Stock Code: 1304

USI Corporation 2023 Annual Report

USI Corporation Website: https://www.usife.com

Check the Annual Report at: https://mops.twse.com.tw

Publication date: March 31, 2024

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IV. Name of CPAs Auditing the Financial Statements in the Most Recent Fiscal Year:

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V. Name of Overseas Securities Trading Venue and Method of Information Query: None

VI. Company Website: https://www.usife.com



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Chapter 1. Letter to Shareholders

Dear Shareholders,

Looking back at 2023, the Company's has posted consolidated revenue of NT\$52.265 billion, a decrease of NT\$14.17 billion from the previous year, of which the budget achievement rate was 79%. The Company's consolidated profit before tax was NT\$1.94 billion, a decrease of NT\$2.63 billion from last year. The consolidated net loss after tax was NT\$1.907 billion, budgeted at (930)%, the consolidated net loss attributable to the owners of the Company is a net profit of NT\$0.207 billion.

The Company's operating performance in 2023 was as follows:

Sales and Marketing:

This year's operating conditions, the first half of the year due to the mainland unblocked after the recovery did not as expected, although OPEC+ cut production to boost oil prices, but because of the continued depression in economic data, crude oil prices slowed down, the United States ethylene supply, ethylene spot prices fell. In the third quarter, due to the Palestinian-Israeli war, oil prices rose in the short term, but the market is worried about the prospects of the mainland, oil price demand is expected to be weak, the shock fell, ethylene prices also fluctuate with oil prices and the overall oversupply of ethylene in Asia, downstream demand is still weak, and the cracking plant maintains a low rate of operation. In terms of EVA, EVA prices at the beginning of the year in the traders actively enter the material purchase, plus photovoltaic EVA demand, from the low point continues to rise, from late March downstream demand is weak, coupled with the company to invest in Fujian Gulei Petrochemical Co., Ltd. (hereinafter referred to as Gulei Petrochemical) EVA is about to put into production, the market attitude is mainly wait-and-see, prices continue to be low, Gulei petrochemical EVA was successfully put into production in May, the market believes that the low point of EVA has arrived, the willingness to enter and buy materials has increased, the price began to rise from the bottom in late July, the inventory of photovoltaic plants has been high in late September, the demand has declined again, and the demand for other applications has not improved, the price began to fall to the end of the year. In total, this year's EVA fell this year, the spread decreased, the total sales reached NT\$240 thousand, an increase of 7% over last year. HDPE/LLDPE is mainly sold in domestic market. Due to the impact of the inflation, the demand has been significantly reduced, coupled with the new three light and four light annual repairs, and the production plan has been affected, sales decreased by 8% compared with last year. Sales of ABS/PS products continued to be affected by the Russian-Ukrainian war and rising inflation, and sales were about the same as last year. The main markets for GPS products are disposable tableware and food packaging materials, which are markets with relatively stable growth in demand, and sales volume increased by 6% compared to last year, with a stable profit margin. For EPS products, mainland China is still in oversupply. Although we continue to develop markets outside of mainland China and Hong Kong and have achieved results, sales volume decreased by 3% year-over-year due to the decline in demand caused by inflation. On Vinyl Chain, PVC demand is poor after the Spring Festival, VCM market weakened. After deducting the amount of VCM used for the production of PVC powder, the Company has exported 30,000 tons of VCM, a decrease of 5% from the previous year. PVC powder in the first quarter of the strong purchase in India and optimistic view of the unblocked market, the PVC market fell eight months after the rebound, but China's housing market continued to slump, the recovery of downstream products weak, and in recent years the mainland vinyl PVC production capacity expansion, annual exports exceeded 2.2 million tons, so that the Asian PVC market rise blocked, suppressed spreads. PCV, after deducting the quantity for own use for producing downstream processed goods, saw an export of 355,000 tons, an increase of 1% from last year. In terms of chemical products, the dual factors of poor downstream demand and equipment renewal led to a decline in production and sales. The annual production of chemical products was 69,000 tons (based on 100%) concentration), and the sales of 55,000 tons was 9% lower than last year. In PVC powder homemade processing products, building materials products are affected by the equalization of land rights regulations by discouraging housing transactions, and the relaxation of import controls on low-cost waste materials has made it more difficult to bid for public works and reduced sales. On the other hand, the sales volume of rubber cloth and rubber leather products respectively, due to the contraction of the end consumer market and bidding from the mainland and Southeast Asia, although the recovery of tourism and entertainment in North America to stimulate the demand for furniture and automotive leather, but sales are still declining. The iron core business was affected by low market demand, and the overall performance was poor. The sales volume of this year was 7,000 tons, 22% less than that of last year. In terms of SiC products, the market demand for power components is still in the growth stage, and the company has continued to expand the scale of production and sales in recent years, and its revenue has continued to increase. The sales volume of this year was 71 tons, an increase of 145% over last year.

Production Management:



The annual production volume of PE/EVA was 349,000 tons, and that of ABS/PS was 377,000 tons. The annual production volume of VCM was 426,000 tons, and that of PVC was 391,000 tons. The annual production volume of ferrite cores was 7,000 tons. To implement energy saving and carbon reduction programs, the cumulative grid-connected capacity of the invested solar energy field can reach 7.2MW, generate about 915 million KWH of green electricity every year, and contribute about 4,500 tons of carbon dioxide equivalent to carbon reduction, so as to achieve the Company's sustainable development and carbon reduction goals. Continuously improve production process, replace old equipment, improve production efficiency and quality to reduce production cost, and actively trial production of niche products. Actively improve work safety and environmental protection, and promote process safety management to ensure the safety of plant and operating environment.

Corporate Social Responsibility:

The Company continues to promote sustainable development, actively responds to energy conservation and carbon reduction policies of the government, conducts strategic planning of green electricity, conducts efficiency testing and energy-saving measures discussion for major energy-consuming equipment, and adopts a new afforestation plan of 5 hectares in cooperation with the Experimental Forest of Taiwan University and holds tree-planting activities. Working with customers and their supply chains to achieve carbon reduction targets as a member of the Supply Chain Lowcarbon Transformation Mentoring Program under the Industrial Development Agency of the Ministry of Economic Affairs; Disclose the company's water management data and results, and obtain the international CDP water questionnaire A-grade score. In terms of social welfare, in addition to participating in public welfare and epidemic prevention related activities, and providing local job opportunities, through USI Education Foundation, we support education for disadvantaged rural residents and caring for the environment, by setting up scholarships and grants for colleges and universities, sponsoring educational public welfare organization, and sponsoring service association activities in colleges and universities. In terms of employee care, the Company has been certified as a sports enterprise by the Sports Administration for five consecutive years to strengthen employee health management.

Research and Development:

Continue to optimize the production process of annular block copolymers of optical grade materials to improve raw material quality and performance, and develop new high heat resistance specifications to target electronic applications and other high

heat demand applications. The Company continued to expand the market application of high VA EVA products to inks, shoe foaming, and wires and cables. In addition, in response to the requirements of the customers of the benchmark packaging film, the development of lower MI packaging film level EVA.Develop ABS products to improve gloss and heat resistance of general grade and non-traditional copolymer formulation alloys, and improve the preservation cycle of EPS products.

Comprehensive Annual Operating Performance:

Operating conditions of the year, due to price decline, product spreads decreased and profit decreased. The consolidated net operating income from the Company's businesses was NT\$ 1.62 billion, an decrease of 72% from the previous year, with the budget achieving rate of 33%. In addition, the consolidated net loss, including joint venture losses using the equity method, amounted to NT\$3.56 billion.

Overview of 2024 Business Plan and Strategic Planning for Future Development:

Looking forward to 2024, the global concern about green energy issues and the gradual implementation of energy conservation and carbon reduction, the long-term demand of the solar market is optimistic, and it is expected that the green economy will continue to pay attention to the demand for EVA. However, uncertainties caused by factors such as inflation, economic slowdown and geopolitical instability remain high, and market expectations for future economic conditions are still not optimistic. In the face of the new EVA production capacity of the mainland from 2024 to 2025, may cause a certain degree of impact on supply and demand, the company will strive to seek stable low-cost ethylene sources, reduce production costs, continue to strengthen product quality and technical services, develop differentiated products, strengthen the development of markets outside the mainland to disperse risks, enhance industrial competitive advantage, create sustainable development and growth of the company. In addition to increasing the proportion of direct customers, ABS and GPS have increased the proportion of sales in markets other than mainland China and Hong Kong, GPS/EPS has the main goal of selling all the production; at the same time, we will continue to control the inventory of raw materials and finished products to avoid market fluctuations and operational performance. From affect the perspective technology/process/market/application/products/investment, the Company evaluates and plans for the removal of bottlenecks in production capacity, the improvement of process efficiency, and the development of new product applications to maximize the production and sales of ABS and the sale of PS, and to further enhance its operations. The relaxation of purchase restrictions in the mainland, the promotion of infrastructure construction and Europe



and the United States will start to cut interest rates and slow down regional conflicts, which are conducive to the warming of demand, rigid demand in India and emerging markets will continue to grow, and the PVC market will stabilize with inventory reduction. Continue to focus on global net zero carbon emissions and domestic carbon fee collection trends, actively implement ESG sustainable operation, and strive for directions including replacing energy consuming equipment, increasing the proportion of low-carbon energy, building optoelectronic devices, introducing AI optimization processes, improving energy consumption and safety, and leveraging vertical integration to expand niche, implement industrial safety and environmental protection, continuously reduce costs, and fulfill social responsibilities, in order to strive for the maximum profit space through the overall planning of the industrial chain. It is expected to achieve an annual sales volume of 357,000 tons for PE/EVA products, 520,000 tons for the Vinyl series and the downstream processed products, and 419,000 tons for ABS/PS products. The inventory adjustment of the information and communication electronics industry has almost come to an end, and the demand for terminal electronic products has gradually recovered. With the increase of AI applications, we hope to continue to promote in emerging application markets such as IoT (Internet of Things), HPC efficient computing data centers, servers, and automotive fields, and create better profits by strengthening the competitiveness of the iron core industry and actively developing new businesses. At present, the demand for SiC in the power component market is still in the growth stage, and it will continue to expand its production and sales scale, and actively extend investment in the development of high-purity SiC ceramic products. There has been some progress, and it is expected to become the next new opportunity for development.

I would like to express my utmost gratitude to all our beloved shareholders for your continuous support and encouragement for the Company. I wish everyone good health and all the best.



Chapter 2. Company Profile

I. Date of Establishment

The Company was founded on May 26, 1965.

II. Company history:

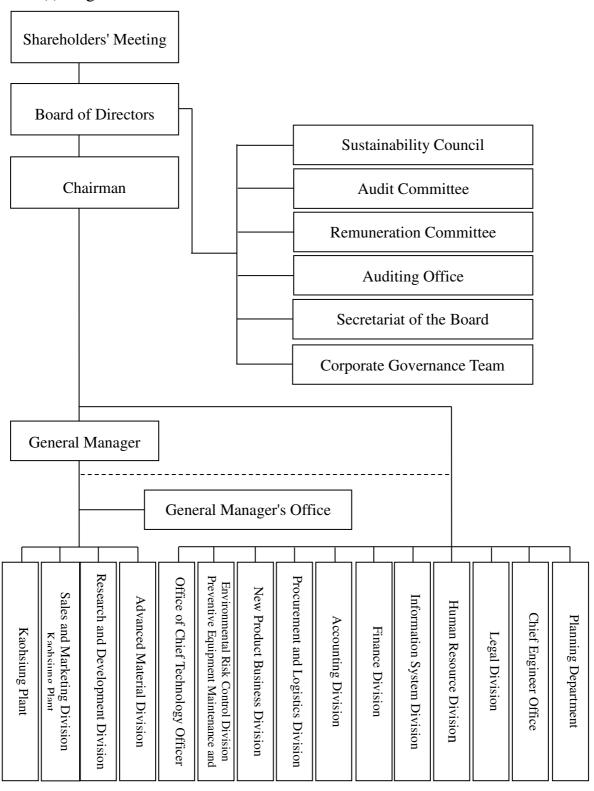
- 1. The Company's current capital is NT\$11.9 billion, with over 100,000 shareholders and 400 employees. Since 1972, the Company has been listed on the Taiwan Stock Exchange.
- 2. In February 2014, the Company's Board of Directors decided to invest indirectly in the production of petrochemical-related products in Zhangzhou City, Fujian, Mainland China via the investment by a company established in a third region.
- 3. In August 2020, the board of directors of the Company decided to indirectly invest in and establish Zhangzhou USI Trading Co., Ltd., which has completed the establishment registration in March 2022, in Fujian, Mainland China via its whollyowned subsidiary, Swanlake Traders Ltd. and APC(BVI) Holding Co., Ltd. with an investment ratio of 70%:30%.
- 4. In order to implement sustainable development and energy saving and carbon reduction, the Company acquired USI Green Energy Corporation / USIGE through investment by the board of directors in July 2021, and engaged in green power generation with the Company.
- 5. In March 2022, the Company's Board of Directors resolved to change the name of the Corporate Social Responsibility Committee to the ESG Committee.
- 6. In August 2023, the board of directors of the Company decided to indirectly invest in and establish Xiamen USI Trading Co., Ltd., which has completed the establishment registration in November 2023, in Fujian, Mainland China via its wholly-owned subsidiary, Swanlake Traders Ltd. and APC(BVI) Holding Co., Ltd. with an investment ratio of 70%:30%.
- 7. The EVA products of Fujian Gulei Petrochemical Co., Ltd. in which the Company invested, were successfully put into production in May 2023, and the EVA products were sold through Zhangzhou USI and Xiamen USI.
- 8. For details of the Company's history and related investment information, please refer to the related information on the Company's website: () and the Company's annual report "VIII. Special Note".



Chapter 3. Corporate Governance Report

I. Organization System

(I) Organization Chart: March 31, 2024



(II)Responsibilities and Functions of Major Divisions

Unit	Main Responsibilities
General Manager	Responsible for the Company's overall operations
Advanced Material Division	 Plan and develop high value-added products. Responsible for CBC-related businesses and focus on marketing strategies and market development. Coordination of fireproof materials and coating-related businesses. Integrate the Group's resources and green environmental protection building materials
Kaohsiung Plant	planning and development. Responsible for matters related to manufacturing, research and development (R&D), storage, quality control, coordinating transportation of company products and maintenance of plant equipment, work safety and environmental protection
Office of Chief Technology Officer Research and	Responsible for integrating product R&D and innovation at each affiliated company.
Development Division	Optimize research and production process of new product and new technology. Client technical support and quality service assistance. New application market for products development.
Sales and Marketing Division	Sale products. Market analysis and product promotion. Customer service. Accept and deal with customer complaints.
Procurement and Logistics Division	Purchase and audit major capital expenditures including bulk raw materials, machinery and equipment. Plan the supervision and execution of trading and transportation, warehousing and customs-related operations.
Accounting Division	 Preparation and analysis of financial statements and budgets to be used by decision-making units for the management and formulation of strategies. Establishment, evaluation and implementation of accounting systems. Planning and reporting of various taxes. Regular announcement or reporting of financial performance.
Finance Division	1. Capital dispatch and foreign exchange management. 2. Financing planning and financial investment. 3. Product insurance and claims. 4. Customer credit and risk control. 5. Shareholder affairs and compliance. 6. Financial project planning and implementation.
Information System Division	 Plan, build, develop and manage various information systems and facilities at the Company. Plan and implement the information security system, including five aspects of network security architecture: identification, protection, detection, response, and recovery.
Human Resource Division	 Undertake the Group's vision and strategic objectives, and plan the Group's human resources strategy and system. Plan and conduct annual training programmes to cultivate professionals at all ranks. Manage talent recruitment and appointment, promote campus talent recruitment and industry-school cooperation internship. Develop and promote strategic payroll management system and set up payroll operation center. Manage annual promotion, salary adjustment and year-end bonus. Conduct trade union relations and comply with labor laws. Assist overseas branches in organizational planning, as well as dispatch and training of personnel Provide employee services and handle general affairs.



Unit	Main Responsibilities
Legal Division	1.Review of contracts and legal documents. 2.Handling of legal disputes. 3.Research on special legal issues. 4.General legal advice. 5.Other legal matters.
Chief Engineer Office	1. Assist and participate in the construction of new plants, or deal with such constructions entirely. 2. Assist and participate in the improvement of equipment and local manufacturing processes in operation, or deal with such projects entirely. 3. Integration of engineering personnel and engineering specifications.
New Product Business Division	1.Assist in formulating marketing strategies for new businesses, and establish appropriate business models. 2.Responsible for developing new products or acquiring new customers to increase revenue. 3.Integrate company resources and generate synergy so as to enhance the successful development of new businesses.
Preventive Maintenance and Environmental Risk Control Division	1. Assist the Group in establishing preventive maintenance systems at all plants 2. Improve and enhance existing equipment 3. Equipment fault management and prevention 4. Routine/non-routine audit, counseling and training 5. Environment risk management planning and technical supervision. 6. Plan and promote compliance with laws related to energy conservation and carbon reduction, and establish related systems.
Planning Department	1.Develop and propose product trees, according to markets for current products and products to be invested in the future, as well as the technical strengths and weaknesses of such products, for future planning and development. 2.Track and analyze the macroeconomy. 3.Track and analyze upstream industries and future competitors. 4.Coordination and follow-up of various projects.
Auditing Office	I.Implement internal audit and improve work flows in the Company. Evaluate the soundness and reasonableness of the Company's internal control systems, as well as the effectiveness of their implementations at all departments and divisions.
Secretariat of the Board	1.Plan and handle matters related to Board of Directors' meetings. 2.Handle matters related to Shareholders' meetings such as convening Shareholders' meetings, dealing with various announcements and reporting associated with Shareholders' meetings, preparing agenda handbooks and keeping information regarding shareholders presence at Shareholders' meetings in accordance with the law. 3.Assist in promoting and handling the administrative orders of the competent authorities.
Remuneration Committee	1. The Committee evaluates the remuneration policy and system of the Directors and managers objectively and make suggestions to the Board of Directors accordingly for policy-making reference. 2. The Committee adopts a comprehensive remuneration management system to encourage managerial officers to perform their duties for business operations, improve management performance, core competitiveness, and short, mid, and long-term profitability and create value for shareholders.

Unit	Main Responsibilities
Audit Committee	 1.Establishment, amendment, and evaluation of the effectiveness of internal control systems. 2.Stipulate or amend procedures for acquiring or disposing of assets, derivatives trading, provision of capital loans to other parties, the provision of endorsements or guarantees to other parties, and other major financial activities. 3.Major assets or derivative trading. 4.Major loaning of funds, making of endorsements or provision of guarantees. 5.Appointment, dismissal and compensation of CPAs. 6.Review the financial report stamped with the seal of the Chairman, manager and principal accounting officer. 7.Other material matters as may be required by the Company or by the competent authority.
Sustainability Council	 Agree on sustainable development policies. Agree on sustainable development strategic plan, annual plan and project plan. Supervise the implementation of sustainable development strategy planning, annual plan and project plan, and evaluate the implementation. Review the Sustainability Report. Annual report to the Board of Directors on the annual results of sustainable development. Other matters directed by the Board resolution to be handled by the Committee.
Corporate Governance Team	 Formulate corporate governance policies and coordinate the corporate governance evaluation. Implement corporate social responsibility and compile sustainable reports. Implement the internal control system and ISO 9001 quality management system. Plan and set up knowledge management system of each department. Supervise the company registration and change registration in accordance with the law. Supervise and assist the Board of Directors and the Shareholders' Meetings to handle the meeting minutes according to law and assist the Company to comply with the relevant laws and regulations of the Board of Directors and the Shareholders' Meeting. Coordinate with related units to provide Independent Directors and Directors with information required for the exercise of their duties and arrange courses for Directors in accordance with law. Supervise and coordinate the relevant units to handle matters related to investor relations in a timely manner.

II. Directors, General Manager, Deputy General Manager, Senior Managers, and Managerial Officers of various departments or branches:

- (I) Composition of the Board of Directors
 - 1.Information of members of the Board of Directors

April 2, 2024	Units:	Shares
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Title (Note 1)	Nationality or Place of Registration	Name	Gender Age (Note 2)	Date Elected (Appointe d)	Term Date First Elected (Note 3)		elected		•		Shares Held by Spouse and Minors		Shares Held in the Name of Other Persons		Education and Work Experience (Note 4)	Titles also held in the Company and other	Managerial Officers, Directors or Supervisors Who Are Spouses or Relatives within the Second Degree of Kinship			Remark (Note 5)
			(Note 2)				Number of share	Percentage of Ownership (%)	Number of share	Percentage of Ownership (%)	Number of share	Percentage of Ownership (%)	Number of share	Percentage of Ownership (%)	(Note 4)	companies.	Title	Name	Relationship	
n and	Hong Kong	Shing Lee Enterprises (Hong Kong) Limited	-			Dec 02, 1982	173,776,546	14.62%	173,776,546	14.62%	I	-	0	0%	Ordinary					
Chairman and CEO	Taiwan (R.O.C.)	Representative: Wu, Yi-Gui	M 71~75 years old	May 31, 2023	3 years	Dec 02, 1982 (Note 6)	-	-	113,122	0.01%	-	-	0	0%	Shares Outstanding	(Note 7)	Director	Yu, Ching- Shou	In-law	(Note 5)
Director	Taiwan (R.O.C.)	Asia Polymer Corporation	-	May 31,	3	June 12, 2020	101,355,673	8.53%	101,355,673	8.53%	I	I	0	0%	Bachelor of Engineering,		Chairman	Wu, I-Kuei	In-law	No
Dire	Hong Kong	Representative: Yu, Ching-Shou	M 91~ 95 years old	2023	years	Dec 02, 1982	I	l	0	0%	12,500,000	1.05%	0	0%	University			wa, i kaci		110
Director	Taiwan (R.O.C.)	Asia Polymer Corporation	-	May 31,	3	June 12, 2020	101,355,673	8.53%	101,355,673	8.53%	П	-	0	0%	(Note 8)	Director: INOMA	No	No	No	No
Dire	Taiwan (R.O.C.)	Representative: Kao, Che-I	M 81~85 years old	2023	years	June 08, 2017	-	=	0	0%	0	0%	0	0%		Corporation	140	INO		110
Director and General Manager	Taiwan (R.O.C.)	TTC Chemical Company, Ltd.	-	May 31,	3	June 12, 2020	15,109,901	1.27%	15,109,901	1.27%	ı	-	0	0%	(Note 9)	(Note 10)	No	No	No	No
Direct Gen Man	Taiwan (R.O.C.)	Representative: Wu, Pei-Chi	M 56~ 60 years old	2023 year	years	September 23, 2022	ı	l	0	0%	0	0%	0	0%	(Note 9)	(Note 10)	No	NO	140	140
Director	Hong Kong	Shing Lee Enterprises (Hong Kong) Limited	-	May 31,	3	Dec 02, 1982	173,776,546	14.62%	173,776,546	14.62%	l	I	0	0%	(Note 11)	(Note 12)	No	No	No	No
Dir	Taiwan (R.O.C.)	Representative: Wu, Hung Ting	M 36~ 40 years old	2023	years	June 12, 2020	=	=	50,418	0%	2,973	0%	0	0%	,	, 5,	No	INO	No	INO





Title (Note 1)	tle Nationality or Place of te 1) Paristration Name Gender Age (Appo)	Date Elected (Appointe d)	Term	Date First Elected (Note 3)	Shares held when elected		Number of shares currently held		Shares Held by Spouse and Minors		Shares Held in the Name of Other Persons		Education and Work Experience	Titles also held in the Company and other	Supervisors Who Are Spouses or Relatives within the Second			Remark (Note 5)		
			(Note 2)	u)			Number of share	Percentage of Ownership (%)	Number of share	Percentage of Ownership (%)	Number of share	Percentage of Ownership (%)		Percentage of Ownership (%)	(Note 4)	companies.	Title	Name	Relationship	
Independent Director	Taiwan (R.O.C.)	Chen Chung	M 71~75 years old	May 31, 2023	3 years	June 06, 2014	0	0%	0	0%	0	0%	0	0%	(Note 13)	(Note 14)	No	No	No	No
Independent Director	Taiwan (R.O.C.)	Tu, Tzu-Chun	M 61~65 years old	May 31, 2023	3 years	June 12, 2019	0	0%	0	0%	0	0%	0	0%	(Note 15)	(Note 16)	No	No	No	No
Independent Director	Taiwan (R.O.C.)/U SA	Hai, Ying- Chun	M 71~75 years old	May 31, 2023	3 years	June 06, 2014	0	0%	0	0%	0	0%	0	0%	(Note 17)	(Note 18)	No	No	No	No
Independent Director	Taiwan (R.O.C.)	Chen, Sheng-Te	M 66~ 70 years old	May 31, 2023	3 years	May 31, 2023	0	0%	0	0%	0	0%	0	0%	(Note 19)	(Note 20)	No	No	No	No

- Note 1. For institutional shareholders, their names and representatives should be stated (for representatives, the names of institutional shareholders they represent should be indicated respectively), and filled in Table 2.
- Note 2. Please list the actual age, and express it in interval mode, such as 41-50 years old or 51-60 years old.
- Note 3. Any disruption of duty as a director or supervisor after the date they are elected should be included in a separate note.
- Note 4. Work experiences of any individual in the table above that are related to their current roles, such as previous employment at CPA firms or employment in affiliated companies, should be disclosed along with job titles and responsibilities.
- Note 5. If the Chairman, General Manager, or personnel with an equivalent position (top-level manager) are the same person, spouses, or relatives within first degree of kinship, relevant information on the reasons, reasonability, necessity, and measures to be taken accordingly (e.g. by way of increasing the number of independent directors and having half of the Directors not serving as employees or managerial officers concurrently) shall be addressed.

 Based on the overall operation, the Company's Chairman serving as the CEO concurrently is to tap into his excellent business vision. With his participation in the Company's operations in person, the Company can implement the business decisions consistently and improve the operating efficiency. More than half of the current members of the Company's Board of Directors do not serve as employees or managerial officers concurrently, which is audited and certified by Deloitte & Touche. The Company has also established an Audit Committee, a Remuneration Committee, a Sustainability Council, and a Corporate Governance Team to strengthen corporate governance, and to reduce operational risks continuously through a rigorous internal control mechanism.
- Note 6. From February 17, 1992 to May 18, 1993, institutional shareholder Shing Lee Enterprise (Hong Kong) Limited experienced a disruption of duty as a Director because the representative of the company was replaced.
- Note 7. Chairman: APC, CGPC, TTC, Acme Electronics Corporation, United Polymers Corporation, USI Optronics Corporation, Swanson Plastics Corporation, Swanson Technologies Corporation, Chong Loong Trading Co., Ltd., USIFE Investment Co., Ltd., CGPC Polymer Corporation, APC Investment, Taiwan United Venture Capital Corp., USI Management Consulting Corporation, Arcme (Cayman), USI Education Foundation, and Fujian Gulei Petrochemical.
 - Director: Taiwan VCM Corporation, USI (Hong Kong), Swanlake, USI International, Acme Components (Malaysia), Forever Young, Swanson (Singapore), Swanson (Malaysia), Swanson International, Swanson (India), Swanson Plastics (Kunshan) Co., Ltd., Golden Amber, ACME (Kunshan), ACME (Guang-Zhou), Taita (BVI), APC (BVI), CGPC (BVI), CGPC America, A.S. Holdings (UK), ASK-SWANSON (KUNSHAN), Acme Ferrite, Swanson (Tianjin), Ever Conquest Global, Ever Victory Global, Dynamic Ever Investments, PT. Swanson Plastics Indonesia. USIGE, ZTC, Yutao Investment, Dasheng Yivi Ventures, and CTCI Group, Acme Advanced Materials and USI (Xiamen).
 - General Manager: United Polymers Corporation, USI Management Consulting Corporation, Dynamic Ever Investments Ltd. and Ever Victory Global Ltd.
 - Chief Executive Officer: USI Corporation, Asia Polymer Corporation, China General Plastics Corporation, Taita Chemical Company Limited, Acme Electronics Corporation and USI Optronics Corporation.

 Executive Director: Chinese National Federation of Industries.
- Note 8. Department of Chemical Engineering, National Taiwan University; PhD in Chemical Engineering, Perdue University; Chief Scientist, Dow Chemical; Senior Consultant and Expert, Industrial Technology Research Institute (Chairman Office); Senior Advisor, Chi Lin Technology Co., Ltd.
- Note 9. General Manager, Thermosetting Materials Business Unit, Asia Pacific, Dow Chemical Company; Sales Director, Basic Plastics, Greater China; Sales Engineer, ESSO Taiwan Branch.
- Note 10. Chairman: USIGE, Taita Chemical (Zhongshan), Taita Chemical (Tianjin), USIT (Shanghai), Zhangzhou Taita, and Zhangzhou Taiju, USI (Xiamen) and Zhangzhou Xuteng.
 - Director: Dynamic Ever Investments Ltd., Ever Victory Global Limited, Ever Conquest Global Limited, Taita (BVI) Holding Co., Ltd., APC (BVI) Holding Co., Ltd., USI International Corporation, Golden Amber Enterprises Ltd., Swanlake Traders Ltd., Asia Polymer, USI, CGPC, CGTD, USIFE Investment, APC Investment, CLT, Swanson Plastics, STC, INOMA, USI Education Foundation, TUVC, UPIIC, UM, ACME (Kunshan), Fujian Gulei Petrochemical, USIO, and USI (Hong Kong).

