:

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Net income before taxes from continuing operations	<u>\$ 12,752,442</u>	<u>\$ 7,122,995</u>
Income tax expenses from net profit before tax calculated by legal tax rate	\$ 4,176,520	\$ 2,636,280
Gains non-deductible on tax	667	5,464
Tax-free income	(1,511,602)	(1,025,343)
Surtax on undistributed earnings	109,744	24,895
Unrecognized loss deduction and deductible temporary difference	7,521	(104,437)
Subsidiary repatriation of profits	-	(14,003)
The invested company's capital reduction and liquidation loss	(20,763)	(8,057)
Change in tax rate	-	114
Adjustments of current income tax expenses for prior year	(32,163)	(48,837)
Others	<u>(56,933)</u>	<u>(25,718)</u>
Income tax expense recognized in profit or loss	<u>\$ 2,672,991</u>	<u>\$ 1,440,358</u>

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

b. Income tax recognized in other comprehensive income

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
<u>Deferred tax</u>		
In respect of the current year		
- Translation of foreign operations	\$ 54,262	(\$ 12,938)
- Unrealized gain (loss) on financial assets at FVTOCI	(2,859)	(3,454)
- Re-measurements of defined benefit plan	<u>1,168</u>	<u>(2,668)</u>
Income tax benefits (expenses) recognized in other comprehensive income	<u>\$ 52,571</u>	<u>(\$ 19,060)</u>

c. Current income tax assets and liabilities

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Current income tax assets		
Tax refund receivable	<u>\$ 8,931</u>	<u>\$ 29,231</u>
Current income tax liabilities		
Income tax payable	<u>\$ 2,618,632</u>	<u>\$ 1,211,350</u>

d. Deferred income tax assets and liabilities

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

For the Year Ended December 31, 2021

	<u>Balance at January 1</u>	<u>Amounts recognized in profit or loss</u>	<u>Amounts recognized in other comprehensive income</u>	<u>Foreign currency exchange differences</u>	<u>Balance at December 31</u>
<u>Deferred income tax assets</u>					
Temporary difference					
Defined benefit retirement plan	\$ 234,488	(\$ 21,428)	\$ 1,168	\$ -	\$ 214,228
Investments accounted for using the equity method	72,361	12,688	2,216	-	87,265
Allowance for inventory valuation and obsolescence losses	39,073	10,213	-	(40)	49,246
Allowance for loss	12,511	(1,232)	-	(26)	11,253
Unrealized sale profits	2,112	21,226	-	-	23,338
Payable for annual leave	25,575	2,183	-	-	27,758
Others	<u>161,770</u>	<u>18,138</u>	<u>32,795</u>	<u>(183)</u>	<u>212,520</u>
	547,890	41,788	36,179	(249)	625,608
Loss deduction	<u>25,960</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,960</u>
	<u>\$ 573,850</u>	<u>\$ 41,788</u>	<u>\$ 36,179</u>	<u>(\$ 249)</u>	<u>\$ 651,568</u>
<u>Deferred income tax liabilities</u>					
Temporary difference					
Investments accounted for using the equity method	\$ 582,430	(\$ 1,849)	(\$ 19,251)	\$ -	\$ 561,330
Book-tax differences of depreciation provision between new and old years	41,939	8,991	-	(618)	50,312
Land revaluation surplus	800,993	-	-	-	800,993
Others	<u>9,444</u>	<u>(7,016)</u>	<u>2,859</u>	<u>-</u>	<u>5,287</u>
	<u>\$ 1,434,806</u>	<u>\$ 126</u>	<u>(\$ 16,392)</u>	<u>(\$ 618)</u>	<u>\$ 1,417,922</u>

For the Year Ended December 31, 2020

	<u>Balance at January 1</u>	<u>Amounts recognized in profit or loss</u>	<u>Amounts recognized in other comprehensive income</u>	<u>Foreign currency exchange differences</u>	<u>Balance at December 31</u>
<u>Deferred income tax assets</u>					
Temporary difference					
Defined benefit retirement plan	\$ 267,288	(\$ 30,132)	(\$ 2,668)	\$ -	\$ 234,488
Investments accounted for using the equity method	73,424	(3,486)	2,423	-	72,361
Allowance for inventory valuation and obsolescence losses	44,160	(5,090)	-	3	39,073
Allowance for loss	12,714	(270)	-	67	12,511
Unrealized sale profits	2,896	(784)	-	-	2,112

	Balance at January 1	Amounts recognized in profit or loss	Amounts recognized in other comprehensive income	Foreign currency exchange differences	Balance at December 31
Payable for annual leave	25,327	249	-	(1)	25,575
Others	190,012	(5,938)	(22,203)	(101)	161,770
	615,821	(45,451)	(22,448)	(32)	547,890
Loss deduction	27,894	(1,899)	-	(35)	25,960
	<u>\$ 643,715</u>	<u>(\$ 47,350)</u>	<u>(\$ 22,448)</u>	<u>(\$ 67)</u>	<u>\$ 573,850</u>
<u>Deferred income tax liabilities</u>					
Temporary difference					
Investments accounted for using the equity method	\$ 556,381	\$ 32,891	(\$ 6,842)	\$ -	\$ 582,430
Book-tax differences of depreciation provision between new and old years	44,719	(2,348)	-	(432)	41,939
Land revaluation surplus	800,993	-	-	-	800,993
Others	<u>\$ 9,808</u>	<u>(\$ 3,818)</u>	<u>\$ 3,454</u>	<u>\$ -</u>	<u>\$ 9,444</u>
	<u>\$ 1,411,901</u>	<u>\$ 26,725</u>	<u>(\$ 3,388)</u>	<u>(\$ 432)</u>	<u>\$ 1,434,806</u>

e. Items not recognized as deferred income tax assets

	December 31, 2021	December 31, 2020
Loss deduction	<u>\$ 3,623,868</u>	<u>\$ 3,851,844</u>
Deductible temporary differences		
Foreign investment loss in equity method	\$ 181,158	\$ 194,414
Write-downs of inventories	314,605	302,750
Book-tax differences of depreciation provision between new and old years	42,639	106,845
Others	<u>211,357</u>	<u>158,324</u>
	<u>\$ 749,759</u>	<u>\$ 762,333</u>

f. Unused loss deduction

As of December 31, 2021, the Group's unused loss deductions, NT\$3,753,604 thousand will due by 2031 one by one.

g. Accreditation of income tax

The income tax return of USIGE, INOIMA and USIO as of December 31, 2020 has been assessed by the tax authorities; The income tax return of the Company, TTC, SPC, CGPCPOL, APC, APCI, TVCM, UM, USII, TUVV, TUVV, CLT, UPIIC, SPC, STC and CGTD as of December 31, 2019 has been assessed by the tax authorities; The income tax return of the Company and SPC, as of December 31, 2018 has been assessed by the tax authorities; the income tax return of ACME as of December 31, 2019, excluding the year 2018, has been assessed by the tax authorities.

30. EARNINGS PER SHARE

	For the Year Ended December 31, 2021	For the Year Ended December 31, 2020
Basic earnings per share	<u>\$ 4.84</u>	<u>\$ 2.25</u>
Diluted earnings per share	<u>\$ 4.83</u>	<u>\$ 2.24</u>

Unit: NT\$ Per Share

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

Net profit from continuing operations

	For the Year Ended December 31, 2021	For the Year Ended December 31, 2020
Net income attributable to owners of the Company (used to calculate the net income from basic and diluted earnings per share)	<u>\$ 5,191,394</u>	<u>\$ 2,409,778</u>

Number of Shares

	For the Year Ended December 31, 2021	For the Year Ended December 31, 2020
Weighted average number of ordinary shares used in the computation of basic earnings per share	1,072,298	1,072,298
Effect of potentially dilutive ordinary shares:		
Employees' compensation	<u>2,100</u>	<u>1,376</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>1,074,398</u>	<u>1,073,674</u>

Unit: In Thousands of Shares

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

31. SHARE-BASED PAYMENT ARRANGEMENTS

USIO did not issue employee share options for the years ended December 31, 2021 and 2020. Information on employee share options which were issued was as follows:

	For the Year Ended December 31, 2021		For the year ended December 31, 2020	
	Unit	Weighted average Exercise Price (NT\$)	Unit	Weighted average Exercise Price (NT\$)
Employee share options				
Options exercisable at the beginning and end of the period	<u>133</u>	\$ 10.8	<u>133</u>	\$ 10.8

As of the years ended December 31, 2021 and 2020, the information related to employee stock options outstanding or USIO is as follows:

	December 31, 2021		December 31, 2020	
Scope of Exercise Price (NT\$)	Weighted average contract term before expired (year)	Scope of Exercise Price (NT\$)	Weighted average contract term before expired (year)	
\$ 10.8	0.4	\$ 10.8	1.4	

32. Business Combination (For the Year Ended December 31, 2020: None)

a. Acquisition of subsidiaries

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

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

b. Transfer consideration

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

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

d. Goodwill generated from the acquisition

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

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

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

e. Net cash outflows from acquisition of subsidiaries

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

f. The impact of business combination on operating results

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

	<u>USIGE</u>
Revenue	<u>\$ 6,373</u>
Profit for the current period	<u>\$ 3,801</u>

If the acquisition of USIGE in July 2021 took place on January 1, 2021, the proposed operating revenues and net profit of the Group for the year ended December 31, 2021 were NT\$71,755,542 thousand and NT\$10,079,227 thousand, respectively. These amounts do not reflect the actual revenues and operating results of the Group that would have been generated had the combination been completed on the commencement date of the year of acquisition and shall not be used as a projection of future operating results.

33. Cash flow information

a. Non-cash transactions

In the year 2021 and 2020, the Group entered into the following non-cash investing and financing activities:

- 1) As of December 31, 2021 and 2020, the amounts of payables for purchases of equipment were NT\$293,455 thousand and NT\$104,811 thousand, respectively.
- 2) As of December 31, 2021 and 2020, the amounts of payables for dividends declared but not issued were NT\$20,551 thousand and NT\$71,694 thousand, respectively.
- 3)

b. Changes in liabilities arising from financing activities

	January 1, 2021	Cash flow	Non-cash Changes			December 31, 2021
			New Leases	Amortization of Finance Costs	Changes in Foreign Currency Exchange Rates	
Short-term borrowings	\$ 2,726,270	(\$ 228,229)	\$ -	\$ -	\$ -	\$ 2,498,041
Short-term bills payable	656,704	(377,000)	-	-	(69)	279,635
Bonds payable (including those due within 1 year)	6,994,302	1,991,268	-	3,402	-	8,988,972
Long-term borrowings (including those due within 1 year)	7,590,000	(3,052,000)	-	-	(24,760)	4,513,240
Guarantee deposits received	23,342	6,186	-	-	-	29,528
Lease liabilities (including those due within 1 year)	459,686	(70,349)	78,710	6,710	(574)	460,567
Other non-current liabilities	41,000	(1,670)	-	-	25,913	65,243
	<u>\$ 18,491,304</u>	<u>(\$ 1,731,794)</u>	<u>\$ 78,710</u>	<u>\$ 10,112</u>	<u>(\$ 574)</u>	<u>\$ 16,835,226</u>

	January 1, 2020	Cash flow	Non-cash Changes			December 31, 2020
			New Leases	Amortization of Finance Costs	Changes in Foreign Currency Exchange Rates	
Short-term borrowings	\$ 4,258,980	(\$ 1,532,710)	\$ -	\$ -	\$ -	\$ 2,726,270
Short-term bills payable	1,352,810	(696,000)	-	-	(106)	656,704
Bonds payable (including those due within 1 year)	7,991,283	(1,000,000)	-	3,019	-	6,994,302
Long-term borrowings (including those due within 1 year)	9,492,970	(1,903,200)	-	230	-	7,590,000
Guarantee deposits received	27,475	(4,133)	-	-	-	23,342
Lease liabilities (including those due within 1 year)	552,778	(68,659)	3,265	7,303	(27,480)	459,686
Other non-current liabilities	41,778	(778)	-	-	-	41,000
	<u>\$ 23,718,074</u>	<u>(\$ 5,205,480)</u>	<u>\$ 3,265</u>	<u>\$ 10,552</u>	<u>(\$ 27,480)</u>	<u>\$ 18,491,304</u>

34. CAPITAL MANAGEMENT

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

Key management personnel of the Group review the capital structure periodically.

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

35. FINANCIAL INSTRUMENTS

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

December 31, 2021

	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
- Domestic corporate bonds	\$ 8,988,972	\$ -	\$ 9,012,663	\$ -	\$ 9,012,663

December 31, 2020

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

Expect for the above, the management of the Group considers that the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values. Otherwise, the fair values cannot be reliably measured.

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

1) Fair value hierarchy

December 31, 2021

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivatives	\$ -	\$ 8,297	\$ -	\$ 8,297
Domestic listed (OTC) shares	603,956	-	-	603,956
Fund beneficiary certificates	4,896,869	-	-	4,896,869
Beneficiary securities	232,680	-	-	232,680
Foreign listed stocks	464	-	-	464
Total	<u>\$ 5,733,969</u>	<u>\$ 8,297</u>	<u>\$ -</u>	<u>\$ 5,742,266</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
- Domestic listed (OTC) shares	\$ 1,818,862	\$ -	\$ -	\$ 1,818,862
- Domestic emerging stocks	-	-	21,677	21,677
- Domestic unlisted shares and emerging market shares	-	-	437,569	437,569
- Foreign listed (OTC) shares	40,855	-	-	40,855
- Overseas unlisted equity investments	-	-	113,775	113,775
Total	<u>\$ 1,859,717</u>	<u>\$ -</u>	<u>\$ 573,021</u>	<u>\$ 2,432,738</u>
<u>Financial liabilities at FVTPL</u>				
Derivatives	\$ -	\$ 3,380	\$ -	\$ 3,380

December 31, 2020

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

There were no transfers between Levels 1 and 2 fair value measurement for Year 2021 and Year 2020.

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

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
<u>Financial assets at FVTOCI</u>		
Balance at January 1	\$ 833,285	\$ 748,451
Recognized in other comprehensive income (included in unrealized gain (loss) on financial assets at FVTOCI)	(208,044)	183,812
	-	-
Purchase	24	-
Disposal	-	(15,576)
Return of capital	(52,244)	(83,402)
Balance at December 31	<u>\$ 573,021</u>	<u>\$ 833,285</u>

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

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

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

The Group applied the valuation techniques and inputs for Level 3 fair value measurement for its independent fair value authentication of financial instruments which was carried out by the financial department. Through information from independent resources, the Group keeps the results close to the market state and reviews such results periodically to ensure that they are reasonable. The fair values of domestic and foreign unlisted equity securities were determined using the asset-based approach. In this approach, the fair value is determined by the latest net value of the investee company and the financial and business conditions of its observable company. If the discount for the lack of marketability decreases, the fair value of investments will increase. When the discount for lack of liquidity increases/decreases by 10%, the fair value would have decreased/increased by NT\$57,302 thousand and NT\$83,329 thousand, respectively for the years ended December 31, 2021 and 2020.

c. Categories of financial instruments

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
<u>Financial assets</u>		
Financial assets at FVTPL		
Financial assets mandatorily classified as at FVTPL	\$ 5,742,266	\$ 5,511,683
Financial assets measured at amortized cost		
Cash and cash equivalents	10,365,353	9,637,007
Pledged time and demand deposits	731,638	739,278
Notes receivable	875,475	671,576
Accounts receivable	8,515,477	6,810,340
Other receivables (including related parties)	511,725	293,459
Refundable deposits	173,394	166,993
Financial assets at FVTOCI – investments in equity instruments	\$ 2,432,738	\$ 2,558,656
<u>Financial liabilities</u>		
Financial liabilities at FVTPL - held for trading		
	3,380	20,724
Financial liabilities measured at amortized cost		
Short-term borrowings	2,498,041	2,726,270
Short-term bills payable	279,635	656,704
ACCOUNTS PAYABLE	3,528,998	3,406,837
Other payables (not including salaries payable or taxes payable)	1,472,810	1,036,004
Current portion of long-term borrowings	3,059,116	1,999,233
Bonds payable	5,989,773	4,995,069
Long-term borrowings	4,453,323	7,590,000
Guarantee deposits received	29,528	23,342

d. Financial Risk Management Objectives and Policies

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

1) Market risk

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

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

a) Foreign currency risk

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

For the carrying amount of monetary assets and monetary liabilities denominated in non-functional currencies of the Group as of the balance sheet date, please refer to Note 40. Please refer to Note 7 for carrying amount of derivatives exposed to exchange rate risk.

Sensitivity analysis

The sensitivity analysis of foreign currency risk mainly focuses on the computation of foreign currency monetary items at the end of the financial reporting period (U.S. dollar and RMB denominated items). When the Company's functional currency appreciates/depreciates by 3% against U.S. dollar and RMB, the Group's profit before tax for the years ended December 31, 2021 and 2020 would have decreased/increased by NT\$172,217 thousand and NT\$141,054 thousand, respectively.

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

b) Interest rate risk

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

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

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Fair value interest rate risk		
- Financial assets	\$ 7,781,222	\$ 6,090,090
- Financial liabilities	12,819,174	12,084,042
Cash flow interest rate risk		
- Financial assets	3,050,945	4,057,411
- Financial liabilities	3,921,281	6,342,920

Sensitivity analysis

Regarding the sensitivity analysis of interest risk, the Group's computation was based on financial assets and financial liabilities with cash flow interest rate risk. A 0.5% increase/decrease of market interest was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rate. If interest rates had been 0.5% higher/lower and all other variables were held constant, the Group's profit before tax for the years ended December 31, 2021 and 2020 would have decreased/increased by NT\$4,352 thousand and NT\$11,428 thousand, respectively.

c) Other price risk

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

Sensitivity analysis

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

If the equity price fluctuates by 5%, the pre-tax profit for the years ended December 31, 2021 and 2020 would have increased/decreased by NT\$41,855 thousand and NT\$37,041 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL (excluding fund beneficiary certificates); The pre-tax other comprehensive income for the years ended December 31, 2021 and 2020 would have increased/decreased by NT\$121,637 thousand and NT\$127,933 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

2) Credit risk

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

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

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

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

3) Liquidity risk

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

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

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods based on the probable earliest dates on which the Group can be required to pay. The table has been drawn up based on the undiscounted cash flows of financial liabilities, including the cash flows of interests and principals.

December 31, 2021

	Weighted Average Interest Rate (%)	On Demand or Less than 1 Year	1-5 Years	More than 5 Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities		\$ 6,423,816	\$ -	\$ -
Lease liabilities	0.83-9,25	79,836	246,828	288,585
Floating interest rate liabilities	0.10-1.90	970,600	2,986,558	-

	Weighted Average Interest Rate (%)	On Demand or Less than 1 Year	1-5 Years	More than 5 Years
Fixed interest rate liabilities	0.63-1.90	4,877,712	5,209,600	2,300,000
		<u>\$ 12,351,964</u>	<u>\$ 8,442,986</u>	<u>\$ 2,588,585</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	More than 20 Years
Lease liabilities	<u>\$ 79,836</u>	<u>\$ 246,828</u>	<u>\$ 66,215</u>	<u>\$ 64,030</u>	<u>\$ 57,501</u>	<u>\$ 100,839</u>

December 31, 2020

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

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	More than 20 Years
Lease liabilities	<u>\$ 78,464</u>	<u>\$ 248,922</u>	<u>\$ 92,146</u>	<u>\$ 51,759</u>	<u>\$ 52,399</u>	<u>\$ 120,359</u>

b) Liquidity and interest rate risk tables for derivative financial liabilities

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

December 31, 2021

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year
<u>Gross settled</u>			
Foreign exchange forward contracts			
- Inflows	\$ 1,049,371	\$ 1,987,001	\$ 57,671
- Outflows	(1,052,384)	(1,991,684)	(59,512)
	<u>(\$ 3,013)</u>	<u>(\$ 4,683)</u>	<u>(\$ 1,841)</u>

December 31, 2020

	<u>On Demand or Less than 1 Month</u>	<u>1-3 Months</u>	<u>3 Months to 1 Year</u>
<u>Gross settled</u>			
Foreign exchange forward contracts			
- Inflows	\$ 914,593	\$ 1,328,558	\$ 109,690
- Outflows	(920,172)	(1,345,476)	(111,875)
	<u>(\$ 5,579)</u>	<u>(\$ 16,918)</u>	<u>(\$ 2,185)</u>

c) Financing facilities

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

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Bank loan facilities		
- Amount unused	<u>\$ 38,572,010</u>	<u>\$ 34,248,864</u>

36. RELATED PARTY TRANSACTIONS

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

a. Name of the related party and their relationship

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

b. Purchase (classified as cost of goods sold)

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Joint ventures	<u>\$ 267,768</u>	<u>\$ -</u>

c. Donation costs (classified as administrative expenses)

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Other related parties		
USI Education Foundation	<u>\$ 16,000</u>	<u>\$ 8,250</u>

d. Management services income (classified as other revenue)

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Joint ventures	<u>\$ 42,221</u>	<u>\$ 36,647</u>

e. Other receivables

<u>Related Party Category/Name</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Joint ventures	<u>\$ 21,083</u>	<u>\$ 19,369</u>

f. Compensation of key management personnel

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

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Short-term employee benefits	\$ 72,530	\$ 62,051
Retirement benefits	<u>491</u>	<u>324</u>
	<u>\$ 73,021</u>	<u>\$ 62,375</u>

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

37. COLLATERALIZED ASSETS

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

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Pledged time deposits (classified as financial assets measured at amortized cost)	\$ 679,083	\$ 678,314
Financial assets at FVTPL	9,085	6,361
Property, plant and equipment	160,158	927,196
Investment properties - net	-	108,178
Land use right (classified as right-of-use assets)	20,578	21,482
Refundable deposits (classified as other non-current assets)	<u>121,685</u>	<u>62,633</u>
	<u>\$ 990,589</u>	<u>\$ 1,804,164</u>

38. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACTUAL COMMITMENTS

a. As of December 31, 2021 and 2020, the Company's unused letter of credit amounted to NT\$3,177,888 thousand and NT\$2,236,491 thousand, respectively.

b. Regarding the associate, China General Terminal & Distribution Corporation (hereinafter "CGTD"), who was commissioned to operate the LCY Chemical Corp.'s propylene pipeline

resulting in a gas explosion on July 31st, 2014, the appeal was dismissed by the Supreme Court on September 15th, 2021, and all three employees of CGTD were innocent.

CGTD arrived at an agreement with the Kaohsiung City Government on February 12, 2015 to pledge certificates of bank deposits of NT\$227,458 thousand (including interest) to Kaohsiung City Government as collateral for the losses caused by the gas explosion. Kaohsiung City Government has also filed civil lawsuits against LCY, CGTD and CPC Corporation. Taiwan Power Company applied for provisional attachment against CGTD's property on August 27 and November 26, 2015. CGTD had deposited cash of NT\$99,207 thousand to the court to avoid provisional attachment. Taiwan Water Corporation also applied for provisional attachment against CGTD's property on February 3 and March 2, 2017. As of February 28, 2022, the provisionally attached properties were worth NT\$12,472 thousand.

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

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

As of February 28, 2022, the victims and victims' families had written letters or filed civil lawsuits (including criminal lawsuits) against CGTD, LCY Chemical Corp. and CPC for compensation claims. To reduce the lawsuit costs, CGTD came to a compromise and reduced the original claim of NT\$46,677 thousand and settled for a compensation amount of NT\$4,519 thousand instead. Along with the case still under litigation and the above-mentioned compensation, the accumulated amount of compensation is NT\$3,856,447 thousand. The first-instance judgments of some of the above-mentioned civil cases (with a total amount of compensation of approximately NT\$1,341,128 thousand) have been gradually announced starting from June 22, 2018. The proportion of fault-based liabilities

of the Kaohsiung City Government, LCY Chemical Corp. and CGTD is 4:3:3 in most of the case judgments. The total amount of compensation that CGTD, LCY Chemical Corp. and the other defendants are liable for was approximately NT\$401,979 thousand, of which the court ruled an exemption for CGTD in the amount of NT\$6,194 thousand. For the civil cases that have been sentenced but not settled, CGTD has filed an appeal and has started the second trial procedure one after another. The remaining cases are still pending in the Court of First Instance (the amount claimed is approximately NT\$2,012,493 thousand). CGTD and its insurance company signed a settlement agreement, covering the proportion of the liability for negligence determined in the first-instance judgment, the estimated amount of the settlement with the victims and the severely injured, and the amount of compensation in civil cases (including cases that have been settled); after the maximum insurance claims is deducted, the estimated amount that should be borne by CGTD and has been recognized is NT\$136,375 thousand. However, the actual amount of the aforementioned relevant settlements and compensation will not be confirmed until the proportion of the liabilities that should be borne by CGTD is determined in the civil case judgment in the future.

39. SIGNIFICANT CONTRACTS

- a. TVCM along with CPC Corporation, Formosa Plastics Corporation, Mitsui Corp., signed a dichloromethane purchase agreement in which the purchase prices are calculated by the buyers and sellers in accordance with a pricing formula.
- b. The Company and Asia Polymer Corporation (APC) entered into a joint venture contract for an investment of Fujian Gulei Petrochemical Co., Ltd. on April 17, 2014. The related entities of the contract or commitments are Ho Tung Chemical Corporation, LCY Chemical Corporation, HsinTay Petroleum Company Limited, Chenergy Global Corporation and Lien Hwa Industrial Corporation. The main contents of the contract and commitments include: (1) the shareholders shall establish Ever Victory Global Limited (hereinafter referred to as "EVGL") and agree to pass the establishment of the 100%-owned company named Dynamic Ever Investments Limited (hereinafter referred to as "DEIL") in Hong Kong, which purpose is to build oil refineries and produce seven products such as ethylene on the Gulei Peninsula in Zhangzhou, Fujian Province, as approved by the competent authorities of the Republic of China and according to the business operation permitted by the Joint Venture's board of directors; and (2) DEIL established a joint venture company with Fujian Petrochemical Chemical Co., Ltd. ("FPCL") to operate the target business in Gulei Industrial Park, Zhangzhou, Fujian Province (hereinafter referred to as "Gulei") in

accordance with the laws and regulations of the People's Republic of China and acquired 50% of the issued shares of Gulei as the basis for the joint investment.

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

In order to increase Gulei Company's working capital, Ever Victory Global Limited and Hong Kong DOR PO INVESTMENT COMPANY LIMITED ("DOR PO") signed a joint venture contract for an investment in Dynamic Ever Investment Limited on June 5, 2019. According to the contract, DOR PO would invest US\$109,215 thousand in Dynamic Ever Investment Limited. As of December 31, 2020, DOR PO had invested US\$103,915 thousand and held 15% ownership interest in DEIL.

As of December 31, 2021, the Company and APC cumulatively invested US\$246,670 thousand (approximately NT\$7,645,981 thousand) and US\$170,475 thousand (approximately NT\$5,255,587 thousand) in Ever Conquest Global Limited (ECGL), respectively, and reinvested in EVGL via ECGL as well as in DEIL. The Company and APC together hold 67.4% shares in EVGL in total. DEIL has invested capital amounted to RMB 4,657,200 thousand in Gulei.

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

the term of the trust relationship. As of December 31, 2021, the urban renewal plan has been completed with the use right license has been obtained and uncompleted transfer of property rights for land and houses.

d. Key operation contracts

CGTD is commissioned to operate the storage and transportation of any items of petrochemical raw materials; operating service charges are calculated in accordance with the actual operation quantities and at the rate stated in the contracts. The insurance expenses of petrochemical raw materials are borne by individual commissioned companies.

<u>Commissioning Company</u>	<u>Operation Contract Period</u>
Taita Chemical Company, Ltd.	2020.01.01-2021.12.31
Taiwan VCM Corporation	2020.01.01-2021.12.31
USI CORPORATION (Asia Polymer Corporation)	2021.01.01-2021.12.31
LCY Chemical Corp.	2020.01.01-2021.12.31
TSRC Corporation	2020.01.01-2021.12.31
Nantex Industry Co., Ltd.	2020.01.01-2021.12.31
En Chuan Chemical Industries Co., Ltd.	2020.01.01-2021.12.31
Xin Long Guang Plastics Co., Ltd.	2020.01.01-2021.12.31
Oriental Union Chemical Corporation	2021.01.01-2021.12.31
Formosa Plastics Corporation	2020.01.01-2021.12.31
Chi Shen Transportation Co., Ltd.	2020.01.01-2021.12.31
LCY Grit Corp.	2020.01.01-2021.12.31
Shin Foong Specialty And Applied Materials Co., Ltd.	2021.01.01-2021.12.31

The aforesaid operation contracts may be renewed upon expiration.

40. SIGNIFICANT FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group entities' significant financial assets and liabilities denominated in foreign currencies and aggregated by foreign currencies other than functional currencies and the related exchange rates between foreign currencies and respective functional currencies were as follows:

Unit: Foreign and Functional Currencies in Thousands

	December 31, 2021				
	Foreign Currency	Exchange Rate (In Single Dollars)		Functional Currencies	NT\$
<u>Foreign currency assets</u>					
<u>Monetary items</u>					
USD	\$ 220,029	27.68	(USD/NTD)	\$ 6,090,148	\$ 6,090,148
USD	5,174	6.38	(USD/RMB)	32,987	143,214
USD	4,570	4.36	(USD/MYR)	19,906	126,505
RMB	495,301	4.34	(RMB/NTD)	2,150,425	2,150,425
RMB	1,611	0.16	(RMB/USD)	253	7,004
AUD	1,000	20.08	(AUD/NTD)	20,078	20,078
EUR	774	31.32	(EUR/NTD)	24,223	24,223

December 31, 2021

	Foreign Currency	Exchange Rate (In Single Dollars)	Functional Currencies	NT\$
<u>Non-monetary items</u>				
Joint Ventures Using the Equity Method				
RMB	\$ 4,453,674	0.16 (RMB/USD)	\$ 698,539	\$ 19,335,554
Derivatives				
Sell USD	49,930	27.68 (USD/NTD)	6,308	6,308
Sell USD	1,850	4.36 (USD/MYR)	49	313
Sell RMB	137,000	4.34 (RMB/NTD)	1,133	1,133
Sell Euro	60	4.93 (EUR/MYR)	22	143
Purchase JPY	100,000	0.01 (JPY/USD)	14	400
Foreign currency liabilities				
<u>Monetary items</u>				
USD	76,741	27.68 (USD/NTD)	2,124,188	2,124,188
USD	19,106	6.38 (USD/RMB)	528,864	528,864
USD	1,209	4.36 (USD/MYR)	5,265	33,462
RMB	20,782	4.34 (RMB/NTD)	90,223	90,223
<u>Non-monetary items</u>				
Derivatives				
Sell USD	300	4.36 (USD/MYR)	4	28
Sell RMB	238,900	4.34 (RMB/NTD)	3,352	3,352

December 31, 2020

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

For the years ended December 31, 2021 and 2020, realized and unrealized net foreign exchange losses were NT\$93,530 thousand and NT\$141,771 thousand, respectively. It is impractical to disclose net foreign exchange gains by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the Group entities.

41. SEPARATELY DISCLOSED ITEMS

- a. Information on significant transactions and b. Information on reinvestment business:
- 1) Financing provided to others. (Table 1)
 - 2) Endorsements/guarantees provided. (Table 2)
 - 3) Marketable securities held (excluding investment in subsidiaries and joint ventures). (Table 3)
 - 4) Total Purchases from or Sales to Related Parties of Marketable Securities Amounting to at Least NT\$300 Million or 20% of the Paid-in Capital; (Table 4)
 - 5) Acquisitions of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital. (None)
 - 6) Disposals of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital. (None)
 - 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 5)
 - 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 6)
 - 9) Trading in derivative instruments; (Notes 7 and 35)
 - 10) Others: The Business Relationships and Significant Transactions and Amounts between Parent and Subsidiaries and between Subsidiaries. (Table 9)
 - 11) Information on investees. (Table 7)
- c. Information on investments in mainland China
- 1) Information on investee company in mainland China, including the company names, major business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, current profit and loss and recognized investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China. (Table 8)
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:

- a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: Tables 5 and 9.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: Tables 5 and 9.
 - c) The amount of property transactions and the amount of the resultant gains or losses: None.
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: Table 2.
 - e) The highest balance during the period, the end of period balance, the interest rate range, and total current period interest with respect to the financing of funds: Table 1.
 - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services: None.
- d. Information on substantial shareholders: Name, number of shares held, and shareholding percentage of shareholders with shareholding percentage exceeding 5%. (Table 10)

42. SEGMENT INFORMATION

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

a. Profit and Loss of Reporting Segment

	For the Year Ended December 31, 2021						
	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	\$ 16,034,251	\$ 20,221,524	\$ 20,771,165	\$ 3,070,315	\$ 9,565,813	\$ 4,865,493
Interest income	5,948	2,235	41,853	8,982	4,381	16,473	79,872
Finance costs	(97,352)	(5,294)	(5,163)	(16,399)	(22,743)	(25,602)	(172,553)
Depreciation and amortization	(621,389)	(705,030)	(201,501)	(201,259)	(312,444)	(351,751)	(2,393,374)
Impairment loss	-	-	(39)	-	-	-	(39)
Pre-tax profit of reporting segment	5,870,841	3,307,034	2,407,444	143,781	3,738,206	1,958,899	17,426,205
Income tax expenses of reporting segment	(679,447)	(675,616)	(557,512)	(53,300)	(637,079)	(70,036)	(2,672,990)
Net profit of reporting segment	5,191,394	2,631,418	1,849,932	90,481	3,101,127	1,888,863	14,753,215

	For the Year Ended December 31, 2020						
	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	\$ 10,172,220	\$ 13,733,148	\$ 15,498,381	\$ 2,169,471	\$ 5,703,546	\$ 4,384,766
Interest income	6,604	3,621	33,052	12,084	7,682	39,766	102,809
Finance costs	(107,540)	(7,387)	(21,003)	(17,379)	(42,537)	(31,738)	(227,584)
Depreciation and amortization	(617,374)	(694,623)	(205,799)	(193,841)	(314,636)	(385,222)	(2,411,495)
Impairment loss	-	-	(22,078)	(5,823)	-	-	(27,901)
Pre-tax profit of reporting segment	2,560,322	2,165,338	2,481,989	74,817	1,285,411	1,773,662	10,341,539
Income tax expenses of reporting segment	(150,544)	(373,628)	(562,171)	(37,443)	(181,824)	(134,748)	(1,440,358)
Net profit of reporting segment	2,409,778	1,791,710	1,919,818	37,374	1,103,587	1,638,914	8,901,181

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

1) Segment revenue and results

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Pre-tax profit of reporting segment	\$ 15,467,306	\$ 8,567,877
Income tax expenses of reporting segment	(<u>2,602,954</u>)	(<u>1,305,610</u>)
Total of net after-tax profit of reporting segment	12,864,352	7,262,267
Pre-tax profit of other non-reporting segments	1,888,863	1,638,914
Deduction of inter-segment interests	(<u>4,673,764</u>)	(<u>3,218,544</u>)
Consolidated net after-tax profit	<u>\$ 10,079,451</u>	<u>\$ 5,682,637</u>

2) Other major adjustments

	<u>For the Year Ended December 31, 2021</u>							<u>Total</u>
	<u>USI</u>	<u>CGPC and CGPC's subsidiaries</u>	<u>TTC and TTC's subsidiaries</u>	<u>ACME and ACME's subsidiaries</u>	<u>APC and APC's subsidiaries</u>	<u>Others</u>	<u>Adjustments</u>	
Interest income	\$ 5,948	\$ 2,235	\$ 41,853	\$ 8,982	\$ 4,381	\$ 16,473	(\$ 271)	\$ 79,601
Finance costs	(97,352)	(5,294)	(5,163)	(16,399)	(22,743)	(25,602)	2,729	(169,824)
Depreciation and amortization	(621,389)	(705,030)	(201,501)	(201,259)	(312,444)	(351,751)	57,454	(2,335,920)

	<u>For the Year Ended December 31, 2020</u>							<u>Total</u>
	<u>USI</u>	<u>CGPC and CGPC's subsidiaries</u>	<u>TTC and TTC's subsidiaries</u>	<u>ACME and ACME's subsidiaries</u>	<u>APC and APC's subsidiaries</u>	<u>Others</u>	<u>Adjustments</u>	
Interest income	\$ 6,604	\$ 3,621	\$ 33,052	\$ 12,084	\$ 7,682	\$ 39,766	\$ -	\$ 102,809
Finance costs	(107,540)	(7,387)	(21,003)	(17,379)	(42,537)	(31,738)	3,246	(224,338)
Depreciation and amortization	(617,374)	(694,623)	(205,799)	(193,841)	(314,636)	(385,222)	58,294	(2,353,201)

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

c. Main product revenue

<u>Product</u>	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Plastic raw materials	\$ 68,149,586	\$ 47,540,059
Electronic Materials	3,018,410	2,141,880
Others	<u>587,546</u>	<u>519,334</u>
	<u>\$ 71,755,542</u>	<u>\$ 50,201,273</u>

d. Geographical information

The main operating region of the Group is Asia, therefore the information about the location of non-current assets were not disclosed.