 General Manager: USI, Taita, Asia Polymer, CLT, USI (Shanghai)
- Note 11. Master of International Business Administration, Antai College of Economics & Management, Shanghai Jiao Tong University; analyst at Yuanta Securities Investment Consulting Co., Ltd.; Legal Affairs Manager and Financial Affairs Manager of Aetas Technology Inc.

 Note 12. Founder and CEO of Foxli Networks (Shanghai) Technology Co., Ltd.; Director of Oak Analytics; Initial capital investor of Bloominous, Inc.,
- Note 13. Masters of Law, National Taiwan University (Taiwan); Office of the President (Taiwan); President of the Executive Yuan, Taiwan (R.O.C.); Chairman of the Financial Supervisory Commission under the Executive Yuan, Taiwan (R.O.C.); Chairman of the Taiwan Stock Exchange; Deputy Minister of the Minister of Finance, Taiwan (R.O.C.); Director General of Finance, Taiwan (R.O.C.); Director General of Insurance Bureau, Ministry of Finance, Taiwan (R.O.C.); and Chairman of Taiwan Cooperative Bank.

Note 14. Chair Professor at School of Law and School of Business, Soochow University (Taiwan).

Chairman: The Appacus Foundation and the Prospect Foundation.

Director: Lien Hwa Industrial Corporation and Union Petrochemical Corporation.

Note 15. Ph.D., School of Forestry and Resource Conservation, National Taiwan University; Minister of the Ministry of Economic Affairs, Chairman of National Development Council; Vice Premier, Executive Yuan; and Adjunct Associate Professor, Department of Business Administration. Soochow University.

Note 16. Consultant, Institute of Taiwan Electronics Manufacturers' Association; Highest Consultant, Taiwan Transportation Vehicle Manufacturers Association; Highest Consultant, National Federation of Industries; a member of the Industrial Development & Investment Promotion Committee of Taovuan.

Note 17. Independent Director: Macronix International Co., Ltd. and CDIB Capital Group

Note 18. Master of International Business Management, University of Texas at Dallas; Vice Chairman and Chief Executive Officer of Delta Electronics, and Chairman of Business Strategy Management Committee; General Manager of GE Capital Taiwan.

Chairman: Delta Electronics.

Director: Delta Networks, Inc., Delta Capital Co., Ltd., Cyntec Co., Ltd., CTCI, and Delta Electronics (Shanghai) Co., Limited.

Independent Director: Taiwan Semiconductor Manufacturing.

Functional Committees: Chairperson of Delta Electronics Sustainability Committee, Member of Chin-Poon Industrial Sustainability and Net Zero Committee, Member of TSMC Audit and Risk Committee, Member of Compensation and Talent Development Committee, Member of Nomination, Governance and Sustainability Committee.

Other organizational positions: Taiwan Climate Change Alliance Chairman, Board member of the Taiwan Institute for Sustainable Energy, Advisor to the Taiwan Cloud Computing & IoT Association, Director of the Delta Electronics Foundation, Director of the Zhang Xin-Qi Memorial Foundation for Business and Management Education, Director of the Chiang Ching-kuo Foundation for International Scholarly Exchange and member of its finance committee.

Honors: Academician of the Industrial Technology Research Institute (ITRI)

Note 19. Master of Business Administration from the University of Missouri, Chairman of Taipei Fubon Commercial Bank, Chairman of Zhuo Yi Capital, head of Citigroup Taiwan.

Note 20. Director: Taiwan Cement Corporation.

Independent Director: Lion Travel Agency.

Independent non-executive director (Foreign): Uni-President Enterprises China Holdings.

Supervisor: Fubon Bank (China) Co., Ltd.



2. The principal shareholder of a corporate shareholder

April 02, 2024

Shareholders' Name (Note 1)	Major Shareholders of Institutional Shareholders (Note	e 2)
	SILVER HERO VENTURES LTD.	18.18%
	SOCIAL LUCKY INT'L INVESTMENT LTD.	18.18%
Shing Lee Enterprises	XANADU INTERNATIONAL CO., LTD.	18.18%
(Hong Kong) Ltd.	RICH GRADE HOLDINGS LTD.	18.18%
	ASIA DYNAMIC OVERSEAS LTD.	10.61%
	BEST PERSPECTIVE OVERSEAS LIMITED	7.58%
	Union Polymer International Investment Corporation	36.08%
	Taiwan Union International Investment Corporation	2.41%
	Chunghwa Post Co., Ltd.	2.20%
	TransGlobe Life Insurance Inc.	2.17%
	The First Insurance Co., Ltd.	1.08%
	JP Morgan Chase Bank Taipei Branch as custodian of Vanguard	0.93%
	Group's Vanguard Emerging Markets Stock Index Fund	
Asia Polymer Corporation		
	JP Morgan Chase Bank Taipei Branch was entrusted to host the	0.90%
	investment account of Vanguard Total International Stock Index	
	Fund, a series of Vanguard Star Fund Company	
	China General Terminal & Distribution Co.	0.89%
	Weiheng Asset Management Co., Ltd.	0.42%
	Citibank (Taiwan) as custodian of Dimensional Fund Advisors'	0.42%
	Emerging Markets Core Portfolio Investment	26 50 8
	Union Polymer International Investment Corporation	36.79%
	Taiwan Union International Investment Corporation	2.23%
	China General Terminal & Distribution Co.	0.57%
	Chien Shing Stainless Steel Co., Ltd.	0.53%
TTTC CI : 1 C	USIFE Investment Co., Ltd.	0.36%
1	Citibank (Taiwan) as custodian of Dimensional Fund Advisors'	0.33%
Ltd.	Emerging Markets Core Portfolio Investment	0.070
	The new labor pension fund has entrusted Fubon Investment	0.27%
	special account for the second time in 2020	0.260
	Lin, Tse-Tien	0.26%
	Li, Yao-Kui	0.21%
	Huang, Chong-Ming	0.20%

Note 1. For directors whose representatives are institutional shareholders, the name of these representatives should be filled.

Note 2. Fill in the name of the major shareholders of these institutional shareholders (include top 10 major shareholders by shareholding percentage) and their shareholding percentages. If the major shareholder is a juristic person, his/her name should be filled in Table 3 below.

Note 3. For institutional shareholders who are not under the organization of the Company, the name and shareholding of the shareholders (refer to the announcement of Judicial Yuan) shall be disclosed (i.e. name of the investor or donor and their investment or donation ratio). If the donor has passed away, a note of "deceased" should be added.



3.Institutional shareholders whose major shareholders are juristic persons

April 02, 2024

Name of Institutions (Note 1)	Major Shareholders of Juristic Persons (Note 2)				
SILVER HERO VENTURES LTD.	WU,HUNG-TO	90%			
SOCIAL LUCKY INT'L INVESTMENT LTD.	WU, I-KUANG	100%			
XANADU INTERNATIONAL CO., LTD.	SEAQUEST VENTURES INC.	100%			
RICH GRADE HOLDINGS LTD.	WU,WEI-MING	100%			
ASIA DYNAMIC OVERSEAS LTD.	WU SHUNG, HUI-CHENG	99%			
BEST PERSPECTIVE OVERSEAS LIMITED	WU , CHIAO-FENG	99.99%			
Union Polymer International Investment Corporation	USI Corporation	100%			
Taiwan Union International Investment Corporation	UPC Technology Corporation	100%			
Chunghyya Dogt Co. Ltd	Ministry Of Transportation and	100%			
Chunghwa Post Co., Ltd.	Communications	100%			
TransGlobe Life Insurance Inc.	Chung Wei Yi Co. Ltd.	100%			
The First Insurance Co., Ltd.	Shareholders did not provide informati	on.			
Taiwan Life Insurance Co., Ltd.	CTBC Financial Holding Co., Ltd.	100%			
	China General Plastics Corporation	33.33%			
China General Terminal & Distribution Co.	Asia Polymer Corporation	33.33%			
	TTC Chemical Company, Ltd.	33.33%			
Weiheng Asset Management Co., Ltd.	Shareholders did not provide information.				
Chien Shing Stainless Steel Co., Ltd.	Shareholders did not provide information.				
USIFE Investment Co., Ltd.	USI Corporation	100%			

Note 1. If the major shareholder of institutional shareholders as shown in Table 1 is a juristic person, the name of the juristic person should be filled.

Note 2. Fill in the name of the major shareholders of these institutions (include top 10 major shareholders by shareholding percentage) and their shareholding percentages.

Note 3. For institutional shareholders who are not under the organization of the Company, the name and shareholding of the shareholders (refer to the announcement of Judicial Yuan) shall be disclosed (i.e. name of the investor or donor and their investment or donation ratio). If the donor has passed away, a note of "deceased" should be added.

4.Information regarding members of the Board of Directors

(1) Disclosure of professional qualifications of Directors and Supervisors and independence Information of independent Directors:

March 31, 2024

Criteria	Professional qualifications and experience (Note 1)	Independence situation (Note 2)	Number of companies in which the director or supervisor also serves concurrently as an Independent Director
Wu, I-Kuei Yu, Ching-Shou	 (1) Currently, he serves as the chairman and chief executive officer of USI and a number of affiliated enterprises. He has professional field of corporate operation management and direct supervision experience of financial supervisor, accounting supervisor, etc. (2) Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies (1) As a director of the company for many years, he has profound expertise in finance, chemical industry and other fields. (2) Where none of the circumstances in the subparagraphs of Article 30 of 	N/A	N/A
Kao, Che-I	the Company Act applies (1) He received a Doctor's degree in chemical engineering from Purdue University, and served as chief scientist of Dow Chemical (U.S.A.). He has profound professional experience in chemical engineering. (2) Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies		
Wu, Pei-Chi	 (1) Currently serving as General Manager for our company, Asia Polymer Corporation and Taita Chemical Company, Ltd with job experience overseeing financial and accounting executives directly. (2) Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies 		
Wu, Hung Ting	(1) Working experience and professional qualifications in legal, financial and other positions.(2) Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies		
Chen, Chung	 He is currently a Chair Professor of Law and Business at Soochow University. He has served as the dean of the administration, the head of the Ministry of Finance and Economics, and the head of the financial sector. He has written extensively on the state of the financial sector and related public policy issues, and has professional experience in strengthening corporate governance and the functioning of the board. Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies 	The four independent directors listed on the left met the qualifications set forth in the "Regulations Governing the	0
Tu, Tzu-Chun	 He was adjunct Associate Professor in the Department of Business Administration of Soochow University, Vice President of the Executive Yuan and head of the Ministry of Finance and Economics. Currently, he serves as a director of several listed companies, with experience in industrial development planning, industrial technology research and development and management. Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies 	Establishment and Compliance of Independent Directors of Public Companies" issued by the Financial Supervisory	3 (Note4)
Hai, Ying-Chun	 As the chairman of Delta Electronics, with experience in setting the Company's business development direction, planning the organizational structure, promoting and implementing strategic innovation, strengthening corporate governance and the functioning of the board of directors. Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies 	Commission	1



Chen, Sheng-Te	(1) He has served as the chairman of Fubon Bank and Zhuoyi Capital, and has rich working experience in finance, investment and other professional fields besides enterprise management experience.(2) Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies	to their election and during the period in which they served in their respective positions, and	1
		all of them have been granted the authority to participate in the decision-making	
		process and express their opinions in accordance with Article 14-3 of	
		the SEA, and have been able to independently perform the	
		related duties and responsibilities.	

Note 1. Professional qualifications and experience: State the professional qualifications and experience of the individual directors and supervisors. If they are members of the Audit Committee and have accounting or financial expertise, state their accounting or financial background and work experience, and indicate whether Article 30 of the Companies Act is absent.

Note 2. For independent director, state the independence criteria, including but not limited to whether the director, the spouse and immediate family members or relatives within the second degree of kinship of the director are directors, supervisors, or employees of the Company or its affiliated companies; The number and proportion of the Company's shares held by the director, the spouse and immediate family members or relatives within the second degree of kinship of the director (or in the name of others); Whether the director is a director, supervisor or employee of a company that has a specific relationship with the Company (refer to the provisions of Paragraph 5-8, Item 1, Article 3 of the Measures for the Establishment of Independent Directors of Public Offering Companies and Matters to be Followed); Amount of remuneration obtained in the last 2 years for providing business, legal, financial, and accounting services to the Company or its affiliated companies:None.

Note 3.For disclosure methods, please refer to the Best Practices Reference on the TWSE Corporate Governance Center website.

Note4.Tu Tzu Chun serves as an independent director of four other public offering companies, two of which are China Development Financial Holdings (stock) Company and China Development Capital (stock) Company, which is 100% owned by him. According to Article 4 of the "Measures for the Establishment of Independent Directors of Public Offering Companies and Matters to be Followed", if the public offering company concurrently holds all the shares of a financial holding company, and concurrently holds more than one subsidiary, the number of exceeding members is included in the number of concurrent members, so the calculation according to this provision does not violate the rule that the number of concurrent members shall not exceed 3.

(2) Diversity and independence of the Board of Directors:

Diversity of the Board of Directors:

According to Article 20 of the Company's "Corporate Governance Best Practice Principles," diversity shall be considered in the composition of the Company's Board of Directors, and members of the Board of Directors shall possess the knowledge, skills and qualities required to perform their duties. To achieve the ideal goal of corporate governance, the Board of Directors shall possess the following abilities: To achieve the ideal goal of corporate governance, the Board of Directors shall possess the following abilities:

- Ability to make sound business judgments.
- Ability to perform accounting and financial analysis.
- Ability to manage a business.
- Ability to handle crisis management.
- Knowledge of the industry.
- An international market perspective.
- Leadership skills.
- Decision-making ability.

In addition to the eight competencies above, the Company has added two professional abilities, namely "legal capability" and "environmental protection" for the diversification of the Board members by taking into consideration the growing

importance of global issues concerning corporate governance and environmental protection at present. At present, existing members of the Board of Directors possess the knowledge, skills and qualities required to perform their duties, and specialize in professional areas including accounting and finance, international markets, law and environmental protection. The current term of directors was elected on May 31, 2023, and one of the new directors, Chen, Sheng-Te, is an independent director with a master's degree in business administration from the University of Missouri, and has served as the head of the Taiwan region of Citigroup and the chairman of the board of directors of Fubon Commercial Bank in Taipei. He possesses in-depth expertise in risk management in the financial and monetary fields, which is conducive to the enhancement of the quality of the Board of Directors' review of the motions, and the achievement of the goal of implementing the policy of diversifying the board of directors' membership.

The Board diversity target is the proposed addition of one female director to meet the gender diversity target. In addition, in response to the increasing global focus on corporate sustainability, the Company intends to increase the number of directors with expertise in related fields to enhance the sustainable competitiveness of the company and improve the function of the board of directors.

Independence of the Board of Directors:

The two independent directors of the Company, Chen, Chung and Hai, Ying-Chun, have served more than three consecutive terms. Among them, Director Chen, Chung has served as the President of the Executive Yuan, the head of the Ministry of Finance and Economics, and the head of the financial industry. He has many discussions and works on the financial situation and related public policy issues, and has professional experience in strengthening corporate governance, managing operational risks, and improving the operational efficiency of the board of directors; Currently serving as the Chairman of the Vision Engineering Foundation of the Consortium, the foundation has been focusing on the United Nations Sustainable Development Indicators (SDGs) for a long time, launching special reports and actions to seek effective solutions, which is of great help to our company in promoting sustainable development (ESG); Director Hai, Ying-Chun currently serves as the Chairman of Delta Electronics Industry (Stock) Company, with work experience in formulating the company's operational development direction, planning organizational structure, promoting and implementing strategic innovation business development, strengthening corporate governance, and enhancing the effectiveness of board operations; Also serving as the Chairman of the Taiwan Climate Alliance, the organization brings in global climate fluctuations and successful carbon reduction experiences to assist domestic enterprises in moving towards the goal of net zero, which greatly benefits our company in promoting sustainable development (ESG).

Two of the directors are foreign nationals and the rest are native nationals. The proportion of composition is 44% of 4 independent directors; 22% of 2 employee directors. One Directors is among 41-50 years old, one is among 51-60 years old, two are among 61-70 years old, three are 71-80 years old and two are aged over 80. Except for Wu, I-Kuei and Yu, Ching-Shou, the directors of the Company who are two relatives by marriage, the other directors do not have spouses, immediate family members or relatives within the second degree of kinship.

(II) General Manager, Deputy General Manager, Senior Managers, Heads of Departments and Branches:

April 02, 2024; Unit: Shares

Shares F		Held	Shares Spouse and Chil	Shares Held in the Name of Other Persons				are spo within t	erialoffic ouses or r he second of kinship	elatives d degree						
Title (Note1)	Nationality	Name	Gender	Date Elected (Appointed)	Number of share	Percentage of Ownership (%)	Number of share	Percentage of Ownership (%)	Number of share	Percentage of Ownership (%)	Education and Work Experiences (Note2)	Other Positions Held in Other Companies		Name	Relationship	Remark
Chief Executive Officer	Taiwan (R.O.C.)	Wu, I-Kuei	M	96.3.22	113,122	0.01%	_	-	0	0%	Ordinary Shares Outstanding	(Note4)	No	No	No	(Note3)
General Manager	Taiwan (R.O.C.)	Wu, Pei-Chi	M	Sep2, 2022	0	0%	0	0%	0	0%	(Note5)	(Note 6)	No	No	No	No
Deputy General Manager:	Taiwan (R.O.C.)	Liu, Han- Tai	M	Sep8, 2009	0	0%	0	0%	0	0%	PhD in Chemical Engineering, Pennsylvania State University	(Note 7)	No	No	No	No
Deputy General Manager of Business	Taiwan (R.O.C.)	Wu, Ming- Tsung	M	July 1, 2021	9	0%	0	0 %	0	0%	Master of Chemical Engineering, National Taiwan University (Taiwan)	Directors: USIT (Shanghai), CLT, Ever Victory Global, Dynamic Ever Investments, ZTC, and USI (Xiamen) General Manager: ZTC and USI (Xiamen) Deputy General Manager of Business: Asia Polymer	No	No	No	No
Corporate Governance Officer	Taiwan (R.O.C.)	Chen, Yung-Chih	M	May 13, 2019	0	0%	0	0%	0	0%	(Note 8)	(Note 9)	No	No	No	No
Sales Director	Taiwan (R.O.C.)	Tseng Kuo Lung	M	June 30, 2023	0	0%	0	0%	0	0%	Master of Chemical Engineering, Datong Institute of Technology	Sales Director: Asia Polymer	No	No	No	No
Finance Manager	Taiwan (R.O.C.)	Yang, Wen- Li	M	Dec6, 2018	0	0%	0	0%	0	0%	(Note 10)	(Note 11)	No	No	No	No
Accounting Manager	Taiwan (R.O.C.)	Kuo, Chuan-Hua	F	Sep1, 2015	0	0%	0	0%	0	0%	Master of Accounting, Tamkang University (Taiwan)	Accounting Manager: Union Polymer Int'l Investment Corp. and USI Management Consulting Corporation	No	No	No	No

- Note 1. Information regarding General Manager, Deputy General Manager, Senior Managers, Heads of Departments and Branches should be included, whereas information regarding positions equivalent to General Manager, Deputy General Manager or Senior Managers should be
- Note 2. Work experiences of any individual in the table above that are related to their current roles, such as previous employment at CPA firms or employment in affiliated companies, should be disclosed along with job titles and responsibilities.
- Note 3. If the General Manager or personnel with equivalent position (chief officer) and the Chairman are the same person, spouses or relatives within first degree of kinship, relevant information on the reasons, reasonability, necessity, and measures to be taken accordingly (e.g. by way of increasing the number of independent directors and having half of the directors not serving as employees or officers concurrently) shall be addressed. Based on the overall operation, the Company's Chairman serving as the CEO concurrently is to tap into his excellent business vision. With his participation in the Company's operations in person, the Company can implement the business decisions consistently and improve the operating efficiency. More than half of the current members of the Company's Board of Directors do not serve as employees or managerial officers concurrently, which is audited and certified by Deloitte & Touche. The Company has also established an Audit Committee. a Remuneration Committee, a Sustainability Council, and a Corporate Governance Team to strengthen corporate governance, and to reduce operational risks continuously through a rigorous internal control mechanism.
- Note 4. Chairman: APC, CGPC, TTC, Acme Electronics Corporation, United Polymers Corporation, USI Optronics Corporation, Swanson Plastics Corporation, Swanson Technologies Corporation, Chong Loong Trading Co., Ltd., USIFE Investment Co., Ltd., CGPC Polymer Corporation, APC Investment, Taiwan United Venture Capital Corp., USI Management Consulting Corporation, Taiwan United Venture Management Corporation, Acme (Cayman), USI Education Foundation, and Fujian Gulei Petrochemical.
 - Director: Taiwan VCM Corporation, USI (Hong Kong), Swanson (India), Swanso ACME (Kunshan), ACME (Guang-Zhou), Taita (BVI), APC (BVI), CGPC (BVI), CGPC America, A.S. Holdings (UK), ASK-SWANSON (KUNSHAN), Acme Ferrite, Swanson (Tianjin), Ever Conquest Global, Ever Victory Global, Dynamic Ever Investments, PT. Swanson Plastics Indonesia, USIGE, ZTC, Yutao Investment, Dasheng Ventures, Dasheng Yiyi Ventures, and CTCI Group, Acme Advanced Materials and USI (Xiamen).
 - General Manager: United Polymers Corporation, USI Management Consulting Corporation, Dynamic Ever Investments Ltd. and Ever Victory Global Ltd.
 - Chief Executive Officer: APC, CGPC, TTC, ACME, and USIO.
 - Executive Director: Chinese National Federation of Industries.
- Note 5. General Manager, Thermosetting Materials Business Unit, Asia Pacific, Dow Chemical Company; Sales Director, Basic Plastics, Greater China; Sales Engineer, ESSO Taiwan Branch.
- Note 6. Chairman: USIGE, Taita Chemical (Zhongshan), Taita Chemical (Tianjin), USIT (Shanghai), Zhangzhou Taita, and Zhangzhou Taiju, USI (Xiamen) and Zhangzhou Xuteng.
 - Director: Dynamic Ever Investments Ltd., Ever Victory Global Limited, Ever Conquest Global Limit CGPC, CGTD, USIFE Investment, APC Investment, CLT, Swanson Plastics, STC, INOMA, USI Education Foundation, TUVC, UPIIC, UM, ACME (Kunshan), Fujian Gulei Petrochemical, USIO, and USI (Hong Kong). General Manager: Taita, Asia Polymer, CLT and USI (Shanghai).
- Note 7. Director: Ever Victory Global Ltd. Dynamic Ever Investments Ltd. Ever Conguest Global Limited Swanson Plastics (Malaysia) Sdn. Bhd. CGPC. CGPC (Zhongshan), Taiwan VCM Corporation, CGTD, Swanson, INOMA, Taiwan United Venture Capital Corp., USIGE, ZTC, ASK-Swanson, Swanson (Tianjin) and Swanson (Kunshan),
 - Supervisor: Fujian Gulei Petrochemical
- Note 8. PhD. in Law, University of Munich, Germany; Arbitrator of Chinese Arbitration Association, Taipei.
 - Lawyer: Winkler Partners Attorneys at Law of Taiwan and Foreign Legal Affairs
- Note 9. Corporate Governance Officer: CGPC, APC, TTC, and Acme Electronics Corporation.
 - Director: CGPC (Zhongshan), ACME (Kunshan), ACME (Guangzhou), Swanson Technologies Corporation, Taita Chemical (Zhongshan), Taita Chemical (Tianjin), Zhangzhou Taita Chemical Co., Ltd., Xuteng Property. Independent Director: Man Zai Industrial Co., Ltd.
 - Supervisor: Union Polymer, ZTC, CLT, INOMA, USIGE, USIO, Swanson, Swanson (Kunshan), Swanson (Tianjin), ASK-Swanson, USIFE Investment, Taiwan United Venture Capital Corporation, TUVM, Delmind Inc., Global Green Technology



Supervisor: USI (Shanghai), Fujian Gulei Petrochemical, Zhangzhou Taiju, ACME (Kunshan), PT. Swanson Plastics Indonesia., Xuteng Property and USI (Xiamen).

(III) If the Chairman, General Manager, or personnel with an equivalent position (top-level manager) are the same person, spouses, or relatives within first degree of kinship, relevant information on the reasons, reasonability, necessity, and measures to be taken accordingly (e.g. by way of increasing the number of independent directors and having half of the Directors not serving as employees or managerial officers concurrently) shall be addressed:

Based on the overall operation, the Company's Chairman serving as the CEO concurrently is to tap into his excellent business vision. With his participation in the Company's operations in person, the Company can implement the business decisions consistently and improve the operating efficiency.

More than half of the current members of the Company's Board of Directors do not serve as employees or managerial officers concurrently, which is audited and certified by Deloitte & Touche. The Company has also established an Audit Committee, a Remuneration Committee, a Sustainability Council, and a Corporate Governance Team to strengthen corporate governance, and to reduce operational risks continuously through a rigorous internal control mechanism.

III. Remuneration Paid to Directors

(Including Independent Directors), Supervisors, General Manager, and Deputy Manager During the Most Recent Fiscal Year

- I. If any of the following applies to a Company, the name of the Director or Supervisor involved and the remuneration paid to him/her shall be disclosed. For the remaining Directors or Supervisors, the Company may opt to either disclose information in aggregate remuneration with their names indicated in each numerical range or disclose their names and method of remuneration individually (If the latter is chosen, please fill their positions, names and remuneration amounts individually. The Company shall not need to fill the table for ranges of remuneration):
 - (I) The name and remuneration of the "directors and supervisors" should be disclosed individually if pre-tax losses have been recorded in its parent company-only or individual financial statements in the most recent three (3) fiscal years. However, the preceding sentence shall not apply if the company's parent company-only or individual financial statements in the most recent fiscal year indicates a net income after taxes which is sufficient to cover cumulative losses [Note 1].
 - (II) A company with directors whose shareholding percentages have been insufficient for three (3) or more consecutive months during the most recent fiscal year shall disclose the remuneration of individual directors. A company with supervisors whose shareholding percentages have been insufficient for three (3) or more consecutive months during the most recent fiscal year shall disclose the remuneration of individual supervisors [Note 2].

- (III) A company with an average ratio of shares pledged by directors or supervisors that exceeds 50 percent in any three (3) months during the most recent fiscal year shall disclose the remuneration paid to each individual director or supervisor who owns a ratio of shares pledged that exceeds 50 percent for each of these three months [Note 3].
- (IV) If the total amount of remuneration received by all the directors and supervisors of a company from all the companies listed in its financial statements exceeds two (2) percent of its net income after taxes, and the amount of remuneration received by any individual director or supervisor exceeds NT\$ 15 million, the company shall disclose the amount of remuneration paid to individual directors or supervisors. (Description: The remuneration of Directors and Supervisors is calculated based on "Remuneration of Directors" plus "Remuneration of Supervisors" as in the Appendix without including the relevant remuneration received as concurrent employees.)
- A company listed on the Taiwan Stock Exchange (TWSE) or the Taipei Exchange (TPEx) is ranked in the lowest tier in the corporate governance evaluation for the most recent fiscal year, or in the most recent fiscal year or up to the date of publication of the annual report for that year, the company's securities have been placed under an altered trading method, suspended from trading, delisted from the TWSE or the TPEx, or the Corporate Governance Evaluation Committee has resolved that the company shall be excluded from evaluation. [Note 4]
- (VI) The average annual salary of a full-time employee of a listed company who does not hold a managerial position in the most recent year has not reached NT\$500,000. [Note 5]
- (VII) Net profit after tax of listed companies in the most recent year has increased by more than 10%, but the average annual salary of fulltime employees who do not hold supervisory positions has not increased over the previous year. [Note 6]
- (VIII) The after-tax profit and loss of the listed companies in the most recent year decreased by 10% and exceeded NT\$5 million, and the average remuneration per director (excluding the remuneration of part-time employees) increased by 10% and exceeded NT\$100,000. [Note 7]
- II. If the circumstance in sub-item "(I)" or in sub-item "(V)" of the preceding item applies to a company listed on the TWSE or the TPEx, it shall disclose the individual remuneration paid to each of its top five management personnel (e.g., General Manager, Deputy General Managers, Chief Executive Officer, or Chief Financial Officer).
 - [Note 1.] For example, in the case of the 2020 annual report prepared for the shareholders' meeting of the Company, if it is a loss after tax in the Company's parent company only or individual financial statements in any year from 2017 to 2019, individual disclosure shall be adopted. However, although it was a loss after tax in the parent company only or individual financial statements for the fiscal year of 2017 and/or 2018, but the net profit after tax in the parent company only or individual financial statements for the fiscal year of 2019 is sufficient to make up for the accumulated losses; thus, individual disclosure is not may not be adopted.
 - [Note 2.] Example: Suppose the 2009 Annual Report was prepared by the Shareholders' Meeting in 2010. The company should opt for individual disclosure of remuneration information if its directors or supervisors were found to have insufficient shareholding percentages for three (3) or more consecutive months between January 2009 and December 2009. In another example, if the company's directors or supervisors were found to have insufficient shareholding percentages in January 2009 for three (3) or more consecutive months (i.e. three consecutive months including November 2008, December 2008 and January 2009), the company should opt for individual disclosure of remuneration information.
 - [Note 3.] Example: Suppose the 2009 Annual Report was prepared by the Shareholders' Meeting in 2010. If the ratio of shares pledged by all the directors of a company exceeded 50 percent in three separate months within 2009 (e.g. February, May and August 2009), the company shall disclose the amount of remuneration paid to each director for the months when the ratio of shares pledged exceeded 50 percent, namely February, May and August 2009. In another example, if the ratio of shares pledged by the supervisors of a company exceeded 50 percent in any three months, the company shall disclose the amount of remuneration paid to each supervisor for the months when the ratio of shares pledged exceeded 50 percent.