The amounts of the Group's revenue from continuing operations from external customers by location are detailed below.

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Asia	\$ 59,989,106	\$ 45,053,620
Americas	4,875,056	3,416,168

	<u>For the Year Ended December 31, 2021</u>	<u>For the Year Ended December 31, 2020</u>
Europe	306,950	262,617
Africa	1,488,398	469,039
Oceania	341,961	187,141
Others	<u>4,754,071</u>	<u>812,688</u>
	<u>\$ 71,755,542</u>	<u>\$ 50,201,273</u>

e. Information on main customers

No revenue of any single customer has reached 10 % or more of the total sales revenue of the Group for the year ended December 31, 2021 and 2020.

USI CORPORATION AND SUBSIDIARIES
FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 1

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

No.	Lender	Borrower	Financial Statement Account	Related Party (Yes/No)	Maximum Balance in Current Period	Ending Balance (Note 3)	Actual Borrowing Amount (Note 3)	Range of Interest Rates (%)	Nature of Financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)	Remark
													Item	Value			
0	USI CORPORATION	USI Green Energy Corporation	Other receivables - related parties	Yes	\$ 400,000	\$ 200,000	\$ 125,000	0.80	2	\$ -	Business turnover	\$ -	-	-	\$ 10,184,800	\$ 10,184,800	

Note 1. The total capital loans shall not exceed 40% of the net value of the Company's most recent financial statements certified or audited by CPAs. The maximum capital loans is calculated on the net value as of December 31, 2021.

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

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

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

USI CORPORATION AND SUBSIDIARIES
Acme Electronics Corporation
FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 1-1

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

No.	Lender	Borrower	Financial Statement Account	Related Party (Yes/No)	Highest Balance for the Period (Note 3)	Balance at December 31	Actual Borrowing Amount	Range of Interest Rates (%)	Nature of Financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)	Remark
													Item	Value			
0	Acme Electronics Corporation	ACME Electronics (Cayman) Corp.	Other receivables from related parties	Yes	\$ 278,500 (USD10,000 thousand)	\$ -	\$ -	1.12675%~ 2.82663%	2	\$ -	Business turnover	\$ -	-	-	\$ 534,016	\$ 534,016	

Note 1. Total financing amounts provided to others shall not exceed 40% of ACME's net value, and the highest aggregate financing limits were calculated by the net value as of December 31, 2021.

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 calculated based on the spot exchange rate as of December 31, 2021.

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

USI CORPORATION AND SUBSIDIARIES
Swanson Plastics Corporation
FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 1-2

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

No.	Lender	Borrower	Financial Statement Account	Related Party (Yes/No)	Highest Balance for the Period	Balance at December 31 (Notes 3 and 4)	Actual Borrowing Amount (Notes 3 and 4)	Range of Interest Rates (%)	Nature of Financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)	Remark
													Item	Value			
1	Forever Young Company Limited	Swanson International Ltd.	Other receivables	Yes	\$ 88,601	\$ 41,529	\$ 41,529	-	2	\$ -	Business turnover	\$ -	-	-	\$ 69,670	\$ 104,504	
2	ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	Other receivables	Yes	219,009	164,977	164,977	3.85	2	-	Business turnover	-	-	-	516,104	516,104	
3	Swanson Plastics (Singapore) Pte., Ltd.	PT. Swanson Plastics Indonesia	Other receivables	Yes	14,268	-	-	-	2	-	Business turnover	-	-	-	350,871	350,871	

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 calculated based on the spot exchange rate as of December 31, 2021.

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

USI CORPORATION AND SUBSIDIARIES
ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2021

Table 2

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

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/Guarantee Made for Each Party (Note 1)	Maximum Amount Endorsed/Guaranteed During the Period (Note 2)	Outstanding Endorsement/Guarantee at the End of the Period (Note 2)	Actual Borrowing Amount	Amount Endorsed/Guaranteed by Collateral	Ratio of Accumulated Endorsement/Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/Guarantee Limit (Note 1)	Endorsement/Guarantee Made by Parent for Subsidiaries	Endorsement/Guarantee Made by Subsidiaries for Parent	Endorsement/Guarantee Made for Companies in Mainland China
		Company Name	Relationship										
0	USI CORPORATION	Union Polymer Int'l Investment Corp.	Subsidiary which directly held more than 50% of ordinary shares	\$ 12,731,000	\$ 3,900,000	\$ 2,600,000	\$ 685,000	\$ -	10.21	\$ 15,277,199	Yes	No	No
0	USI CORPORATION	USI Green Energy Corporation	Subsidiary which directly held more than 50% of ordinary shares	12,731,000	200,000	200,000	-	-	0.79	15,277,199	Yes	No	No
0	USI CORPORATION	Chong Loong Trading Co., Ltd.	Subsidiary which directly held more than 50% of ordinary shares	12,731,000	308,400 (USD5,000 thousand) (NTD170,000 thousand)	308,400 (USD5,000 thousand) (NTD170,000 thousand)	76,863	-	1.21	15,277,199	Yes	No	No

Note 1. The total amount of endorsements/guarantees provided shall not exceed 60% of the Company's net value. The amount of endorsements/guarantees for an individual entity shall not exceed 50% of the Company's net value. The maximum amount of endorsements/guarantees was calculated based on net value as of December 31, 2021.

Note 2. The amount was calculated based on the spot exchange rate as of December 31, 2021.

USI CORPORATION AND SUBSIDIARIES
Acme Electronics Corporation
ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2021

Table 2-1

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

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/Guaranteed During the Period	Outstanding Endorsement/Guarantee at the End of the Period (Note 3)	Actual Borrowing Amount (Note 3)	Amount Endorsed/Guaranteed by Collateral	Ratio of Accumulated Endorsement/Guarantee to Net Equity in Latest Financial Statements (%) (Note 1)	Aggregate Endorsement/Guarantee Limit (Note 2)	Endorsement/Guarantee Made by Parent for Subsidiaries	Endorsement/Guarantee Made by Subsidiaries for Parent	Endorsement/Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	(Acme Electronics Corporation)	Acme Electronics (Kunshan) Co., Ltd.	Subsidiary of ACME (Cayman)	\$ 2,002,562	\$ 486,500 (USD17,500 thousand)	\$ 484,400 (USD17,500 thousand)	\$ 207,600 (USD7,500 thousand)	-	36.28%	\$ 2,670,082	No	No	Yes	
		Acme Electronics (Guang-Zhou) Co., Ltd.	Subsidiary of GAEL	2,002,562	83,400 (USD3,000 thousand)	83,040 (USD3,000 thousand)	-	-	6.22%	2,670,082	No	No	Yes	
		ACME Electronics (Cayman) Corp.	Subsidiary of Acme Electronics Corporation	2,002,562	222,400 (USD8,000 thousand)	221,440 (USD8,000 thousand)	221,400 (USD8,000 thousand)	-	-	16.59%	2,670,082	No	No	No

Note 1. The rate was calculated by the equity of ACME as of December 31, 2021.

Note 2. The maximum amount of total endorsement/guarantee shall not exceed 200% of the equity attributable to owners of ACME. The maximum amount of endorsement/guarantee for an individual entity shall not exceed 150% of the equity attributable to owners of ACME. The maximum amount of endorsement/guarantee was calculated based on the equity of the endorser/guarantor as of December 31, 2021.

Note 3. The amount was calculated based on the spot exchange rate as of December 31, 2021.

USI CORPORATION AND SUBSIDIARIES
Swanson Plastics Corporation
ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 2-2

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

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/Guarantee Made for Each Party (Note 1)	Maximum Amount Endorsed/Guaranteed During the Period	Outstanding Endorsement/Guarantee at the End of the Period (Note 2)	Actual Borrowing Amount (Note 2)	Amount Endorsed/Guaranteed by Collateral	Ratio of Accumulated Endorsement/Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/Guarantee Limit (Note 1)	Endorsement/Guarantee Made by Parent for Subsidiaries	Endorsement/Guarantee Made by Subsidiaries for Parent	Endorsement/Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	Swanson Plastics Corporation	Swanson Plastics (Singapore) Pte., Ltd.	Subsidiary	\$ 5,290,204	\$ 51,078	\$ 49,547	\$ -	\$ -	1.87	\$ 6,612,755	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Malaysia) Sdn. Bhd.	Sub-subsidiary	5,290,204	34,242	33,216	-	-	1.26	6,612,755	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Kunshan) Co., Ltd.	Sub-subsidiary	5,290,204	85,605	83,040	-	-	3.14	6,612,755	No	No	Yes	
0	Swanson Plastics Corporation	Swanson Technologies Corporation	Subsidiary	5,290,204	219,796	155,008	50,000	-	5.86	6,612,755	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Tianjin) Co., Ltd.	Sub-subsidiary	5,290,204	28,535	27,680	-	-	1.05	6,612,755	No	No	Yes	
0	Swanson Plastics Corporation	PT. Swanson Plastics Indonesia	Subsidiary	5,290,204	57,070	55,360	-	-	2.09	6,612,755	No	No	No	
0	Swanson Plastics Corporation	Forever Young Co., Ltd.	Subsidiary	5,290,204	1,438,419	1,414,448	-	-	53.47	6,612,755	No	No	No	

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

Note 2. The amount was calculated based on the spot exchange rate as of December 31, 2021.

USI CORPORATION AND SUBSIDIARIES
China General Plastics Corporation
ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 2-3

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

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/Guaranteed During the Period	Outstanding Endorsement/Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/Guaranteed by Collateral	Ratio of Accumulated Endorsement/Guarantee to Net Equity in Latest Financial Statements (%) (Note 1)	Aggregate Endorsement/Guarantee Limit (Note 2)	Endorsement/Guarantee Made by Parent for Subsidiaries	Endorsement/Guarantee Made by Subsidiaries for Parent	Endorsement/Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	China General Plastics Corporation	CGPC Polymer Corporation	Subsidiary	\$ 6,697,786	\$ 2,450,000	\$ 1,000,000	\$ -	\$ -	8.96	\$ 11,162,977	No	No	No	

Note 1. The ratio was calculated by the equity of CGPC as of December 31, 2021.

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

USI CORPORATION AND SUBSIDIARIES
Taita Chemical Company, Ltd.
ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2021

Table 2-4

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

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/Guaranteed During the Period (Note 1)	Outstanding Endorsement/Guarantee at the End of the Period (Note 1)	Actual Borrowing Amount (Note 1)	Amount Endorsed/Guaranteed by Collateral	Ratio of Accumulated Endorsement/Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/Guarantee Limit (Note 2)	Endorsement/Guarantee Made by Parent for Subsidiaries	Endorsement/Guarantee Made by Subsidiaries for Parent	Endorsement/Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	Taita Chemical Company, Ltd.	TAITA (BVI) Holding Co., Ltd.	Subsidiaries that the Company holds 100% of common equity directly	\$ 7,661,813	\$ 876,800 (USD10,000 thousand) (NTD600,000 thousand)	\$ 166,080 (USD6,000 thousand)	\$ -	\$ -	2.17	\$ 11,492,720	No	No	No	
0	Taita Chemical Company, Ltd.	Taita Chemical (Zhongshan) Co., Ltd.	Subsidiaries that the Company's subsidiaries hold 100% of common equity directly	7,661,813	564,395 (RMB130,000 thousand)	564,395 (RMB130,000 thousand)	-	-	7.37	11,492,720	No	No	Yes	

Note 1. The amount was calculated based on the spot exchange rate as of December 31, 2021.

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

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

USI CORPORATION AND SUBSIDIARIES
MARKETABLE SECURITIES HELD
DECEMBER 31, 2021

TABLE 3

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
USI CORPORATION	Shares							
	CTCI Corporation	—	Financial assets at FVTOCI— non-current	15,130,656	\$ 562,860	1.98	\$ 562,860	
	KHL IB Venture Capital Co., Ltd.	—	Financial assets at FVTOCI— non-current	9,954,950	164,720	11.20	164,720	
	AU Optronics Corporation	—	Financial assets at FVTOCI— non-current	8,514,006	194,971	0.09	194,971	
	United Microelectronics Corporation	—	Financial assets at fair value through profit or loss - current	150,000	9,750	-	9,750	
	Evergreen Marine Corporation	—	Financial assets at fair value through profit or loss - current	473,251	67,438	-	67,438	
	UPC Technology Corporation	—	Financial assets at fair value through profit or loss - current	700,000	15,120	-	15,120	
	Quanta Computer Incorporated	—	Financial assets at fair value through profit or loss - current	200,000	18,940	-	18,940	
	ShunSin Technology Holdings Limited	—	Financial assets at fair value through profit or loss - current	80,000	7,440	-	7,440	
	China Steel Corporation	—	Financial assets at fair value through profit or loss - current	650,000	22,978	-	22,978	
	Tungsho Steel Corporation	—	Financial assets at fair value through profit or loss - current	368,500	24,726	-	24,726	
	Teratech Corp.	—	Financial assets at FVTPL - non-current	110,000	-	-	-	
	Fund beneficiary certificates							
	Nomura Taiwan Money Market Fund	—	Financial assets at fair value through profit or loss - current	3,642,877	60,019	-	60,019	
	FSITC Taiwan Money Market Fund	—	Financial assets at fair value through profit or loss - current	15,516,171	240,055	-	240,055	
	Yuanta Wan Tai Money Market Fund	—	Financial assets at fair value through profit or loss - current	5,235,979	80,000	-	80,000	
	Hua Nan Kirin Money Market Fund	—	Financial assets at fair value through profit or loss - current	19,031,543	230,055	-	230,055	
	CTBC Hwa-Win Money Market Fund	—	Financial assets at fair value through profit or loss - current	3,595,506	40,008	-	40,008	
	UPAMC James Bond Money Market Fund	—	Financial assets at fair value through profit or loss - current	7,942,704	134,012	-	134,012	
	Hua Nan Phoenix Money Market Fund	—	Financial assets at fair value through profit or loss - current	20,046,518	329,156	-	329,156	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
	Taishin Ta-Chong Money Market Fund	—	Financial assets at fair value through profit or loss - current	16,379,377	\$ 235,051	-	\$ 235,051	
	Capital Money Market Fund	—	Financial assets at fair value through profit or loss - current	6,136,287	100,004	-	100,004	
	Mega Diamond Money Market Fund	—	Financial assets at fair value through profit or loss - current	9,508,754	120,548	-	120,548	
	FSITC Money Market Fund	—	Financial assets at fair value through profit or loss - current	971,287	175,042	-	175,042	
	Taishin 1699 Money Market Fund	—	Financial assets at fair value through profit or loss - current	19,245,740	263,255	-	263,255	
	Jih Sun Money Market Fund	—	Financial assets at fair value through profit or loss - current	16,702,410	250,321	-	250,321	
	SinoPac TWD Money Market Fund	—	Financial assets at fair value through profit or loss - current	7,833,977	110,045	-	110,045	
	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust	—	Financial assets at fair value through profit or loss - current	3,340,000	\$ 60,554	-	\$ 60,554	
Union Polymer Investment Corp.	Int'l Shares							
	Asia Polymer Corporation	Investments accounted for using the equity method	Financial assets at FVTOCI— non-current	22,182,486	812,988	3.74	812,988	
	China General Plastics Corporation	Investments accounted for using the equity method	Financial assets at FVTOCI— non-current	4,469,307	155,085	0.77	155,085	
	Taita Chemical Company, Ltd.	Investments accounted for using the equity method	Financial assets at FVTOCI— non-current	434,527	15,013	0.11	15,013	
Swanlake Traders Ltd.	Shares							
	SOHOWare Inc.	—	Financial assets at FVTOCI— non-current	1,150,000	-	1.05	-	Note 2
	TGF Linux Communications Inc.	—	Financial assets at FVTOCI— non-current	300,000	-	2.14	-	Note 2
	Neurosky Inc. Preferred Stock D	—	Financial assets at FVTOCI— non-current	2,397,364	-	0.70	-	Note 2
USIFE Investment Co., Ltd.	Shares							
	AU Optronics Corporation	—	Financial assets at fair value through other comprehensive income - current	1,266,061	28,993	0.01	28,993	
	AU Optronics Corporation	—	Financial assets at FVTOCI— non-current	1,266,061	28,993	0.01	28,993	
	Wafer Works Corporation	—	Financial assets at FVTOCI— non-current	1,502,433	128,458	0.28	128,458	
	Solargiga Energy Holdings Limited	—	Financial assets at FVTOCI— non-current	11,876,111	17,491	0.37	17,491	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
	Dah Chung Bills Finance Corp.	—	Financial assets at FVTOCI— non-current	482,757	\$ 7,430	0.10	\$ 7,430	
	Swanson Plastics Corporation	Same chairman	Financial assets at FVTOCI— non-current	9,198,980	134,029	5.96	134,029	
	USI Optronics Corporation	Same chairman	Financial assets at FVTOCI— non-current	165,279	205	0.25	205	
	Digimax Inc.	—	Financial assets at FVTOCI— non-current	23,234	-	0.05	-	
	Silicon Technology Investment (Cayman) Corp.	—	Financial assets at FVTOCI— non-current	911,849	50,562	1.77	50,562	
	China General Plastics Corporation	Same chairman	Financial assets at fair value through profit or loss - current	550,722	19,110	0.09	19,110	
	Asia Polymer Corporation	Same chairman	Financial assets at fair value through profit or loss - current	1,714,180	62,825	0.29	62,825	
	Taita Chemical Company, Ltd.	Same chairman	Financial assets at fair value through profit or loss - current	1,338,240	46,236	0.35	46,236	
	UPC Technology Corporation	—	Financial assets at fair value through profit or loss - current	500,000	10,800	0.04	10,800	
	China Steel Corporation	—	Financial assets at fair value through profit or loss - current	325,000	11,489	-	11,489	
	Tungho Steel Corporation	—	Financial assets at fair value through profit or loss - current	150,750	10,115	0.02	10,115	
	United Microelectronics Corporation	—	Financial assets at fair value through profit or loss - current	60,000	\$ 3,900	-	\$ 3,900	
	Evergreen Marine Corporation	—	Financial assets at fair value through profit or loss - current	158,416	22,574	-	22,574	
	ShunSin Technology Holdings Limited	—	Financial assets at fair value through profit or loss - current	25,000	2,325	0.02	2,325	
	Acme Electronics Corporation	Same chairman	Financial assets at fair value through profit or loss - current	500,000	26,750	0.27	26,750	
	Superactive Group Company Limited	—	Financial assets at fair value through profit or loss - current	678,000	464	-	464	
	Beneficiary certificates Yuanta De-Li Money Market Fund	—	Financial assets at fair value through profit or loss - current	4,907,988	80,837	-	80,837	
	Fuh Hwa Money Market	—	Financial assets at fair value through profit or loss - current	3,440,659	50,113	-	50,113	
	Cathay Taiwan Money Market Fund	—	Financial assets at fair value through profit or loss - current	5,844,200	73,396	-	73,396	
Taiwan United Venture Capital Corp.	Beneficiary certificates Fuh Hwa Money Market	—	Financial assets at fair value through profit or loss - current	3,399,556	49,514	-	49,514	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
	Cathay Taiwan Money Market Fund	—	Financial assets at fair value through profit or loss - current	4,391,849	\$ 55,156	-	\$ 55,156	
	Shares							
	Innovation & Infinity Global Corp.	—	Financial assets at FVTPL - non-current	720,804	-	0.73	-	
	Teratech Corp.	—	Financial assets at FVTPL - non-current	90,000	-	0.58	-	
	MiTAC Holdings Corporation	—	Financial assets at fair value through other comprehensive income - current	2,062,000	72,582	0.17	72,582	
	Chitec Technology Co., Ltd.	—	Financial assets at FVTOCI— non-current	407,072	21,677	1.37	21,677	
	Leadwell Cnc Machines Mfg., Corp.	—	Financial assets at FVTOCI— non-current	419,753	10,603	0.68	10,603	
	Digimax Inc.	—	Financial assets at FVTOCI— non-current	518,898	-	1.18	-	
	Orgchem Technologies, Inc.	—	Financial assets at FVTOCI— non-current	594,594	6,243	1.09	6,243	
	Hexawave Inc.	—	Financial assets at FVTOCI— non-current	109,109	817	0.27	817	
	Uranus Chemicals Co., Ltd.	—	Financial assets at FVTOCI— non-current	14,021	379	0.03	379	
	Neuro Sky, Inc. Preferred Stock A	—	Financial assets at FVTOCI— non-current	10,000,000	-	1.42	-	
	Neuro Sky, Inc. Preferred Stock B	—	Financial assets at FVTOCI— non-current	12,595,523	-	1.78	-	
	Neuro Sky, Inc. Preferred Stock C	—	Financial assets at FVTOCI— non-current	4,532,823	-	0.64	-	
Taiwan United Venture Management Corporation	Beneficiary certificates Fuh Hwa Money Market	—	Financial assets at fair value through profit or loss - current	91,730	\$ 1,336	-	\$ 1,336	
INOMA Corporation	Beneficiary certificates Taishin 1699 Money Market Fund	—	Financial assets at fair value through profit or loss - current	446,739	6,111	-	6,111	
USI Optronics Corporation	Beneficiary certificates Jih Sun Money Market Fund	—	Financial assets at fair value through profit or loss - current	1,016,620	15,236	-	15,236	
	Taishin 1699 Money Market Fund	—	Financial assets at fair value through profit or loss - current	887,541	12,140	-	12,140	
	Yuanta De-Bao Money Market Fund	—	Financial assets at fair value through profit or loss - current	498,596	6,048	-	6,048	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
USI Management Consulting Corporation	Beneficiary certificates Fuh Hwa Money Market		Financial assets at fair value through profit or loss - current	2,747,092	\$ 40,011	-	\$ 40,011	

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

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

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

USI CORPORATION AND SUBSIDIARIES

China General Plastics Corporation

MARKETABLE SECURITIES HELD

DECEMBER 31, 2021

TABLE 3-1

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
China General Plastics Corporation	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust	—	Financial assets at fair value through profit or loss - current	2,898,000	\$ 52,541	-	\$ 52,541	Note 1
	Fund beneficiary certificates							
	FSITC Taiwan Money Market Fund	—	Financial assets at fair value through profit or loss - current	5,172,035	80,018	-	80,018	Note 1
	Cathay Taiwan Money Market Fund	—	Financial assets at fair value through profit or loss - current	3,981,272	50,000	-	50,000	Note 1
	Hua Nan Phoenix Money Market Fund	—	Financial assets at fair value through profit or loss - current	2,740,627	45,000	-	45,000	Note 1
	Shares							
	China Steel Corporation	—	Financial assets at fair value through profit or loss - current	650,000	22,978	-	22,978	Note 1
	Quanta Computer Incorporated	—	Financial assets at fair value through profit or loss - current	125,000	11,837	-	11,837	Note 1
	Tungho Steel Corporation	—	Financial assets at fair value through profit or loss - current	167,500	11,239	-	11,239	Note 1
United Microelectronics Corporation	—	Financial assets at fair value through profit or loss - current	120,000	7,800	-	7,800	Note 1	
ShunSin Technology Holdings Limited	—	Financial assets at fair value through profit or loss - current	51,000	4,743	-	4,743	Note 1	
KHL IB Venture Capital Co., Ltd.	—	Financial assets at FVTOCI - non-current	4,977,475	82,377	5.95	82,377	Note 1	
Taiwan VCM Corporation	Shares	With the same main shareholders as CGPC	Financial assets at FVTOCI - non-current	130,244	4,774	0.02	4,774	Note 1
Asia Polymer Corporation								
CGPC Polymer Corporation	Fund beneficiary certificates							
	Hua Nan Phoenix Money Market Fund	—	Financial assets at fair value through profit or loss - current	8,774,597	144,075	-	144,075	Note 1
	FSITC Taiwan Money Market Fund	—	Financial assets at fair value through profit or loss - current	6,464,876	100,020	-	100,020	Note 1
	Taishin Ta-Chong Money Market Fund	—	Financial assets at fair value through profit or loss - current	6,968,690	100,003	-	100,003	Note 1
	Prudential Financial Money Market Fund	—	Financial assets at fair value through profit or loss - current	4,384,646	70,118	-	70,118	Note 1
Taishin 1699 Money Market Fund	—	Financial assets at fair value through profit or loss - current	4,386,606	60,003	-	60,003	Note 1	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
CGPC (BVI) Holding Co., Ltd.	Hua Nan Kirin Money Market Fund	—	Financial assets at fair value through profit or loss - current	4,715,381	\$ 57,000	-	\$ 57,000	Note 1
	Taiwan Cooperative Bank Money Market Fund	—	Financial assets at fair value through profit or loss - current	2,437,835	25,000	-	25,000	Note 1
	Yuanta De-Li Money Market Fund	—	Financial assets at fair value through profit or loss - current	971,782	16,006	-	16,006	Note 1
	Shares Teratech Corporation	—	Financial assets at FVTPL - non-current	112,000	\$ -	0.67	\$ -	Notes 1 and 3
	SOHOware, Inc - preferred shares	—	Financial assets at FVTPL - non-current	100,000	-	-	-	Notes 1, 2, and 3

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

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

Note 3. As of the year ended December 31, 2021, CGPC evaluated the fair value of equity investment in the company as NT\$0.

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

USI CORPORATION AND SUBSIDIARIES

Taita Chemical Company, Ltd.

MARKETABLE SECURITIES HELD

DECEMBER 31, 2021

TABLE 3-2

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Taita Chemical Company, Ltd.	Shares USI CORPORATION	The parent company	Financial assets at FVTOCI— non-current	15,109,901	\$ 476,718	1.27	\$ 476,718	Note 1
	Harbinger Venture Capital Corp.	—	Financial assets at FVTOCI— non-current	990	7	0.50	7	Note 3
	UPC Technology Corporation	—	Financial assets at fair value through profit or loss - current	700,000	15,120	0.05	15,120	Note 1
	China Steel Corporation	—	Financial assets at fair value through profit or loss - current	650,000	22,978	-	22,978	Note 1
	Tungho Steel Corporation	—	Financial assets at fair value through profit or loss - current	167,500	11,239	0.02	11,239	Note 1
	United Microelectronics Corporation	—	Financial assets at fair value through profit or loss - current	120,000	7,800	-	7,800	Note 1
	Quanta Computer Incorporated	—	Financial assets at fair value through profit or loss - current	125,000	11,837	-	11,837	Note 1
	ShunSin Technology Holdings Limited	—	Financial assets at fair value through profit or loss - current	48,000	4,464	0.04	4,464	Note 1
	Fund beneficiary certificates FSITC Money Market Fund	—	Financial assets at fair value through profit or loss - current	554,887	100,000	-	100,000	Note 2
	UPAMC James Bond Money Market Fund	—	Financial assets at fair value through profit or loss - current	2,963,490	50,001	-	50,001	Note 2
	Hua Nan Phoenix Money Market Fund	—	Financial assets at fair value through profit or loss - current	3,777,217	62,020	-	62,020	Note 2
	Yuanta De-Li Money Market Fund	—	Financial assets at fair value through profit or loss - current	3,036,468	50,012	-	50,012	Note 2
	Capital Money Market Fund	—	Financial assets at fair value through profit or loss - current	6,136,099	100,001	-	100,001	Note 2
	Taishin 1699 Money Market Fund	—	Financial assets at fair value through profit or loss - current	7,310,690	100,000	-	100,000	Note 2
	KGI Victory Money Market Fund	—	Financial assets at fair value through profit or loss - current	8,552,784	100,000	-	100,000	Note 2
	Beneficiary securities Cathay No. 1 Real Estate Investment Trust	—	Financial assets at fair value through profit or loss - current	3,280,000	59,466	-	59,466	Note 1
	TAITA (BVI) Holding Co., Ltd.	Shares Budworth Investment Ltd.	—	Financial assets at FVTOCI— non-current	20,219	6 (USD - thousand)	2.22	6 (USD - thousand)
Teratech Corporation		—	Financial assets at FVTPL - non-current	112,000	-	0.73	-	Note 4
Sohoware Inc. - Preferred Shares		—	Financial assets at FVTPL - non-current	100,000	-	-	-	Note 4

Note 1. The fair value was based on the Taiwan Stock Exchange closing price on the last trading day of December 2021.

Note 2. The fair value was calculated based on the net asset value on the last trading day of December 2021.

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

Note 4. As of the year ended December 31, 2021, TTC evaluated the fair value of the equity investment as NT\$0.

Note 5. Please refer to Tables 7-4 and 8-4 for detailed information on subsidiaries and associates.

USI CORPORATION AND SUBSIDIARIES

Asia Polymer Corporation

MARKETABLE SECURITIES HELD

DECEMBER 31, 2021

TABLE 3-3

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Remark
				Share/Unit	Carrying amount	Percentage of Ownership (%)	Fair Value	
Asia Polymer Corporation	Shares							
	Harbinger Venture Capital Corp.	—	Financial assets at FVTOCI— non-current	2,377	\$ 17	1.20	\$ 17	
	Riselink Venture Capital Corp.	—	Financial assets at FVTOCI— non-current	2,632	221		221	
	KHL IB Venture Capital Co., Ltd.	—	Financial assets at FVTOCI— non-current	9,954,950	164,755	11.90	164,755	
	USI CORPORATION	Parent company	Financial assets at FVTOCI— non-current	101,355,673	3,197,772	8.53	3,197,772	
	CTCI Corporation	—	Financial assets at FVTOCI— non-current	14,446,107	537,395	1.89	537,395	
	AU Optronics Corporation	—	Financial assets at FVTOCI— non-current	9,618,516	220,264	0.10	220,264	
	Wafer Works Corporation	—	Financial assets at fair value through other comprehensive income - current	518,668	44,346	0.10	44,346	
	Quanta Computer Incorporated	—	Financial assets at fair value through profit or loss - current	200,000	18,940	0.01	18,940	
	Evergreen Marine Corporation	—	Financial assets at fair value through profit or loss - current	473,251	67,438	0.01	67,438	
	United Microelectronics Corporation	—	Financial assets at fair value through profit or loss - current	150,000	9,750	-	9,750	
	Tungho Steel Corporation	—	Financial assets at fair value through profit or loss - current	368,500	24,726	0.05	24,726	
	China Steel Corporation	—	Financial assets at fair value through profit or loss - current	650,000	22,978	-	22,978	
	ShunSin Technology Holdings Limited	—	Financial assets at fair value through profit or loss - current	70,000	6,510	0.07	6,510	
	UPC Technology Corporation	—	Financial assets at fair value through profit or loss - current	700,000	15,120	0.05	15,120	
	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust	—	Financial assets at fair value through profit or loss - current	3,316,000	60,119	-	60,119	
	Beneficiary certificates							
	Mega Diamond Money Market Fund	—	Financial assets at fair value through profit or loss - current	5,095,391	64,597	-	64,597	
	Jih Sun Money Market Fund	—	Financial assets at fair value through profit or loss - current	20,955,933	314,069	-	314,069	
Prudential Financial Money Market Fund	—	Financial assets at fair value through profit or loss - current	2,509,725	40,134	-	40,134		
Taishin 1699 Money Market Fund	—	Financial assets at fair value through profit or loss - current	4,388,163	60,024	-	60,024		
CTBC Hwa-Win Money Market Fund	—	Financial assets at fair value through profit or loss - current	5,392,241	60,000	-	60,000		

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Remark
				Share/Unit	Carrying amount	Percentage of Ownership (%)	Fair Value	
APC (BVI) Holding Co., Ltd.	Shares							
	FSITC Taiwan Money Market Fund	—	Financial assets at fair value through profit or loss - current	6,466,507	\$ 100,045	-	\$ 100,045	
	Hua Nan Kirin Money Market Fund	—	Financial assets at fair value through profit or loss - current	14,478,773	175,021	-	175,021	
	Budworth Investment Ltd.	—	Financial assets at FVTOCI— non-current	40,467	8	4.45	8	
	Silicon Technology Investment (Cayman) Corp. - Preferred Shares	—	Financial assets at FVTOCI— non-current	1,139,776	63,199	2.21	63,199	
	Neurosky Inc. - Preferred Stock D	—	Financial assets at FVTOCI— non-current	2,397,364	-	0.37	-	Note 1
	Solargiga Energy Holdings Ltd.	—	Financial assets at FVTOCI— non-current	15,863,333	\$ 23,364	0.48	\$ 23,364	
	Teratech Corp.	—	Financial assets at FVTOCI— non-current	112,000	-	0.67	-	Note 1
	TGF Linux Communication, Inc. - Preferred Shares	—	Financial assets at FVTPL - non-current	300,000	-	-	-	Note 1
APC Investment Corporation	Shares							
	USI CORPORATION	Parent company	Financial assets at fair value through profit or loss - current	44,808	1,414	-	1,414	
	United Microelectronics Corporation	—	Financial assets at fair value through profit or loss - current	60,000	3,900	-	3,900	
	Evergreen Marine Corporation	—	Financial assets at fair value through profit or loss - current	158,416	22,574	-	22,574	
	UPC Technology Corporation	—	Financial assets at fair value through profit or loss - current	500,000	10,800	0.04	10,800	
	China Steel Corporation	—	Financial assets at fair value through profit or loss - current	325,000	11,489	-	11,489	
	Tungho Steel Corporation	—	Financial assets at fair value through profit or loss - current	150,750	10,115	0.02	10,115	
	ShunSin Technology Holdings Limited	—	Financial assets at fair value through profit or loss - current	25,000	2,325	0.02	2,325	
	Beneficiary certificates							
Cathay Taiwan Money Market Fund	—	Financial assets at fair value through profit or loss - current	1,292,518	16,233	-	16,233		

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

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

USI CORPORATION AND SUBSIDIARIES
China General Terminal & Distribution Co.
MARKETABLE SECURITIES HELD
DECEMBER 31, 2021

TABLE 3-4

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Remark
				Share/Unit	Carrying amount	Percentage of Ownership (%)	Fair Value	
China General Terminal & Distribution Co.	Shares Asia Polymer Corporation	Investee Companies Using Equity Method for CGTD	Financial assets at FVTOCI—non-current	5,290,482	\$ 193,896	0.89	\$ 193,896	Note 1
	China General Plastics Corporation	Investee Companies Using Equity Method for CGTD	Financial assets at FVTOCI—non-current	2,940,788	102,045	0.51	102,045	Note 1
	Taita Chemical Company, Ltd.	Investee Companies Using Equity Method for CGTD	Financial assets at FVTOCI—non-current	2,169,731	74,964	0.57	74,964	Note 1
	China Steel Corporation	—	Financial assets at fair value through profit or loss - current	499,552	17,659	-	17,659	Note 2

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

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

USI CORPORATION AND SUBSIDIARIES
MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2021

Table 4

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

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance (Note)		Acquisition		Sell			December 31, 2021 (Note)		
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
USI CORPORATION	Beneficiary certificates													
	FSITC Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	372,668	\$ 67,000	1,526,966	\$ 275,000	928,347	\$ 167,114	\$ 167,000	\$ 114	971,287	\$ 175,000
	FSITC Taiwan Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	3,969,627	61,000	40,295,984	623,000	28,749,440	444,505	444,000	505	15,516,171	240,000
	UPAMC James Bond Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	55,760,130	940,000	47,817,426	806,264	806,000	264	7,942,704	134,000
	Hua Nan Phoenix Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	16,662,140	273,000	93,409,004	1,532,000	90,024,626	1,476,294	1,476,000	294	20,046,518	329,000
	Hua Nan Kirin Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	5,884,596	71,000	73,284,778	885,000	60,137,831	726,186	726,000	186	19,031,543	230,000
	Yuanta De-Li Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	9,118,948	150,000	9,118,948	150,110	150,000	110	-	-
	Shin Kong Chi-Shin Money-Market Fund	Financial assets at fair value through profit or loss - current	-	-	12,815,912	200,000	1,921,574	30,000	14,737,486	230,041	230,000	41	-	-
	Capital Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	7,379,140	120,000	14,123,876	230,000	15,366,731	250,140	250,000	140	6,136,287	100,000
	Jih Sun Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	16,833,145	249,200	16,702,410	250,000	16,833,145	251,765	249,200	2,565	16,702,410	250,000
	Taishin Ta-Chong Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	20,116,313	288,000	29,641,446	425,000	33,378,382	478,143	478,000	143	16,379,377	235,000
	SinoPac TWD Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	14,958,057	210,000	7,124,080	100,007	100,000	7	7,833,977	110,000
	CTBC Hwa-Win Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	9,003,412	100,000	76,924,890	855,000	82,332,796	915,166	915,000	166	3,595,506	40,000
	Taishin 1699 Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	5,497,139	75,000	24,155,195	330,000	10,406,596	142,030	142,000	30	19,245,740	263,000
	Nomura Taiwan Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	18,836,125	310,000	15,193,248	250,037	250,000	37	3,642,877	60,000