**The average ratio of share pledged by all Directors per month: Number of shares pledged by all Directors / Number of shares held by all Directors (including retained decision-making trust shares). The average ratio of shares pledged by all Supervisors per month: Number of shares pledged by all Supervisors / Number of shares held by all Supervisors (including retained decision-making trust shares).



- [Note 4.] For example: Take the 2023 annual report prepared by the 2024 annual meeting of shareholders as an example, according to the results of corporate governance evaluation are more than published in April each year, when the annual report of the shareholders' meeting of listed companies is published, if the results of corporate governance evaluation of the most recent year (that is, 2023) have not been published, it can first be handled according to the results of corporate governance evaluation of the most recent year (such as 2022). After the results of the latest annual corporate governance review are published, if the remuneration is disclosed for the last two levels of the corporate governance review and the original method of disclosure of names by summarizing and matching the grades, the annual report of the shareholders' meeting shall be amended immediately, and the public information Observatory shall be uploaded to practice the integrity of information disclosure.
- [Note 5.] Example: Suppose the 2021 Annual Report was prepared by the Shareholders' Meeting in 2022. If a TWSE Listed or TPEx Listed company prepares the annual report of the shareholders' meeting after the end of the most recent year (i.e. 2021), the annual average salary of full-time employees who are not in charge of their positions in the most recent year (2021) has been fully collected. Therefore, the most recent year (2021) data should be used to assess whether the amount is less than NT\$500,000. The remuneration of individual directors and supervisors for the most recent year shall be disclosed.
- [Note 6.] For example, taking the preparation of the 2023 annual report at the 2024 shareholders' meeting as an example, the net profit after tax of a listed or OTC company's 2023 financial report has increased by more than 10% compared to 2022 (this calculation should also apply if the company is in loss in 2022 and in profit in 2023). However, if the average annual salary of full-time employees who do not hold supervisory positions has not increased compared to 2022, the remuneration of individual directors should be disclosed. Net profit after tax refers to the net profit after tax of the individual or individual financial report for the most recent year. The definition and calculation method of full-time employees and their salaries shall be handled in accordance with the Taiwan Stock Exchange Corporation's Regulations on Information Reporting of Overseas Fund Institutions Listed on Securities and Overseas Index Stock Funds, as well as the Taiwan Securities Center's Regulations on Information Reporting of OTC Companies Listed on Securities, as well as the regulations on the reporting of salary information for full-time employees who do not hold supervisory positions.
- [Note 7.] For example: Taking the 2023 annual report prepared by the shareholders' meeting in 2024 as an example, the after-tax profit and loss of the financial report of the listed listed company in 2023 decreased by more than 10% compared with that of 2022, and the amount reached more than NT\$5 million (applicable to the company regardless of after-tax net profit or loss), and the average remuneration of each director (excluding the remuneration of part-time employees) increased by 10%. If it exceeds NT\$100,000, the remuneration of individual directors shall be disclosed. After-tax profit or loss refers to the after-tax profit or loss of an individual financial report for the most recent year.

Corporate Governance Report

(I) Remuneration to Directors and Independent Directors

(1) Collective disclosure

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					Remune	ration				Percenta				ation recei	ved by dire	ectors wh	o also sei	rve as emp	oloyees		e of the total of 7	mo s,
			ration (A) te 2)		on Pay and ion (B)	Directo (C)	(Note 3)	Business E (No	xpenses (D) te 4)	C, D, and	tems A, B, net income (Note 10)	Special A	onuses and llowances lote 5)		n Pay and on (F)	Er	(No	Rewards (0 te 6)	,	net inco	C, D, E, F, G, and ome after taxes Note 10)	irectors fro Company company 11)
Title	Name (Note 1)	The Company	All the Companies Included in the Consolidated Financial Statements (Note 7)	The Company	All the Companies Included in the Consolidated Financial Statements (Note 7)	The Company	All the Companies Included in the Consolidated Financial State ments (Note 7)	The Company	All the Companies Included in the Consolidated Financial Statements (Note 7)	The Company	All the Companies Included in the Consolidated Financial State ments (Note 7)	The Company	All the Companies Included in the Consolidated Financial State ments (Note 7)	The Company	All the Companies Included in the Consolidated Financial Statements (Note 7)	The Co	Stock	All the Comp Included in the Consolidated Statements (Included Included Inc	he l Financial	The Company	All the Companies Included in the Consolidated Financial Statements (Note 7)	Renumeration paid to Directors from investees other than the Company's subsidiaries or parent company (Notes 9 and 11)
Chairman	Wu, I-Kuei (Representative of Shing Lee Enterprise (Hong Kong) Limited)	0	0	0	0	0	0	24	112	24 (0.01%)	112 (0.05%)	13,940	31,769	108	108	0	0	44	0	14,072 (6.80%)	32,033 (15.47%)	2,520
Director	Yu, Ching-Shou (Representative of Asia Polymer Corporation)	500	500	0	0	0	0	144	204	644 (0.31%)	704 (0.34%)	0	0	0	0	0	0	0	0	644 (0.31%)	704 (0.34%)	None
Director	Kao, Che-I (Representative of Asia Polymer Corporation)	0	0	0	0	0	0	780	780	780 (0.38%)	780 (0.38%)	0	0	0	0	0	0	0	0	780 (0.38%)	780 (0.38%)	None
Director	Wu, Pei-Chi (Representative of Taita Chemical Company, Ltd.)	0	0	0	0	0	0	24	84	24 (0.01%)	84 (0.04%)	6,070	15,170	0	108	0	0	6	0	6,094 (2.94%)	15,368 (7.42%)	None
Director	Wu, Hung Ting (Representative of Shing Lee Enterprise (Hong Kong) Limited)	500	500	0	0	0	0	344	344	844 (0.41%)	844 (0.41%)	0	0	0	0	0	0	0	0	844 (0.41%)	844 (0.41%)	None
Director	Huang, Kuang-Che (Representative of Taita Chemical Company, Ltd.) (Notes 12)	500	500	0	0	0	0	62	128	562 (0.27%)	628 (0.30%)	0	0	0	0	0	0	0	0	562 (0.27%)	628 (0.30%)	None
Independent Director	Chen, Chung	1,500	1,500	0	0	0	0	168	168	1,668 (0.81%)	1,668 (0.81%)	0	0	0	0	0	0	0	0	1,668 (0.81%)	1,668 (0.81%)	None
Independent Director	Tu, Tzu-Chun	1,500	1,500	0	0	0	0	168	168	1,668 (0.81%)	1,668 (0.81%)	0	0	0	0	0	0	0	0	1,668 (0.81%)	1,668 (0.81%)	None
Independent Director	Hai, Ying-Chun	1,500	1,500	0	0	0	0	168	168	1,668 (0.81%)	1,668 (0.81%)	0	0	0	0	0	0	0	0	1,668 (0.81%)	1,668 (0.81%)	None
Independent Director	Chen, Sheng- Te(Notes 12)	750	750	0	0	0	0	94	94	844 (0.41%)	844 (0.41%)	0	0	0	0	0	0	0	0	844 (0.41%)	844 (0.41%)	None

^{1.} Please describe the policy, system, standards and structure of the compensation of the Independent Directors and explain the relevance of the amount of remuneration paid to them based on factors such as responsibility, risk and time commitment:

The remuneration of Independent Directors is determined in accordance with the Company's Articles of Incorporation and the remuneration policies and regulations. It is also determined by their level of participation in the Company's operations, value of their contribution, and median pay in the industry. The methods of distribution are filed to the Remuneration Committee for approval and the Board of Directors for resolution before implementation. Independent Directors do not receive other remuneration except for the fixed remuneration.

^{2.}Unless disclosed above, the Directors of the current year received remuneration for providing services (such as serving as a non-employee consultant of the parent company/all the companies included in the financial statements/investee Companies to the companies listed in the consolidated financial statements: None.



(2) Pay scale table: N/A

- Note 1. The name of Directors shall be listed, respectively (for institutional shareholders, the name of institutional shareholders and their representatives shall be listed, respectively), and the name of Directors and Independent Directors shall be listed respectively; the payment amount shall be disclosed in aggregation. This table and table (3-1), or tables (3-2-1) and (3-2-2) below shall be filled out if a Director concurrently serves as the General Manager or Deputy General Manager.
- Note 2. Compensation received by a director in the most recent fiscal year (including director's salary, job-related allowances, separation pay, various bonuses and incentives).
- Note 3. Fill in the amount of rewards approved by the Board of Directors and distributed to the directors in the most recent fiscal year.
- Note 4. Business expenses paid to the directors in the most recent fiscal year (including services and goods provided such as transportation allowances, special allowances, various allowances, accommodation and vehicle). If housing, vehicle and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rental fees and fuel cost calculated based on the actual amount or fair market value, and other payments should be disclosed. If a driver is provided, please indicate the the amount of compensation paid to the driver by the company, excluding remuneration, in a separate note.
- Note 5. Salary, job-related allowances, separation pay, various bonuses, incentives, transportation allowance, special allowance, various allowances, accommodation allowance and vehicle received by Directors who concurrently serve as employees (including general manager, deputy general manager, other managerial officers and employees) in the most recent fiscal year. If housing, vehicle and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rental fees and fuel cost calculated based on the actual amount or fair market value, and other payments should be disclosed. If a driver is provided, please indicate the the amount of compensation paid to the driver by the company, excluding remuneration, in a separate note. The drivers' annual remuneration amounted to NT\$1,687 thousand; The cost of two official cars were NT\$9,141 thousand, and the book value at the end of 2023 was NT\$7,943 thousand; The annual rent of the leased houses amounted to NT\$780 thousand. Furthermore, any compensation recognized in the IFRS 2 "Share-Based Payment" section, including issuance of employee stock options, new restricted employee shares and capital increase by stock subscription, shall be included in the calculation of remuneration: None.
- Note 6. For directors concurrently serving as employees (including general manager, deputy general manager, other managerial officers and employees) who receive employee rewards (including shares and cash), the amount of employee rewards that have been approved by the Board of Directors and are distributed to them in the most recent fiscal year shall be disclosed. If the amount of rewards cannot be estimated, the amount of rewards in the current fiscal year shall be calculated based on the ratio of the amount of rewards distributed in the previous fiscal year, and this amount shall also be filled in Table 1-3.
- Note 7. The total amount of all the remuneration paid to the company's directors by all the companies (including the company) listed in its consolidated financial statements shall be disclosed.
- Note 8. The Company shall pay each director the total amount of remuneration and disclose the name of the director in the class to which he belongs.
- Note 9. The total amount of all the remuneration paid to each Director of the Company by all the companies (including the Company) listed in its consolidated financial statements shall be disclosed. The name of each Director shall be disclosed in the range of remuneration corresponding to the total amount mentioned in the preceding sentence. The Company is the ultimate parent company of all subsidiaries included in the consolidated financial statements.
- Note 10. Net income after taxes refers to net income after taxes in the most recent fiscal year. Where IFRS is adopted, net income after taxes refers to net income after taxes recorded in the parent company-only or individual financial statements in the most recent fiscal year.
- Note 11. a. The amount of remuneration received from subsidiaries other than investee companies or the parent company by the Company's Directors shall be stated clearly in this column (please specify "none' if there is no remuneration).
 - b.If a Director of the Company receives remuneration from investees other than subsidiaries or the parent company, the amount of remuneration received by the Director from investees other than subsidiaries shall be combined into Column I of the table for range of remuneration, and this column shall be renamed "Parent Company and All Investees".
 - c. The remuneration means pay, compensation (including compensation of employees, directors and supervisors) and business expenses received by the Director serving as a director, supervisor or manager of an investee company or parent company of the Company other than subsidiaries.
 - d. The Company is the ultimate parent company of all subsidiaries included in the consolidated financial statements.
- Note 12. Director Huang, Kuang-Che resigned on May 31, 203 and Independent Director Chen, Sheng-Te assumed office on May 31, 2023.
- * A different concept is used for the content of remuneration disclosed in this table compared to that in the Income Tax Act. This table is used for information disclosure, instead of taxation.

- (II) Remuneration Paid to Supervisors: Not applicable.
- (III) Remuneration Paid to General Manager and Deputy General Manager
 - (1) Name and remuneration shall be disclosed individually

Unit: NT\$ thousand

					Bonuses and All (Note		Do	ollar Amount of	s (D)	C, D, and net incor	otal of 4 items A, B, ne after taxes (Note	7 and		
			n the ments		n the ments		ı the ments	The Co	ompany	All the Compa the Consolida Statemen	ited Financial		ı the	
Title	Name (Note1)	The Company	All the Companies Listed in Consolidated Financial Statern (Note 5)	The Company	All the Companies Listed in the Consolidated Financial Statements (Note 5)	The Company	All the Companies Listed in the Consolidated Financial Statements (Note 5)	Amount of Cash	Stock	Amount of Cash	Stock	The Company	All the Companies Listed in Consolidated Financial Statements(Note 5)	Remuneration paid to Directors from investees other than the Company's subsidiaries or parent company(Notes 9) (Notes 7 and 9)
Chief Executive Officer	Wu, I-Kuei	6,797	21,197	108	108	7,143	10,572	0	0	44	0	14,048 (6.79%)	31,921 (15.42%)	2,520
General Manager	Wu, Pei-Chi	2,088	5,220	0	108	3,982	9,950	0	0	6	0	6,070 (2.93%)	15,284 (7.38%)	None
Deputy General Manager	Liu, Han-Tai	4,025	4,025	108	108	6,730	7,508	0	0	0	0	10,863 (5.25%)	11,641 (5.62%)	None
Deputy General Manager	Wu, Ming-Tsung	1,759	2,931		522	1,634	2,723	0	0	0	0	3,915 (1.89%)	6,176 (2.98%)	None

^{*} Regardless of job titles, positions that are equivalent to general manager, deputy general manager (such as president, chief executive director and director) shall be disclosed.



(2) Compensation Range

Developed Developed to the Control Management Developed Control	Name of General Manage	r and Deputy General Manager
Range of Remuneration Paid to the General Manager and Deputy General Manager	The Company (Note 6)	The Company and All Investees (Notes 7 and 9) E
Less than NT\$1,000,000	_	
NT\$1,000,000 (inclusive) - NT\$2,000,000 (exclusive)	_	_
NT\$2,000,000 (inclusive) - NT\$3,500,000 (exclusive)	_	_
NT\$3,500,000 (inclusive) - NT\$5,000,000 (exclusive)	Wu, Ming-Tsung	_
NT\$5,000,000 (inclusive) - NT\$10,000,000 (exclusive)	Wu, Pei-Chi	Wu, Ming-Tsung
NT\$10,000,000 (inclusive) - NT\$15,000,000 (exclusive)	Wu, I-Kuei, Liu, Han-Tai and Wang, Ke- Shun	Liu, Han-Tai
NT\$15,000,000 (inclusive) - NT\$30,000,000 (exclusive)	_	Wu, Pei-Chi
NT\$30,000,000 (inclusive) - NT\$50,000,000 (exclusive)	_	Wu, I-Kuei
NT\$ 50,000,000 (inclusive) - NT\$ 100,000,000 (exclusive)	_	-
More than NT\$ 100,000,000	_	
Total	NT\$ 34,896 thousand	NT\$ 67,542 thousand

- Note 1. The name of the general manager and deputy general manager shall be listed separately, and the amount of remuneration paid to them shall be disclosed collectively. I ff a Director concurrently serves as a General Manager or Deputy General Manager, his/her name and the amount of remuneration paid to him/her shall be listed in Table (1-1) or (1-2-1) and (1-2-2) above.
- Note 2. Fill in the salary, job-related allowances and severance pay received by the General Manager and Deputy General Manager in the most recent fiscal year.
- Note 3. Fill in the amount of various bonuses, incentives, transportation allowance, special allowance, various allowances, accommodation and vehicle received by the General Manager and Deputy General Manager in the most recent fiscal year. If housing, vehicle and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rental fees and fuel cost calculated based on the actual amount or fair market value, and other payments should be disclosed. If a driver is provided, please indicate the the amount of compensation paid to the driver by the company, excluding remuneration, in a separate note. The drivers' annual remuneration amounted to NT\$1,687 thousand; The cost of two official cars were NT\$9,141 thousand, and the book value at the end of 2023 was NT\$7,943 thousand; The annual rental of the deputy general Manager's rental house and rental car are NT\$819 thousand and NT\$426 thousand respectively. Furthermore, any compensation recognized in the IFRS 2 "Share-Based Payment" section, including issuance of employee stock options, new restricted employee shares and capital increase by stock subscription, shall be included in the calculation of remuneration: None.
- Note 4. Fill the amount of employee rewards (including shares and cash) that have been approved by the Board of Directors and are distributed to the general manager and deputy general manager in the most recent fiscal year. If the amount of rewards cannot be estimated, the amount of rewards in the current fiscal year shall be calculated based on the ratio of the amount of rewards distributed in the previous fiscal year, and this amount shall also be filled in Table 1-3. Net income after taxes refers to net income after taxes in the most recent fiscal year. Where IFRS is adopted, net income after taxes refers to net income after taxes recorded in the parent company only or individual financial statements in the most recent fiscal year.
- Note 5. The total amount of all the remuneration paid to the Company's General Manager and Deputy General Manager by all the companies (including the Company) listed in its consolidated financial statements shall be disclosed.
- Note 6. The name of each General Manager and Deputy General Manager shall be disclosed in the range of remuneration corresponding to the amount paid to the General Manager and Deputy General Manager by the Company.
- Note 7. The total amount of all the remuneration paid to each general manager and deputy general manager of the company by all the companies (including the company) listed in its consolidated financial statements shall be disclosed. The name of each general manager and deputy general manager shall be disclosed in the range of remuneration corresponding to the total amount mentioned in the preceding sentence. The Company is the ultimate parent company of all subsidiaries included in the consolidated financial statements.
- Note 8. Net income after taxes refers to net income after taxes in the most recent fiscal year. Where IFRS is adopted, net income after taxes refers to net income after taxes recorded in the parent company-only or individual financial statements in the most recent fiscal year.
- Note 9. a. This field shall clearly indicate the amount of remuneration received by the Company's General Manager or Deputy General Manager from investees other than subsidiaries or the parent company (if not, please fill in "none").
 - b. If the General Manager or Deputy General Managers of the Company receive remuneration from investees other than subsidiaries or the parent company, the remuneration received by the General Manager or Deputy General Managers of the Company from investees other than subsidiaries or the parent company shall be included in Column E in the Range of Remuneration Table, and the column shall be renamed "Parent Company and All Investees."
 - c. Remuneration in this case refers to remuneration, bonuses (including employee, Director, or supervisor compensation), and allowances received by the General Manager or Deputy General Managers of the Company as the Directors, supervisors, or managerial officers of investees other than subsidiaries or the parent company.
 - d. The Company is the ultimate parent company of all subsidiaries included in the consolidated financial statements.
- * A different concept is used for the content of remuneration disclosed in this table compared to that in the Income Tax Act. This table is used for information disclosure, instead of taxation.

Corporate Governance Report

(IV) The remuneration of the top five remuneration executives of listed listed companies

(1) Name and remuneration shall be disclosed individually

Unit: NT\$ thousand

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		Salar (No	ry(A) te2)	Separation Pay as	nd Pension(B)	Allow	and Special rances(C) lote3)	Dollar An	nount of Emplo	oyee rewards (D)(N	Note 4)		Percentage of the total of 4 items A, B, C, D, and net income after taxes (Note 8)		
Title	Name		ompanies I in the ed Financial is (Note 5)		vanies he ted 1 I		vanies he ted 1 lote 5)	The Con	npany	All the Compani the Consolidate Statements	d Financial	S is S		paid to Directs other than sidiaries or p s 7 and 9) (Nude)	
	(Note1)	The Company	All the Comp Listed in t Consolidated Fi Statements (N	The Company	All the Companies Listed in the Consolidated Financial Statements (Note 5)	The Company	All the Companies Listed in the Consolidated Financial Statements (Note 5	Amount of Cash	Stock	Amount of Cash	Stock	The Company	All the Comp Listed in th Consolidated Fi Statements (N	Remuneration pe from investees Company's subsi company(Notes 7	
Chief Executive Officer	Wu, I-Kuei	6,797	21,197	108	108	7,143	10,572	0	0	44	0	14,048 (6.79%)	31,921 (15.42%)	2,520	
General Manager	Wu, Pei-Chi	2,088	5,220	0	108	3,982	9,950	0	0	6	0	6,070 (2.93%)	15,284 (7.38%)	None	
Deputy General Manager:	Liu, Han-Tai	4,025	4,025	108	108	6,730	7,508	0	0	0	0	10,863 (5.25%)	11,641 (5.62%)	None	
Deputy General Manager:	Wu, Ming-Tsung	1,759	2,931	522	522	1,634	2,723	0	0	0	0	3,915 (1.89%)	6,176 (2.98%)	None	
Sales Director	Tseng Kuo Lung	1,948	1,948	108	108	1,268	1,268	0	0	0	0	3,324 (1.61%)	3,324 (1.61%)	None	

- Note 1. The "Top Five Remuneration Supervisors", the supervisor refers to the company's managers, to the identification standards of the relevant managers, in accordance with the former Ministry of Finance Securities and Futures Regulatory Commission on March 27, 1992, TCZS Zi No. 0920001301 letter of application of the "Manager". As for the calculation and determination principle of "the Top Five Highest Remuneration", it is determined based on the total amount of salary, retirement pension, bonus, and special expenses received by the company manager from all companies in the consolidated financial report, as well as the total amount of employee remuneration (i.e. A+B+C+D four items), and sorted to determine the top five highest remuneration. If the director concurrently serves as the former manager, this form and the above table should be filled out (1-1).
- Note 2. Fill in the salary, job bonus and severance pay of the top five remunerated executives in the most recent year.
- Note 3. Fill in the amount of bonuses, incentives, transportation expenses, special expenses, various allowances, dormitory, car and other in-kind offers and other remuneration of the top five remuneration executives in the most recent year. If housing, vehicle and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rental fees and fuel cost calculated based on the actual amount or fair market value, and other payments should be disclosed. If a driver is provided, please indicate the the amount of compensation paid to the driver by the company, excluding remuneration, in a separate note. The drivers' annual remuneration amounted to NT\$1,687 thousand; The cost of two official cars were NT\$9,141 thousand, and the book value at the end of 2023 was NT\$7,943 thousand; The annual rental of the deputy general Manager's rental house and rental car are NT\$819 thousand and NT\$426 thousand respectively. Furthermore, any compensation recognized in the IFRS 2 "Share-Based Payment" section, including issuance of employee stock options, new restricted employee shares and capital increase by stock subscription, shall be included in the calculation of remuneration: None.
- Note 4. The compensation amount (including stock and cash) approved by the Board to distribute the top five remuneration executives in the most recent year, if it is not possible to estimate, the proposed distribution amount for this year is calculated in proportion to the actual distribution amount of last year, and a separate Table 1-3 should be provided.
- Note 5. The total amount of all the remuneration paid to the company's top 5 directors by all the companies (including the company) listed in its consolidated financial statements shall be disclosed.
- Note 6. Net income after taxes refers to net income after taxes in the most recent fiscal year.
- Note 7.a. The amount of remuneration received from subsidiaries other than investee companies or the parent company by the Company's Directors shall be stated clearly in this column (please specify "none" if there is no remuneration).
 - b.The remuneration means pay, compensation (including compensation of employees, directors and supervisors) and business expenses received by the Director serving as a director, supervisor or manager of an investee company or parent company of the Company other than subsidiaries.



(V) Name of managerial officers who distribute employee bonuses and the situation of distribution

December 31, 2023 Unit: NT\$ thousand

	Title (Note 1)	Name (Note 1)	Stock	Amount of Cash	Total	Percentage of total compensations on NIAT (%)
	Chief Executive Officer	Wu, I-Kuei				
	General Manager	Wu, Pei-Chi				
Officers	Deputy General Manager:	Liu, Han-Tai				
	Deputy General Manager:	Wu, Ming-Tsung	0	0	0	0
Managerial	Corporate Governance Officer	Chen, Yung-Chih				
ΨË	Sales Director	Tseng Kuo Lung				
	Finance Manager	Yang, Wen-Li				
	Accounting Manager	Kuo, Chuan-Hua				

Note 1. Names and positions shall be listed individually, and the amount of profit distributed shall be disclosed collectively.

Note 2. Fill the amount of employee rewards (including shares and cash) that have been approved by the Board of Directors and are distributed to the managerial officers in the most recent fiscal year. If this amount of rewards cannot be estimated, the amount of rewards in the current fiscal year shall be calculated based on the ratio of the amount of rewards distributed in the previous fiscal year. Net income after taxes refers to net income after taxes in the most recent fiscal year. Net income after taxes refers to net income after taxes refers to net income after taxes refers to net income after taxes recorded in the parent company-only or individual financial statements in the most recent fiscal year.

Note 3. The scope of application for the term "managerial officer" shall follow the approved document with Ref. No. Tai Tsai Cheng San Tzu 0920001301 dated March 27, 2003. Its scope of application shall be as follows:

- (1) General Manager and Equivalent
- (2) Deputy General Manager and Equivalent
- (3) Senior Manager and Equivalent
- (4) Supervisor of Finance Department
- (5) Supervisor of Accounting Department
- (6) Other Personnel Authorized to Manage the Company's Affairs and Sign for Approval

Note 4.Directors, General Manager and Deputy General Manager who receive employee rewards (including shares and cash) shall be listed not only in Table 1-2, but also in this table.



- (VI) Analysis and comparison of percentages of remuneration paid to the Company's Directors, General and Deputy General Manager by the Company and all the Companies listed in its consolidated financial statements in the most recent two fiscal years to the net income after taxes recorded in its parent company-only or individual financial statements, and explanation on the remuneration policies, standards and packages, procedures for determining remuneration and their correlations with its business performance and future risk exposure.
 - 1. Analysis of percentages of remuneration paid to directors, general manager and deputy general manager:

ITEM		The Co	ompany		All the Com						
	20)23	20	22	20	23	20	22			
Title	Total	Percentage of the net profit after tax	Total	Percentage of the net profit after tax	Total		Total	the net profit			
General Directors' remuneration (Note 1)	2,878	(1.39%)	3,672	0.24%	3,152	(1.52%)	3,950	0.25%			
Independent Directors' remuneration (Note 1)	5,848	(2.83%)	5,004	0.32%	5,848	(2.83%)	5,004	0.32%			
General Directors' remuneration (Note 2)	22,996	(11.11%)	28,676	1.84%	50,357	(24.33%)	60,313	3.88%			
Independent Directors' remuneration (Note 2)	5,848	(2.83%)	5,004	0.32%	5,848	(2.83%)	5,004	0.32%			
General Managers and Deputy General Managers	34,896	(16.86%)	39,936	2.57%	65,022	(31.41%)	74,381	4.78%			
Net income after taxes (NIAT)	(207,006)	-	1,555,097	-	(207,006)	-	1,555,097	-			

Note 1. Excluding the remuneration to those who work as employees concurrently.

Note 2.Including the remuneration to those who work as employees concurrently.

The proportion of remuneration of general directors and independent directors in net profit after tax increased in 2023 compared with 2022, which was caused by the decrease in net profit after tax in 2023. The decrease in total remuneration of General Manager and Deputy General Manager compared with 2022 is due to the decrease in net profit after tax and the decrease in bonus payments.

- 2. Remuneration Policies, Standards and Packages, Procedures for Determining Remuneration and Correlation of Remuneration with Business Performance and Future Risks:
 - (1) Remuneration Policies, Standards and Packages
 - The remuneration of the directors is in accordance with Article 19-1 of the Company's Articles of Incorporation, which stipulates, "Regardless of the Company's operating profit or loss, the remuneration shall be based on the value of their participation in and contribution to the Company's operations, with the industry standards in the R.O.C. as a reference." The remuneration of the directors shall not exceed one percent of the profit for the year, and the remuneration of the employees shall not be less than one percent of the profit for the year in accordance with Article 34 of the Company's Articles of Incorporation. The foregoing remuneration is determined with reference to the Company's operating performance and the results of the evaluation of the directors' performance. In addition, the transportation allowances shall be paid according to the resolution of the shareholders' meeting, except that Managerial Officers who concurrently serves as a Director of the Company shall not receive the transportation allowance. In addition, the transportation allowances shall be paid according to the resolution of the shareholders' meeting, except that Managerial Officers who concurrently serves as a Director of the Company shall not receive the transportation allowance. The aspects of performance evaluation for the Directors: Including alignment of the goals and missions of the Company, awareness of the duties of a director, participation in the operation of the Company, management of internal relationship and communication, the director's professionalism and continuing education, and internal control.
 - Remuneration for managers shall be approved by the board of directors in accordance with relevant personnel regulations of the company and Article 31 of the articles of association, and shall be determined in consideration of operating performance. The business performance includes evaluation of the achievement rate in terms of finance aspect (operating income, operating profit and net profit before tax), customer aspect (customer satisfaction, service quality), product aspect (brand management, quality innovation), talent aspect (talent cultivation, potential development), safety aspect (zero pollution, zero emission, zero occupational disaster, zero accident, zero failure), and project aspect (digital transformation, energy saving, carbon reduction, circular economy, net zero emissions), indicators related to sustainability have a weight of at least 5%.
 - The Company's remuneration packages, according to the organization rules of the Compensation Committee, including cash remuneration, stock options, dividends, retirement benefits or severance benefits, various allowances and other measures with substantial incentives; Its scope is consistent with that of directors and managers in the criteria of annual retribution records of public issuing companies.
 - (2) Procedures for determining remuneration
 - To evaluate the remuneration of directors and managers on a regular basis, based on the results of the evaluation conducted by the Company's "Regulations Governing the Evaluation of the Performance of the Board of Directors" and the applicable "Performance Management Method" for managers and employees.
 - The relevant performance assessment and compensation rationality of directors and managers are assessed and reviewed annually by the remuneration committee and the board of directors. In addition to referring to the performance achievement rate and contribution to the Company, the Company's overall operating performance, future risks and development trends of the industry, as well as timely review of the remuneration system based on the actual operating conditions and relevant laws and

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regulations, reasonable remuneration will be given, to seek the company's sustainable operation and risk control balance.