(Continued)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance (Note)		Acquisition		Sell				December 31, 2021 (Note)	
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
	Cathay Taiwan Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	11,164,746	\$ 140,000	11,164,746	\$ 140,021	\$ 140,000	\$ 21	-	-
	Deutsche Far Eastern DWS Taiwan Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	11,007,434	130,000	11,007,434	130,011	130,000	11	-	-
	Taiwan Cooperative Bank Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	55,054,836	564,000	55,054,836	564,083	564,000	83	-	-
USIFE Investment Co., Ltd.	Beneficiary certificates Yuanta De-Li Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	1,870,081	30,284	3,037,907	50,000	-	-	-	-	4,907,988	80,284
	Cathay Taiwan Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	3,451,207	42,238	2,392,993	30,000	-	-	-	-	5,844,200	72,238
Taiwan United Venture Capital Corp.	Beneficiary certificates Cathay Taiwan Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	4,391,849	55,000	-	-	-	-	-	-	4,391,849	55,000
USI Optronics Corporation	Beneficiary certificates Jih Sun Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	1,016,620	\$ 15,000	-	\$ -	-	\$ -	\$ -	\$ -	\$ 1,016,620	\$ 15,000
	Taishin 1699 Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	1,257,350	17,000	-	-	369,809	5,048	5,000	48	887,541	12,000
INOMA Corporation	Beneficiary certificates Taishin 1699 Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	595,654	8,000	-	-	148,915	2,035	2,000	35	446,739	6,000

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

USI CORPORATION AND SUBSIDIARIES

China General Plastics Corporation

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

FOR THE YEAR ENDED DECEMBER 31, 2021

Table 4-1

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

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance (Note)		Acquisition		Sell			December 31, 2021 (Note)			
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount	
China General Plastics Corporation	Beneficiary certificates														
	FSITC Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	\$ -	3,109,635	\$ 560,000	3,109,635	\$ 560,061	\$ 560,000	\$ 61	-	\$ -	
	FSITC Taiwan Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	27,031,631	418,000	21,859,596	338,047	338,000	47	5,172,035	80,000	
	UPAMC James Bond Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	2,670,433	45,000	2,670,433	45,005	45,000	5	-	-	
	Hua Nan Phoenix Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	27,133,187	445,000	24,392,560	400,077	400,000	77	2,740,627	45,000	
	Hua Nan Kirin Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	15,721,963	190,000	15,721,963	190,017	190,000	17	-	-	
	Yuanta De-Li Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	15,012,916	247,000	15,012,916	247,019	247,000	19	-	-	
	Shin Kong Chi-Shin Money-Market Fund	Financial assets at fair value through profit or loss - current	-	-	6,407,463	100,000	7,046,540	110,000	13,454,003	210,019	210,000	19	-	-	
	Capital Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	6,140,847	100,000	6,140,847	100,032	100,000	32	-	-	
	Jih Sun Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	6,677,975	100,000	6,677,975	100,040	100,000	40	-	-	
	Taishin Ta-Chong Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	4,190,295	60,000	40,879,691	586,000	45,069,986	646,101	646,000	101	-	-	
	SinoPac TWD Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	7,121,696	100,000	7,121,696	100,010	100,000	10	-	-	
	CTBC Hwa-Win Money Market Fund Account	Financial assets at fair value through profit or loss - current	-	-	4,501,666	50,000	46,771,745	520,000	51,273,411	570,046	570,000	46	-	-	
	Taishin 1699 Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	7,255,248	99,000	13,909,262	190,000	21,164,509	289,085	289,000	85	-	-	
	Nomura Taiwan Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	24,661,509	406,000	24,661,509	406,049	406,000	49	-	-	
	Cathay Taiwan Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	7,967,178	100,000	3,985,906	50,002	50,000	2	3,981,272	50,000	
Taiwan Cooperative Bank Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	11,718,808	120,000	11,718,808	120,018	120,000	18	-	-		
Taiwan Corporation	VCM Beneficiary certificates														
		FSITC Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	278,042	50,000	-	-	278,042	50,018	50,000	18	-	-
		FSITC Taiwan Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	3,240,147	50,000	25,887,463	400,000	29,127,610	450,075	450,000	75	-	-

(Continued)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance (Note)		Acquisition		Sell			December 31, 2021 (Note)		
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
	UPAMC James Bond Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	11,872,783	\$ 200,000	11,872,783	\$ 200,012	\$ 200,000	\$ 12	-	-
	Hua Nan Phoenix Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	610,344	10,000	12,200,702	200,000	12,811,046	210,025	210,000	25	-	-
	Hua Nan Kirin Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	8,284,524	100,000	8,284,524	100,013	100,000	13	-	-
	Shin Kong Chi-Shin Money-Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	2,561,689	40,000	2,561,689	40,006	40,000	6	-	-
	Capital Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	4,611,100	\$ 75,000	5,529,478	\$ 90,000	10,140,578	\$ 165,036	\$ 165,000	\$ 36	-	\$ -
	Jih Sun Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	669,954	10,000	-	-	669,954	10,029	10,000	29	-	-
	Taishin Ta-Chong Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	6,983,874	100,000	22,338,288	320,000	29,322,162	420,059	420,000	59	-	-
	CTBC Hwa-Win Money Market Fund Account	Financial assets at fair value through profit or loss - current	-	-	-	-	8,999,199	100,000	8,999,199	100,004	100,000	4	-	-
	Taishin 1699 Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	3,664,588	50,000	5,128,431	70,000	8,793,018	120,044	120,000	44	-	-
	Nomura Taiwan Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	6,079,434	100,000	6,079,434	100,009	100,000	9	-	-
	Taiwan Cooperative Bank Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	14,647,150	150,000	14,647,150	150,009	150,000	9	-	-
CGPC Corporation	Polymer Beneficiary certificates		-	-										
	FSITC Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	250,312	45,000	1,999,224	360,000	2,249,535	405,209	405,000	209	-	-
	FSITC Taiwan Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	3,178,916	49,000	36,160,382	559,000	32,874,421	508,400	508,000	400	6,464,876	100,000
	Hua Nan Phoenix Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	7,629,121	125,000	16,094,751	264,000	14,949,274	245,056	245,000	56	8,774,597	144,000
	Hua Nan Kirin Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	3,315,451	40,000	48,446,773	585,000	47,046,842	568,067	568,000	67	4,715,381	57,000
	Yuanta De-Li Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	7,288,364	120,000	6,316,582	104,027	104,000	27	971,782	16,000
	Shin Kong Chi-Shin Money-Market Fund	Financial assets at fair value through profit or loss - current	-	-	1,601,866	25,000	2,625,640	41,000	4,227,506	66,027	66,000	27	-	-
	Capital Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	11,991,180	195,000	-	-	11,991,180	195,224	195,000	224	-	-
	Taishin Ta-Chong Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	8,941,582	128,000	37,239,819	534,000	39,212,712	562,343	562,000	343	6,968,690	100,000
	SinoPac TWD Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	7,121,442	100,000	7,121,442	100,011	100,000	11	-	-
	Taishin 1699 Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	15,393,455	210,000	17,554,152	240,000	28,561,000	390,140	390,000	140	4,386,606	60,000

(Continued)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance (Note)		Acquisition		Sell			December 31, 2021 (Note)		
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
	Nomura Taiwan Money Market Fund	Financial assets at fair value through profit or loss - current	—	—	-	-	3,040,475	\$ 50,000	3,040,475	\$ 50,002	\$ 50,000	\$ 2	-	-
	Cathay Taiwan Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	-	-	3,986,923	50,000	3,986,923	50,037	50,000	37	-	-
	Taiwan Cooperative Bank Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	-	-	50,169,944	514,000	47,732,109	489,062	489,000	62	2,437,835	25,000

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

USI CORPORATION AND SUBSIDIARIES

Taita Chemical Company, Ltd.

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 4-2

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

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance (Note)		Acquisition		Sell			December 31, 2021 (Note)		
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit	Amount
Taita Chemical Company, Ltd.	Beneficiary certificates													
	FSITC Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	-	\$ -	554,887	\$ 100,000	-	\$ -	\$ -	\$ -	554,887	\$ 100,000
	FSITC Taiwan Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	-	-	16,171,818	250,000	16,171,818	250,052	250,000	52	-	-
	UPAMC James Bond Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	-	-	21,822,997	368,000	18,859,507	318,049	318,000	49	2,963,490	50,000
	Hua Nan Phoenix Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	5,248,671	86,000	36,399,248	597,000	37,870,702	621,110	621,000	110	3,777,217	62,000
	Hua Nan Kirin Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	6,962,057	84,000	37,264,857	450,000	44,226,914	534,088	534,000	88	-	-
	Shin Kong Chi-Shin Money-Market Fund	Financial assets at fair value through profit or loss – current	—	—	-	-	15,193,275	250,000	12,156,807	200,081	200,000	81	3,036,468	50,000
	Capital Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	5,225,881	85,000	18,423,866	300,000	17,513,648	285,109	285,000	109	6,136,099	100,000
	Jih Sun Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	3,022,043	45,000	5,208,229	78,000	8,230,272	123,212	123,000	212	-	-
	Taishin Ta-Chong Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	-	-	10,118,419	145,000	10,118,419	145,066	145,000	66	-	-
	CTBC Hwa-Win Money Market Fund Account	Financial assets at fair value through profit or loss – current	—	—	-	-	33,288,910	370,000	33,288,910	370,034	370,000	34	-	-
	Taishin 1699 Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	-	-	12,439,228	170,000	5,128,538	70,019	70,000	19	7,310,690	100,000
	Nomura Taiwan Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	-	-	3,040,475	50,000	3,040,475	50,008	50,000	8	-	-
	Taiwan Cooperative Bank Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	-	-	24,986,010	256,000	24,986,010	256,018	256,000	18	-	-

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

USI CORPORATION AND SUBSIDIARIES

Asia Polymer Corporation

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 4-3

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

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance (Note)		Acquisition		Sell			December 31, 2021 (Note)		
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
Asia Polymer Corporation	Beneficiary certificates FSITC Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	-	\$ -	833,164	\$ 150,000	833,164	\$ 150,024	\$ 150,000	\$ 24	-	\$ -
	FSITC Taiwan Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	3,564,088	55,000	22,967,753	355,000	20,065,334	310,114	310,000	114	6,466,507	100,000
	UPAMC James Bond Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	-	-	21,349,174	360,000	21,349,174	360,027	360,000	27	-	-
	Hua Nan Phoenix Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	-	-	9,145,357	150,000	9,145,357	150,040	150,000	40	-	-
	Hua Nan Kirin Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	6,381,916	77,000	16,550,041	200,000	8,453,185	102,017	102,000	17	14,478,773	175,000
	Yuanta De-Li Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	-	-	3,645,688	60,000	3,645,688	60,001	60,000	1	-	-
	Shin Kong Chi-Shin Money-Market Fund	Financial assets at fair value through profit or loss – current	—	—	-	-	640,365	10,000	640,365	10,001	10,000	1	-	-
	Capital Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	2,152,072	35,000	1,843,035	30,000	3,995,106	65,026	65,000	26	-	-
	Jih Sun Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	16,818,904	249,600	4,137,029	62,000	-	-	-	-	20,955,933	311,600
	Taishin Ta-Chong Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	-	-	26,519,389	380,000	26,519,389	380,063	380,000	63	-	-
	CTBC Hwa-Win Money Market Fund Account	Financial assets at fair value through profit or loss – current	—	—	5,672,048	63,000	5,392,241	60,000	5,672,048	63,012	63,000	12	5,392,241	60,000
	Taishin 1699 Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	12,021,036	164,000	37,687,142	515,000	45,320,015	619,166	619,000	166	4,388,163	60,000
	Nomura Taiwan Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	-	-	1,520,237	25,000	1,520,237	25,003	25,000	3	-	-
	Deutsche Far Eastern DWS Taiwan Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	-	-	19,485,559	230,000	19,485,559	230,039	230,000	39	-	-

(Continued)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance (Note)		Acquisition		Sell				December 31, 2021 (Note)	
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
APC Investment Corporation	Taiwan Cooperative Bank Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	-	\$ -	4,880,811	\$ 50,000	4,880,811	\$ 50,003	\$ 50,000	\$ 3	-	\$ -
	Beneficiary certificates Cathay Taiwan Money Market Fund	Financial assets at fair value through profit or loss – current	—	—	-	6,115	2,392,993	30,000	1,600,000	20,083	19,977	106	1,292,518	16,138

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

USI CORPORATION AND SUBSIDIARIES

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

FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 5

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction and Reasons		Notes/Accounts Receivable (Payable)		Remark
			Purchase/Sale	Amount	Ratio to Total Purchase (Sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	Ratio to Total Notes or Accounts Receivable (Payable) (%)	
USI CORPORATION	Asia Polymer Corporation	Subsidiary	Purchase	\$ 1,673,947	15.99	Within 60 days after purchasing on credit	No significant difference	No significant difference	(\$ 390,410)	(27.61)	
	Asia Polymer Corporation	Subsidiary	Sale	(213,766)	(0.30)	Within 60 days after selling on credit	No significant difference	No significant difference	-	-	
	USI (Hong Kong) Company Ltd.	Subsidiary	Sale	(220,464)	(0.31)	Within 60 days after selling on credit	No significant difference	No significant difference	23,142	1.06	
	USI Trading (Shanghai) Co., Ltd.	Subsidiary	Sale	(214,853)	(0.30)	Within 60 days after selling on credit	No significant difference	No significant difference	46,493	2.12	
	Forever Young Company Limited	Subsidiary	Sale	(114,343)	(0.16)	Within 60 days after selling on credit	No significant difference	No significant difference	24,324	1.11	
USI (Hong Kong) Company Ltd.	USI CORPORATION	Parent company	Purchase	220,464	2.11	Within 60 days after purchasing on credit	No significant difference	No significant difference	(23,142)	(1.64)	
Forever Young Company Limited	USI CORPORATION	Parent company	Purchase	114,343	1.09	Within 60 days after purchasing on credit	No significant difference	No significant difference	(24,324)	(1.72)	

USI CORPORATION AND SUBSIDIARIES

Acme Electronics Corporation

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

FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 5-1

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark
			Purchase/Sale	Amount	Ratio to Total Purchase (Sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	Ratio to Total Notes or Accounts Receivable (Payable) (%)	
Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	Subsidiary of GAEL	Purchase (including processing fee)	\$ 429,667	39	55 days	No significant difference	No significant difference	(\$ 88,153)	(40)	
Acme Electronics (Guang-Zhou) Co., Ltd.	Acme Electronics Corporation	Subsidiary of GAEL	Sale (including processing fee)	(429,667)	(33)	55 days	No significant difference	No significant difference	88,153	26	
Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	Subsidiary of GAEL	Sale	(130,997)	(10)	55 days	No significant difference	No significant difference	23,131	7	
Acme Electronics (Guang-Zhou) Co., Ltd.	Acme Electronics Corporation	Subsidiary of GAEL	Purchase	130,997	54	55 days	No significant difference	No significant difference	(23,131)	(45)	
Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	Subsidiary of ACME (Cayman)	Sale	(263,484)	(20)	55 days	No significant difference	No significant difference	59,933	19	
Acme Electronics (Kunshan) Co., Ltd.	Acme Electronics Corporation	Subsidiary of ACME (Cayman)	Purchase	263,484	69	55 days	No significant difference	No significant difference	(59,933)	(73)	
Acme Electronics (Kunshan) Co., Ltd.	ACME Ferrite Products Sdn. Bhd.	Subsidiary of ACME (Cayman)	Sale	(131,681)	(12)	55 days	No significant difference	No significant difference	20,766	6	
ACME Ferrite Products Sdn. Bhd.	Acme Electronics (Kunshan) Co., Ltd.	Subsidiary of ACME (Cayman)	Purchase	136,681	41	55 days	No significant difference	No significant difference	(20,766)	(38)	

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

USI CORPORATION AND SUBSIDIARIES

Swanson Plastics Corporation

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

FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 5-2

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark
			Purchase/Sale	Amount	Ratio to Total Purchase (Sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	Ratio to Total Notes or Accounts Receivable (Payable) (%)	
Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	Subsidiary	Purchase	\$ 197,368	78	90 days	No significant difference	No significant difference	Accounts payable to related parties (\$38,773)	(91)	
Forever Young Company Limited	Swanson Plastics (Kunshan) Co., Ltd.	Have the same ultimate parent company	Sale	(339,983)	(33)	90 days	No significant difference	No significant difference	Accounts receivable from related parties NT\$26,315	26	
	Swanson Plastics (Malaysia) Sdn. Bhd.	Have the same ultimate parent company	Purchase	129,538	13	90 days	No significant difference	No significant difference	Accounts payable to related parties (\$14,376)	(7)	
	Swanson Plastics (Malaysia) Sdn. Bhd.	Have the same ultimate parent company	Sale	(368,006)	(36)	90 days	No significant difference	No significant difference	Accounts receivable from related parties NT\$42,871	42	
	PT.Swanson Plastics Indonesia	Have the same ultimate parent company	Sale	(124,689)	(12)	90 days	No significant difference	No significant difference	Accounts receivable from related parties NT\$9,714	10	
	USI Corporation	Ultimate parent company	Purchase	110,630	11	75 days	No significant difference	No significant difference	Accounts payable to related parties (\$13,712)	(7)	
Swanson Plastics (Kunshan) Co., Ltd.	Forever Young Company Limited	Have the same ultimate parent company	Purchase	339,983	33	90 days	No significant difference	No significant difference	Accounts payable to related parties (\$26,315)	(18)	
	ASK-Swanson (Kunshan) Co., Ltd.	Have the same ultimate parent company	Sale	(140,529)	(12)	60 days	No significant difference	No significant difference	Accounts receivable from related parties NT\$36,280	12	
Swanson Plastics (Malaysia) Sdn. Bhd.	Forever Yong Company Limited	Have the same ultimate parent company	Sale	(129,538)	(13)	90 days	No significant difference	No significant difference	Accounts receivable from related parties NT\$14,376	9	
	Forever Yong Company Limited	Have the same ultimate parent company	Purchase	368,006	50	90 days	No significant difference	No significant difference	Accounts payable to related parties (\$42,871)	(49)	
	Swanson Plastics (Singapore) Pte., Ltd.	Parent company	Sale	(197,368)	(20)	90 days	No significant difference	No significant difference	Accounts receivable from related parties NT\$38,773	23	
ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Kunshan) Co., Ltd.	Have the same ultimate parent company	Purchase	140,529	51	60 days	No significant difference	No significant difference	Accounts payable to related parties (\$36,280)	(77)	
PT.Swanson Plastics Indonesia	Forever Young Company Limited	Have the same ultimate parent company	Purchase	124,689	42	90 days	No significant difference	No significant difference	Accounts payable to related parties (\$9,714)	(38)	

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

USI CORPORATION AND SUBSIDIARIES

China General Plastics Corporation

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

FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 5-3

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark
			Purchase/Sale	Amount	Ratio to Total Purchase (Sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	Ratio to Total Notes or Accounts Receivable (Payable) (%)	
China General Plastics Corporation	Taiwan VCM Corporation	Subsidiary	Purchase	\$ 7,071,763	79	45 days	No significant difference	No significant difference	Accounts payable to related parties (\$1,489,862)	(87)	
	CGPC America Corporation	Subsidiary	Sale	(679,417)	(6)	90 days	No significant difference	No significant difference	Accounts receivable from related parties NT\$189,714	14	
Taiwan VCM Corporation	China General Plastics Corporation	Parent company	Sale	(7,071,763)	(48)	45 days	No significant difference	No significant difference	Accounts receivable from related parties NT\$1,489,862	47	
	CGPC Polymer Corporation	Fellow company	Sale	(6,585,350)	(45)	75 days	No significant difference	No significant difference	Accounts receivable from related parties NT\$1,361,638	43	
CGPC Polymer Corporation	Taiwan VCM Corporation	Fellow company	Purchase	6,585,350	97	75 days	No significant difference	No significant difference	Accounts payable to related parties (\$1,361,638)	(98)	
CGPC America Corporation	China General Plastics Corporation	Parent company	Purchase	679,417	89	90 days	No significant difference	No significant difference	Accounts payable to related parties (\$189,714)	(98)	

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

USI CORPORATION AND SUBSIDIARIES

Taita Chemical Company, Ltd.

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 5-4

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark
			Purchase/Sale	Amount	Ratio to Total Purchase (Sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	Ratio to Total Notes or Accounts Receivable (Payable) (%)	
Taita Chemical Company, Ltd.	Taita Chemical (Zhongshan) Co., Ltd.	Sub-subsidiary	Sale	(\$ 1,049,003) (USD37,578 thousand)	(6.67)	30 days	No significant difference	No significant difference	Accounts receivable from related parties NT\$542 (USD20 thousand)	0.03	

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

USI CORPORATION AND SUBSIDIARIES

Asia Polymer Corporation

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

FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 5-5

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark
			Purchase/Sale	Amount	Ratio to Total Purchase (Sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	Ratio to Total Notes or Accounts Receivable (Payable) (%)	
Asia Polymer Corporation	USI CORPORATION	Ultimate parent company	Sale	(\$ 1,673,192)	(17.50)	60 days	No significant difference	No significant difference	Accounts receivable – related parties NT\$399,887	28.17	
Asia Polymer Corporation	USI CORPORATION	Ultimate parent company	Purchase	213,752	4.53	30 days	No significant difference	No significant difference	Accounts payable to related parties (\$28,177)	(9.45)	
USI Trading (Shanghai) Co., Ltd.	USI CORPORATION	Ultimate parent company	Purchase	216,155	4.59	30 days	No significant difference	No significant difference	Accounts payable to related parties (\$46,493)	(15.59)	

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

USI CORPORATION AND SUBSIDIARIES
RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2021

TABLE 6

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

Company Name	Counterparty	Relationship	Ending Balance	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
USI Corporation	Taiwan VCM Corporation	Subsidiary of the Company	Other receivables – related parties NT\$227,039	-	\$ -	—	\$ 227,039	Note 1
	Asia Polymer Corporation	Subsidiary of the Company	Other receivables – related parties NT\$228,869	-	-	—	228,869	Note 1
	USI Green Energy Corporation	Subsidiary of the Company	Other receivables – related parties NT\$125,001	-	-	—	125,001	Note 1

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

Note 2. The subsequent period refers to the period from January 1, 2022 to March 10, 2022.

USI CORPORATION AND SUBSIDIARIES

Swanson Plastics Corporation

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

DECEMBER 31, 2021

TABLE 6-1

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

Company Name	Counterparty	Relationship	Ending Balance	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	Fellow company	Other accounts receivable – related parties NT\$165,717 (RMB38,170 thousand)	-	\$ -	—	\$ -	Note 1

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

Note 2. The subsequent period refers to the period from January 1, 2022 to March 8, 2022.

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

USI CORPORATION AND SUBSIDIARIES

China General Plastics Corporation

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

DECEMBER 31, 2021

TABLE 6-2

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

Company Name	Counterparty	Relationship	Ending Balance	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
China General Plastics Corporation	CGPC America Corporation	Subsidiary	Accounts receivable – related parties NT\$189,714	4.52	\$ -	—	\$ 84,313	Note 1
Taiwan VCM Corporation	China General Plastics Corporation	Parent company	Accounts receivable – related parties NT\$1,489,862	5.53	-	—	1,489,862	Note 1
	CGPC Polymer Corporation	Fellow company	Accounts receivable – related parties NT\$1,361,638	4.70	-	—	1,361,638	Note 1

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

Note 2. The subsequent period refers to the period from January 1, 2022 to February 24, 2022.

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

USI CORPORATION AND SUBSIDIARIES

Taita Chemical Company, Ltd.

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

DECEMBER 31, 2021

TABLE 6-3

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

Company Name	Counterparty	Relationship	Ending Balance	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
Taita Chemical Company, Ltd.	Taita Chemical (Tianjin) Co., Ltd.	Sub-subsiidiary	Other receivables NT\$ 256,014 (USD9,249 thousand) (Note 1)	-	\$ 256,014	Continuous Collection	\$ -	\$ -

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

Note 2. There was no amount received as of March 9, 2022.

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

USI CORPORATION AND SUBSIDIARIES

Asia Polymer Corporation

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

DECEMBER 31, 2021

TABLE 6-4

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

Company Name	Counterparty	Relationship	Ending Balance	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
(Asia Polymer Corporation)	USI CORPORATION	Parent company	Accounts receivable – related parties NT\$399,887	5.68	\$ -	—	\$ 399,887	Note 1
			Other accounts receivable – related parties NT\$2		-	—	2	Note 1

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

Note 2. The subsequent period refers to the period from January 1, 2022 to March 9, 2022.

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

USI CORPORATION AND SUBSIDIARIES
INFORMATION ON INVESTEEES
FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 7

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2021			Net Income (Loss) of the Investee for the Year Ended December 31, 2021	Investment Gain (Loss) for the Year Ended December 31, 2021	Remark
				December 31, 2021	December 31, 2020	Number of Shares	Percentage (%)	Carrying Amount			
USI CORPORATION	USIFE Investment Co., Ltd.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Investments in production, transportation, warehousing, construction, banking, securities investment companies and trading companies	\$ 550,000	\$ 550,000	87,250,800	100.00	\$ 1,088,028	\$ 91,531	\$ 91,531	Subsidiary
	Swanlake Traders Ltd.	Citco Building, Wickhamo Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands	Trading and investment	728,439	728,439	30,000,000	100.00	1,270,746	11,265	11,265	Subsidiary
	USI (Hong Kong) Company Ltd.	6/F., Caltex House, 258 Hennessy Road, Hong Kong	Trading and investment	63,482	63,482	159,999	100.00	63,676	(1,566)	(1,566)	Subsidiary
	Union Polymer Int'l Investment Corp.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Investments in various production and service businesses	3,490,255	3,490,255	746,722,725	100.00	10,447,388	2,301,117	2,263,488	Subsidiary
	Taiwan United Venture Capital Corp.	10F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Venture capital (focused on "high technology industry")	471,800	471,800	25,900,000	70.00	190,601	(2,438)	(1,707)	Subsidiary
	Chong Loong Trading Co., Ltd.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Import and export trade	28,323	28,323	5,333,059	99.93	65,330	9,208	10,166	Subsidiary
	Swanson Plastics Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Production and marketing of stretch film, embossed film and industrial-use multilayer wrap	171,210	171,210	62,616,299	40.58	1,068,346	224,921	91,268	Subsidiary
	(Acme Electronics Corporation)	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and marketing of manganese-zinc soft ferrite powder	221,513	221,513	49,250,733	26.91	343,972	59,329	15,968	Subsidiary
	INOMA Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Optical products and fireproof materials	250,354	250,354	9,243,369	94.37	16,854	(2,703)	(2,551)	Subsidiary
	USI Management Consulting Corp.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Providing management services	1,000	1,000	671,400	100.00	(1,195)	(2,301)	(2,301)	Subsidiary
	Cypress Epoch Limited	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110	Investment	-	150,540	-	-	-	-	-	Note 1
	Ever Conquest Global Limited	P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	Investment	7,645,980	7,645,980	246,670,000	59.13	7,019,488	(443,454)	(262,227)	Subsidiary
	USI Optronics Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Manufacturing and marketing of sapphire single crystal	330,000	330,000	33,000,000	50.85	48,168	(41,955)	(21,333)	Subsidiary
USI Green Energy Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Solar power generation business	70,100,000	-	7,010,000	100.00	106,371	2,885	2,279	Subsidiary	
Ever Conquest Global Limited	Ever Victory Global Limited	P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	Investment business	11,546,574 (USD417,145 thousand)	11,546,574 (USD417,145 thousand)	417,145,000	67.40	11,870,694 (USD428,855 thousand)	(635,890) (USD-22,838 thousand)		Subsidiary
Ever Victory Global Limited	Dynamic Ever Investments Limited	Room 1902, 19/F, Lee Gargen One, 33 Hysan Aveme, Causeway Bay, Hong Kong	Investment business	16,299,368 (USD588,850 thousand)	16,299,368 (USD588,850 thousand)	588,850,000	85.00	16,785,159 (USD606,400 thousand)	(749,901) (USD-26,932 thousand)		Sub-subsidiary
Union Polymer Int'l Investment Corp.	Taita Chemical Company, Ltd.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Production and marketing of polystyrene, propylene, butadiene, ABS resin, SAN resin, glass wool insulation products and plastic materials	1,749,212	1,749,212	138,863,816	36.67	3,022,815	1,849,932		Sub-subsidiary
	(Asia Polymer Corporation)	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Production and marketing of low-density polyethylene, medium-density polyethylene, ethylene vinyl acetate and importing and marketing of linear low-density polyethylene and high-density polyethylene	1,965,437	1,965,437	192,063,336	32.35	5,501,113	3,101,127		Sub-subsidiary
	China General Plastics Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Production and marketing of plastic cloths, plastic skins, plastic tubes, plastic pellets, plastic powder and other related products	1,320,045	1,320,045	140,609,929	24.20	2,831,033	2,631,418		Sub-subsidiary

(Continued)

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2021			Net Income (Loss) of the Investee for the Year Ended December 31, 2021	Share of Profit (Loss)	Remark
				December 31, 2021	December 31, 2020	Number of Shares	Percentage (%)	Carrying Amount			
USIFE Investment Co., Ltd.	Acme Electronics Corporation	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and marketing of manganese-zinc soft ferrite powder	\$ 155,632	\$ 155,632	16,424,242	8.98	\$ 129,296	\$ 59,329	\$	Subsidiary
	Swanson Technologies Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Manufacturing of plastic film (bag), industrial plastic products and reinforced plastic products	30,000	30,000	2,250,015	15.00	4,358	(13,183)		Sub-subsidiary
	Taiwan United Venture Management Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Corporate management consulting	8,000	8,000	800,000	100.00	15,349	548		Sub-subsidiary
Swanlake Traders Ltd.	ACME Electronics (Cayman) Corp.	Ugland House P.O. Box 309 George Town, Grand Cayman, Cayman Islands	Corporate investments	158,038 (USD5,709 thousand)	97,919 (USD3,538 thousand)	8,318,356	16.65	204,916 (USD7,403 thousand)	62,808 (USD2,252 thousand)		Sub-subsidiary

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

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

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

USI CORPORATION AND SUBSIDIARIES
Acme Electronics Corporation
INFORMATION ON INVESTEEES
FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 7-1

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2021			Net Income (Loss) of the Investee for the Year Ended December 31, 2021	Share of Profit (Loss)	Remark
				December 31, 2021	December 31, 2020	Number of Shares	Percentage (%)	Carrying Amount			
Acme Electronics Corporation	ACME Electronics (Cayman) Corp.	Ugland House P.O. Box 309 George Town, Grand Cayman, Cayman Islands	Corporate investments	\$ 605,182 (USD18,336 thousand)	\$ 605,182 (USD18,336 thousand)	25,621,692	51.27	\$ 629,708	\$ 62,808 (USD2,252 thousand)	\$ 32,780 (USD1,175 thousand)	
	Golden Amber Enterprises Limited	CITCO Building, Wickhams Cay Road Town, Tortola, British Virgin Islands	Corporate investments	669,072 (USD20,800 thousand)	669,072 (USD20,800 thousand)	20,800,000	100.00	983,512	90,599	90,599	
	USI Optronics Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Manufacturing and marketing of sapphire single crystal	646,200	646,200	22,064,224	34.00	32,206	(41,955)	(14,263)	
ACME Electronics (Cayman) Corp.	ACME Components (Malaysia) Sdn. Bhd.	Plot 15, Jalan Industri 6 Kawasan Perindustrian Jelapang II (ZPB) Jelapang 30020 Ipoh, Perak, Malaysia.	Corporate investments	331,164 (USD11,891 thousand)	331,164 (USD11,891 thousand)	42,600,000	100.00	622,709 (USD22,497 thousand)	45,230 (MYR6,997 thousand)	45,230 (MYR6,997 thousand)	
ACME Components (Malaysia) Sdn. Bhd.	ACME Ferrite Products Sdn. Bhd.	Plot 15, Jalan Industri 6 Kawasan Perindustrian Jelapang II (ZPB) Jelapang 30020 Ipoh, Perak, Malaysia.	Manufacturing and marketing of manganese-zinc soft ferrite core	242,134 (MYR37,964 thousand)	242,134 (MYR37,964 thousand)	9,120,000	100.00	613,060 (MYR96,469 thousand)	45,765 (MYR7,080 thousand)	45,765 (MYR7,080 thousand)	

Note 1. The foreign currency amount was calculated based on the spot exchange rate of December 31, 2021.

Note 2. The amount is calculated based on the average exchange rate during the period from January 1 and December 31, 2021.

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

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

USI CORPORATION AND SUBSIDIARIES
Swanson Plastics Corporation
INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 7-2

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2021			Net Income (Loss) of the Investee for the Year Ended December 31, 2021	Investment Gain (Loss) for the Year Ended December 31, 2021	Remark
				December 31, 2021 (Note 1)	December 31, 2020 (Note 1)	Number of Shares (In Thousands of Shares)	Percentage (%)	Carrying Amount			
Swanson Plastics Corporation	Swanson Plastics (Singapore) Pte., Ltd.	2 Venture Drive Vision Exchange #12-10 Singapore 608526	Production and marketing of plastic products	\$ 808,506	\$ 808,506	36,863	100.00	\$ 1,764,808	\$ 118,245	\$ 118,245	Note 2
	Forever Young Company Limited	Skelton Building Main Street P.O. Box 3136 Road Town, Tortola British Virgin Islands	Trading and agency businesses	1,297	1,297	50	100.00	34,835	5,869	5,869	
	Swanson International Ltd.	Ugland House, P.O.Box 309 George Town, Grand Cayman, Cayman Islands, British West Indies	Investment	454,134	454,134	14,541	100.00	1,608,235	62,939	62,939	Note 2
	Curtana Company Ltd.	Flatb 6/F Caltex House 258 Hennessy Road Wanchai, Hong Kong	Investment	-	4,850	-	-	-	-	-	Note 4
	Swanson Technologies Corporation	12F., No. 37, Jihu Rd., Neihsu Dist., Taipei City 114, Taiwan (ROC)	Planting agriculture, marketing, research and development of agricultural products, production, sale, and development of EVA packaging films and other high value-added plastic products	105,001	140,000	10,500	70.00	20,335	(13,183)	(9,228)	
	PT. Swanson Plastics Indonesia	Ngoro Industrial Park Blok D2-3 Ds. Lolawang Kec. Ngoro Kab. Mojokerto	Manufacturing and marketing of plastic products	7,979	7,979	261	1.00	7,336	47,876	479	
Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	Plot 505, Tingkat Perusahaan 4A, Kawasan Perusahaan Perai, Zon Perdagangan Bebas, 13600 Perai, Seberang Perai, Malaysia	Manufacturing and marketing of plastic products	182,505 (USD6,593 thousand)	182,505 (USD6,593 thousand)	20,000	100.00	586,411 (USD21,185 thousand)	86,314 (USD3,082 thousand)		
	Swanson Plastics (India) Private Ltd.	PLOT No.2, GDDIDC. Honda, Bhuipal Sattari-403 506, Goa-India	Manufacturing and marketing of plastic products	457,020 (USD16,511 thousand)	457,020 (USD16,511 thousand)	107,351	100.00	284,595 (USD10,282 thousand)	2,479 (INR6,527 thousand)		
	PT. Swanson Plastics Indonesia	Ngoro Industrial Park Blok D2-3 Ds. Lolawang Kec. Ngoro Kab. Mojokerto	Manufacturing and marketing of plastic products	715,252 (USD25,840 thousand)	715,252 (USD25,840 thousand)	25,840	99.00	726,243 (USD26,237 thousand)	47,876 (IDR24,496,752 thousand)		
Swanson International Ltd.	A.S. Holdings (UK) Limited	United Kingdom	Investment	196,364 (USD7,094 thousand)	196,364 (USD7,094 thousand)	3,157	100.00	516,906 (USD18,674 thousand)	29,143 (USD1,040 thousand)		Note 2

Note 1. Original investment amount and book amounts were calculated using the spot exchange rate of December 31, 2021.

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

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

Note 4. Curtana Company Ltd. completed its liquidation and dissolution in the first quarter of 2021.