(3) The correlation with the Company's business performance and future risk exposure

The Remuneration Committee references the Company's overall business performance, outlook of the industry, business risks, and development trends and evaluates the performance targets of the Company's Directors and managerial officers to establish the content and amount of their remuneration individually. The Committee forms recommendations and submits them to the Board of Directors for passage. The Committee reviews the remuneration system for the Company's Directors and managerial officers any time in light of the actual operating conditions and relevant laws and regulations and should not guide the Company's Directors and managerial officers to pursue compensation and engage in behaviors beyond the Company's risk appetite.

IV. Implementation of Corporate Governance

(I) Operations of the Board of Directors

A total of five (6) meetings (A) were held by the Board of Directors in the most recent fiscal year (2023). The attendance of the members of the Board are as follows:

Title	Name (Note 1)	20nd meeting of of 15th Meeting March 07, 2023	20nd meeting of of 16th Meeting April 20, 2023		21nd meeting of 1st Meeting June 06, 2023	21nd meeting of 2nd Meeting August 02, 2023	21nd meeting of 3rd Meeting November 07, 2023	Number of Attendance in Person B	Attendance by Proxy	Rate of Attendance in Person (%) [B/A] (Note 2)	Remark
Chairman	Wu, I-Kuei (Representative of Shing Lee Enterprise (Hong Kong)	0	0	0	0	0	0	6	0	100.00	Reappointed
Director	Yu, Ching-Shou (Representative of Asia Polymer Corporation)	0	☆	0	0	0	0	5	1	83.33	Reappointed
Director	Kao, Che-I (Representative of Asia Polymer Corporation)	0	0	0	☆	0	0	5	1	83.33	Reappointed
Director and General Manager	Wu, Pei-Chi (Representative of Taita Chemical Company, Ltd.)	0	0	0	0	0	0	6	0	100.00	Reappointed
Director	Wu, Hung Ting (Representative of Shing Lee Enterprise (Hong Kong)	0	0	0	0	0	0	6	0	100.00	Reappointed
Independent Director	Chen, Chung	0	0	0	0	0	0	6	0	100.00	Reappointed
Independent Director	Tu, Tzu-Chun	0	0	0	0	0	0	6	0	100.00	Reappointed
Independent Director	Hai, Ying-Chun	0	0	0	☆	0	0	5	1	83.33	Reappointed
Independent Director	Chen, Sheng-Te	_	_		0	0	0	3	0	100.00	Incoming Director, required to attend 3 meetings (Note 3)
Director	Huang, Kuang-Che (Representative of Taita Chemical Company, Ltd.)	©	☆	0	_	_	_	2	1	66.67	Outgoing Director, required to attend 1 meetings (Note 3)

Note 1. For directors who are institutions, the name of institutional shareholders and their representatives shall be disclosed.

Note 3.May 31, 2023 General meeting of shareholders for re-election of directors (including four independent directors).

Note 2.(1)Where directors or supervisors resign before the end of the year, the "remark" column shall be annotated with the date of resignation. Actual presence (attendance) rate (%) shall be calculated using the number of Directors' Meetings convened and actual presence (attendance) during the term of service.

⁽²⁾If directors or supervisors are re-elected before the end of the fiscal year, incoming and outgoing directors or supervisors shall be listed accordingly, and the Remark column shall indicate whether the status of a director is "outgoing", "incoming" or "re-elected", and the date of re-election. The director's percentage of attendance in person (%) should be calculated based on the number of Board of Directors' Meetings held and the actual attendance in person during his/her term of office.



Other matters to be noted:

- 1. If any of the following applies to the operations of the Board of Directors, the date and session of the Board of Directors' Meeting, as well as the resolutions, opinions of independent Directors and the Company's actions in response to the opinions of independent Directors shall be stated:
 - (I) Items listed in Section 3, Article 14 of Securities and Exchange Act.

Board of Directors	Resolution and Follow-up Actions	Items listed in Article 14-3 of the Securities and Exchange Act	Dissenting Opinion or Qualified Opinion by Independent Directors				
	Ratify endorsements/guarantees made for Union Polymer International Investment Co., Ltd.	v	No				
	2. Approve the 2022 directors' and employee reward distribution plan.	V	No				
20nd meeting of 15th Meeting	3.Approve the recommendation to lift competition restrictions against newly elected directors at the Annual General Meeting	v	No				
March 07, 2023	4. Approved the appointment of CPAs for year 2023.	V	No				
	Opinions of independent directors: None.						
	The Company's actions in response to the opinions of Independent Directors: None						
	Voting results: All Directors present voted in favor of the resolution without any dissenting opinion.						
20nd meeting of	Passed the amendments to the Company's internal control system.	V	No				
17th Meeting	Opinions of independent directors: None.						
May 04, 2023	The Company's actions in response to the opinions of Independent Directors: None						
	Voting results: All Directors present voted in favor of the resolution without any dissenting opinion.						
	Ratify endorsements/guarantees made for Union Polymer International Investment Co., Ltd.	V	No				
21nd meeting 2nd Meeting	Opinions of independent directors: None.						
August 03, 2023	The Company's actions in response to the opinions of Independent Directors: None						
	Voting results: All Directors present voted in favor of the resolution without any dissenting opinion.						
211	Pass visa accountant 2023 annual remuneration.	V	No				
21nd meeting 3rd Meeting	Opinions of independent directors: None.						
November 7, 2023	The Company's actions in response to the opinions of Independent Directors: No	one					
110Veilloel 7, 2023	Voting results: All Directors present voted in favor of the resolution without any	dissenting opinio	n.				

- (II) Other resolutions of the Board, which the Independent Director(s) voiced dissenting or qualified opinions that are documented or issued through a written statement in addition to the above: No such occurrences.
- 2. In regards to the recusal of directors from voting due to conflict of interests, the name of the directors, the resolutions, reasons for recusal due to conflict of interests and voting outcomes should be stated:

Name of Director	Proposal	Reason for recusal	Participation in Voting	Remark
Wu, I-Kuei Wu, Pei-Chi	Donations to the USI Education Foundation	I serve as Directors of the	Did not participate in voting	15th Meeting of 20th Term March 07, 2023
Chen, Chung Tu, Tzu-Chun Hai, Ying-Chun Chen, Sheng-Te	Appointed Chen, Chung, Tu, Tzu-Chun, Hai, Ying-Chun and Chen, Sheng-Te as members of the Remuneration Committee of the Company.	Directors had conflicts of	Did not participate in voting	21st Meeting of 20th Term June 06, 2023
Wu, Pei-Chi	Managerial officers engage in competitions	Directors had conflicts of	Did not participate in voting	21st Meeting of 20th Term June 06, 2023

3. A listed company shall disclose information regarding cycle, period, scope, and method of self- (or peer) evaluation of the Board of Directors and fill out the implementation status of the evaluation of the Board in Table 2 (2).

Evaluation Cycle (Note 1)	Evaluation Period (Note 2)	Evaluation Scope (Note 3)	Evaluation Method (Note 4)	Evaluation Content (Note 5)
Ì				I.Board of Directors Performance Evaluation
				1.Degree of participation in the Company's operations
		Board of Directors	Board of Directors Self-	2.Improvement in the quality of decision-making of the Board of Directors
		Performance Evaluation	evaluation	3.Composition and structure of the Board of Directors
				4.Election and continuing education of the Directors
				5.Internal control
				II.Performance evaluation of director members
		Df	D1f	1. Understanding of the Company's goals and tasks
		Performance evaluation of	Board of Directors Self-	2.Understanding of the Director's responsibilities
		individual	evaluation	3.Degree of participation in the Company's operations
		director	of the	4. Management and communication of the internal relations
		member	members	5.Expertise and continuing education of the Directors
				6.Internal control
				III.Evaluation of the Audit Committee's Performance
				1. Degree of participation in the Company's operations
	January 01,			Understanding of the Audit Committee's roles and responsibilities
Annually	2023 to			3.Improvement in the Audit Committee's decision-making quality
, ,	December 31, 2023			4.Composition of the Audit Committee and selection of committee members
				5.Internal control
				IV.Performance evaluation of the Remuneration Committee
				1.Degree of participation in the Company's operations
		Evaluation of functional	Self-evaluation of the members	2.Understanding of the Remuneration Committee's roles and responsibilities
		committees'	of functional committees	3.Improvement in the Remuneration Committee's decision- making quality
				4.Composition and member selection of the Remuneration Committee
				V.Performance evaluation of the Sustainable Development Committee
				Degree of participation in the Company's operations
				Understanding of the Sustainable Development Committee's roles and responsibilities
				Improvement in the Sustainable Development Committee's decision-making quality
				4. Composition and member selection of the Sustainable Development Committee

^{**}The performance evaluation results of the Board of Directors and functional committees of 2022 have been submitted to the first meeting of the Board of Directors of 2023 on March 7, 2023, and disclosed on the Company's website after the meeting, capable of accurately evaluating and supervising the Company's existing and potential risks and providing a basis for improvement.

- Note 5. The evaluation content includes at least the following items according to the evaluation scope:
 - (1) Performance evaluation of the Board of Directors: It shall at least include the degree of participation in the Company's operations, the quality of decision-making of the Board of Directors, the composition and structure of the Board of Directors, the selection and continuous learning of directors, and internal control.
 - (2) Evaluation of individual Directors' performance: It shall at least include the knowledge about the Company's objectives

Note 1. Fill in the cycle of the evaluation of Board of Directors; for example: once a year.

Note 2. Fill in the period covered by the evaluation of the Board of Directors. For example, the performance evaluation of the Board of Directors from January 1, 2023 to December 31, 2023.

Note 3. The scope of the evaluation includes the performance evaluation of the Board of Directors, individual Board members, and functional committees.

Note 4. The evaluation methods include self-evaluation of the Board of Directors, self-evaluation of the Directors, peer evaluation, appointment of external professional institutions or experts, or other appropriate methods.

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- and tasks, the understanding of Director duties, the participation in the Company's operations, the internal relationship management and communication, Directors' specialties and continuous learning, and internal control.
- (3) Performance evaluation of functional committees: Degree of participation in the Company's operations, knowledge of the duties of the functional committee, improvement in the quality of functional committee decisions, functional committee composition and election of members, and internal control.
- 4. The targets for strengthening the functions of the Board of Directors in the current year and recent years (such as the establishment of the Audit Committee and enhancement of information transparency) and the assessment of implementation:
 - 1. The Board of Directors operates in compliance with laws, regulations, the Articles of Incorporation, and the resolutions adopted by the shareholders' meeting. In addition to possess necessary professional knowledge to carry out their duties, all Directors shall act in accordance with the principles of honesty and good faith and their due obligations, to create the maximum interests for all shareholders.
 - 2. The Company constantly pays attention to changes in laws and regulations of the competent authority, reviews its Rules of Procedure for Board of Directors' Meetings and Rules Governing the Scope of Powers of Independent Directors, and evaluates its Audit Committee Charter, Remuneration Committee Charter in due course. The Company really seeks to improve information transparency in accordance with the amended laws, and the implementation of these regulations has been favorable.
 - 3. To have a corporate governance officer to safeguard shareholders' interests and to strengthen the functions of the Board of Directors, the Corporate Governance Officer was established to support operations of the Board on May 13, 2019.
 - 4. The Company has formed functional committees such as the Remuneration Committee in 2011 the Audit Committee in 2014 and Sustainable Development Committee in 2018, respectively, and continues to improve the effectiveness of these functional committees.
 - 5.The Company's website and the Market Observation Post System disclose relevant information on the Company's compliance with related regulations and major resolutions of the Board of Directors to help shareholders understand the Company's development and enhance the transparency of the Company's information.
 - 6. The Company organizes 6 hours of directors training sessions each year and assists directors to participate in external corporate governance courses:

Title	Name	Date of Course	Organized by	Course Title	Number of Hours	
		July 05, 2023	Securities & Futures Institute	Chinese political economy, international situation and Cross- Strait relations	3	
Chairman Wu, I-Kuo		Oct 13, 2023 Securities & Futures Institute		How can directors guide the company to do a good job in enterprise risk management and crisis management	3	
Director Yu, Ching- Shou		July 05, 2023	Securities & Futures Institute	Chinese political economy, international situation and Cross- Strait relations	3	
		Oct 13, 2023	Securities & Futures Institute	How can directors guide the company to do a good job in enterprise risk management and crisis management	3	
		July 13, 2023	Taiwan Institute of Professional Management	Corporate Changes Management and Transformation	3	
Director	Kao, Che-I	· · · · · · · · · · · · · · · · · · ·	Nov 15, 2023	Securities & Futures Institute	Workshop on Equity Trading Compliance for Insiders of Publicly Listed Companies	3

Title	Name	Date of Course	Organized by	Course Title	Number of Hours	
Director &		July 05, 2023	Securities & Futures Institute	Chinese political economy, international situation and Cross- Strait relations	3	
General Manager	Wu, Pei-Chi	Oct 13, 2023	Securities & Futures Institute	How can directors guide the company to do a good job in enterprise risk management and crisis management	3	
	Wu, Hung	July 05, 2023	Securities & Futures Institute	Chinese political economy, international situation and Cross- Strait relations	3	
Director	Ting	Oct 13, 2023	Securities & Futures Institute	How can directors guide the company to do a good job in enterprise risk management and crisis management	3	
Independent		July 05, 2023	Securities & Futures Institute	Chinese political economy, international situation and Cross- Strait relations	3	
Director C	Chen, Chung	Oct 13, 2023	Securities & Futures Institute	How can directors guide the company to do a good job in enterprise risk management and crisis management	3	
		March 03, 2023	Taiwan Institute of	Opportunities and challenges of	3	
Independent Director	Tu, Tzu-Chun		Oct 13, 2023	Directors Securities & Futures Institute	circular economy How can directors guide the company to do a good job in enterprise risk management and crisis management	3
		Oct 17, 2023	Taipei Financial Research and Development Foundation	Principles of Fair Hospitality in Financial Services	3	
		Oct 24, 2023	Taiwan Corporate Governance Association	Information Security Governance and Strategy and Geopolitical and Information Security Risks	3	
Independent	Hai, Ying-	April 27, 2023	Taiwan Corporate Governance Association	Company Strategy Development Direction	3	
Director	Chun	July 31, 2023	Taiwan Corporate Governance Association	Technology, applications, and socio- economic implications of artificial intelligence	3	
		May 29, 2023	Taipei Fubon Commercial Bank	Generative AI Situation Room: Look for new business opportunities	2	
Independent Director	Chen, Sheng-	July 05, 2023	Securities & Futures Institute	Chinese political economy, international situation and Cross- Strait relations	3	
Director	ie	Oct 13, 2023	Securities & Futures Institute	How can directors guide the company to do a good job in enterprise risk management and crisis management	3	
		Feb 9, 2023	Taiwan Institute for Sustainable Energy	Thirty-first TCCS Council Meeting and CEO Lecture Hall	2	
Corporate Governance	Chen, Yung- Chih	March 27, 2023	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	Corporate Resilience - Taiwan competitiveness	3	
Officer	Ciliii	April 20, 2023	Taiwan Institute for Sustainable Energy	Thirty-second TCCS Council Meeting and CEO Lecture Hall	2	
		April 27, 2023	Taiwan Stock Exchange Corporation (TWSE)	Public company sustainable development action plan publicity meeting	3	



Title	Name	Date of Course	Organized by	Course Title	Number of Hours
		June 02, 2023	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	2023 New Net Zero Power Summit Forum	3
		July 04, 2023	Taiwan Stock Exchange Corporation (TWSE)	2023 Cathay Pacific Summit on Sustainable Finance and Climate Change	6
		July 05, 2023	Securities & Futures Institute	Chinese political economy, international situation and Cross- Strait relations	3
		July 13, 2023	Taiwan Institute for Sustainable Energy	Thirty-third TCCS Council Meeting and CEO Lecture Hall	2
		Sep 04, 2023	Financial Supervisory Commission Approval No.	The 14th Taipei Corporate Governance Forum	6
		Oct 13, 2023	Securities & Futures Institute	How can directors guide the company to do a good job in enterprise risk management and crisis management	3
		Oct 20, 2023	Securities & Futures Institute	2023 Insider Trading Prevention Seminar	3
		Oct 26, 2023	Taiwan Institute for Sustainable Energy	Thirty-fourth TCCS Council Meeting and CEO Lecture Hall	2
		Nov 13, 2023	Taiwan Institute for Sustainable Energy	Zhuoyue CEO strategy, leadership and sustainable innovation	5
		Nov 15, 2023	Securities & Futures Institute	Workshop on Equity Trading Compliance for Insiders of Publicly Listed Companies	3
		Nov 29, 2023	Taiwan Stock Exchange Corporation (TWSE)	Carbon Markets Set sail: A New Chapter for a Sustainable Future Summit	3
Accounting	Kuo, Chuan-	July 05, 2023	Securities & Futures Institute	Chinese political economy, international situation and Cross- Strait relations	3
Manager	Hua	Oct 13, 2023	Securities & Futures Institute	How can directors guide the company to do a good job in enterprise risk management and crisis management	3
Finance		July 05, 2023	Securities & Futures Institute	Chinese political economy, international situation and Cross- Strait relations	3
Finance Manager	Yang, Wen-Li	Oct 13, 2023	Securities & Futures Institute	How can directors guide the company to do a good job in enterprise risk management and crisis management	3

In the 2023 director election, all director's training content and hours comply with the provisions of Article 14, Paragraph 3 of the "Guidelines for the Establishment and Exercise of Powers of the Board of Directors of Taiwan Stock Exchange Limited Listed Companies" and the "Guidelines for the Promotion of Training for Directors and Supervisors of Listed and OTC Companies". The company has also completed the disclosure of relevant information.

- (II) Information Regarding the Implementation of the Audit Committee or the Participation of Supervisors in the Operations of the Board of Directors:
 - 1. Status of operations and main functions of the Audit Committee:
 - (1) The functions and main review items of the Audit Committee are as follows:
 - Adoption or amendment of internal control systems in accordance with Article
 14-1 of the Securities and Exchange Act

- Assessment of the effectiveness of the internal control system
- Pursuant to Article 36-1 of the Securities and Exchange Act, formulate or revise procedures for major financial business actions including the acquisition or disposal of assets, engaging in derivative trading, loaning of funds to others, making endorsement or guarantees for others
- Matters concerning the personal interests of Directors
- CPAs explain the status of checking or reviewing financial reports on a quarterly basis, and the audit committee discusses and communicates with the questions raised by the participants. The audit committee also communicates separately with the CPAs and the internal audit supervisors on a regular basis.
- Review the internal control system and relevant policies and procedures
- Major assets or derivative trading.
- Major loaning of funds, making of endorsements or provision of guarantees.
- The offering, issuance, or private placement of equity-type securities
- Compliance with laws and regulations and filing requests to managers for development of response plans for amendments to the laws.
- Review internal audit reports (including risk management of information security and internal controls), and maintain communication with the head of internal audit
- Evaluation of the qualifications, independence, and performance of the CPAs.
- Appointment or dismissal of CPAs, or remuneration given thereto.
- Appointment and dismissal of finance manager, accounting manager, and head of internal audit
- Review the performance of the Audit Committee
- Review the annual financial report stamped with the seal of the Chairman, manager and principal accounting officer.
- Accept and deal with whistleblowing cases in accordance with the functions listed in this article
- Other material matters as may be required by the Company or by the competent authority.
- Supervise the implementation of risk management policies.
- (2) A total of four (4) meetings (A) were held by the Audit Committee in the most recent fiscal year. The attendance of the independent directors were as follows:

Title (Note 3)	Name	Attended in Person (B)	Attendance by proxy	Percentage of Attendance inPerson (B/A) (Note 1 and Note 2)	Remark
Independent Director (Convener)	Chen, Chung	4	0	100.00	Re-election for Directors (including four Independent
Independent Director	Tu, Tzu-Chun	4	0	100.00	Directors) was held at the Shareholders'
Independent Director	Hai, Ying-Chun	4	0	100.00	Meeting on May 31, 2023.
Independent Director	Chen, Sheng-Te	2	0	100.00	New election for Directors (including four Independent Directors) was held at the Shareholders' Meeting on May 31, 2023.

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- (3) Operations in the current year:
- I. If one of the following circumstances occurs in the operation of the audit committee, it shall state the date and period of the audit committee meeting, the contents of the motions, the objections of the independent directors, the contents of the reserved opinions or major suggestions, the results of the audit committee's resolutions and the company's handling of the opinions of the audit committee.
 - (I) Items listed in Section 5, Article 14 of Securities and Exchange Act:

Audit Committee	Resolution and Follow-up Actions	Items specified in Article 14-5 of the Securities and Exchange Act	Other resolutions passed by two- thirds of all the directors but yet to be approved by the Audit Committee				
	1. Proposal for endorsements/guarantees made for Chong Loong Trading Co. Ltd Request for approval to amend warranty Limit and ratify it.	V	No				
	For the purpose of issuing the 2022 "Statement on Internal Control Systems," submit the statement for deliberation, and discuss.	V	No				
3rd Term	3. For the purpose of issuing the 2022 "Statement on Internal Control Systems," submit the statement for deliberation.	V	No				
13th Meeting March 07,	4. Submit the proposal for the 2021 Profit Distribution Plan for deliberation.	V	No				
2023	5. Submit the evaluation of the independence of the CPAs appointed for 2022 for deliberation.	V	No				
	6. Submit the appointment of CPAs for 2022 for deliberation.	V	No				
	Audit Committee Resolution: All members in attendance unanimously passed the proposals and filed for discussion in the board meeting. The Company's actions in response to the opinions of the Audit Committee: All the directors present voted in favor of the resolution.						
	1. Prepare the 2023 Quarter 1 Consolidated Financial Statements and submit them for deliberation.	V	No				
3rd Term the 1st Audit	2. Submit the proposal for amendment to the Company's internal control systems for deliberation.	V	No				
Committee May 04, 2023	Audit Committee Resolution: All members in attendance unanimously passed the proposals and filed for discussion in the board meeting.						
	The Company's actions in response to the opinions of the Audit Committee: All the directors present voted in favor of the resolution.						
	Proposal for endorsements/guarantees made for Chong Loong Trading Co. Ltd Request for approval to amend warranty Limit and ratify it.	V	No				
4th Term	Prepare the 2023 Quarter 2 Consolidated Financial Statements and submit them for deliberation.	V	No				
1st Meeting August 03, 2023	3. Submit the proposal for amendment to the Company's internal control systems for deliberation.	V	No				
2023	Audit Committee Resolution: All members in attendance unanimously passed the proposals and filed for discussion in the board meeting.						
	The Company's actions in response to the opinions of the Audit Committee: All the directors present voted in favor of the resolution.						

Audit Committee	Resolution and Follow-up Actions		1		
	Prepare the 2023 Quarter 3 Consolidated Financial Statements and submit them for deliberation.	V	No		
	2.Submit the proposal for compensation paid to the Company's CPAs for 2023 deliberation.	V	No		
4th Term	3. Submit the 2024 audit plan for deliberation.	v	No		
2nd Meeting November 7, 2023	4. The section on the amendment to of the "Transaction Procedures with Related Parties, Specific Companies, and Companies of the Group" is proposed for discussion.	V	No		
	Audit Committee Resolution: All members in attendance unanimously passed the proposals and filed for discussion in the board meeting.				
	The Company's actions in response to the opinions of the Audit Committee: All the directors present voted in favor of the resolution.				

⁽II) In addition to the aforementioned motions, other motions not passed by the Audit Committee but passed by at least two thirds of the votes of the entirety of the Board of Directors: No such occurrences.

- II. In regards to the recusal of independent directors from voting due to conflict of interests, the name of the independent directors, the resolutions, reasons for recusal due to conflict of interests and voting outcomes should be stated:
- III. Communications between independent directors and the head of internal audit and CPAs (material issues, methods and outcomes related to the Company's financial and business status shall be included)
 - 1. Not only will the Internal Audit Department submit audit reports to each independent director for review every month, but also the head of internal audit will report major audit findings to each independent director in the Audit Committee every quarter. Both the Company's Audit Committee and the Head of Internal Audit have maintained good communications.



Summary of communications between the Audit Committee and the Head of Internal Audit:

Start Date	Key Communications Points	Recommendations and Results
March 7, 2023	1.13th internal audit execution report in the 3rd term 2.The 2022 Statement on Internal Control System.	No dissenting opinion
May 4, 2023	1.14th internal audit execution report in the 3rd term 2.Amended the Company's "Internal Control System - Procedures for Shareholder Services" in accordance with the amended "Standards for the Internal Control Systems of Shareholder Service Units" promulgated by the Taiwan Depository & Clearing Corporation.	No dissenting opinion
Aug 3, 2023	01th internal audit execution report in the 4rd term	No dissenting opinion
Nov 7, 2023	Review the annual internal audit plan for 2024.	No dissenting opinion

2.CPAs compile information on the audit of the Company's consolidated financial statements (annual financial statements including parent company-only financial statements) and review of governance-related matters every quarter, and report them to the Audit Committee in accordance with the "Auditing Standards Bulletin No. 39 - Communication with Those Charged with Governance" and the letter with the Ref No. Tai Tsai Cheng Liu Tzu 0930105373 issued by SFB on March 11, 2004. Both the Company's Audit Committee and CPAs have maintained good communications.

Summary of communication between the Audit Committee and CPAs:

Start Date	Key Communications Points	Recommendations and Results
March 7, 2023	CPAs reported the status of audit of the Company's 2022 financial statements, as well as discussed and responded to questions raised by attendees. Review of CPAs' qualifications, performances and independence Appointment of CPAs for 2023 The CPA has discussed and communicated with attendees on the questions they raised with regard to major legal amendments and their impact.	No dissenting opinion
May 4, 2023	CPAs reported the status of the audit of the Company's 2022 Quarter 1 financial statements, as well as discussed and responded to questions raised by attendees.	No dissenting opinion
Aug 3, 2023	CPAs reported the status of the audit of the Company's 2023 Quarter 2 financial statements, as well as discussed and responded to questions raised by attendees.	No dissenting opinion
Nov 7, 2023	CPAs reported the status of the audit of the Company's 2023 Quarter 3 financial statements, as well as discussed and responded to questions raised by attendees.	No dissenting opinion

Note:

- (1) Where an independent director resigns before the end of the fiscal year, the "remark" column should be filled with the independent director's resignation date, whereas his/her percentage of attendance in person (%) should be calculated based on the number of meetings held by the Audit Committee and the actual number of meetings attended during his/her term of office.
- (2)If independent directors are re-elected before the end of the fiscal year, incoming and outgoing independent directors should be listed accordingly and the "remark" column should indicate whether the status of an independent director is "outgoing", "incoming" or "re-elected" and the date of re-election. The rate of attendance in person (%) is calculated based on the number of meetings held by the Audit Committee and the actual number of meetings attended during the member's term of office. The rate of attendance in person (%) is calculated based on the number of meetings held by the Audit Committee and the actual number of meetings attended during the member's term of office.
- (3)For the professional qualifications and experience of the members of the Audit Committee of the Company, please refer to Notes 15 to 20 on page 13 of the Annual Report.
- 3. Communications between independent directors and head of internal audit and CPAs
 - (1) In order to fully exercise their functions and powers and have a better understanding

- of the Company's financial reports and financial and business conditions, independent directors shall, without the presence of the general directors and management, communicate with the CPAs and the internal audit supervisors separately to the audit committee at least once a year.
- (2) The CPAs of the Company shall report to the Audit Committee quarterly the governance matters checked or reviewed in the consolidated financial report of the Company (annual and including the individual financial report), and compile the information; Ad hoc meetings may be convened in the event of major anomalies. Both the Company's Audit Committee and CPAs have maintained good communications.
- (3) Not only will the Internal Audit Department submit audit reports to each independent director for review every month, but also the head of internal audit will report major audit findings to each independent director in the Audit Committee every quarter. Ad hoc meetings may be convened in the event of major anomalies. Both the Company's Audit Committee and the Head of Internal Audit have maintained good communications.
- (4)Independent director's individual communication with CPAs and internal audit supervisors:

Start Date	Attendees	Communication Matters	Communication
			Results
November 7, 2023 Audit Committee 4th Term 2nd Meeting	Independent Director Chen, Chung Independent Director Tu, Tzu-Chun Independent Director Hai, Ying-Chun Independent Director Chen,Sheng-Te CPA Chuang Pi-Yu Head Of Internal Audit Chiang, I-Ting	CPA: 1. Annual audit scope, methods, key audit items and other evaluation plans. 2. Introduction to the Quality Management System of accounting firms and major legal amendments and their impact, including a brief introduction to IFRSS Continuous Disclosure Standards S1 and S2, and discussion and communication on questions raised by attendees. Chief Internal Auditor: 1. Internal audit of business performance report 2.2023 annual internal control and selfevaluation schedule. 3.2024 audit plan.	No dissenting opinion

- 4. For the professional qualifications and experience of the members of the Audit Committee of the Company, please refer to Notes 17 of the Annual Report.
- 5.Information regarding the participation of Supervisors in the operations of the Board of Directors: Not applicable.