USI CORPORATION AND SUBSIDIARIES
China General Plastics Corporation
INFORMATION ON INVESTEEES
FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 7-3

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2021			Net Income (Loss) of the Investee for the Year Ended December 31, 2021	Investment Loss (Loss) for the Year Ended December 31, 2021	Remark
				December 31, 2021	December 31, 2020	Number of Shares	Percentage (%)	Carrying Amount			
China General Plastics Corporation	Taiwan VCM Corporation	No. 1, Gongye 1 st Rd., Linyuan Dist., Kaohsiung City 832, Taiwan (R.O.C.)	Manufacturing and marketing of VCM	\$ 2,933,648	\$ 2,930,995	259,591,005	87.27	\$ 4,610,674	\$ 1,510,951	\$ 1,189,448	Subsidiary
	CGPC Polymer Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Manufacturing and marketing of PVC resins	800,000	800,000	80,000,000	100.00	1,503,749	580,982	580,982	Subsidiary
	CGPC (BVI) Holding Co., Ltd.	Citco Building, Wickhams Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands	Reinvestment	1,073,906	1,073,906	16,308,258	100.00	345,845	(2,505)	(2,505)	Subsidiary
	China General Terminal & Distribution Co.	No. 1, Jianji St., Qianzhen Dist., Kaohsiung City 806, Taiwan (R.O.C.)	Warehousing and transportation of petrochemical raw materials	41,106	41,106	22,009,594	33.33	373,731	63,389	21,129	Associate accounted for using the equity method
	CGPC America Corporation	1181 California Ave., Suite 235 Corona, CA 92881	Marketing of PVC two- or three-time processed products	648,931	648,931	100	100.00	194,709	21,914	21,914	Subsidiary
	Acme Electronics Corporation	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Manufacturing & marketing of Mn-Zn and Ni-Zn ferrite cores	33,995	33,995	3,176,019	1.74	23,171	59,329	1,030	Associate accounted for using the equity method

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

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

USI CORPORATION AND SUBSIDIARIES
Taita Chemical Company, Ltd.
INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 7-4

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2021			Net Income (Loss) of the Investee for the Year Ended December 31, 2021	Investment Gain (Loss) for the Year Ended December 31, 2021	Remark (Note 1)
				December 31, 2021	December 31, 2020	Number of Shares	Percentage (%)	Carrying Amount			
Taita Chemical Company, Ltd.	TAITA (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment	\$ 2,483,948 (USD89,738 thousand)	\$ 2,483,948 (USD89,738 thousand)	89,738,000	100.00	\$ 3,142,621 (USD113,455 thousand)	\$ 211,285 (Profit USD7,532 thousand)	\$ 211,285 (Profit USD7,352 thousand)	Subsidiary
	China General Plastics Corporation	Taipei City	Production and marketing of PVC tape and other plastic products	65,365	65,365	11,516,174	1.98	221,245	2,468,676	48,928	Investments accounted for using the equity method
	China General Terminal & Distribution Co.	Taipei City	Warehousing of petrochemical raw materials	41,082	41,082	22,009,592	33.33	373,731	63,389	21,130	Investments accounted for using the equity method
	(Acme Electronics Corporation)	Taipei City	Production and marketing of manganese-zinc soft ferrite powder	44,771	44,771	4,445,019	2.43	32,429	59,329	1,441	Investments accounted for using the equity method
TAITA (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment	47,056 (USD1,700 thousand)	47,056 (USD1,700 thousand)	2,695,619	5.39	66,405 (USD2,399 thousand)	62,808 (Profit USD2,252 thousand)	-	Investments accounted for using the equity method

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

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

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

USI CORPORATION AND SUBSIDIARIES
Asia Polymer Corporation
INFORMATION ON INVESTEEES
FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 7-5

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2021			Net Income (Loss) of the Investee for the Year Ended December 31, 2021	Investment Gain (Loss) for the Year Ended December 31, 2021	Remark
				December 31, 2021	December 31, 2020	Number of Shares	Percentage (%)	Carrying Amount			
Asia Polymer Corporation	APC (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment business	\$ 381,287 (USD13,774,806)	\$ 381,287 (USD13,774,806)	11,342,594	100.00	\$ 545,802	\$ 27,305	\$ 27,305	Subsidiary
	APC Investment Corporation	Taipei City	Investment business	200,000	200,000	20,000,000	100.00	168,090	35,822	35,822	Subsidiary
	USI International Corp.	British Virgin Islands	Reinvestment business	58,128 (USD2,100,000)	58,128 (USD2,100,000)	2,100,000	70.00	62,380	1,047	733	Subsidiary
	China General Plastics Corporation	Taipei City	Production and marketing of PVC films, PVC leather, PVC pipes, PVC compounds, PVC resins, construction products, chlor-alkali products and other relevant products	247,412	247,412	46,886,185	8.07	900,764	2,468,676	199,203	Investments accounted for using the equity method
	China General Terminal & Distribution Co.	Taipei City	Petrochemical materials storage and transportation operations	41,082	41,082	22,009,593	33.33	373,731	63,389	21,129	Investments accounted for using the equity method
	Swanson Plastics Corporation	Taipei City	Production and marketing of stretch films and industrial use multi-layer films	75,242	75,242	12,266,779	7.95	210,268	224,921	17,880	Investments accounted for using the equity method
	(Acme Electronics Corporation)	Taipei City	Manufacturing & marketing of Mn-Zn and Ni-Zn ferrite cores	61,348	61,348	6,056,623	3.31	44,186	59,329	1,964	Investments accounted for using the equity method
	Taiwan United Venture Capital Corp.	Taipei City	Investments in high-tech undertakings	52,791	52,791	3,080,866	8.33	22,673	(2,438)	(203)	Investments accounted for using the equity method
	USI Optronics Corporation	Taipei City	Manufacturing and marketing of sapphire single crystal	59,725	59,725	5,972,464	9.20	8,718	(41,955)	(3,861)	Investments accounted for using the equity method
Ever Conquest Global Ltd.	British Virgin Islands	Reinvestment business	4,718,748 (USD170,475,000)	4,718,748 (USD170,475,000)	170,475,000	40.87	4,851,207	(443,454)	(181,227)	Investments accounted for using the equity method	
APC (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment business	145,179 (USD5,244,903)	145,179 (USD5,244,903)	8,316,450	16.64	204,869	62,703	-	APC (BVI) Holding Co., Ltd. Investments accounted for using the equity method
	USI International Corp.	British Virgin Islands	Reinvestment business	24,912 (USD900,000)	24,912 (USD900,000)	900,000	30.00	26,734	1,047	-	APC (BVI) Holding Co., Ltd. Investments accounted for using the equity method
APC Investment Corporation	Acme Electronics Corporation	Taipei City	Manufacturing & marketing of Mn-Zn and Ni-Zn ferrite cores	14,889	14,889	1,884,548	1.03	13,749	59,329	-	APC Investment Corporation Investments accounted for using the equity method

(Continued)

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2021			Net Income (Loss) of the Investee for the Year Ended December 31, 2021	Investment Gain (Loss) for the Year Ended December 31, 2021	Remark
				December 31, 2021	December 31, 2020	Number of Shares	Percentage (%)	Carrying Amount			
	Swanson Technologies Corporation	Taipei City	Production and marketing of EVA packaging films	\$ 22,500	\$ 30,000	2,250,015	15.00	\$ 4,357	(\$ 13,183)	\$ -	APC Investment Corporation Investments accounted for using the equity method
Ever Conquest Global Ltd.	Ever Victory Global Ltd.	British Virgin Islands	Reinvestment business	11,546,574 (USD417,145,000)	11,546,574 (USD417,145,000)	417,145,000	67.40	11,870,694 (USD428,855)	(635,890) (USD-22,838)	-	Ever Conquest Global Ltd. Investments accounted for using the equity method
Ever Victory Global Ltd.	Dynamic Ever Investments Ltd.	Hong Kong	Reinvestment business	16,299,368 (USD588,850,000)	16,299,368 (USD588,850,000)	588,850,000	85.00	16,785,159 (USD606,400)	(749,901) (USD-26,932)	-	Ever Victory Global Ltd. Investments accounted for using the equity method

Note 1. Please refer to Table 8-5 for relevant information of mainland investee companies.

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

USI CORPORATION AND SUBSIDIARIES
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 8

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

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021 (Note 6)	Investment Flows for the year ended December 31, 2021 (Note 6)		Accumulated Outward Remittance for Investment from Taiwan as of the Year Ended December 31, 2021 (Note 6)	Net Income (Loss) of the Investee for the Year Ended December 31, 2021 (Note 9)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) for the Year Ended December 31, 2021 (Notes 7 and 9)	Carrying Amount as of the Year Ended December 31, 2021 (Note 6)	Accumulated Repatriation of Investment Income as of the year ended December 31, 2021
					Outflow	Inflow						
Acme Electronics (Kunshan) Co., Ltd.	Manufacturing and marketing of manganese-zinc soft ferrite core	\$ 850,468 (USD30,725 thousand)	Note 1	\$ 77,989 (USD2,818 thousand)	\$ -	\$ -	\$ 77,989 (USD2,818 thousand)	\$ 45,024 (USD1,616 thousand)	16.65	\$ 7,495 (USD269 thousand)	\$ 137,494 (USD4,967 thousand)	\$ -
USIG (Shanghai) Co., Ltd.	Import and distribution of various types of chemical raw materials and products	138,400 (USD5,000 thousand)	Note 2	138,400 (USD5,000 thousand)	-	-	138,400 (USD5,000 thousand)	2,140 (USD76 thousand)	100.00	2,140 (USD76 thousand)	130,269 (USD4,706 thousand)	-
Fujian Gulei Petrochemical Co., Ltd.	Crude oil processing and petroleum products manufacturing	40,438,468 (RMB9,314,400 thousand)	Note 3	6,323,489 (USD228,450 thousand)	-	-	6,323,489 (USD228,450 thousand)	(1,455,990) (USD-52,302 thousand)	16.94	(246,635) (USD-8,860 thousand)	6,550,610 (USD236,655 thousand)	-

Accumulated Outward Remittance for Investment in Mainland China as of the Year Ended December 31, 2021	Investment Amounts Authorized by Investment Commission, MOEA	Maximum Amount of Investments in Mainland China Authorized by Investment Commission, MOEA
\$ 6,797,392 (USD245,571 thousand)	\$ 8,497,917(Note 5) (USD307,006 thousand)	\$ -(Note 4)

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

Note 2. The Company directly invested in China-based companies (100%).

Note 3. The Company indirectly invested 50% in Fujian Gulei Petrochemical Co., Ltd. via Ever Conquest Global Limited (59.13%), then reinvested Ever Victory Global Limited (67.40%), and finally reinvested Dynamic Ever Investments Limited (85.00%) in the third region.

Note 4. As the Company has obtained the certificate of being qualified for operating headquarters issued by the Industrial Development Bureau, MOEA No. 10920403810 on February 11, 2020, the upper limit on investment in mainland China is not applicable.

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

Note 6. The amount was calculated based on the spot exchange rate as of December 31, 2021.

Note 7. Except for the Fujian Gulei Petrochemical Co., Ltd., whose numbers were based on the review of Deloitte Touche Tohmatsu Limited and use the accounting principles to adjust and recognize like the parent company, Acme Electronics (Kunshan) Co., Ltd., and USIG (Shanghai) Co., Ltd. whose numbers were based on its financial statements reviewed by the Certified Public Accountants of its ROC company.

Note 8. Except for the investment in Fujian Gulei Petrochemical Co., Ltd., the recognized investment gain (loss) and book value in the period have been fully written off when preparing the consolidated financial statements.

Note 9. The amount is calculated based on the average exchange rate during the period from January 1 and December 31, 2021.

USI CORPORATION AND SUBSIDIARIES
Acme Electronics Corporation
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 8-1

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 7)	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021 (Note 5)	Investment Flows for the year ended December 31, 2021		Accumulated Outward Remittance for Investment from Taiwan as of the Year Ended December 31, 2021 (Note 5)	Net Income (Loss) of Investee for the Year Ended December 31, 2021 (Note 6)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) for the Year Ended December 31, 2021 (Notes 4 and 6)	Carrying Amount as of the Year Ended December 31, 2021 (Note 7)	Accumulated Repatriation of Investment Income as of the year ended December 31, 2021
					Outflow	Inflow						
ACME Electronics (Kunshan)	Manufacturing and marketing of manganese-zinc soft ferrite core	\$ 850,468 (USD30,725 thousand)	Indirect investment via ACME (Cayman).	\$ 374,188 (USD11,144 thousand)	\$ -	\$ -	\$ 374,188 (USD11,144 thousand)	\$ 45,024 (RMB10,406 thousand)	51.27	\$ 23,086 (RMB5,335 thousand)	\$ 423,500 (RMB97,547 thousand)	\$ -
Acme Electronics (Guang-Zhou)	Manufacturing and marketing of manganese-zinc soft ferrite core	531,456 (USD19,200 thousand)	Indirect investment via GAEL.	619,676 (USD19,200 thousand)	-	-	619,676 (USD19,200 thousand)	92,050 (RMB21,222 thousand)	100.00	92,050 (RMB21,222 thousand)	980,424 (RMB225,826 thousand)	-

Accumulated Outward Remittance for Investment in Mainland China as of the Year Ended December 31, 2021	Investment Amounts Authorized by Investment Commission, MOEA	Maximum Amount of Investments in Mainland China Authorized by Investment Commission, MOEA
\$ 839,922(USD30,344 thousand) (Notes 3 and 7)	\$ 1,014,001(USD36,633 thousand) (Notes 3 and 7)	\$ -(Note 2)

Note 1. Investment Method II is to reinvest in the mainland companies by establishing a company through investment in the third region.

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

Note 3. It includes the capital increase transferred from surplus of Acme Electronics (Kunshan) Co., Ltd., and ACME increased the amount of US\$6,289 thousand at its ownership percentage.

Note 4. The investment gain (loss) recognized for the year ended December 31, 2021 was calculated on the basis of financial statements audited and approved by CPAs of the parent company of ACME.

Note 5. The calculation was based on the exchange rate of the original investment.

Note 6. The amount is calculated based on the average exchange rate during the period from January 1 and December 31, 2021.

Note 7. The amount was calculated based on the exchange rate as of December 31, 2021.

Note 8. The recognized investment gain (loss) and book value in the period have been fully written off when preparing the consolidated financial statements.

USI CORPORATION AND SUBSIDIARIES
Swanson Plastics Corporation
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 8-2

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021	Investment Flows for the Year Ended December 31, 2021		Accumulated Outward Remittance for Investment from Taiwan as of the Year Ended December 31, 2021	Net Income (Loss) of the Investee for the Year Ended December 31, 2021 (Note 4)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) for the Year Ended December 31, 2021 (Note 4)	Carrying Amount as of the Year Ended December 31, 2021 (Note 5)	Accumulated Repatriation of Investment Income as of the Year Ended December 31, 2021
					Outflow	Inflow						
Swanson Plastics (Kunshan) Co., Ltd.	Production, sales and development of multi-functional □ film, optical film, etc.	\$ 367,867 (USD13,290 thousand)	Indirect investment via Swanson International Ltd. of British Cayman Islands.	\$ 223,930	\$ -	\$ -	\$ 223,930	\$ 33,986 (USD1,213 thousand)	100.00	\$ 33,986 (USD1,213 thousand)	\$ 1,132,754 (USD40,923 thousand)	\$ -
ASK-Swanson (Kunshan) Co., Ltd.	Production and sales of PE release film and other release products	251,888 (USD9,100 thousand)	Indirect investment in A.S. Holdings (UK) Limited via Swanson International Ltd. of British Cayman Islands.	193,447	-	-	193,447	36,660 (USD1,309 thousand)	100.00	36,660 (USD1,309 thousand)	516,104 (USD18,645 thousand)	64,395 (USD2,327 thousand)
Swanson Plastics (Tianjin) Co., Ltd.	Production, sales and development of multi-functional □ film, optical film, etc.	296,176 (USD10,700 thousand)	Indirect investment via Swanson (Singapore) Private Ltd. in the third region.	170,754	-	-	170,754	(24) (USD-840 thousand)	100.00	(24) (USD-840 thousand)	74,025 (USD2,674 thousand)	-

Accumulated Outward Remittance for Investment in Mainland China as of the Year Ended December 31, 2021	Investment Amounts Authorized by Investment Commission, MOEA	Maximum Amount of Investments in Mainland China Authorized by Investment Commission, MOEA
\$ 588,131	\$ 907,510 (USD32,786 thousand)	\$ -(Note 2)

Note 1. The paid-in capital and the investment amount approved by the Industrial Development Bureau, MOEA were calculated using the spot exchange rate on December 31, 2021.

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

Note 3. The recognized investment gain (loss) and book value in the period have been fully written off when preparing the consolidated financial statements.

Note 4. The amount is calculated based on the average exchange rate during the period from January 1 and December 31, 2021.

Note 5. The amount was calculated based on the spot exchange rate as of December 31, 2021.

USI CORPORATION AND SUBSIDIARIES
China General Plastics Corporation
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 8-3

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021 (Note 1)	Investment Flows for the year ended December 31, 2021		Accumulated Outward Remittance for Investment from Taiwan as of the Year Ended December 31, 2021 (Note 1)	Net Income (Loss) of the Investee for the Year Ended December 31, 2021	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) for the Year Ended December 31, 2021 (Note 5)	Carrying Amount as of the Year Ended December 31, 2021 (Note 1)	Accumulated Repatriation of Investment Income as of the Year Ended December 31, 2021
					Outflow	Inflow						
Continental General Plastics (Zhong Shan) Co., Ltd. ("CGPC (ZS)") (Note 4)	Manufacturing and marketing of PVC film and third-time processed products	\$ 553,600 (USD20,000 thousand)	Indirect investment via CGPC (BVI) Holding Co., Ltd.	\$ 553,600 (USD20,000 thousand)	\$ -	\$ -	\$ 553,600 (USD20,000 thousand)	(\$ 2,569) (USD-93 thousand)	100.00	(\$ 2,569) (USD-93 thousand)	\$ 262,303 (USD9,476 thousand)	\$ -
CGPC Consumer Products Corporation ("CGPC (CP)") (Note 4)	Manufacturing and marketing of PVC third-time processed products	41,520 (USD1,500 thousand)	Indirect investment via CGPC (BVI) Holding Co., Ltd.	41,520 (USD1,500 thousand)	-	-	41,520 (USD1,500 thousand)	15 (USD1 thousand)	100.00	15 (USD1 thousand)	13,461 (USD486 thousand)	-

Accumulated Outward Remittance for Investment in Mainland China as of the Year Ended December 31, 2021 (Notes 1 and 3)	Investment Amounts Authorized by Investment Commission, MOEA (Note 1)	Maximum Amount of Investments in Mainland China Authorized by Investment Commission, MOEA (Note 2)
\$ 749,630(USD27,082 thousand)	\$ 869,152(USD31,400 thousand)	\$ -

Note 1. The amount was calculated based on the spot exchange rate as of December 31, 2021.

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

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

Note 4. The board of directors of CGPC passed a resolution on October 24, 2011 to dissolve the sub-subsidiaries, CGPC (ZS) and CGPC (CP). CGPC has considered that its discontinued operations was resumed its operating substance, and, therefore, the Company reclassified the discontinued operations as continuing operations since 2021 after an assessment.

Note 5. The investment gain (loss) recognized for the year ended December 31, 2021 was based on the financial statements audited and approved by CPAs of the parent company of CGPC.

Note 6. The recognized investment gain (loss) and book value in the period have been fully written off when preparing the consolidated financial statements.

USI CORPORATION AND SUBSIDIARIES
Taita Chemical Company, Ltd.
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 8-4

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

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021	Investment Flows for the Year Ended December 31, 2021		Accumulated Outward Remittance for Investment from Taiwan as of the Year Ended December 31, 2021	Net Income (Loss) of the Investee for the Year Ended December 31, 2021 (Note 5)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) for the Year Ended December 31, 2021 (Note 5)	Carrying Amount as of the Year Ended December 31, 2021 (Note 5)	Accumulated Repatriation of Investment Income as of the Year Ended December 31, 2021
					Outflow	Inflow						
Taita Chemical (Zhongshan) Co., Ltd. ("TAITA (ZS)")	Production and marketing of polystyrene derivatives	\$ 1,280,200 (USD46,250 thousand) (Note 1)	Investment in mainland companies through a holding company registered in a third region	\$ 1,190,240 (USD43,000 thousand)	\$ -	\$ -	\$ 1,190,240 (USD43,000 thousand)	\$ 218,742 (USD7,795 thousand)	100.00	\$ 218,742 (USD7,795 thousand)	\$ 1,817,579 (USD65,664 thousand)	\$ -
Taita Chemical (Tianjin) Co., Ltd. ("TAITA (TJ)")	Production and marketing of polystyrene derivatives	757,048 (USD27,350 thousand) (Note 2)	Investment in mainland companies through a holding company registered in a third region	719,680 (USD26,000 thousand)	-	-	719,680 (USD26,000 thousand)	(10,135) (USD-361 thousand)	100.00	(10,135) (USD-361 thousand)	(114,144) (USD-4,124 thousand)	-
Acme Electronics (Kunshan) Co., Ltd. ("ACME (KS)")	Manufacturing and marketing of manganese-zinc soft ferrite core	850,468 (USD30,725 thousand)	Investment through a holding company registered in a third region ACME Electronics (Cayman) Corp	37,479 (USD1,354 thousand)	-	-	37,479 (USD1,354 thousand)	45,024 (USD1,616 thousand)	5.39	2,429 (USD87 thousand)	44,556 (USD1,610 thousand)	-

Accumulated Outward Remittance for Investment in Mainland China as of the Year Ended December 31, 2021	Investment Amounts Authorized by Investment Commission, MOEA	Maximum Amount of Investments in Mainland China Authorized by Investment Commission, MOEA
\$ 1,947,399 (USD70,354 thousand)	\$ 2,098,623 (USD75,817 thousand) (Note 3)	\$ - (Note 4)

Note 1. TAITA (ZS) resolved to increase capital by earnings of US\$3,250 thousand for the year ended December 31, 2007. TAITA (ZS) resolved the Earnings Distribution Proposals for the years from 2007 to 2020 at the board meeting on October 14, 2021, amounting to RMB 306,950 thousand, which is expected to be used for reinvestment projects in Mainland China. As of December 31, 2021, the amount has not actually been allocated.

Note 2. TAITA (TJ) resolved to increase capital by surplus of US\$1,350 thousand for the year ended December 31, 2012. TTC's management has decided to suspend the production of TAITA (TJ) from April 2019.

Note 3. It includes the capital increase transferred from surplus by TAITA (ZS) of USD3,250 thousand, capital increase transferred from surplus by TAITA (TJ) of USD1,350 thousand and capital increase transferred from surplus by ACME (KS) of USD802 thousand.

Note 4. As TTC has obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 10820415160 on June 6, 2019, the upper limit on investment in Mainland China is not applicable.

Note 5. The calculation is based on the financial statements audited and approved by CPAs of the parent company of TTC.

Note 6. The recognized investment gain (loss) and book value in the period have been fully written off when preparing the consolidated financial statements.

USI CORPORATION AND SUBSIDIARIES
Asia Polymer Corporation
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE 8-5

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 4)	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021	Investment Flows for the Year Ended December 31, 2021		Accumulated Outward Remittance for Investment from Taiwan as of the Year Ended December 31, 2021	Net Income (Loss) of the Investee for the Year Ended December 31, 2021 (Note 3)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) for the Year Ended December 31, 2021 (Note 3)	Carrying Amount as of the Year Ended December 31, 2021 (Note 4)	Accumulated Repatriation of Investment Income as of the Year Ended December 31, 2021
					Outflow	Inflow						
Acme Electronics (Kunshan) Co., Ltd.	Manufacturing and marketing of manganese-zinc ferrite core	\$ 850,468 (USD30,725 thousand)	(2) ACME Electronics (Cayman) Corp.	\$ 115,630 (USD4,177 thousand)	\$ -	\$ -	\$ 115,630 (USD4,177 thousand)	B \$ 45,024	16.64	\$ 7,493	\$ 137,462	\$ -
USI Trading (Shanghai) Co., Ltd.	Sales of chemical products and equipment, etc.	69,200 (USD2,500 thousand)	(2) APC (BVI) Holding Co., Ltd.	84,025 (USD3,036 thousand)	-	-	84,025 (USD3,036 thousand)	B 16,420	100.00	16,420	136,096	-
Fujian Gulei Petrochemical Co., Ltd.	Crude oil processing and petroleum products manufacturing	40,438,468 (RMB9,314,400 thousand)	(2) Dynamic Ever Investments, Ltd. (Note 2)	4,370,198 (USD157,883 thousand)	-	-	4,370,198 (USD157,883 thousand)	A (1,455,990)	11.71	(170,497)	4,533,837	-

Accumulated Outward Remittance for Investment in Mainland China as of the Year Ended December 31, 2021	Investment Amounts Authorized by Investment Commission, MOEA	Maximum Amount of Investments in Mainland China Authorized by Investment Commission, MOEA
\$ 4,703,274 (Note 5) (USD169,916 thousand)	\$ 6,195,770 (USD223,836 thousand)	\$ - (Note 6)

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

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

Note 2. The Company indirectly reinvested in 50% of the outstanding shares of Fujian Gulei Petrochemical Co., Ltd. via Ever Conquest Global Limited (40.87%), then reinvested Ever Victory Global Limited (67.40%), and finally vis Dynamic Ever Investments Limited (85.00%).

Note 3. For the column of Investment Gain (Loss) for the Year Ended December 31, 2021:

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

Note 4. The amount was calculated based on the spot exchange rate as of December 31, 2021.

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

Note 6. As APC has obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 10800262940 on February 26, 2020, the upper limit on investment is not applicable.

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

USI CORPORATION AND SUBSIDIARIES
Intercompany Relationships and Significant Intercompany Transactions
FROM JANUARY 1 TO DECEMBER 31, 2021

Table 9

(In Thousands of New Taiwan Dollars)

No. (Note 1)	Trader Company	Counterparty	Relationships with trader (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 3)	Transaction Terms	% of Total Sales or Asset (Note 4)
0	USI CORPORATION	USI (Hong Kong) Company Ltd.	1	Sales revenue	\$ 220,464	No significant difference	0.31%
0	USI CORPORATION	USI (Hong Kong) Company Ltd.	1	Accounts receivable	23,142	No significant difference	0.03%
0	USI CORPORATION	USI Trading (Shanghai) Co., Ltd.	1	Sales revenue	214,853	No significant difference	0.30%
0	USI CORPORATION	USI Trading (Shanghai) Co., Ltd.	1	Accounts receivable	46,493	No significant difference	0.05%
0	USI CORPORATION	Forever Young Company Limited	1	Sales revenue	114,343	No significant difference	0.16%
0	USI CORPORATION	Forever Young Company Limited	1	Accounts receivable	24,324	No significant difference	0.03%
0	USI CORPORATION	Asia Polymer Corporation	1	Sales revenue	213,766	No significant difference	0.30%
0	USI CORPORATION	Asia Polymer Corporation	1	Purchase	1,673,947	No significant difference	2.33%
0	USI CORPORATION	Asia Polymer Corporation	1	Other receivables	228,869	No significant difference	0.27%
0	USI CORPORATION	Asia Polymer Corporation	1	ACCOUNTS PAYABLE	390,410	No significant difference	0.46%
0	USI CORPORATION	Swanson Plastics Corporation	1	Sales revenue	91,438	No significant difference	0.13%
0	USI CORPORATION	Swanson Plastics Corporation	1	Purchase	80,583	No significant difference	0.11%
0	USI CORPORATION	Swanson Plastics Corporation	1	Accounts receivable	12,498	No significant difference	0.01%
0	USI CORPORATION	Dynamic Ever Investments Limited	1	Management service revenue	19,579	No significant difference	0.03%
0	USI CORPORATION	Taiwan VCM Corporation	1	Other receivables	227,039	No significant difference	0.27%
0	USI CORPORATION	China General Terminal & Distribution Co.	1	Storage tank operating expenses	30,260	No significant difference	0.04%
0	USI CORPORATION	USI Green Energy Corporation	1	Other receivables	125,001	No significant difference	0.15%
1	Asia Polymer Corporation	USI (Hong Kong) Company Ltd.	3	Sales revenue	22,351	No significant difference	0.03%
1	Asia Polymer Corporation	Swanson Plastics Corporation	3	Sales revenue	37,717	No significant difference	0.05%
1	Asia Polymer Corporation	Swanson Plastics Corporation	3	Purchase	44,825	No significant difference	0.06%

(Continued)

No. (Note 1)	Trader Company	Counterparty	Relationships with trader (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 3)	Transaction Terms	% of Total Sales or Asset (Note 4)
1	Asia Polymer Corporation	Taiwan VCM Corporation	3	Rental income	\$ 12,705	No significant difference	0.02%
1	Asia Polymer Corporation	Forever Young Company Limited	3	Sales revenue	30,574	No significant difference	0.04%
1	Asia Polymer Corporation	Forever Young Company Limited	3	Accounts receivable	22,321	No significant difference	0.03%
1	Asia Polymer Corporation	China General Terminal & Distribution Co.	3	Storage tank operating expenses	24,717	No significant difference	0.03%
1	Asia Polymer Corporation	USI Trading (Shanghai) Co., Ltd.	3	Sales revenue	126,417	No significant difference	0.18%
1	Asia Polymer Corporation	USI Trading (Shanghai) Co., Ltd.	3	Accounts receivable	13,111	No significant difference	0.02%
2	Taiwan VCM Corporation	China General Terminal & Distribution Co.	3	Storage tank operating expenses	100,031	No significant difference	0.14%
2	Taiwan VCM Corporation	China General Terminal & Distribution Co.	3	Other payables	11,289	No significant difference	0.01%
3	China General Plastics Corporation	Swanson Plastics Corporation	3	Purchase	56,292	No significant difference	0.08%
3	China General Plastics Corporation	Taiwan VCM Corporation	3	Accounts payable	1,489,862	No significant difference	1.76%
3	China General Plastics Corporation	Taiwan VCM Corporation	3	Purchase	7,071,763	No significant difference	9.86%
3	China General Plastics Corporation	CGPC America Corporation	3	Accounts receivable	\$ 189,714	No significant difference	0.22%
3	China General Plastics Corporation	CGPC America Corporation	3	Sales revenue	679,417	No significant difference	0.95%
3	China General Plastics Corporation	CGPC Polymer Corporation	3	Purchase	59,991	No significant difference	0.08%
4	Taita Chemical Company, Ltd.	China General Terminal & Distribution Co.	3	Storage tank operating expenses	18,784	No significant difference	0.03%
4	Taita Chemical Company, Ltd.	Taita Chemical (Zhongshan) Co., Ltd.	3	Sales revenue	1,049,003	No significant difference	1.46%
4	Taita Chemical Company, Ltd.	Taita Chemical (Tianjin) Co., Ltd.	3	Other receivables	256,014	No significant difference	0.30%
5	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Sales revenue	263,484	No significant difference	0.37%
5	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Purchase	77,483	No significant difference	0.11%
5	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Accounts receivable	59,933	No significant difference	0.07%
5	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	ACCOUNTS PAYABLE	30,353	No significant difference	0.04%
5	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Other receivables	21,710	No significant difference	0.03%
5	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Royalty revenue	20,746	No significant difference	0.03%

(Continued)

No. (Note 1)	Trader Company	Counterparty	Relationships with trader (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 3)	Transaction Terms	% of Total Sales or Asset (Note 4)
5	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Processing costs (classified as cost of goods sold)	\$ 418,658	No significant difference	0.58%
5	Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Sales revenue	130,997	No significant difference	0.18%
5	Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Purchase	11,009	No significant difference	0.02%
5	Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Accounts receivable	23,131	No significant difference	0.03%
5	Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	3	ACCOUNTS PAYABLE	88,153	No significant difference	0.10%
5	Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Processing costs (classified as cost of goods sold)	418,658	No significant difference	0.58%
5	Acme Electronics Corporation	ACME Ferrite Product Sdn. Bhd.	3	Sales revenue	17,932	No significant difference	0.02%
5	Acme Electronics Corporation	ACME Electronics (Cayman) Corp.	3	Revenue from management service expenses	19,320	No significant difference	0.03%
5	Acme Electronics Corporation	ACME Electronics (Cayman) Corp.	3	Other receivables	10,047	No significant difference	0.01%
6	ACME Ferrite Product Sdn. Bhd.	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Sales revenue	13,517	No significant difference	0.02%
7	USI Management Consulting Corp.	CGPC Polymer Corporation	3	Management service revenue	10,020	No significant difference	0.01%
7	USI Management Consulting Corp.	USI CORPORATION	2	Management service revenue	134,113	No significant difference	0.19%
7	USI Management Consulting Corp.	Asia Polymer Corporation	3	Management service revenue	39,316	No significant difference	0.05%
7	USI Management Consulting Corp.	China General Plastics Corporation	3	Management service revenue	42,945	No significant difference	0.06%
7	USI Management Consulting Corp.	Taita Chemical Company, Ltd.	3	Management service revenue	48,067	No significant difference	0.07%
7	USI Management Consulting Corp.	Swanson Plastics Corporation	3	Management service revenue	25,105	No significant difference	0.03%
7	USI Management Consulting Corp.	Taiwan VCM Corporation	3	Management service revenue	22,622	No significant difference	0.03%
7	USI Management Consulting Corp.	China General Terminal & Distribution Co.	3	Management service revenue	17,328	No significant difference	0.02%
8	Acme Electronics (Kunshan) Co., Ltd.	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Sales revenue	\$ 77,739	No significant difference	0.11%
8	Acme Electronics (Kunshan) Co., Ltd.	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Cost of goods sold	28,945	No significant difference	0.04%
8	Acme Electronics (Kunshan) Co., Ltd.	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Accounts receivable	19,010	No significant difference	0.02%
8	Acme Electronics (Kunshan) Co., Ltd.	ACME Ferrite Product Sdn. Bhd.	3	Sales revenue	131,681	No significant difference	0.18%

(Continued)

No. (Note 1)	Trader Company	Counterparty	Relationships with trader (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 3)	Transaction Terms	% of Total Sales or Asset (Note 4)
8	Acme Electronics (Kunshan) Co., Ltd.	ACME Ferrite Product Sdn. Bhd.	3	Accounts receivable	\$ 20,766	No significant difference	0.02%
9	CGPC Polymer Corporation	Taiwan VCM Corporation	3	ACCOUNTS PAYABLE	1,361,638	No significant difference	1.61%
9	CGPC Polymer Corporation	Taiwan VCM Corporation	3	Other payables	\$ 23,212	No significant difference	0.03%
9	CGPC Polymer Corporation	Taiwan VCM Corporation	3	Purchase	6,585,350	No significant difference	9.18%
10	Swanson Plastics Corporation	Forever Young Company Limited	3	Revenue	39,801	No significant difference	0.06%
10	Swanson Plastics Corporation	Forever Young Company Limited	3	Management service revenue	20,133	No significant difference	0.03%
10	Swanson Plastics Corporation	Forever Young Company Limited	3	Accounts receivable	13,631	No significant difference	0.02%
10	Swanson Plastics Corporation	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Accounts receivable	10,495	No significant difference	0.01%
11	Forever Young Company Limited	Swanson Plastics (Kunshan) Co., Ltd.	3	Revenue	339,805	No significant difference	0.47%
11	Forever Young Company Limited	Swanson Plastics (Kunshan) Co., Ltd.	3	Accounts receivable	26,315	No significant difference	0.03%
11	Forever Young Company Limited	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Revenue	368,006	No significant difference	0.51%
11	Forever Young Company Limited	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Operating costs	129,538	No significant difference	0.18%
11	Forever Young Company Limited	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Accounts receivable	42,871	No significant difference	0.05%
11	Forever Young Company Limited	Swanson Plastics (Malaysia) Sdn. Bhd.	3	ACCOUNTS PAYABLE	14,376	No significant difference	0.02%
11	Forever Young Company Limited	Swanson International Ltd.	3	Other receivables	41,529	No significant difference	0.05%
11	Forever Young Company Limited	Swanson Plastics (India) Private Limited	3	Revenue	62,077	No significant difference	0.09%
11	Forever Young Company Limited	Swanson Plastics (India) Private Limited	3	Accounts receivable	17,545	No significant difference	0.02%
12	Forever Young Company Limited	PT. Swanson Plastics Indonesia	3	Revenue	124,689	No significant difference	0.17%
12	Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Operating costs	197,368	No significant difference	0.28%
12	Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Accounts payable	38,773	No significant difference	0.05%
12	Swanson Plastics (Singapore) Pte., Ltd.	PT. Swanson Plastics Indonesia	3	Operating costs	55,822	No significant difference	0.08%
13	Swanson Plastics (Kunshan) Co., Ltd.	ASK-Swanson (Kunshan) Co., Ltd.	3	Revenue	140,528	No significant difference	0.20%
13	Swanson Plastics (Kunshan) Co., Ltd.	ASK-Swanson (Kunshan) Co., Ltd.	3	Accounts receivable	36,279	No significant difference	0.04%

(Continued)

No. (Note 1)	Trader Company	Counterparty	Relationships with trader (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 3)	Transaction Terms	% of Total Sales or Asset (Note 4)
13	Swanson Plastics (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	3	Accounts payable	48,932	No significant difference	0.06%

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 were marked from 1 in order of numeric characters by the companies.

Note 2. Investment types are as follows:

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

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

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

USI CORPORATION
INFORMATION ON MAJOR SHAREHOLDERS
DECEMBER 31, 2021

TABLE 10

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

Note 1. The table discloses shareholding information of shareholders whose shareholding percentage is more than 5%. The Taiwan Depository & Clearing Corporation (TDC) calculates the total number of ordinary shares and preferred shares (including treasury shares) that have completed the dematerialized registration and delivery on the last business day of the quarter. The share capital reported in the Company's consolidated financial statements and the actual number shares that have completed the dematerialized registration and delivery may be different due to the difference in the basis of calculation.

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