(III)Implementation of corporate governance, discrepancies between its implementation and the "Corporate Governance Best Practice Principles for TWSE or TPEx Listed Companies," and reasons for such discrepancies

_	1			Status of Implementation (Note)	
				Discrepancies between its	
	Evaluation Item	Yes	No	Abstract Illustration	implementation and the Corporate Governance Best Practice Principles for TWSE or TPEx Listed Companies, and reasons for such discrepancies
I.	Has the Company formulated and disclosed its corporate governance	✓		The Company has established its "Corporate Governance Best Practice Principles" in	No material discrepancy
	best practice principles in accordance with the "Corporate Governance Best Practice Principles for TWSE or TPEx Listed Companies"?			compliance with the "Corporate Governance Best-Practice Principles for TWSE or TPEx Listed Companies" to promote the implementation of corporate governance and disclosed the information on its website.	
I	. Shareholder Structure and Shareholders' Rights				
	 (I) Has the company established an internal operating procedure for handling matters related to shareholders' recommendations, 				No material discrepancy
	doubts, disputes and lawsuits, and implemented them accordingly?				No material discrepancy
	(II) Does the Company maintain a list of major shareholders who have actual control over the Company and persons who have			The Company has been maintaining contact with its major shareholders and persons who have ultimate control over the major shareholders.	1 ,
	ultimate control over the major shareholders?				Consistent with the
	(III) Has the Company established and implemented risk control and firewall mechanisms among its affiliated companies?	✓			Corporate Governance Best Practice Principles
	(IV)Has the Company formulated internal regulations that prohibit	✓			for TWSE/TPEx Listed
	insiders of the Company from trading securities using			The Company has regularly educated and advocated the existing Directors, Managerial	
	undisclosed information in the market?			Officers and employees on the "Procedures for Handling Material Internal Information" and relevant laws and regulations. The Company has educated and advocated new	
				Directors, Managerial Officers and employees upon their appointment/arrival.	
				In 2023, a total of 457 current directors, managers and employees will be educated	
				through online courses and quizzes. The detailed course topics and numbers are as follows:	
				[Video Promotion] Prevent insider trading video for 0.5 hours	
				[Online Courses] Insider trading practical cases and related legal liabilities for 3 hours	
				[Online Courses] Ethical business code education_CH2 insider trading section for 1 hour	
				[Online Courses] Law advocacy - insider trading and gender equality for 2 hours	
				[Test education] Group staff code of conduct test (including insider trading	
I				prevention) for 1 hour The content includes: insider trading regulations, definitions and constituent elements,	
				corporate governance perspective on insider trading, introduction to Article 157-1 of the	
I				Securities and Exchange Act and a brief introduction to practical cases, scope of major	
I				information and promotion of processing procedures, etc. In addition, online course materials and presentations are often placed in the internal training and learning	
Ī				platform system for all colleagues to watch and learn at any time.	

		D:		
Evaluation Item	Yes	<u>No</u>	Status of Implementation (Note) Abstract Illustration	Discrepancies between its implementation and the Corporate Governance Best Practice Principles for TWSE or TPEx Listed Companies, and reasons for such discrepancies
			 Spappointed director shall not trade the Company's stock implementation during the closed period 30 days before the announcement of the annual financial report and 15 days before the announcement of the quarterly financial report. Company's regulations In accordance with the Code of Corporate Governance amended by the competent Authority in August 2022, and the "Company's Ethical Operating Procedures and Conduct Guidelines" were amended by the Board of Directors in November, 2022 to stipulate that, in addition to complying with the ban on insider trading, the directors of the Company shall not trade in the Company's shares during the closed period 30 days before the announcement of the annual financial report and 15 days before the announcement of the quarterly financial report. II. Specific situation of implementing internal rules (1)Educational Training - Tested on the training management platform, Project Title: [Staff Code of Conduct Promotion _ 2023] - Incorporated that Directors are not allowed to trade in the company's shares during the closed period prior to the announcement of financial results. A total of 419 people participated in the above training, and the total training hours totaled 419 hours in 2023. (2)Notification- Reminder by letter before the closing period - to be carried out by the Secretary of the Board, 7 days before each closing period, to remind the directors by email and inform the Stock Department. Re-reminder mechanism - Implemented by the Stock Affairs Department, upon receipt of the above information until the "Financial Report Announcement date (i.e. board meeting date)", if the directors of each company still apply for "predeclaration of share transfer", they will email the directors are transferred by the Director's secretary), and notify the director's secretary and the corporate governance officer. III. The Company's financial statements discussed at the board of directors are implemente	

			Status of Implementation (Note)	Discrepancies between its
Evaluation Item			Abstract Illustration	implementation and the Corporate Governance Best Practice Principles for TWSE or TPEx Listed Companies, and reasons for such discrepancies
			announcement date of the financial report, 15 days prior to the beginning of the closing period, and the closing period for trading stocks will be from April 19, 2023 to May 4, 2023. The Secretary of the Board notified the Directors by email on April 10, 2023 that the shares of the Company were not to be traded during the closure period. (3)The board of directors will hold a meeting on August 3, 2023 to discuss the financial report for the second quarter of 2023, because the board of directors released important information on the same day after the release of important data in the financial report, with the day of the board of directors (August 3) as the announcement date of the financial report, 15 days prior to the beginning of the closing period, and the closing period for trading stocks will be from July 19, 2023 to August 3, 2023. The Secretary of the Board notified the Directors by email on July 7, 2023 that the shares of the Company were not to be traded during the closure period. (4)The board of directors will hold a meeting on November 7, 2023 to discuss the financial report for the third quarter of 2023, because the board of directors released important information on the same day after the release of important data in the financial report, with the day of the board of directors (November 7) as the announcement date of the financial report, 15 days prior to the beginning of the closing period, and the closing period for trading stocks will be from October 23, 2023 to November 7, 2023. The Secretary of the Board notified the Directors by email on October 11, 2023 that the shares of the Company were not to be traded during the closure period. As confirmed by the Stock Department, the directors of the Company did not report share transfers during the closed period in 2023.	
 III. Composition and responsibilities of the Board of Directors (I) Does the Board of Directors formulate a diversity policy, specific management objectives and implement them? 	✓		 Diversity Policy of the Board Members	No material discrepancy



	Status of Implementation (Note)									Discrepancies between its				
Evaluation Item	Yes	No			Status Of	•		llustratio						implementation and the Corporate Governance Best Practice Principles for TWSE or TPEx Listed Companies, and reasons for such discrepancies
			Decision-m In addition to abilities, nandiversification importance of protection at plants and protection at plants and professional environmenta. Specific manarathe current to specific manarathe current to form to of Citigroup possesses independent in the protection of motions, a directors. In the insustainable target and greath control to function of the implement of th	o the mely of the	eight cc "legal the Boa bal issue. At pres and qual includin ction. In objecti directors or CHEN iversity c he chain expertise to the er e implen ure, the C opment t ctricity. Ince the si d of direct of diver sity of B	capabil rd mer es concent, exitities re ing accourse of a was elevant of Missaman of in risk in an accompantatio Companto assist Policy; ustainabetors.	lity" a mbers of cerning isting mequired ounting diversity ected or NG-TE, buri, and a management of the yaims of the yaim	and "e by taki corpor embers to perland y of the n May 3 holds a d has sen Commagement the quate policito add a ompany so plant petitive	nvironing into rate go of the form the finance board in 1, 2012 a Masterved as nercial in the filty of did directed in implement to a ness of the tall to the tall of tall of the tall of	nental o consovernan Board	protectideration ce and of Directites, an anational rs one of the susiness ad of the in Taipal and r ard of Direction copprofession in gits corrofession mpany a making one of the corrofession of the corrollary	tion" n the environment envir	for the growing commental assess the italize in tests and directors, nistration an region wan. He ry fields, s' review Board of the perience reduction business	1
			Chen, Sheng-Te M Note: If an ind					ed for	three c	onsecu	tive ten	ns, rea	isons for	
			further no	minati	ion are as	s follow	s:							

			Status of Implementation (Note)	Discrepancies between its
Evaluation Item		<u>No</u>	Abstract Illustration	implementation and the Corporate Governance Best Practice Principles for TWSE or TPEx Listed Companies, and reasons for such discrepancies
(II) Has the company voluntarily established other functional	~		1. Director Chen, Chung has served as the President of the Executive Yuan, the head of the Ministry of Finance and Economics, and the head of the financial industry He has many discussions and works on the financial situation and related public policy issues, and has professional experience in strengthening corporate governance, managing operational risks, and improving the operational efficiency of the board of directors; Currently serving as the Chairman of the Visior Engineering Foundation of the Consortium, the foundation has been focusing or the United Nations Sustainable Development Indicators (SDGs) for a long time launching special reports and actions to seek effective solutions, which is of great help to our company in promoting sustainable development (ESG). Although he has been re elected as an independent director of USI Company for three terms he is able to make professional independent judgments and provide constructive suggestions in both the functional committee and the board of directors Therefore, he continues to nominate him as an independent director of the company. 2. Hai, Ying-Chun currently serves as the chairman of Delta Electronics, with experience in setting the Company's business development direction, planning the organizational structure, promoting and implementing strategic innovation strengthening corporate governance and the functioning of the board of directors. He also served as the Chairman of the "Taiwan Climate Alliance", ar organization that introduced global climate change and successful carbor reduction experience to help domestic enterprises move towards the goal of ne zero, which is of great help to our company in promoting sustainable developmen (ESG). Although he has been re elected as an independent director of US Company for three terms, he is able to make professional independent judgments and provide constructive suggestions in both the functional committee and the board of directors. Therefore, he continues to nominate him as an independen director of the compan	No material discrepancy
committees, other than the remuneration committee and audit committee that are established in accordance with the law?			exercise their authority in accordance with the Remuneration Committee Charter and the Audit Committee Charter respectively with favorable performance. The Company also voluntarily set up a Sustainable Development Committee, which exercises its functions and powers and function smoothly in accordance with the "Organization Rules of the Sustainable Development Committee".	
(III) Has the company established and implemented methods for assessing the performance of the Board of Directors and conducted performance evaluation annually? Does the Company	√		 Performance evaluation of the Board of Directors and individual board members The Company passed the Rules Governing the Performance Evaluation of the Board of Directors in November 2019, stipulating that the performance evaluation of the 	



		Discrepancies between its		
			Status of Implementation (Note)	
				implementation and the
				Corporate Governance
Evaluation Item	Yes	No	Abstract Illustration	Best Practice Principles
				for TWSE or TPEx Listed
				Companies, and reasons
				for such discrepancies
submit results of assessments to the Board of directors and use			Board of Directors and individual Directors shall be executed at the end of each year.	
results as the basis for the salary, remuneration, nomination and			2. The Secretariat of the Board is responsible for the execution of the performance	
reappointment of individual Directors?			evaluation of the Board of Directors and individual Directors which shall be	
			conducted based on an internal self-evaluation. The results of performance	
			assessments are used as basis for the Company's review and improvement and as	
			reference in determining remuneration for individual Directors, their nomination and	
			additional office term.	
			3. The Company completed the performance evaluation of the Board of Directors in	
			January 2023 for the evaluation period from January 1 to December 31, 2022. The	
			below summarizes the evaluation result:	
			(1) Overall performance of the Board of Directors	
			Performance aspect Score (Note) Degree of participation in the Company's operations 4.75	
			Improvement in the quality of decision-making of the Board of Directors 5.00	
			Composition and structure of the Board of Directors 5.00	
			Election and continuing education of the Directors 4.67	
			Internal control 5.00 Note: Evaluation scores are on a scale of 0 to 5, with a maximum of 5 points.	
			Overall performance evaluation results of the board of directors	
			• The evaluation result of the Board of Directors shows that the average scores of	
			the five major dimensions are all above 4.6 points, an embodiment of a good	
			evaluation result.	
			• In recent years, the international situation has continued to be turbulent, with	
			geopolitical conflicts between Russia, Ukraine, Israel, and Palestine, severe	
			fluctuations in energy prices, and global inflation and interest rate hikes, which	
			have weakened consumer power and impacted the global economic situation,	
			affecting the company's operations. In addition, in the face of operational risks	
			arising from changes in policies and regulations related to energy and carbon	
			emissions, the Company will continue to implement carbon reduction targets and	
			plan green electricity solutions to achieve corporate sustainable development	
			goals. The Board of Directors and operating division should keep an eye on the	
			above challenges and steer the company in the right direction.	
			(2) Performance of individual director member	
			Performance aspect Score (Note)	
			Understanding of the Company's goals and tasks 4.85	
			Understanding of the Director's responsibilities 4.89 Degree of participation in the Company's operations 4.87	
			Degree of participation in the Company's operations 4.87 Management and communication of the internal relations 4.89	
			Election and continuing education of the Directors 4.89	
			Internal control 4.89	
			Note: Evaluation scores are on a scale of 0 to 5, with a maximum of 5 points.	
			Performance evaluation of individual director member Result	
			The Director's self-evaluation result shows that the average score of the six aspects	
			is above 4.8, which is a good evaluation result	

Corporate Governance Repo
e Report

Г			Out OT 1 OT 1	Г
			Status of Implementation (Note)	Discrepancies between its
				implementation and the
				Corporate Governance
Evaluation Item	Yes	No	Abstract Illustration	Best Practice Principles
	103	110	Abstract mustration	for TWSE or TPEx Listed
				Companies, and reasons
				for such discrepancies
			4. The results of performance evaluation of the Board of Directors and individual	
			directors member have been submitted to the Board meeting dated March 8, 2024.	
			II. Evaluation of the Audit Committee's Performance	
			1. The Audit Committee's performance evaluation cover the following items:	
			(1) Degree of participation in the Company's operations.	
			(2) Understanding of the Audit Committee's roles and responsibilities.	
			(3) Improvement in the Audit Committee's decision-making quality.	
			(4) Composition of the Audit Committee and selection of committee members.	
			(5) Internal control.	
			2. The performance evaluation of the Audit Committee is conducted by the Accounting	
			Division using an internal questionnaire self-evaluation to evaluate the operation of	
			the Audit Committee. The results of performance assessment will be adopted as	
			reference for the Company's review and improvement.	
			3. Upon full collection of the questionnaires in January each year, the Company's	
			Accounting Division will report the results to the Board of Directors in accordance	
			with the Regulations Governing the Evaluation of the Performance of the Board of	
			Directors.	
			4. The Company completed the performance evaluation of the Audit Committee in	
			January 2024 for the evaluation period from January 1 to December 31, 2023. The	
			results of the performance evaluation of the Audit Committee was reported to the	
			Board of Directors for review and improvement on March 8, 2024 with a view to	
			accurately assessing and monitoring the Company's existing or potential risks.	
			5. The evaluation results for each category are as follows:	
			Performance aspect Score Evaluation results	
			Degree of participation in the Company's operations 5.00 The evaluation result of	
			Understanding of the Audit Committee's roles and the Audit Committee	
			responsibilities shows that the average	
			Composition of the Audit Committee and selection of dimensions are all above	
			committee members 5.00 4.9 points, an embodiment	
			Internal control 4.92 of a good evaluation result.	
			Note: Evaluation scores are on a scale of 0 to 5, with a maximum of 5 points.	
			III. Performance evaluation of the Remuneration Committee	
			1. The Remuneration Committee's performance evaluation covers the following four	
			items:	
			(1) Degree of participation in the Company's operations.	
			(2) Understanding of the Remuneration Committee's roles and responsibilities.	
			(3) Improvement in the Remuneration Committee's decision-making quality	
			(4) Composition and member selection of the Remuneration Committee.	
			2. The performance evaluation of the Remuneration Committee is conducted by the	
			Human Resource Division through an internal questionnaire self-evaluation which is	
			filled out by the members of the Committee. The results of performance assessment	!

Evaluation Item Yes No Abstract II	,			implement	ies between its
Evaluation Item Yes No Abstract I	llustration			i impiemen	totion and the
Evaluation Item Yes No Abstract I	llustration				Governance
Yes No Abstract I	llustration				ice Principles
					or TPEx Listed
					s, and reasons
					liscrepancies
will be adopted as reference for the Com	many's revie	w and	limprovement	101 50011 0	
3. The Company completed the performance					
Committee in January 2024 for the evaluation				31.	
2019. The evaluation results for 2023 w			•	,	
submitted to the Board of Directors for r					
reference basis for further improvement.			•		
4. The evaluation results for each category	are as follow	vs:			
Performance aspect		core lote)	Evaluation results		
Degree of participation in the Company's operations	,	.00	The Remuneration Committee's self-evaluation		
Understanding of the Remuneration Committee's responsibilities	roles and 5.	.00	result shows that the average score of the four aspects is		
Improvement in the Remuneration Committee's making quality	decision-	.00	above 5, which is a good evaluation result.		
Composition and member selection of the Remi Committee	5.	.00			
Note: Evaluation scores are on a scale of 0 to 5, wit	h a maximum of	5 points	s.		
IV. Sustainability Council Performance Evalua	ation				
1. The Sustainable Development Comm	nittee's perfo	orman	ce evaluation covers	the	
following four items:					
(1) Degree of participation in the Compa					
(2) Responsibility awareness of Sustaina	•				
(3)Improvement in the Sustainable quality.	Development	t Coi	mmittee's decision-mak	ng	
(4)Composition of the Sustainable committee members.	Development	t Cor	mmittee and selection	of	
2. The performance evaluation of the Susta	inable Devel	lopme	ent Committee is conduc	ted	
by the General Manger's Office throu					
which is filled out by the members of					
assessment will be adopted as reference	for the Comp	pany's	s review and improveme	nt.	
3. The Company completed the performan	ce evaluation	n of th	ne Sustainability Council	in	
January 2024 for the evaluation period					
evaluation results for 2023 were good i					
Board of Directors for review in the f	irst quarter o	of 202	24 as a reference basis	for	
further improvement.	C 11				
4. The evaluation results for each category		vs:	<u> </u>		
Performance aspect		ote)	Evaluation results The Committee's self-		
Degree of participation in the Company's operations	5.	.00	evaluation result shows that the average score of the five		
Responsibility awareness of Sustainability Council	4.	.85	aspects is above 4.8, which is a		

			Status of Implementation (Note)			Discrepancies between its		
Evaluation Item	Yes	<u>No</u>	Abstract Illustration	Abstract Illustration				
(IV) Does the Company regularly evaluate the independence of CPAs?			Improvement in the Sustainable Development Committee's decision-making quality Composition of the Sustainable Development Committee and selection of committee members Note: Evaluation scores are on a scale of 0 to 5, with a maximum of 5 points. The Company's Audit Committee and Board of Directors assess the suitability of its CPAs annually. In addition to requiring the member provide "Statement of Independence" and "Audit Quality Index Committee evaluates the independence and suitability of its visa CPA the criteria in the following table and the five dimensions of AQI indicators). Having confirmed that it has no financial interest or busin the Company other than verification and tax case expenses, that its faviolate the independence requirement, and having confirmed with indicators information that the CPAs and firms are above the industrexperience and hours of training, In addition, we will introduce at expand audit support center and introduce cloud audit platform to it. The results of the latest annual evaluation were discussed and approve of the 4th Audit Committee on March 8, 2024, and submitted to the 4th Board of Directors on the same day for the independence and suit CPAs. ITEM 1. As of the most recent assurance operation, no CPA has yet to be replaced for seven (7) years. 2. The CPA does not have significant financial interest in his/her trustor. 3. The CPA avoids any inappropriate relationship with his/her trustor. 4. The CPA shall ensure that his/her assistants are honest, fair and independent. 5. The CPA has not engaged in lending and borrowing of money with the Company and its affiliated companies. 6. The CPA has not engaged in lending and borrowing of money with the Company or its affiliated companies. 7. The CPA does not own any shares of the Company and its affiliated companies. 8. The CPA has not engaged in lending and borrowing of money with the Company or its affiliated companies and does not receive a fixed salary from them. 11. The CPA does not concurrently serve as a regular em	ber team (AQIs)" As in acco index (in ness relati mily men reference y average udit innov mprove at ed by the th meeting tability ev Evaluation results Yes Yes Yes Yes Yes Yes Yes Yes Yes Ye	endence and of CPAs to , the audit rdance with neluding 13 onship with other do not to the AQI in terms of vation tools, udit quality. 3rd meeting g of the 24th			



			Con CT 1 (A)			
			Status of Implementation (Note)			Discrepancies between its
						implementation and the
						Corporate Governance
Evaluation Item	Yes					Best Practice Principles
2 manus Ren		No	Abstract Illustration			for TWSE or TPEx Listed
						Companies, and reasons
			T	1		for such discrepancies
			actions taken against him/her or cause damage to the principle of independence.			
			Suitability Evaluation of the CPAs:			
				Evaluation	Whether the	
			ITEM	results	CPA	
			1. Professionalism.	Yes	Suitability Yes	
			2. Quality control	Yes	Yes	
			3. Independence.	Yes	Yes	
			4. Supervision.	Yes	Yes	
			5. Innovation ability.	Yes	Yes	
IV. Has the TWSE or TPEx listed company set up a full-time (part-time)	✓		In order to safeguard the interests of the shareholders and strengthe			No material discrepancy
unit or appointed designated personnel to handle governance related			Board of Directors, the Company has appointed Chen, Yung-Chih, H			
affairs (including but not limited to supplying information requested			as the Corporate Governance Officer, the top-level manager in	charge o	f corporate	;
by the directors and supervisors, processing company registration and			governance, as approved by the Board of Directors on May 13, 2019.	Mr. Chen,	Yung-Chih	ı
change of registration and preparing minutes of the board meetings			has more than 20 years of experience as a practicing lawyer an	d nearly	10 years of	,
and shareholders' meetings)?			experience as a legal director of listed companies. His main duties in	clude relate	ed affairs of	:
6 /			board meetings and shareholders' meetings, production of meeting			
			meetings and shareholders' meetings, assisting Directors in taking			
			education, providing data required by Directors to perform their duties			
			in legal compliance, reporting to the Board on the nomination of			
			checking the result of whether the qualifications comply with t			ì
			regulations at the time of appointment and during the term of office			
			matters of Director change and so on.	e, nananne	, the related	·
			The key points of business operations in 2019 were as follows:			
			I. Assist Directors in performing their duties, provide the necessar	v informati	ion orrongo	
			continuing education for Directors, and process liability insurance		ion, arrange	
			1. Compile the latest laws and regulations related to the business		d aarnarata	
			governance of the Company, put them forward at the Board of			
			discussion, and keep members of the Board informed according			
			2. Assist Directors, upon request, in understanding the regulation			
			in the execution of their business.	is to be con	inplied with	
					41	
			3. Provide corporate information required by the Directors a			1
			communication and interaction with supervisors in various busi			
			4. Assisted Independent Directors in arranging meetings with the			
			or CPAs when there is a need for Independent Directors to	meet them	in order to	1
			understand the Company's financial operations.			
			5. Assist the Company in arranging at least six hours of continuir	ng educatio	n for Board	
			members.			
			6. Verified that the Company has purchased the liability insurar			l l
			key persons" for members of the Board of Directors and rep	orted to the	ne Board of	
			Directors.			
			II. Organized matters related to the proceedings of Board of Di	rectors' me	eetings and	

			Status of Implementation (Note)	Discrepancies between its
Evaluation Item	Yes	<u>No</u>	Abstract Illustration	implementation and the Corporate Governance Best Practice Principles for TWSE or TPEx Listed Companies, and reasons for such discrepancies
V. Has the company established channels of communication with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), dedicated a section of the company's website for stakeholder affairs and adequately responded to stakeholders' inquiries on significant corporate social responsibility issues?	✓		shareholders' meetings and confirmed compliance matters of resolutions: 1. Prepare notice and agenda of Board of Directors meetings in accordance with laws: where Directors have to recuse themselves from the agenda items, they shall be reminded beforehand; the minutes shall be prepared within the statutory period. 2. Register the date of the shareholders' meeting in advance according to the law and prepare the meeting notice, handbook, and meeting minutes within the statutory time limit. 3. Confirm that the convening of the Board of Directors meetings and shareholders' meetings, procedures for resolutions, and minutes of the said meetings are in compliance with relevant laws and regulations and the Corporate Governance Best Practice Principles. 4. Change registration. III. Confirm the matters of the independent director qualifications and handling of Director changes: 1. Confirm the qualifications of independent directors are in compliance with relevant laws and regulations at the time of nomination, election and tenure, and report the inspection results to the Board of Directors. 2. Handle related matters in according to the law regarding directors' changes. IV. Maintain relations with investors: The Company updates website information from time to time to keep investors abreast of the Company's financial, business, and corporate governance information and protect the interests of shareholders. Directors' continuing education in 2023 is as follows: Pursuant to Article 24 of the "Taiwan Stock Exchange Corporation Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers", a listed company shall arrange continuing professional education for its corporate governance officer. A newly appointed chief corporate governance officer of the Company, had completed 49 hours of continuing education classes, please refer to page 36 to 37. The Company has set up a stakeholders' section under Corporate Sustainable Development on it	No material discrepancy
			implemented a spokesperson system. Communication can be performed through interviews, telephone calls, or dedicated mailboxes. For details of communication with all interested parties, please refer to https://www.usife.com/ESG/zh-tw/ESG13.aspx ; For	



	1			1
			Status of Implementation (Note)	Discrepancies between its
Evaluation Item	Yes	<u>No</u>	Abstract Illustration	implementation and the Corporate Governance Best Practice Principles for TWSE or TPEx Listed Companies, and reasons for such discrepancies
			details of report to the board of directors of implementation, please refer to page 60.	-
VI. Does the company commission a professional shareholder services agency to arrange shareholders' meetings and other relevant affairs?		√	The Company takes charge of its own shares-related affairs, and handles matters related to Shareholders' meetings in accordance with the law.	The Company handles its own shares-related affairs to ensure quality and efficiency.
VII. Information Disclosure				
(I) Has the company established a website to disclose information on financial operations and corporate governance? (II) Has the company adopted other means of information disclosure (such as establishing a website in English, appointing specific personnel to collect and disclose company information, implementing a spokesperson system, and disclosing the process of investor conferences on the company's website)?	✓		The Company has set up a website (https://www.usife.com) and regularly discloses company information. In addition, the Company has appointed dedicated personnel in charge of the collection and disclosure of company information, and has implemented a spokesperson system. English website: https://www.usife.com/USIEnHome Investor conferences: https://www.usife.com/zh-tw/dirInvestor/frmInvestor7	
(III) Does the Company publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second and third quarters as well as its operating status for each month ahead of schedule before the specified deadline?		√	The Company has not announced and declared its annual financial report within two months after the end of the fiscal year but has announced and declared its quarterly financial reports, monthly revenue, and endorsement and guarantee information in advance of the specified period.	No material discrepancy
VIII. Has the company provided important information to better understand the state of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholders' rights, progress of training of directors and supervisors, risk management policy and implementation of risk impact standards, implementation of customer policies, and the company's purchase of liability insurance for its directors and supervisors)?			 (I) The Company provides its employees with comprehensive health care. In addition to the formulation of guidelines related to employee assistance services and gender equality in the workplace, the Company also provides annual health checkups, sports and fitness equipment, organizes various outdoor recreational activities and talks on mental, emotional and spiritual health, purchases group insurance and issues USI E-Newsletter. In addition, employees volunteered to organize the Employee Assistance Program Center (EAPC) that assists employees in solving problems relating to work, life, and mental health. (II) The Company has always been committed to the principle of equal opportunities, and recognizes the contribution of employees from different backgrounds. The Company adopts an open selection process and hires the right talent for the right position, instead of restricting employees' career development based on their race, gender, age, religion, nationality or political affiliation. (III) In regards to the promotion of environmental protection and occupational safety and health, the Company not only complies with the relevant laws and regulations, but also expects to meet internationally recognized standards, where the Company has successfully obtained ISO 14001, ISO 45001 and ISO 50001 certifications). In addition, the Kaohsiung Plant completed ISO 14064 (Greenhouse Gas Inventory) for 2022 on May 6, 2023. The Company actively promotes energy conservation, disaster prevention, pollution prevention and other improvement activities to reasonably ensure a safe working environment. To enhance self-inspection, the Company has established the Group Safety and Health Partners Regional Joint Rescue system led by the South Labor Inspection Institute, and actively participates in the events 	

Evaluation Item Per No. Abstract Illustration Abstract Illustration The Company actively attends activities held by Taiwan Responsible Care Association (TRCA) in the chemical engineering industry and upholds its spirit, participates in community events, and cares for product protection in order to create a better living environment. Additionally, the Company also helps contractors by building a safe and health-conscious environmental management system to ensure as a star by shareholders. Additionally, the Company also helps contractors by building a safe and health-conscious environmental management system to ensure as the shareholders. Additionally, the Company with its shareholders. Additionally, the Company maintains contact with its major shareholders. (V) The Company neocorages its directors to participate in continuing education, the Company also organizes such courses from time to time and invites its directors to attend course related to corporage overnance. (VII) Implementation of risk management policies and risk measurement standards: The Company has established operating procedures and internal control systems, and possesses clear rules and regulations on authorized limits. The Company also gerforms internal audit officer (VIII) Implementation of control risks. The implementation astus shall be reported to the Board of Directors at least quarterly by the audit officer (VIII) Implementation of control risks. The implementation status shall be reported to the Board of Directors at least quarterly by the audit officer (VIII) Implementation of control risks. The implementation astus shall be reported to the Board of Directors at least quarterly by the audit officer (VIII) Implementation of control risks. The implementation of risk management policies of good faith and maintains good relationships with suppliers based on the principles of good faith and maintains good relationships with suppliers based on the principles of good faith and maintains good relationships with suppliers based on the p				Status of Implementation (Note)	Discrepancies between its
(IV) The Company actively attends activities held by Taiwan Responsible Care Association (TRCA) in the chemical engineering industry and upholds its spirit, participates in community events, and cares for product protection in order to create a better living environment. Additionally, the Company also helps contractors by building a safe and health-conscious environmental management system to ensure safety at work. (V) The Company has appointed a spokesperson to answer various types of questions raised by shareholders and serves as the bridge to connect the Company with its shareholders. Additionally, the Company maintains contact with its major shareholders. (VI) The Company encourages its directors to participate in continuing education. In addition to providing its directors with details on continuing education, the Company also organizes such courses from time to time and invites its directors to attend courses related to corporate governance. (VII) Implementation of risk management policies and risk measurement standards: The Company also performs internal audit to control risks. The implementation status shall be reported to the Board of Directors at least quarterly by the audit officer (VIII) Implementation of consumer protection or customer policy: The Company has formulated its quality policy in order to improve product and service quality, as well as continuously strives to enhance customer satisfaction. The Company also maintains good relationships with suppliers based on the principles of good faith and mutual benefits. (IX) The Company The Company has been compiling the "Sustainability Report" (Corporate Social Responsibility Reports published in previous years has been disclosed on the Company's bestie, to disclose the implementation of risk management policies and risk evaluation records, the implementation of risk management policies and risk evaluation records, the implementation of risk management policies and risk evaluation	Evaluation Item	Yes	<u>No</u>	Abstract Illustration	implementation and the Corporate Governance Best Practice Principles for TWSE or TPEx Listed Companies, and reasons
measures, and the implementation of client relations policies.				 (IV) The Company actively attends activities held by Taiwan Responsible Care Association (TRCA) in the chemical engineering industry and upholds its spirit, participates in community events, and cares for product protection in order to create a better living environment. Additionally, the Company also helps contractors by building a safe and health-conscious environmental management system to ensure safety at work. (V) The Company has appointed a spokesperson to answer various types of questions raised by shareholders and serves as the bridge to connect the Company with its shareholders. Additionally, the Company maintains contact with its major shareholders. (VI) The Company encourages its directors to participate in continuing education. In addition to providing its directors with details on continuing education, the Company also organizes such courses from time to time and invites its directors to attend courses related to corporate governance. (VII) Implementation of risk management policies and risk measurement standards: The Company has established operating procedures and internal control systems, and possesses clear rules and regulations on authorized limits. The Company also performs internal audit to control risks. The implementation status shall be reported to the Board of Directors at least quarterly by the audit officer (VIII) Implementation of consumer protection or customer policy: The Company has formulated its quality policy in order to improve product and service quality, as well as continuously strives to enhance customer satisfaction. The Company also maintains good relationships with suppliers based on the principles of good faith and mutual benefits. (IX) The Company The Company has been compiling the "Sustainability Report" (Corporate Social Responsibility Reports published in previous years has been disclosed on the Company's website.) to disclose the implementation of employee rights, employee are, investor relations, supplier relati	

IX. Improvements made in the most recent fiscal year in response to the results of corporate governance evaluation conducted by the Corporate Governance Center of the Taiwan Stock Exchange Corporation, and improvement measures and plans for items yet to be improved. (Leave this section blank if the company is not included in the evaluation process)

Improvements:

Note: Regardless of whether "Yes" or "No" is selected, provide a brief description in the Summary column.

⁽I) The Minutes of the ordinary shareholders meeting record the important content of the shareholders' questions and the company's replies. (No. 1.18)

⁽II) Upload uninterrupted audio and video recordings throughout the Shareholders' Meeting. (No. 1.19)

(IV)If the company has established a remuneration committee or a nominations committee, the composition, responsibilities and operations of the committee shall be disclosed:

The Company's Remuneration Committee was officially established on December 28, 2011 and the establishment was announced. The composition, duties, and operations of the Remuneration Committee are as follows:

1. Information regarding the members of the Remuneration Committee

December 31, 2023

			•	December 31, 2023
Identification (Note 1)	Criteria Type Name	Professional qualifications and experience (Note 2)	Independence situation (Note 3)	Number of other public companies in which the member also serves as a member of the remuneration committee
Independent Director (Convener)	Hai, Ying-Chun	development direction, planning the organizational structure, promoting and implementing strategic innovation, strengthening corporate governance and the functioning of the board of directors.	The four independent directors listed on the left met the qualifications set forth in the "Regulations Governing the Establishment and Compliance of	1
Independent Director	Chen, Chung	He is currently a Chair Professor of Law and Business at Soochow University. He has served as the dean of the administration, the head of the Ministry of Finance and Economics, and the head of the financial sector. He has written extensively on the state of the financial sector and related public policy issues, and has professional experience in strengthening corporate governance and the functioning of the board.	Independent Directors of Public Companies" issued by the Financial Supervisory Commission (FSC) and Article 14-2 of the Securities and Exchange Act (SEA) in the two years prior to their election and during the period in which they	0
Independent Director	Tu, Tzu-Chun	He was adjunct Associate Professor in the Department of Business Administration of Soochow University, Vice President of the Executive Yuan and head of the Ministry of Finance and Economics. Currently, he serves as a director of several listed companies, with experience in industrial development planning, industrial technology research and development and management.	served in their respective positions, and all of them have been granted the authority to participate in the decision-making process and express their opinions in accordance with Article 14-3 of the SEA, and have been able	3
Independent Director	Chen, Sheng-Te	He has served as the chairman of Fubon Bank and Zhuoyi Capital, and has rich working experience in finance, investment and other professional fields besides enterprise management experience.	to independently perform the related duties and responsibilities.	1

Note 1. Please specify the relevant seniority, professional qualifications, experience, and independence of the members of the remuneration committee in this form. For independent directors, please refer to Attached Table 1 (I) of Directors and Supervisors on page 16 to 17. Please specify as independent director or other (note if convenor).

Note 2. Professional qualifications and experience: State the professional qualifications and experience of the members of the Remuneration Committee.

Note 3. Independence criteria: For the members of the Remuneration Committee, state the independence criteria, including but not limited to whether the director, the spouse and immediate family members or relatives within the second degree of kinship of the director are directors, supervisors, or employees of the Company or its affiliated companies; The number and proportion of the Company's shares held by the director, the spouse and immediate family members or relatives within the second degree of kinship of the director (or in the name of others); Whether the director is a director, supervisor or employee of a company that has a specific relationship with the Company (refer to the provisions of Paragraph 5-8, Item 1, Article 6 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter); Amount of remuneration obtained in the last 2 years for providing business, legal, financial, and accounting services to the Company or its affiliated companies: None

Note 4. For disclosure methods, please refer to the Best Practices Reference on the TWSE Corporate Governance Center website.



2. Responsibilities:

The Remuneration Committee shall exercise the care of a good administrator to faithfully fulfill the following functions and powers, and submit the recommendations to the Board of Directors for deliberation:

- (1) Regularly review the Committee Charter and propose recommendations to amend it when necessary.
- (2) Establishing and regularly reviewing the BOD and Managerial Officer's performance evaluation in conjunction with the remuneration policies, systems, standards, and structure.
- (3) Regular evaluation and stipulation on the compensation of Directors and Managerial Officers.

3. Operations of the Remuneration Committee

- (1) There are three members in the Compensation Committee of the Company.
- (2) The term of the current Remuneration Committee: June 15, 2020 to June 11, 2023. A total of 3 (A) Remuneration Committee meetings were held in the current year. The eligibility and attendance of the members was as follows:

Title	Name	Attendance in Person (B)	Attendance by Proxy	Percentage of Attendance in Person [B/A] (Note)	Remark
Convener	Hai, Ying-Chun	3	0	100%	Re-election on June 6, 2023
Committee Member	Chen, Chung	3	0	100%	when the term of last Board expired.
Committee Member	Tu, Tzu-Chun	3	0	100%	
Committee Member	Chen, Sheng-Te	2	0	100%	New appointment on June 6, 2023 when the term of last Board expired.

Other matters to be noted:

- I. If the board of directors declines to adopt or modifies a recommendation of the remuneration committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company's response to the remuneration committee's opinion (e.g., the remuneration passed by the Board of Directors exceeds the recommendation of the remuneration committee, the circumstances and cause for the difference shall be specified): None.
- II. If the members of the Remuneration Committee have any dissenting or qualified opinions on the resolutions of the Remuneration Committee, where such opinions are documented or issued through written statements, the date and session of the meeting of the Remuneration Committee, resolutions, all the members' opinions and handling of these opinions shall be stated:

		Dissenting						
		Opinions or						
Remuneration	Resolution and Follow-up Actions	Qualified Opinions						
Committee	Resolution and Follow-up Actions	of Members of the						
		Remuneration						
		Committee						
	1. The Company's 2022 remuneration distribution proposal for Directors and employees.	No						
	2. Discussed the 2022 special bonus for managerial officers.	No						
4th Term	3. Review of the remuneration policy and the performance evaluation system for Directors and managerial officers.	No						
9th Meeting	Opinions of the Remuneration Committee: None.							
March 07, 2023	Remuneration Committee Resolution: All members in attendance unanimously passed the proposals and filed							
	for discussion in the board meeting.							
	The Company's actions in response to the opinions of the Remuneration Committee: All the Directors in							
	attendance voted in favor of the resolution.							

Remuneration Committee	Resolution and Follow-up Actions	Dissenting Opinions or Qualified Opinions of Members of the Remuneration Committee						
	Annual salary adjustment.	No						
5th Term	Opinions of the Remuneration Committee: None.							
1st Meeting	Remuneration Committee resolution: The proposal was passed unanimously by the Committ	ee Members in						
August 03, 2023	attendance.							
71ugust 05, 2025	The Company's actions in response to the opinions of members of the Remuneration Committee: The Company							
	shall conduct relevant operations based on the resolution.							
	1. Amended certain articles of the Company's "Regulations Governing the Evaluation of	No						
	the Performance of the Board of Directors".							
	2. Amended the Company's "Remuneration Committee Charter".	No						
5th meeting of	3. Establish 2024 Business Plan of the Committee.	No						
2nd Meeting	Opinions of the Remuneration Committee: None.							
112.11.07	Remuneration Committee resolution: The proposal was passed unanimously by the Committee Members in							
	attendance.							
	The Company's actions in response to the opinions of members of the Remuneration Commi	ttee: The Company						
	shall conduct relevant operations based on the resolution.							

Note:

- (1) When a member of the Compensation Committee resigns before the end of the year, the remark column shall be annotated with the date of resignation. Actual attendance rate (%) shall be calculated based on the number of meetings held by the Compensation Committee and the number of actual attendance during the term of service.
- (2) When an election is held for the Compensation Committee before end of the year, members of both the new and old committee shall be listed in separate columns and noted as new, old or reelected members, along with the elected date, in the "Remark(s)" column. Rate of attendance in person (%) is calculated based on the number of meetings held by the Remuneration Committee and the actual number of meetings attended during his/her term of office.

(V) Information on the membership and operation of the nominating committee: Not applicable.

(VI)The implementation situation of promoting sustainable development and the differences with the Code of Practice for sustainable Development of TWSE or TPEx Listed Companies and the reasons

			Implementation (Note 1)	Discrepancies from "the Corporate
Items affected	Yes	No	Abstract Illustration	sustainable development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
I. Does the Company have a governance structure to promote sustainable development and a dedicated (and part-time) unit to promote sustainable development that is handled by senior management authorized by the Board of Directors and supervised by the Board of Directors? (TWSE/TPEx Listed Companies shall report the implementation situation, not compliance or interpretation.)	>		 The Company set up corporate social responsibility committee in 2014, promoted to the board of directors of the functional committee and established corporate social responsibility committee organizational rules (https://www.usife.com/USIWebFiles/Others/USI_CSROrgRule.pdf) in 2018, renamed the Commission on Sustainable Development in Q1 2022. The Committee consists of the Chairman, the General Manager, and two Independent Directors as approved by the Board of Directors. An Independent Director serves as the chief commissioner and the General Manager serves as the deputy chief commissioner. Under the Committee are a secretary and three teams, namely the Corporate Governance Team, Environmental Protection Team, and Social Relations Team. The committee shall hold at least two meetings every year and has held two meetings in 2022. On March 7, 2023, the Committee presented to the Board of Directors the results of the 2022 business implementation and the 2023 Implementation Plan. The implementation results of the first half of the year 2023 was submitted to the Board of directors on August 3, 2023. The Corporate Governance Team communicates with investors, customers, suppliers, and government agencies on topics we face for achieving sustainable operations to maintain trust between our company and our stakeholders. The Environmental Protection Team integrates internal measures and plans relating to environmental protection, energy conservation, emissions reduction, and occupational health and safety; follows up and reviews implementation outcomes; and discusses topics in environmental protection that are key to meeting stakeholder expectations, so as to meet stakeholders' expectation. The Social Relations Team communicates with employees, community residents, and non-profit organizations on topics relating to employee care, social care and social engagement to contribute to the creation of a fair, just, safe, and harmonious society. The members of each t	Consistent with the Corporate Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.

				Implementation (Note 1)	Discrepancies from "the Corporate
	Items affected	Yes	No	Abstract Illustration	sustainable development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Does the Company conduct risk assessments on	✓			Consistent with the Corporate
1 1	environmental, social and corporate governance issues related to the Company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies? (TWSE/TPEx Listed Companies shall report the implementation situation, not compliance or interpretation.) (Note 2)				Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.

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Corporate Governance Report

			Implementation (Note 1)	Discrepancies from "the Corporate
Items affected	Yes	No	Abstract Illustration	sustainable development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
			V. Information Security Risk VI. Legal risk VII. Human resources risks VIII. Research and development risk IX. Environmental and Energy Resource Risk X. Climate change risks XI. Risk of disasters and accidents XII. Technology risk XIII. Other risk (environmental protection incidents) XIV. Other risk (environmental protection incidents) XV. Other risk (COVID-19) For detailed risk management, please refer to the Company's website: https://www.usife.com/CSR/zh-tw/CSR23.aspx and 7. Review and Analysis of Financial Position and Performance and Risk Items/6. Risk Analysis and	
W. P			Assessment/14. Response to Environmental, Social, and Corporate Governance Risks.	
III. Environmental Issues (I) Has the Company established an appropriate environmental management system based on the characteristics of the industry to which it belongs?	✓		(I) The Company established the ISO 14001 environmental management system in	Consistent with the Corporate Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.
(II) Is the company committed to improving energy efficiency and using recycled materials with low environmental load impact?	✓		(II) The Company's product manufacturing process is committed to improving the efficiency of raw material recovery, hoping to reduce raw material consumption, The recovery methods included high pressure recovery system improvement project of the second plant, setting of Monomer Refine Tower (MRT), connecting new Tower tank with old tower tank, Ethylene Purification Tower (EPT) is equipped with a condenser at the front end and a new compressor leak gas recovery system. The recovery rate of raw materials is increased from 13.1% in 2022 to 14.6% in 2023. In 2023, energy saving schemes will be promoted, such as the updating of chillers, the updating of cooling water pumps, and the decommissioning of power, so as to effectively improve energy efficiency.	
(III) Does the Company assess the potential risks and opportunities of climate change for its current and future operations and undertake response measures with respect to climate change?	~		(III) In order to implement the commitments to corporate sustainable development and to continuously manage the risks associated with climate change and response strategies and measures, in addition to following the energy conservation and carbon reduction targets set by the USI Group, the Company has referred to the identification process of climate risks and opportunities under the Task Force on Climate-related Financial Disclosures (TCFD) framework released by the Financial Stability Board (FSB) in 2017 to identify risks and opportunities while	

			Implementation (Note 1)	Discrepancies from "the Corporate
Items affected	Yes	No	Abstract Illustration	sustainable development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
(IV)Does the Company calculate the amount of greenhouse gas emission, water consumption, and waste production in the past two years and implement policies to cut down energy and water consumptions, carbon and greenhouse gas emissions, and waste production?	*		establishing response measures and implementing plans. Please refer to our 2021 Sustainability report "4.3 Climate Change and Energy Management" ((https://www.usife.com/ESG/ESGFiles/Report/USI_ESG2022.pdf#page=88) and our official website (https://www.usife.com/ESG/ESGFiles/Report/USI_ESG2022.pdf#page=88) and our official website (https://www.usife.com/ESG/zh-tw/ESG35.aspx). • To keep track of the Company's greenhouse gas emissions and comply with the environmental protection law "Business shall inventory and record the sources of greenhouse gas emissions" (Notice on February 2, 2024), Taipei Office, Guishan Lab and the Kaohsiung Plant carry out annual greenhouse gas inventory operations. In addition, the Kaohsiung plant's annual greenhouse gas emissions in Scope 1 plus Scope 2 exceed the statutory requirement of 25,000 metric tonnes, so the Company conducts an annual greenhouse gas inventory and reports it on the website of the Environmental Protection Agency. The Operation Control Law collects emissions for major emission sources. In line with the government's GHG reduction policy, the Company has formulated energy conservation and carbon reduction plans for each unit and established a energy conservation and carbon reduction team with the help of the affiliated companies of USI Corporation, and put together consistent approaches through resource integration and experience sharing in order to jointly promote practical and effective energy conservation and carbon reduction plans and perform quarterly review of implementation results.Greenhouse gas emissions: • The Company's greenhouse gas inventory includes the Kaohsiung Plant, Guishan R&D Division and Taipei Headquarters, covering Scope 1, 2 and 3. • In 2022, total emissions were 0.14341 million metric tonnes of CO2e/year. • The Company continues to promote energy saving and carbon reduction Indirect Emissions): Carbon emissions (Category 3 of Scope 3 Transportation Indirect Emissions from Company Used Products): Carbon emissions from the production of ra	

			Implementation (Note 1)	Discrepancies from "the Corporate
			implementation (110tc 1)	sustainable development Best-Practice
Items affected	Yes	No	Abstract Illustration	Principles for TWSE/TPEx Listed
	103	140	Austract mustration	Companies" and Reasons
			metric tons of non-hazardous waste.)	Companies and reasons
			The implementation plans and results of energy conservation and carbon	
			reduction, water conservation, and waste management policy of the Company in	
			2023 are as follows:	
			I. Energy saving and carbon reduction:	
			1. Target:	
			(1)Annual electricity saving 1.27%.	
			(2) Greenhouse gas emissions: 145,000 metric tons of CO2e	
			(3) Three energy conservation and carbon reduction programs are planned	
			for 2023, with an estimated carbon reduction of 838 metric tons of CO2e.	
			(4)Promote ISO 14064-1 greenhouse gas emissions inventory and checking	
			2. 2023 Plant-wide Energy Conservation Plan.	
			Implementation method:	
			(1) Reactor pressure drop operation at Plant No. 1.	
			(2) Stop at the Plant CBC, J-290D/E/F choose one of them and stop it from	
			operating.	
			3. Implementation results:	
			(1) The annual electricity saving rate is 1.72% (The average annual	
			electricity saving rate from 2015 to 2023 was 1.40%)	
			(2) Greenhouse gas emissions: 142,500 metric tons of CO2e	
			(3) Implemented two energy conservation and carbon reduction programs,	
			with an estimated carbon reduction of Volume 1,614 metric tons of	
			CO2e.	
			(4) Finish ISO 14064-1 greenhouse gas emissions inventory and checking	
			II. Water saving (USI Corporation Kaohsiung Plant):	
			1. Target: water-saving amount: 48,500 mt/year, water saving rate 4.63%.	
			2. Measures: Continuous wastewater monitoring and recycling.	
			3. Implementation methods and results of 2023:	
			(1) The system continuously monitors the quality of effluent from the plant	
			and increases the response capacity for wastewater treatment. It also	
			ensures that the effluent meets control standards. The effluent is	
			processed in the recycling system and used to replenish water in the	
			cooling tower to reduce the usage of tap water and reduce process	
			wastewater effluent. The total waste water recovered was 30,614 metric	
			tons.	
			(2) The Company has implemented a programme over the years to promote	
			the recycling and reuse of water resources, including the improvement of	
			the steam condensate recovery system, the recovery of granular overflow	
			water, the continuous monitoring and recovery of wastewater, the	
			recovery of flood detention ponds, the recovery of rainwater in the tank	
			area and the recovery of MRT steam condensate water. The total amount	
			of water recovered and reused is estimated to be 56,878 metric tons.	
			(3) CDP water safety evaluation obtained A	
			(4) In 2022, the Company obtained ISO 46001:2019 validation of water	

			Implementation (Note 1)	Discrepancies from "the Corporate
Items affected	Yes	No	Abstract Illustration	sustainable development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
			efficiency management system. Water conservation target for 2024: Reduce water consumption per unit by 0.5% compared to the base year of 2022. III. (The validity period of certification is from 2022 to 2025). Methods and results of waste management implementation: 1. Target: To strengthen the control of waste flow direction. 2. Management policy: Audit on waste removal and disposal companies. 3. Implementation results: (1) Random inspection was conducted on 8 waste removal manufacturers and 7 waste disposal manufacturers, and the inspection results were all in line with relevant laws and regulations. (2) Updated four adsorption towers, and the waste fill output was reduced by 15.51 metric tons compared to 2022.	
IV. Social Issues (I) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?			(I)	Consistent with the Corporate Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.

			Implementation (Note 1)	Discrepancies from "the Corporate
Items affected	Yes	No	Abstract Illustration	sustainable development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
			In addition to providing a safe and healthy working environment based on laws and regulations, the Company has set up specialized units and committees for occupational safety and health, employs professional doctors and nursing staff, conducts regular education and training on safety and health, fire prevention and other related issues, and takes necessary preventive measures to prevent occupational disasters, so as to reduce the risk factors in the working environment. 2. Friendly Workplace DEI · Diversity Equity Inclusion The company respects gender, age and culture to create a friendly workplace where everyone can bring out their best. Create a diverse environment in the workplace that embraces people from different backgrounds, races, genders, sexual orientations, abilities, and perspectives; And provide employees with fair opportunities and treatment in a fair and inclusive manner, to bridge the gap between different groups, reasonably ensure that every employee is respected and accepted, and can fully participate and contribute. Through publicity, education and training, we continue to promote gender equality policies and prevent workplace violations, and are committed to providing employees with a dignified and friendly working environment. 3. Prohibiting illegal discrimination to ensure equal work opportunities, etc The Company will implement the human rights policy in internal control procedures, in employment, compensation and benefits, training opportunities, promotion, dismissal or retirement and other labor rights and interests; Employees and job seekers shall not be treated unfairly based on race, class, language, ideology, religion, party, origin, birthplace, gender, sexual orientation, age, marriage, pregnancy, appearance, facial features, physical and mental disorders, constellation, blood type, and other factors. 4. No child labor To ensure compliance with corporate social responsibility and ethics, the Company has prohibited child labor since the beginning of recruitment. By the end of D	

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			Implementation (Note 1)	Discrepancies from "the Corporate
Items affected	Yes	No	Abstract Illustration	sustainable development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	employees to participate in health activities. Employees form their own clubs to unite the emotions of colleagues through club activities. (2) Besides holding spring party, Mid-Autumn evening party, guessing lantern riddles and other activities to adjust the body and mind of employees and cohesion of the centripetal force, the Company also sets sports and fitness equipment for employees to use after work. (3) To encourage independent exercise and health management of employees, sports competitions. In April 2023, the Taipei region sponsored and encouraged employees to participate in activities beneficial to their physical and mental health, such as the "2023 Taipei Science and Technology Cup - Love the Earth Charity Run" and the "Gathering, Walking, and Walking Together" event held from October to December 2023. 7. Human rights protection training practices (1) Orientation Training Upon arrival, employees are required to conduct relevant legal compliance education and training, including sexual harassment prevention, anti-discrimination, anti-harassment, implementation of working hour management, and protection of humane treatment. (2) Prevention of workplace violence Through publicity and announcements, employees are made aware of their responsibilities to help ensure that there is no illegal infringement in the workplace during the performance of their duties, and expose the complaint line to jointly create a friendly working environment. (3) Occupational safety training Including safety and health education training, fire safety training, emergency response, first aid personnel training, etc. (4) Integrity and moral advocacy Education and communication on the standards of daily behavior and ethics to provide a healthy and positive workplace culture. © The Company continues to pay attention to human rights protection and reduce the possibility of related risks. In 2022, a total of 1,566 participants and 5,134.5 hours of training were held to promote human rights protection and reduce the possibili	Principles for TWSE/TPEx Listed Companies" and Reasons
			Work safety training/advocacy 762 1,858.0	

			Implementation (Note 1)	Discrepancies from "the Corporate
Items affected		T		sustainable development Best-Practice
items affected	Yes	No	Abstract Illustration	Principles for TWSE/TPEx Listed
				Companies" and Reasons
(II) Does the Company formulate and implement reasonable employee benefits measures (including compensation, days-off, and other benefits, etc.), and appropriately link the operating performance or results to employee compensation?	1		Environmental Training Employees education and training on safety and health (including training and retraining for operation supervisor) Emergency Response and Evacuation Drills Self-defense and fire marshalling team personnel Fire Practice / Advocacy First Aid Personnel Education Training Related to Vocational Care Total Oppeal system The Company has set up a smooth complaint channel. Colleagues who have problems within the Company can complain to supervisors at all levels or the Human Resources Department through the complaint channel. In addition, to maintain gender equality at work and provide a work and service environment free from sexual harassment, there are special complaint boxes and email addresses for sexual harassment prevention. To protect the complainant, the complainant's name or other relevant information sufficient to identify the complainant will not be disclosed during the investigation. (II) Employee compensation The Company has a compensation committee to review the compensation policy regularly. The rewards and punishments are linked to year-end bonuses to make the reward and punishment system clear and effective. Pay year-end bonuses according to the Company's profit, employee's individual performance, and the achievement rate of organizational goals. Employee welfare measures The Company has multiple welfare measures: Welfare Content Bonus Year-end bonus, performance bonus Parental leave, physiological leave, family care leave, maternity leave without pay	Companies" and Reasons
(III) Does the Company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	√		Insurance Labor insurance, health insurance, employee business travel safety insurance, employee/family group insurance, labor refund allowance Staff canteen, meal allowances Transportation Employee parking lots, transportation allowance Employee gym, travel, regular dinner Employee gym, travel, regular dinner Employee in-service education and training, employee at home/abroad study subsidies Employee maternity allowance, wedding and funeral allowance, travel allowance, senior employee praise, holiday bonus, periodic physical examination (III) The Company continues to promote the acquisition of ISO 14001 Environmental Management System validation (valid until July 2, 2025) and ISO 45001 Occupational Safety and Health Management System Validation (valid until April 16, 2025). The work safety department and the responsible department of construction of the plant shall conduct regular inspection and inspection of various operations on a daily basis, and further implement the safety and health management by combining the mutual supervision and experience exchange of the related enterprises of USI Group. The Company has an "Occupational Safety and Health Committee (OSHC)" established in accordance with the "Regulations	

Terms affected Yes No Abstract Illustration Principles for TWSE/TPEx Listed Companies" and Reasons for Occupational Safety and Health Management," with labor representatives elected or appointed by the union. The committee meets with management every quarter to discuss, coordinate, plan, and make decisions on issues related to occupational safety and health, and implement employee participation, consultation, and communication. As the Company maintains good communication with its employees through labor unions and labor-management meetings, no special group agreement has been made between the two parties. We team up with the Taiwan Responsible Care Association (TRCA) to promote industrial safety, health, and environmental protection together and learn from one another in order to improve the protection of employee safety and health. In addition, we organize fire exercises and industrial safety education and training biannually to develop emergency response skills and self-safety management of employees. Based on the production activities of the Company, we have				Implementation (Note 1)	Discrepancies from "the Corporate
elected or appointed by the union. The committee meets with management every quarter to discuss, coordinate, plan, and make decisions on issues related to occupational safety and health, and implement employee participation, consultation, and communication. As the Company maintains good communication with its employees through labor unions and labor-management meetings, no special group agreement has been made between the two parties. We team up with the Taiwan Responsible Care Association (TRCA) to promote industrial safety, health, and environmental protection together and learn from one another in order to improve the protection of employee safety and health. In addition, we organize fire exercises and industrial safety education and training biannually to develop emergency response skills and self-safety management of employees. Based on the production activities of the Company, we have	Items affected	Yes	No	Abstract Illustration	<u> </u>
established emergency response procedures for raw maternal (chemical) leakage, fire, explosions, and earthquakes. In addition, we have classified incidents into three levels and have planned different response measures. In 2023, we reviewed the fire protection team planning into the emergency personnel clour factory again. In addition to the regular day shift personnel, we also incorporated the holiday and night shift personnel planning into the emergency personnel teams, so that we can effectively respond to and deal with the accident immediately when it happens. According to the severity of the accident, the corresponding strain mode is adopted. The relevant strain process is described as follows: Stage 1: Minor leakage of hazardous substances and a minor fire occur within the plant. The on-duty officer should be the scene response commander, who directs the fire protection team members of the shift to carry out the initial response and disposal. Stage 2: Major leakage of hazardous substances and a major fire occur within the plant where the emergency response team of the incident occurring unit cannot effectively control the situation, and it must mobilize the plant's emergency response organization to support. Supervisors at all levels shall be notified, and relevant units outside the plant shall be requested for personnel and emergency equipment support. The on-duty officer sends request for support to the head of unit and mobilizes the emergency response organization according to the alert and reporting procedure. Based on the emergency situation, request for support outside of the plant and notify relevant agencies when necessary. Determine the need to immediately shut down plant operations and isolate the incident affected area. The site commander can be the head of the incident occurring unit or department, until the general plant manager or his/her deputy takes over the command.				elected or appointed by the union. The committee meets with management every quarter to discuss, coordinate, plan, and make decisions on issues related to occupational safety and health, and implement employee participation, consultation, and communication. As the Company maintains good communication with its employees through labor unions and labor-management meetings, no special group agreement has been made between the two parties. We team up with the Taiwan Responsible Care Association (TRCA) to promote industrial safety, health, and environmental protection together and learn from one another in order to improve the protection of employee safety and health. In addition, we organize fire exercises and industrial safety education and training biannually to develop emergency response skills and self-safety management of employees. Based on the production activities of the Company, we have established emergency response procedures for raw material (chemical) leakage, fire, explosions, and earthquakes. In addition, we have classified incidents into three levels and have planned different response measures. In 2023, we reviewed the fire protection team personnel of our factory again. In addition to the regular day shift personnel, we also incorporated the holiday and night shift personnel planning into the emergency personnel team, so that we can effectively respond to and deal with the accident immediately when it happens. According to the severity of the accident, the corresponding strain mode is adopted. The relevant strain process is described as follows: Stage 1: Minor leakage of hazardous substances and a minor fire occur within the plant. The on-duty officer should be the scene response commander, who directs the fire protection team members of the shift to carry out the initial response and disposal. Stage 2: Major leakage of hazardous substances and a major fire occur within the plant where the emergency response team of the incident occurring unit cannot effectively control the situation, and it mus	

			Implementation (Note 1)	Discrepancies from "the Corporate
Items affected	Yes	No	Abstract Illustration	sustainable development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
Items affected	Yes	No	situation for the chief commander to make decisions and notify the response organization. Stage 3:The incident may spread outside of the plant and its impact reaches outside of the plant. The general plant manager or his/her deputy becomes the chief commander to command the emergency plan within the plant and report the situation to the Fire Bureau of Kaohsiung City and other units related to industrial safety and environmental protection, and transfer the command to Disaster Response Center, Kaohsiung City. If the situation is out of control and endangers the lives of employees and relief personals, an evacuation shall be ordered. Fire injury statistics (Renwu Plant in Kaohsiung) Year Fire number Fire injuries number Fire death number Percentage of total employees (Renwu Plant in Kaohsiung) Year Fire number Fire injuries number Fire death number Percentage of total employees to protect their physical health and report the examinations to employees to protect their physical health and report the examination results to competent authorities for reference as necessary. We also arrange special health examinations for employees of specific plant engaging in noise, dusty, ionizing radiation, n-hexane, and 1,3-Butadiene work. At USI, the safety management of contractors and suppliers is equally important. Therefore, we have established the "Contractor Management Regulations" and the "Contractor Entry Management Manual." Both documents include industrial safety education and training for contractors, and they must pass safety certification before they can perform their contracts at USI. To strengthen safety supervision during construction, we have established the "Labor Safety and Health Tour Inspection Regulations" to implement ESH tour inspections every day within the plant to improve the safety of all processes and ensure the safety, life, and health of employees. Before implementing high-risk work, we run a risk assessment process to identify hazards, assess risk, take precautionary measures,	Principles for TWSE/TPEx Listed
			physical and mental condition of the contractor and the vehicle control, conduct	

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				Implementation (Note 1)	Discrepancies from "the Corporate			
	Items affected	Yes	No	Abstract Illustration		sustainable development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons		
			liquor test in time, and preliminarily master the safety entering the factory. The Department of Work Safety of inspection and confirmation for all on-site operations of occurrence of unsafe behaviors on site. The inspection the "Environmental Safety and Health Management please the quarterly meeting of the Occupational Safety Commanger the deficiencies and track the management of immediately improves and tracks missing items. In admanager leads the first-level and second-level supervisinspection of the whole factory area from time to time spot review of defects and division of rights and response enhance occupational safety and process safety through safety audit management.	conducts a comprehensive every day to reduce the a results will be logged in latform" and reported in unittee, to effectively approved results. The ance, and the factory also dition, the general sors to carry out 6S and carry out on-the-possibilities. USI aims to				
				Implementation Focus (Audit Unit)	Implementation Frequency			
				Physical and mental condition check of contractor before entering the factory (guard)	Non-scheduled			
				Contractor Agreement Organization Data Audit (Work Safety Division)	Daily			
_				Operation site inspection and Recording (Industrial Safety Division)	Daily			
- 70				Presentation on Defect and Improvement Review (Work Safety Division)	Quarterly Occupational Safety Committee			
ı				6S inspection of the whole factory area (Senior executives)	Semiannually			
				Safety operation and regulation audit (Audit Office)	Semiannually			
				© Equipment safety management The Company carries out hierarchical management of the regulations of labor inspection, and lists and condu dangerous machinery and equipment according to law equipment. In 2023, five dangerous mechanical equip equipment were inspected, all of which passed the inst the old to replace the new, a total of 11 disabled equip scrapped equipment, in order to maintain the safety of without interruption. After a thorough review of the Company's improveme Company immediately revised the automatic inspectic of machine safety interlocking components, and the re Company's safety and life-saving provisions to motiva attention to the physical and mental conditions of emp safety of employees during the work period. In 2023, o incident occurred during the operation of the company occupational disaster was falling, and the contractor he	acts regular inspection of to ensure the safety of ment and 231 dangerous pection. The other part of ment, a total of 26 coperation and production ent measures, the on program, the checking enteration of the ate supervisors to pay oloyees to ensure the one occupational injury y's employees. The type of ad no occupational injury.			
	(IV) Has the Company established an effective career developmental plan for its employees?	✓		(IV)The Company has established an all-round education an coordination with the external environment, its business performance goals and employees' career development r training courses required by all-round talents. In regards				

			Implementation (Note 1)	Discrepancies from "the Corporate
Items affected	Yes	es No Abstract Illustration		sustainable development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
 (V) Has the company complied with relevant laws and regulations and international standards for its product and services respecting customer health and safety, customer privacy, marketing and labeling, and formulated relevant consumer or client protection policies and grievance procedures? (VI) Does the company formulate a supplier management policy that requires suppliers to follow relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights? And, how well are those policies implemented? 	\ \ \		continuing education and learning, the Company conducts the employee training needs survey in the fourth quarter of every year to formulate education and training implementation plans and budgets. At the same time, the Company has also set up a digital learning platform as a means for self-learning, and regularly holds employee functional training, management training, seminars, health talks and various conferences to enhance employees' professional and management skills, thereby balancing employees' physical and mental development. In order to improve coworkers' qualities and overall competitiveness, courses are conducted using diverse methods. In addition to lectures, in-class activities are designed according to course attributes, while case study discussions or group discussions are carried out, with a view to making learning livelier and more productive. Additionally, online e-learning courses allows coworkers to effectively participate in learning activities anytime, anywhere, thereby enhancing their career development and overall work performance. (V) The Company strives to provide clients with satisfying services and hopes to establish long-term partnerships with them while following relevant laws and international standards and formulating relevant consumer protection policies and complaint procedures to maintain customers' health and safety. In terms of customer data protection, the Group's Information Technology Division has established various regulations to protect and control all types of information. It has also adopted measures such as strengthening firewall management, access authority control, and separation of the test environment and the physical working environment to implement rigorous access control strategies and procedures for customer data and avoid the risks of leakage of customers' confidential information. In 2023, there were no violations of product labeling regulations and fines thereof, nor breaches of customer privacy or leaks of their data. (VI) The Company establishes long-t	
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			Implementation (Note 1)	Discrepancies from "the Corporate
Items affected		No	Abstract Illustration	sustainable development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
			transformation guidance Plan" of the Ministry of Economic Affairs, and worked together with customers and their supply chains to achieve the goal of reducing carbon by 10,000 tons in 2025.	
V. Does the Company prepare corporate Sustainability Reports and other reports that disclose non-financial information by following international reporting standards or guidelines? Does the Company obtain third-party assurance or qualified opinion for the reports above?	√		company that reviews the GRI Standards for compliance and performs the limited	Consistent with the Corporate Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.

VI. If the Company has its own Code of Practice for Sustainable Development under the Code of Practice for sustainable Development of TWSE or TPEx Listed Companies, please state how its operation differs from the Code: The Company operates the Code of Practice for Sustainable Development under the Code of Practice for sustainable Development of TWSE or TPEx Listed Companies without any material difference from the Code.

VII. Other important information for understanding the implementation of sustainable development:

(I) Composition, functions, and operation of the Sustainable Development Committee:

The Company's Sustainable Development Committee was officially established on June 26, 2018 and its composition, duties, and operations are as follows:

1. Information on the Members:

Title	Name	Specialties
Committee Chairman	Tu, Tzu-Chun, Independent Director	Operational judgment, accounting and finance, business management, crisis management, industry knowledge, leadership, decision-making, and environmental protection
Deputy Director Committee Member	Wu, Pei-Chi, Director and General Manager	Operational judgment, business management, crisis management, industry knowledge, international market, leadership, decision-making
Committee Member	Wu, I-Kuei, Chairman	Operational judgment, accounting and finance, business management, crisis management, industry knowledge, international market, leadership, decision-making
Committee Member	Hai, Ying-Chun, Independent Director	Operational judgment, accounting and finance, business management, crisis management, leadership, decision-making, environmental protection
Committee Member	Chen, Sheng-Te Independent Director	Operational judgment, accounting and finance, business management, crisis management, leadership, decision-making

- (1) The Committee consists of the Chairman, the General Manager, and three Independent Directors as approved by the Board of Directors. An Independent Director serves as the chief commissioner and the General Manager serves as the deputy chief commissioner.
- (2) The current term of office is from June 6, 2023 to May 30, 2026. The members of the committee include: the Company's Chairman Wu, I-Kuei, General Manager Wu, Pei-Chi, Independent Director Tu, Tzu-Chun, Independent Director Hai, Ying-Chun and Independent Director CHEN, SHENG-TE, a total of 5 people.
- (3) The Sustainable Development Committee holds at least two meetings a year. Two meetings were held in the most recent year with 100% attendance in person.
- 2. Responsibilities:
- (1) Agree on sustainable development policies.
- (2) Agree on sustainable development strategic plan, annual plan and project plan.
- (3) Supervise the implementation of sustainable development strategy planning, annual plan and project plan, and evaluate the implementation.
- (4) Review the Sustainability Report.
- (5) Annual report to the Board of Directors on the annual results of sustainable development.
- (6) Other matters directed by the Board resolution to be handled by the Committee.
- 3. Implementation Status:

The term of the current Committee: June 6, 2023 to May 30, 2026. A total of 2 (A) ESG Committee meetings were held in the current year. The attendance of the members was as follows:

Title of Committee Member	Name of Committee Member	Attendance in Person(B)	Attendance by Proxy	Percentage of Attendance in Person(B/A) (Note 1 and Note 2)	Remark
Independent Director (Committee Chairman)	Tu, Tzu-Chun	2	0	100.00	Re-election on June 6, 2023 when the term of last

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Items affected		Yes	No		Abstract Illustra	tion	sustainable development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
Director and General Manager (Deputy Committee Chairman)	Wu, Pei-Chi	2		0	100.00	Board expired.	
Chairman	Wu, I-Kuei	2		0	100.00	1	
Independent Director	Hai, Ying-Chun	2		0	100.00]	
Independent Director	Chen, Sheng-Te	-		-	ı	Note 3	

- Note: (1) If a Commissioner resigns before the end of the year, the resignation date shall be specified in the Note column. The percentage of attendance in person (%) shall be calculated based on the number of meetings held by the ESG Committee and the number of actual attendances during the term of service.
 - (2) If committee members are re-elected before the end of the fiscal year, incoming and outgoing committee member shall be listed accordingly, and the "Remark" column shall indicate whether the status of a committee member is "Outgoing", "Incoming" or "Re-elected", and the date of re-election. The rate of attendance in person (%) is calculated based on the number of meetings held by the Commissioner and the actual number of meetings attended during his/her term of office.
 - (3) Newly appointed on August 3, 2023 when the term of last Board expired.

The implementation of the meeting is as follows:

First meeting in 2023

- (1) Date of Meeting: March 7, 2023
- (2) Committee members present: Tu, Tzu-Chun, Wu, Pei-Chi, Wu, I-Kuei, Hai, Ying-Chun
- (3) Report on the Company's sustainable development performance and future promotion goals in 2022.
- (4) Report on the identity of stakeholders, issues of concern, communication channels and response methods in 2022.
- (5) Report on the implementation progress and planning of the 2022 Sustainability Report.
- (6) Report on the Company's greenhouse gas inventory and verification performance.
- (7) Approve the amendment of certain articles in "Code of Practice for Sustainable Development"

The 2nd meeting in 2023

- (1) Date of Meeting: August 3, 2023
- (2) Committee members present: Tu, Tzu-Chun, Wu, Pei-Chi, Wu, I-Kuei, Hai, Ying-Chun
- (3) Report on the implementation of the Company's sustainable development plan for the first half of 2023.
- (4) Report on the Company's 2022 Sustainable report implementation results.
- (5) Report on the Company's greenhouse gas inventory performance.
- (6) Approve the amendment of certain articles in "Rules of Organization for Sustainable Development Commission"

The 1st meeting in 2024

- (1) Date of Meeting: March 8, 2024
- (2) Committee members present: Tu, Tzu-Chun, Wu, Pei-Chi, Wu, I-Kuei, Hai, Ying-Chun CHEN, SHENG-TE.
- (3) Stakeholder agreement results, including stakeholder identity, issues of concern, communication channels and response methods in 2023.
- (4) The Company Report on the Company's sustainable development performance and future promotion goals in 2023.
- (5) The Company Report on the implementation progress and planning of the 2023 Sustainability Report.
- (6) The Company's greenhouse gas inventory and verification performance report.
- (II) Implementation of Environmental Protection and Occupational Safety and Health:

1.Environmental Protection Policies:

- (1) Comply with relevant environmental protection and occupational safety and health regulations, as well as relevant requirements derived from such regulations.
- (2) Continue to conserve and reuse resources and energy, as well as reducing industrial waste.
- (3) Prevent pollution, reduce potential risks in operations.
- (4) Continue to provide employees with education and training, implement measures related to environmental protection and occupational safety and health.
- (5) Actively communicate with customers and residents, manage suppliers and contractors, and encourage all employees to participate in matters related to environmental protection and

			Implementation (Note 1)	Discrepancies from "the Corporate
Items affected	Yes	No	Abstract Illustration	sustainable development Best-Practice Principles for TWSE/TPEx Listed
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occupational safety and health.

- (6) To thoroughly implement environmental management system to enhance environmental performance and reduce environmental safety risks in communities.
- 2.The Company has been a member of the Taiwan Responsible Care Association since 1998. The Company applies the "Responsible Care Management Practices" established by TRCA to its entire plant, and reports its safety, health and environmental protection performance indicators every year.
- 3. The Company continues to implement industrial waste reduction, improve workplace safety, and enhance environmental protection and occupational safety and health training for employees.
- 4.The Company determines the characteristic of waste in accordance with the "Standards for Defining Hazardous Industrial Waste" and details such information in the "Waste Cleanup Plan" before submitting the plan to the competent authority. In addition, the waste shall be classified and stored according to the characteristics of its main components in accordance with the Standards for Methods and Facilities for Storage, Removal and Treatment of Business Wastes, and shall be labeled in the storage location, containers, and facilities. Waste removal and treatment operations are entrusted with qualified permits to remove the disposal of institutions, and in accordance with the Waste Disposal Act.
- 5.Participated in the Joint Hazard Prevention Organization for Underground Industrial Safety. In 2023, USI Corporation served as the leader of the bundle maintenance and management function group, and was selected as an excellent organization for joint prevention operation by the Industrial Development Bureau.
- 6. The Company's Renwu Plant has been actively implementing the green procurement plan since 2019, and the green procurement amount in 2023 is NT\$12.16 million.
- 7. The company's subsidiary, Taicho Company, carried out pollution remediation with the series construction method of "physical + chemical + biological" developed by itself, and the remediation performance (the site was de-pipelined):
- (1) In 2021, the first Certificate of Technology Applied in Delisted Soil and Groundwater Contamination Site was obtained from the Environmental Protection Administration (EPA) of the Executive Yuan: The EPA recognizes the performance of subsidiary Taiwan VCM Corporation's Environmental Development Department-The Company's subsidiary Huaxia Company's first general plant remediation site was listed.
- (2) In 2022, the second Certificate of Technology Applied in Delisted Soil and Groundwater Contamination Site was obtained from Kaohsiung Environmental Protection Bureau: The Kaohsiung City Environmental Protection Bureau recognizes the performance of subsidiary Taiwan VCM Corporation's Environmental Development Department in the delisted control site of CPDC's Oianzhen Plant.
- (3) Newly developed oil-degrading bacteria in 2022: After the soil of oil-polluted sites were domesticated in laboratories, bacteria with degradative functions were screened out; and following fermentation and cultivation, toluene and naphthalene degradation genes were detected, which showed the ability to degrade benzene and toluene. In addition, the properties of diesel oil can be used for on-site renovation.
- (4) In 2023, Taiyo's Luzhu plant was officially certified to have been de-listed, which was also the first remediation completion achievement for Taiwan VCM Corporation's subsidiary, GGC. The results of the above remediation cases have been recognized by experts and scholars from Society of Environmental Engineers (SEE) and the Environmental Protection Professionals Association and awarded with Outstanding and Outstanding Paper Awards; the Environmental Analysis Laboratory has also obtained the Waters ERA Laboratory Proficiency Comparison Certification in the U.S.A. to demonstrate the quality of testing; the drilling rig team has passed the examination to obtain the Well Drilling Technician License of the Ministry of Economic Affairs' Department of Water Resources; and the application of Bio-crystalline Spheres is being developed and submitted to the patent application process.
- 8.Director Hua-I Chien from Taiwan VCM Corporation, a subsidiary of the Company, won the Outstanding Planning Manager Award for 2020 conferred by Taiwan Association for Soil and Underground Environment Protection.
- 9. Taiwan VCM Corporation (TVCM), a subsidiary of the Company, was awarded the "Soil and Groundwater Symposium Best Paper Award" from the Chinese Institute of Environmental Engineering 33rd Annual Conference and from various other specialized academic seminars.
- 10. In 2023, the excellent performance of groundwater remediation at the Taiwan VCM Corporation, a subsidiary of the Company, was recognized by the Environmental Protection Agency of the Ministry of the Environment (MOE), and the Company was selected as the "Excellent Unit of Green Sustainable Remediation".
- 11. The subsidiary Company CGPC was invited to attend the "2022 Green Procurement and green Consumption Promotion Performance Units Award Ceremony" held by the Ministry of Environment in 2023 and won the certificate of appreciation; Accumulated green procurement amounted to NT\$77.31 million until December 31, 2022, and the Company was awarded a certificate of appreciation by the Department of Environmental Protection, Taipei City Government.
- 12. Subsidiaries Huaxia Company, Taiwan Chlorine Company, and Huaju Company are committed to environmental protection, cooperating with the Miaoli County Government's "Autonomous Reduction of Air Pollution Season Cooperation Agreement" and the Kaohsiung City Government's Environmental Protection Bureau to promote the signing and thank-you letter of the "Kaohsiung City Air Purification Zone Management Plan for 2012".
- (III) Implementation of Energy Conservation and Carbon Reduction:
 - 1. Energy Conservation and Carbon Reduction Policies:
 - (1) To achieve energy conservation and carbon reduction regulations set by the government, as well as actively promote and develop energy conservation and carbon reduction projects
 - (2) To demonstrate the Company's commitment towards energy conservation and carbon reduction, and rewards the incorporation of energy conservation and carbon reduction cases in order to

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	Implementation (Note 1)			Discrepancies from "the Corporate
Items affected	Yes N	No	Abstract Illustration	sustainable development Best-Practice Principles for TWSE/TPEx Listed
				Companies" and Reasons

propose improvements to the system

- (3) To promote energy conservation and carbon reduction plans at departmental level and carry out energy conservation and carbon reduction education and promotional work.
- (4) To implement energy conservation and carbon reduction-related individual job details and continuously provide employees with education and training in order to implement energy conservation and carbon reduction
- 2. Outcomes of Energy Conservation and Carbon Reduction:
- (1)The carbon dioxide emissions of the Company and its subsidiaries in 2023 and 2022 are 656,430 tons and 685,601 tons respectively, resulting in a reduction of 28,044 tons and55,848 tons of carbon dioxide emissions respectively.
- (2) As per the Group's carbon reduction target, the Company has reduced its greenhouse gas emissions by 17% from the base year (2017) in 2023, the achievement rate of annual target is 101%.
- (3) Annual electricity saving rate of 1.72% (average annual saving rate of 1.40% from 2015 to 2023), with two energy saving and carbon reduction programs implemented, resulting in a total carbon saving of 1,614 metric tonnes of CO2e.
- (4) Completed the 2023 greenhouse gas inventory of the parent company and is scheduled to obtain the certificate of confirmation in May 2024.
- (5)ISO 14067 (2018) carbon footprint verification Statement was obtained on March 3, 2022.
- (6)ISO 46001:2019 Water Resource Efficiency Management System certificate was obtained on March 17, 2022.
- (7)ISO 14064-1 (2018) Greenhouse Gas Inspection Declaration 2021 Greenhouse Gas Emission Information obtained on May 4, 2022.
- (8) Obtained ISO 50001:2018 energy management system certificate on November 1, 2022 (valid from November 17, 2022 to November 11, 2025).
- (9) ISO 14064-1 (2018) Greenhouse Gas Inspection Declaration 2022 Greenhouse Gas Emission Information obtained on May 6, 2023.
- 3. Energy saving and carbon reduction plan:

In accordance with the Group's policies and regulations, the Company has determined to save 1% electricity per year from 2020 to 2025, set 2017 as the base year for carbon reduction path, and aim to reduce 27% carbon emissions in 2020 compared with the base year, and carry out dynamic review in line with national policies and regulations. Key tasks are as follows:

- (1) Ice water machine motor renewal, refrigerator replacement, air compressor replacement, motor replacement to IE3 high efficiency motor, box air conditioner replacement, street lamp replacement to LED lamps and cooling water pump replacement.
- (2) Operating pressure adjustment and parking power reduction according to process requirements.
- Targets for 2024:
- (1) Annual electricity saving rate 1.18%.
- (2) Six energy conservation and carbon reduction programs are planned, with an estimated carbon reduction of 1,629 metric tonnes of CO2e.
- (3) Greenhouse gas emissions: 140,800 metric tonnes of CO2e.
- (IV) Implementation of Social Services and Public Welfare:
 - 1. Special Renda Class for the Petrochemical Industry in Kaohsiung

Special Renda Class for the Petrochemical Industry in Kaohsiung Thirteen companies at Renda Industrial Park (including Formosa Renwu Plant, Changchun, and Dashe Industrial Park Manufacturers' Association) and the Company's Renwu Plant jointly established an industry-academia collaboration project with Renwu Senior High School from August 2021 to July 2026 to provide students of Renwu Senior High School with scholarships. We provide ten students, in each of the three grades, totaling 90 students over five years, with a total of NT\$1.08 million in scholarships and subsidies of NT\$330,000as hourly rates for professional courses for three years. On the one hand, cultivate the grassroots talents needed in the future and improve the quality of manpower; On the other hand, schools can activate teaching by introducing enterprise resources, strengthen the competitive advantage of local schools, and attract excellent students. It is hoped that through this tripartite cooperation mode, students can develop appropriately in learning, pursue excellence, and guarantee future employment. Enterprises can integrate into the local development of good neighborly relations, recruit high-quality manpower; Thus, it can promote local prosperity, shorten the gap between urban and rural areas, activate regional economy, reduce the phenomenon of population emigration, and create a win-win situation for enterprises, schools and local governments.

2. Donation to USI Education Foundation

USI Group adheres to the business philosophy of "Solid Operation, Professional Management, Seeking Excellence and Serving the Society". USI Education Foundation was established on December 30, 2011 with the joint donation of Asia Polymer Corporation was officially put into operation in 2012, with the purpose of engaging in educational public welfare undertakings and focusing on the disadvantaged, rural and environmental care. Conduct the following business in accordance with the relevant laws:

- (1) Sponsor education in rural areas
- (2) Establish scholarships
- (3) Hold talks, seminars or other education-related charitable activities
- (4) Sponsor schools at various levels or educational groups to engage in activities such as literature, sports, music, dance, arts and drama.

	Implementation (Note 1)			Discrepancies from "the Corporate
Items affected	Yes	No	Abstract Illustration	sustainable development Best-Practice Principles for TWSE/TPEx Listed
				Companies" and Reasons

- (5) Conduct industry-academia collaboration.
- (6) Other education-related charitable services that are consistent with the objectives of the foundation.
- In 2023, USI Corporation (USI) and Asia Polymer Corporation (APC) donated a total of NT\$10 million to USI Education Foundation (USIF) The total sponsorship expenditure of the USI Education Foundation is NT\$10.41 million, including approximately NT \$5.7 million for cultural development related projects:
- (1) Excellence Scholarship: Awarded NT\$3 million worth of scholarships, Awarded to 30 students from 17 departments in 11 public and private universities, including 9 PhD students, 10 Master's degree students and 11 Bachelor's degree students, where 23 of them came from poor families. In order to encourage the awardees, a Scholarship Award Presentation Ceremony and Recognition Luncheon was held on December 8, 2023, where Mr. Yen Chang-Shou, Chairman of the Board of Directors of TCCF, shared his life experience and wisdom, encouraging the awardees to "learn to be, learn to live, and learn to do" to "be ordinary, but not mediocre," and to have the power to enrich their own lives. In the 12 years since the foundation was established, a total of NT\$20 million has been awarded in scholarships to a total of 300 students.
- (2) Artificial Intelligence Scholarships: In order to encourage domestic outstanding graduate students to participate in the research and development and application of various artificial intelligence (AI) fields, to reduce the gap between production and education, and to cultivate chemical industry talents with AI expertise. Starting from 2022 for a five-year trial period, the grant will be NT\$50,000 per semester, subject to regular review for a maximum of four consecutive semesters, and a total of 4 students have been awarded.
- (3) Charity Platform Cultural Foundation: Invest more resources in the development of culture and art by sponsoring the Cultural Foundation of the public welfare platform of NT\$1.3 million. After experiencing the challenges of the epidemic, in 2023, in addition to gradually resuming various plans, public welfare platforms are actively moving towards the planned "Huadong Sustainable Blueprint" based on their accumulated experience in the past. The Jiangxian Second Art Park, actively assisted by the public welfare platform, is expected to open in the autumn of 2024. It is expected to become an art landmark connecting local and international communities, attracting international tourists who have a passion for art and nature to come and see the uniqueness and diversity of Taitung.
- (4) NT\$4 million has been invested in supporting the Junyi International Education Experimental School, hoping to become a base for cultivating future talents and investing in indigenous cultural work. Since 2012, its "Rural Education Seed Cultivation Plan" has accumulated over 200 students from low income, middle and low income, single parent, intergenerational upbringing, or actively participating in indigenous cultural work. Five camps were organized, including "Flower East Youth Choral Music Camp", "Fruit Art Creation Camp", "Flower East English Art Life Camp", "A Cappella Youth Camp" and "VAFex Vocal Art Camp", with a total of about 800 participants, volunteers and instructors.
- (5) Supporting the 365 Music Program for Good Farming with a budget of NT\$300,000, we have collaborated with Toufen Junior High School in Miaoli County, using professional choir teachers cultivated by the 365 Foundation for Good Farming, and collaborating with Toufen Junior High School music teachers to teach the Hamini Choir composed of 7th and 8th grade students. There were nearly 30 students in the group. In addition to regular club time, they also practiced after class. Hope to accompany students in their growth through the art of singing, and by participating in annual music festivals and performing on stage, stimulate learning motivation and build confidence.
- (6) To sponsor Tainan Philharmonic Orchestra, which has been committed to charitable music performances for a long time, NT\$100,000, so that the orchestra can continue to hold public welfare tour performances and promote musical cultural exchanges, so that music can soothe and inspire people
- (7) Long Feng Fishing Harbor Beach Cleaning Activity: Since 2017, the Group's Hwa Hsia Company has been cooperating with the Miaoli County Environmental Protection Bureau's marine environment policy by adopting a 500-meter beach at Lung Fung Fishing Harbor in Jhunan Township. Through the beach cleaning activity, the Group has been raising the awareness of its employees on environmental protection and the issue of ecological crisis caused by marine debris.
- 3. Since 2020, the Taiwan delegation has continued to sponsor the Internal Medicine Blood Donation Campaign for 8 times, which is held in February and August every year, so that the love of internal medicine can be spread to all of Taiwan.
- 4. Since 2018, TAG has continued to sponsor the Kaohsiung City Empty Goods Cleanup Area Management Program.
- 5. Responded to "Earth Hour" to turn off the lights.
- 6.Donate epidemic prevention supplies to neighborhoods and schools.
- 7.Organized the 2023 "Taiwan Gathering Group Charity Basketball Tournament". A total of 150 players participated in the event, and the related funding amounted to NT\$92,000 to help the Renwu High School Basketball Team's sustainable development.
- 8. Continuing to promote the "Adopt-a-Forestry Program" with the Experimental Forest Management Office of National Taiwan University, donating NT\$1.8 million in 2023 and organizing a group tree planting activity with a total of about 120 participants, and together with the Shui Li Community, promoting community building and sustainable agricultural development.
- 9.Since 2017, 500 meters of the beach of Longfeng Fishing Port in Zhunan Township has been adopted. In September 2023, the 7th (after the adoption) beach cleaning activity was held. This time, 150 people were mobilized to remove a total of 750 kilograms of waste. a total of 204 people have participated and 310.5 kilograms of waste has been removed. Since 2017, a total of 1,018 people have participated and 3,213.4 kilograms of waste has been removed.
- 10.In2023, the Society donated 100 residential fire alarms to the Kaohsiung Fire Department, hoping to raise public awareness of home fire prevention. Residential fire alarms can be regarded as a great tool for disaster prevention, as they can be used to alert people in the early stages of a fire in order to minimize injuries and deaths.

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			Implementation (Note 1)	Discrepancies from "the Corporate
Items affected	Yes	No	Abstract Illustration	sustainable development Best-Practice Principles for TWSE/TPEx Listed
				Companies" and Reasons

- 11.Linyuan Industrial Park Service Center held the first "Passing on the Love" blood donation activity Responding to the fact that blood donation is an act of charity that gives full play to love and mutual aid to save lives, the Lin-Yuan Industrial Park Service Center of the Ministry of Economic Affairs, for the first time, together with the Kaohsiung Blood Donation Center, held the "Passing on the Love" blood donation activity on November 27, 2023, in front of the service center of the park. The Company encouraged the employees of the Linyuan plant to join the blood donation, and about 58 people donated hot blood (about 23,500 c.c.) for the first time at the service center of the Lin Yuan Industrial Park, which was full of love!
- (V) Certificates and Awards for Promoting Sustainable Development:
 - 1. Top 6%-20% of listed companies in the 8th Corporate Governance Evaluation in 2023.
 - 2. CDP received A-Leadership grade in water safety assessment.
 - 3. In 2023, the Company won the "Taiwan Top 100 Sustainable Enterprises Award" and the "Taiwan Enterprise Sustainability Report Platinum Award" at the 15th TCSA Taiwan Sustainability Award in 2023.
 - 4. Awarded the 2023 Underground Industrial Pipeline Joint Prevention Organization Model of good discipline Award.
 - 5. Certified as an excellent importer and exporter for the year 2022.
 - 6. Awarded the 2022 Annual i sports Enterprise Certification.
 - 7. Awarded the 2nd Net Zero Industry Competitiveness Award.
- (VI) Green Energy Layout: Solar energy capacity reached 7.2 MW in 2023 and is expected to reach 20 MW in 2027. The site of Geothermal is located in Taitung and is undergoing later exploration. Offshore wind power: The company formed Chemical Union Corporation with the petrochemical industry and negotiated with wind power developers for the purchase of electricity.
- Note 1 If "Yes" is selected in the operating status, please explain the important policies, strategies, and measures adopted, and the implementation status; if "No" is selected in the operating status, please explain the differences and reasons in the field of "Circumstances and Reasons for differences from the Code of Practice on Sustainable Development of Listed Listed Companies", please specify the reason and explain related future policies and plans for strategies and measures
- Note 2 The principle of materiality refers to environmental, social and corporate governance issues that have significant impacts on the company's investors and other stakeholders.
- Note 3 For disclosure methods, please refer to the Best Practices Reference on the TWSE Corporate Governance Center website.

Climate-related information of listed and over-the-counter companies

1. The risks and opportunities posed by climate change to the Company and the relevant measures taken by the Company to cope with them

Sta	tus of Implementation					
The	e Sustainability Counc	il is the Company's highest-governing body for climate change management. It is chaired by an Independent Director and assesses matters of climate				
cha	nange strategies and targets, climate change risk management, opportunity initiatives, and current implementation statuses, and reports to the Board of Directors every year. The					
Co	ompany references the procedures for the identification of climate risks and opportunities set forth in the Task Force on Climate-Related Financial Disclosures (TCFD).					
Eva	aluation is conducted of	on the risks, opportunities, and financial impact for different departments, and response plans are also formulated. The Company plans to restart the full				
ass	sessment every three years, and review and update it annually. The last assessment was completed in 2021.					
Cli	mate Change Manag	gement Framework				
	Category	Management Strategies and Actions				
		• ESG Committee: The ESG Committee is the highest-level organization in climate change management with an Independent Directors as its				
		chairman, and it needs to report at meetings on the climate change-related implementation plans and performance every year and reports to				
		Board of Directors.				
		• Business Management Meeting: With the Chairman serving as the chairman, irregularly promote plan and result report for energy				
	Governance	conservation and carbon reduction.				
		• Group Environment Division Quarterly Report Meeting: The meeting is USI Group's highest energy management unit and it is				
		responsible for reporting the implementation planning, progress, and decision-making to the Chairman each quarter.				
		• Group Green Energy Team: As the primary unit responsible for the promotion of green energy, the Group Green Energy Team reports				
		monthly to the Chairman on the progress of green power development and future plans.				
	Strategy	• Identify risks and opportunities: Based on the probability of occurrence and level of impact of risks and opportunities.				
	The cha Con Eva ass	change strategies and targ Company references the Evaluation is conducted of assessment every three you Climate Change Manag Category Governance				

- transformational action.

 4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.
- 5. If scenario analysis is used to assess the resilience to climate change risks, describe the scenarios, parameters, assumptions, analytical factors, and key financial impacts.
- If there is a transition plan for managing climate-related risks, describe the plan, as well as the metrics and targets used to identify and manage entity risk and transition risks.
- 7. If internal carbon pricing is used as a planning tool, the basis for setting the price.
- 8. If climate-related targets are set, information on the activities covered, the scope of greenhouse gas emissions, the planning period, and the annual progress of achievement should be described; if carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant targets, the sources and quantities of carbon reduction credits or renewable energy certificates (RECs) used for offsets should

	Evaluate potential financial shocks: Conduct evaluations on potential financial shocks for identified material risks and opportunities.					
	Situation Analysis: Formulate net-zero solutions based on different situations					
	• Adoption of TCFD: Use the TCFD framework to identify risks and opportunities, communicate with main responsible units, and confirm					
Dist Managament	with senior executives.					
Risk Management	• Identification result report: While including the Company's annual risk management evaluation items, the General Manager reports to the					
	Audit Committee and the Board of Directors every year on the status of control measures and management operations					
	• The Group's carbon reduction target: set 2017 as the base year, reduce carbon emissions by 27% by 2030, and achieve carbon					
	neutrality by 2050					
Indicator and target	• Climate response strategies: Equipment replacement, installation of renewable energy equipment, optimization of production schedules, air					
illulcator and target	conditioning planning of buildings, energy management systems, and emergency response plan for extreme weather					
	• Disclosure of greenhouse gas emissions: The Scope 1, Scope 2 and Scope 3 emission data are disclosed in the Sustainability report every					

Identify climate risks and opportunities

The impact of climate change on operations has become increasingly severe. USI continues to use the TCFD architecture to deepen projects that may be at risk in extreme climates and to seize new business opportunities.

Scenario analysis

Referring to the Taiwan Climate Change Estimation Information and Adaptation Knowledge Platform (TCCIP) and the National Center for Disaster Prevention and Relief Technology (NCDPRT), 3 physical risk issues are listed for the scenarios of RCP 8.5, estimating the temperature increase, rainfall, flooding, and drought in 2016-2035; and 9 transformation risks and 12 opportunity issues are listed based on the group's strategy, industry characteristics, and the nation's self-defined expected contribution target (INDC) and TCFD indicators, making a total of 24 potential risk and opportunity issues.

Risk Management

In 2023, a questionnaire survey was conducted among the ESG Committee and senior unit executives to assess the relevance of each risk to the Company's operations and the timing of its possible impact, as well as the development and implementability of each opportunity. 14 questionnaires were returned, which were statistically analyzed by the team to identify 12 significant climate issues (1 physical risk item, 5 transformation risk items, and 6 opportunity items).

USI assessed the potential financial impacts of the 12 significant risks and opportunities and formulated a response strategy and management mechanism to understand the possible impacts of climate change in various aspects, reduce the possible operational impacts of extreme weather and establish a resilient climate change culture. Climate-related risk items are categorized into three areas according to the duration of the impact: short-term (< 3 years), medium-term (3-5 years), and long-term (> 5 years), and climate-related opportunity items are categorized into five levels according to the impact on the company's development and technical feasibility, and the related responses are listed in the table below:

Туре	ITEM	Period of Occurrence
Physical Risk	aridity	Short-term (< 3 years)
	Government regulation or oversight - levy of water consumption charges	Short-term (< 3 years)
	carbon fee	Short-term (< 3 years)
Transformation Risks	Renewable Energy Regulations - Large Consumers Clause Risks	Short-term (< 3 years)
1113113	Low Carbon Technology Transition	Short-term (< 3 years)
İ	Rising Raw Material Prices	Short-term (< 3 years)

be described.	Type		ITEM	Developmental	Technical feasibility
Greenhouse Gas Inventory and Confirmation Status	23.00	Highly efficient produc		Developmental, already in established company policy	1 Expanding
and Reduction Objectives, Strategies		Recycling - Circular Ec	conomy	Developmental, already in established company policy	Expanding
and Specific Action Plans (fill in 1-1 and 1-	Opportunity	Reduction of water use	and water consumption	Developmental, already in established company policy	1 Mature
2 separately).	Оррогишту	Use of low-carbon ener	gy	Developmental, already in established company policy	Mature Mature
		Renewable Energy Mar		Developmental, already in established company policy	1 Expanding
			roducts and R&D and innovation of services - nent of Low Carbon Energy Saving Products	Developmental, already in established company policy	1 Expanding
	Potential financial i	mpact of risks and Respo	onse measures		
	Climate change issue	Туре	Risks and opportunities	Potential financial impact	Strategy and response of the Company
	Aridity	Physical risk/chronic	Based on the base period of 1986-2005, it is estimated that the recent climate conditions of the USI's Kaohsiung Plant (2016-2035) will have a maximum number of consecutive days without rainfall of 58 days per year, which may lead to water shortage or drought. In response to the abnormal climate, the plant will limit water or lack of water, and the production line will be reduced or completely shut down in serious cases.	Increased cost of operations In case of water deficiency, the Company will buy water trucks. If the situation is severe, the Company will reduce production line output or suspend all productions. The water purchasing cost is expected to rise by NT\$ 0.1 million every day. If it is necessary to stop a single production line, the loss will reach some NT\$2.50 million per day, and given a comprehensive business suspension, the loss will exceed NT\$10 million per day. In 2023, the water purchase cost for water trucks was approximately NT\$3.8 million.	USI has established an AI water monitoring system since 2020 to keep an eye on water supply. In addition to stopping non-essential water use, strengthening inspection of pipelines and switches, and reducing cooling water discharge, there are also fire tanks to store water buffer, water trucks to buy water, and actively implement various water improvement programs to reduce the total water withdrawal year by year.



	Government regulation or oversight - levy of water consumption charges	Transformation Risk/Policy and Law	The Water Resources Administration of the Ministry of Economic Affairs promulgated the "Measures on Water Consumption Charge" in January 2023 which came into effect on February 1, 2023. A "water consumption charge" of NT\$3 per kilowatt-hour will be levied on heavy water users whose monthly water consumption exceeds 9,000 kilowatt-hours during the dry season (January to April, November to December). However, if the recovery rate meets the announced standard, the rate can be reduced to NT\$2 or NT\$1.	Increased cost of operations Based on the actual water consumption of USI from February to April 2023, the water consumption fee paid in 2023 was NT\$ 0.284 million, accounting for about 0.002% of the individual revenue.	Promotion of ISO 46001 water efficiency management systems. Improve the wastewater recycling system and strengthen the operation management to increase the amount of recycled water and reduce water consumption.
	Carbon fee	Transformation Risk/Policy and Law	In December 2023, the Ministry of Environment issued the "draft carbon fee charging Method", which is expected to introduce a carbon fee in 2025 for large carbon emitters whose annual emissions exceed 25,000 tons.	The early input cost is high, the later carbon emissions are low, and the operating cost is reduced Based on the Company's estimated carbon emissions for 2023, assuming a carbon fee of NT\$300 per tonne, the carbon fee is estimated to range from NT\$37.0 million to NT\$44.5 million, accounting for approximately 0.32% to 0.39% of the Company's individual revenue.	1.The Company evaluates the introduction of internal carbon pricing and the use of shadow pricing to incorporate carbon costs into investment appraisals to enhance the execution opportunities of carbon reduction projects. 2.Set up an energy management system and analyze the figures for room for improvement. 3.Evaluate the addition of rooftop solar energy equipment to the new premises.
	Renewable Energy Regulations - Large Consumers Clause Risks	Transformation Risk/Policy and Law	The Ministry of Economic Affairs (MOEA) implemented the "Regulations on the Installation of Renewable Energy Power Generation Facilities for Electricity Consumers with Contracted Capacities Above a Certain Level" in 2021, which requires that large-scale users with contracted capacity of 5,000 kW or more must install renewable energy facilities with a contracted capacity of 10 % of the total contracted capacity by 2025.	Increased cost of operations The Company owns 100% of the shares of USI Green Energy Corporation with a capital of NT\$366 million. USI Green Energy Corporation will continue to develop the plant with a target of completing the installation of a 20MW plant in 2027, and will continue to develop the plant in the future.	The Company established USI Green Energy Corporation to actively find an appropriate site and implement the green power development plan. In 2023, the accumulated capacity of solar photovoltaic installations reached 7.2 MW, with an annual power generation capacity of 9.15 million kWh. It is estimated that 3.698 million kWh of green electricity will be procured from USI Green Energy Corporation.

	Transformation Risks/Energy, Technology	Investing in the development of low-carbon technologies such as energy transformation, efficiency enhancement and fuel substitution for the purpose of carbon reduction has led to an increase in the cost of technology investment by enterprises	Higher capital expenditure and lower operating costs Project investment of NT\$16.27 million. Annual power saving of 1487878 kWh, 84 tonnes of raw material consumption reduction, 757 tonnes of carbon reduction. Quantitative benefits of NT\$7.85 million/year.	1.Due to the increase of Taiwan Power Company's electricity tariff in March 2024, the electricity cost of Kaohsiung plant is estimated to increase by \$53.78 million/year based on 2023, and USI will actively invest in the transformation of low-carbon technology to minimize the impact of the increase of electricity tariff. 2.Improvements in chilled water tanks and pipework insulation help to minimize cooling escape and reduce power consumption. 3.The ethylene purification system improves the effective removal of carbon dioxide from the system and reduces the inefficiency of the compressor to reduce power consumption. 4.Replacement of equipment (refrigeration unit renewal), adjustment of operation mode, and power failure are available.
Rising Raw Material Prices	Transformation Risks/Markets	In the future, under the consideration of carbon tax, the cost of raw materials will be added to the cost of carbon emission, and the price will increase.	Increased cost of operations Ethylene is the major raw material for the Company's products. To diversify import sources of ethylene, the Company invested nearly NT\$8 billion and NT\$906 million in Gulei and the ethylene storage tank project of the Kaohsiung Intercontinental Dock, respectively.	1. The Company will accelerate the schedule for AI introduction, improve efficiency and reduce the loss from specification change of raw materials. 2. Carried out chiller system renewal and related improvement projects to enhance the recovery rate of the original vinyl acetate condenser and increase the recovery rate of raw materials. 3. The 2023 feedstock recovery rate of 14.6 % was about NT\$960 million.
	Opportunity/Resource efficiency	Enhance overall production efficiency and reduce energy consumption through production tools such as AI intelligent production, industrial motors, and automatic packaging.	Higher capital expenditure and lower operating costs In recent years, the investment in various AI projects has amounted to approximately NT\$30 million.	The implementation of various efficiency improvement and AI projects include: 1.DCS+ field data system construction. 2. High-pressure reactor vibration monitoring. 3. AI quality prediction. 4. Black smoke recognition system. 5. Digitalized graphic management system.



Recycling - Circular Economy	Opportunity/Resource efficiency	Based on the three principles of circular economy (3Rs): Reduce, Reuse and Recycle. Reduce the cost of waste disposal, or the amount of raw materials used.	Higher capital expenditure and lower operating expenditure The cost of the wax recycling equipment was NT\$776,574 and the amount of wax recovered in 2023 was 75,320kg, resulting in a profit of NT\$150,000 and a saving of approximately NT\$4.09 million in wax treatment costs.	1. Wax processing for reuse. 2. Our company cooperates with the team of University of Taiwan and National Taiwan University of Science and Technology to carry out the industry-academia co-operation project of virtual-reality integration technology development, applying AI technology to carry out quality prediction, reduce the generation of second-grade materials, and enhance the utilization rate of raw materials.
Reduction of water use and water consumption	Opportunity/Resource efficiency	Water is an irreplaceable resource in the manufacturing process. Reducing plant water leakage and increasing the proportion of water recycling will save operating costs and enhance the resilience of the plant.	Higher capital expenditure and lower operating expenditure 1. Invested about NT\$16 million in a continuous wastewater monitoring system. 2. Invested about NT\$1.2 million in detention ponds and tank area rainwater recycling system. 3. Invested NT\$1.6 million in process improvement for steam condensate recovery with an annual recovery rate of 17,500 tonnes. Improvement of process operations in 2023 will result in steam reduction and water savings of 56,878 metric tonnes/year, saving approximately NT\$682,536.	1. Investments in wastewater treatment systems, MRT condensate reclamation improvements and stormwater reclamation systems in retention ponds. 2. Improvements in process equipment and operation have resulted in vapor reduction. 3. Continuously develop reduction plans for water consumption 4. With 30,614 metric tonnes of water recovered in 2023, the savings would be NT\$367,368 based on a NT\$12/kWh tap water rate.
Use of low- carbon energy	Opportunity/Resilience, energy source	Promote coal-to-gas conversion and increase the use of renewable energy to reduce carbon costs and lower the carbon footprint of products.	Higher Operating Costs and lower Carbon Fees Project Inputs Carbon Reduction, Costs, Benefits.	1. Developing self-built solar farms. 2. Natural gas is preferred as the source of steam supply. 3. To be aware of and participate in the renewable electricity market. 4. The cost of equipment and project inputs was NT\$25 million, and the energy savings in 2023 was NT\$4,114 thousand.

Developing Low Carbon Goods and Services - Investing in Renewable Energy Markets	Opportunities/Products and Services, Resilience	Invest in renewable energy development and power purchase and sale platforms, and lower the threshold for acquiring green power.	Higher capital expenditures and higher revenues 1. The Company holds 100% of the shares of USI Green Energy Corporation, which has a capital of NT\$366 million. 2. The Company owns 33.3% of the shares of Chemical Union Corporation, which has a capital of NT\$30 million.	1. The company established USI Green Energy Corporation to actively find an appropriate site and implement the green power development plan. Photovoltaic: Cumulative installed capacity reached 7.2MW in 2023, with an annual generation capacity of 9.15 million kWh. Geothermal: The site is located in Taitung and is undergoing 2. The company formed Chemical Union Corporation with the petrochemical industry and negotiated with wind power developers for the purchase of electricity
Development of new products and R&D and innovation of services - Research and Development of Low Carbon Energy Saving Products	Opportunity/Products and services	R&D is geared towards the development of circular economy, low-carbon and energy-saving products, and technological investment is made from the perspective of the complete life cycle of products and services to develop low-carbon products.	Higher R&D Expenses and higher revenue The company's environmentally friendly water-based insulation coatings can significantly reduce the surface temperature of large tanks by 15-20 degrees Celsius and the temperature inside the tank by 3-7 degrees Celsius, and it is estimated that the output value of domestic tank coatings is about NT\$3.5 billion, which will lead the development of the industry towards high-value.	1. The company has developed an environmentally friendly water-based insulation coating with a sunlight reflectivity of 90%, which not only reduces the heat of plant buildings to reduce air-conditioning and electricity consumption, but also can be coated on the surface of chemical tanks to effectively block the sun's warming caused by the escape of VOCs and unstable chemicals, and at the same time, reduces the frequency of sprinkling to reduce the temperature in order to reduce energy consumption and carbon emissions. 2. We have developed low-solvent anticorrosive paints, green fireproofing materials, and PCR plastic recycling.

Carbon Reduction Targets and Low Carbon Energy Transition

Climate change is a problem faced jointly by countries across the globe. In order to align with international trends and meet the requirements of sustainable development. On February 15, 2023, Taiwan announced the amendment of the "Greenhouse Gas Reduction and Management Act" to the "Climate Change Response Act". In the face of the impact of climate change, carbon reduction has become a common target for the world. In early 2022, the USI Groupset the carbon reduction target for the year of 2030 as "Reduce carbon emissions by 27% in the year of 2030 compared with the year of 2017", and further set the "Carbon Neutrality in the year of 2050" in 2023, which covers 9 domestic factories and the scope of greenhouse gas emissions in the scope of Scope 1 and Scope 2.

The carbon reduction target

The Company followed the Group's carbon reduction target in planning its carbon reduction path, and its greenhouse gas emissions in 2023 decreased by 17% compared to the base year (2017), with the achievement rate of the 2023 target at 101%, and it has not yet utilized carbon offsets or Renewable Energy Certificates (RECs) to achieve the carbon reduction target. This is a long-term corporate target.

	2023								
Target emissions (in 10,000 tons)	Actual emissions (in 10,000 tons)	Achievement rate	Target emissions (in 10,000 tons)						
14.5	14.32	101%	14.08						

In order to achieve its vision of corporate sustainability, USI Group has taken practical actions to actively implement corresponding strategies and management mechanisms. The Group's domestic production plants continue to implement ISO 14064-1 greenhouse gas inventories and verification, and have planned to implement carbon reduction plans. The Group has also actively developed external renewable power plants. As of 2023, the cumulative generation capacity of solar power plants reached 7.2 MW.

In the future, the Group will actively implement energy saving and carbon reduction programs. The medium-term carbon reduction strategy will focus on low-carbon energy transformation, energy efficiency enhancement, intelligent monitoring and control, and renewable energy installation and utilization. The long-term carbon reduction strategy will continue to focus on low-carbon fuels, carbon capture and reuse technologies, and negative carbon emission technologies, with a view to achieving carbon neutrality and promoting sustainable development.

Internal Carbon Pricing

In February 2023, Taiwan announced the implementation of the "Climate Change Response Act", which introduced a new carbon fee mechanism. The Ministry of the Environment (MOE) will formulate the relevant sub-laws on the details of the fee collection methodology and specific fee rates, and will plan to collect the fee by phases, starting with the largest and then the smallest, with the fee rates to be reviewed periodically and gradually increased. In order to respond to the government's policy in advance, effectively cope with climate change and minimize carbon risk, the USI Group will introduce an internal carbon pricing system in 2024, with prices based on the domestic carbon fee. The Group plans to integrate this system into the decision-making and investment evaluation process of the enterprise to evaluate the impact of carbon mensions on business operations and to accelerate the implementation of carbon reduction measures. At the same time, the Group will organize two educational training sessions for the relevant units to help them understand the concept and application of internal carbon pricing, and to assist factories in implementing the system as soon as possible. The Group is also planning to organize a carbon-related general education course, which will be widely attended by the Group's staff, in order to raise the awareness of all employees on carbon reduction and to achieve the goal of sustainable business operation.

1-1 Greenhouse Gas Inventory and Confirmation Status in the Last Two Years

1-1-1 Greenhouse Gas Inventory Information

Describe the greenhouse gas emissions (metric tonnes of CO₂e), intensity (metric tonnes of CO₂e per million NT\$), and the scope of the data for the last two years.

The scope of USI's GHG inventory covers Kaohsiung Plant, Guishan R&D Division, and Taipei Headquarters, including Scope 1, 2, and 3.

Greenhouse Gas Inventory for the past two years

Unit: 10,000 metric tonnes CO₂e/year

	Kaohsiu	ing Plant	Guishan R&	tD Division	Taipei Headquarters		
Year	2022	2022 2023		2023	2022	2023	
Scope 1	2.548	2.104	0.001	0.001	0	0.002	
Scope 2	11.758	12.141	0.009	0.009	0.012	0.01	
Scope 3	0.013	49.362	Not Inventoried	0.002	0	0.004	
Total	14.319	63.607	0.01	0.012	0.012	0.016	

Note 1: Scope 1: Direct emissions are emissions from company-owned or controlled emission sources, manufactured processes or plant facilities, and vehicles.

Scope 2: Indirect emissions refer to the indirect emissions from the utilization of purchased energy such as electricity, heat or steam for the company's own use.

Scope 3: Other Indirect Emissions refers to all indirect emissions generated outside the company, including emissions from employee commuting or business travel, as well as emissions from product life cycles.

Note2: In 2023, the Kaohsiung plant of USI increased the number of items (Scope III) for the inventory of employee commuting/business travel/raw material production/tap water.

Note3: In 2023, the Taipei Headquarters increased the number of items (Scope III) for checking staff commuting/business travel/tap water.

Note4: In2023, Guishan R&D Division added the item of tap water inspection (Scope III).

Greenhouse Gas Inventory Standard: ISO 14064-1 issued by the International Organization for Standardization (ISO).

- Note 1: Direct emissions (Scope 1, i.e., emissions directly from sources owned or controlled by the company), indirect energy emissions (Scope 2, i.e., indirect GHG emissions from inputs of electricity, heat, or steam), and other indirect emissions (Scope 3, i.e., emissions from the Company's activities that are not indirect energy emissions and that come from sources owned or controlled by other companies).
- Note 2: The scope of information on direct emissions and indirect emissions from energy sources shall be handled in accordance with the timetable set forth in the order stipulated in Article 10 (2) of these Guidelines, while information on other indirect emissions may be disclosed on a voluntary basis.
- Note 3: Greenhouse gas inventory standard: Greenhouse Gas Protocol, GHG Protocol or ISO 14064-1 issued by International Organization for Standardization, ISO.
- Note 4: The intensity of greenhouse gas emissions can be calculated per unit of product/service or turnover, but at least the data calculated in terms of turnover (NT\$ million) should be stated.

1-1-2 Greenhouse Gas Confidence Information

Provide a description of the most recent two-year assurance status as of the date of publication of the annual report, including the scope of assurance, the assurance organization, the assurance criteria, and the assurance opinion.

Scope of Confidence:

The organizational boundary setting covers USI Corporation. with a location at No. 330, Fengren Road, Renwu District, Kaohsiung City; 12F, No. 37, Keihu Road, Neihu District, Taipei City 11492; and No. 9, Tinghu 5th Street, Guishan District, Taoyuan City 333. The method for setting organizational boundaries is the "right of control" method, whereby the organization owns 100% of the greenhouse gas emissions from facilities under its operational control.

Confirmation of organization:

The confirming organization for both 2022 and 2023 was SGS Taiwan Ltd. (SGS).

Confirmation Criteria and Opinions:

The report is based on the requirements of ISO 14064-1:2018 and refers to the greenhouse gases defined in the EPD Greenhouse Gas Inventory and Logging Practice Guidelines. Quantification of greenhouse gas emissions and removals including carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF6) and nitrogen trifluoride (NF3). The GHG Integrated Inventory reporting framework recommended by ISO 14064-1:2018 discloses the emissions of an organization in each GHG category.

Conviction opinion:

SGS has assessed USI's GHG information system, monitoring methodology and reporting procedures in an objective and fair manner, covering the period of GHG emissions from January 1, 2022 to December 31, 2022, and has guaranteed the consistency and appropriateness of the scope, objectives and criteria based on the results of the inspection, and has provided a statement of inspection with reasonable assurance and without qualification, as listed below.

Confirmation Status: Greenhouse Gas Inventory and Confirmation

Work Item	Estimated (Completed) Time
Greenhouse Gas Inventory of Individual Companies in 2022	Completed in March 2023
Greenhouse Gas Confirmation Operation for Individual Companies in 2022	Completed in May 2023
Greenhouse Gas Inventory Operation for Individual Company in 2023	Completed in March 2024

Completed greenhouse gas inventory operation of consolidated statement subsidiaries Completion of greenhouse gas confirmation operation for consolidated statement subsidiaries. Scheduled to be completed by the end of 2025 Scheduled to be completed by the end of 2027	Greenhouse Gas Confirmation Operation for Individual Company in 2023	Scheduled to obtain the certificate in May 2024
I Scheduled to be completed by the end of 7077		Scheduled to be completed by the end of 2025
		Scheduled to be completed by the end of 2027

- Note 1: In accordance with the time frame set forth in the order stipulated in Article 10 (2) of these Guidelines, if the Company has not obtained a complete greenhouse gas assurance opinion by the printing date of the annual report, it shall state that "the complete assurance information will be disclosed in the perpetual report", and if the Company has not compiled a sustainability report, it shall state that "the complete assurance information will be disclosed in the Public Information Observation Station", and disclose the complete assurance information in the following year's annual report.
- Note 2: The confirming organization should comply with the requirements for confirming organizations of the sustainability report set by the Taiwan Stock Exchange Corporation and the TPEx.
- Note 3: The content of the disclosure can be found in the best practice reference examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange.

1-2 Greenhouse Gas Reduction Targets, Strategies and Specific Action Plans

Describe the base year of greenhouse gas reduction and its data, reduction targets, strategies and specific action plans, and the achievement of reduction targets.

Reduction target:

At the beginning of 2022, the USI Group set the carbon reduction target for 2030 as "Reduce carbon emissions by 27% in 2030 compared to 2017", and further set the "Carbon Neutral in 2050" target in 2023, which covers nine domestic factories and greenhouse gas emissions in Scope 1 and Scope 2.

Base Year:

Since 2017 is the first year that the new production line is completed and the plant is in full operation, it is set as the base year of 2017 for energy usage and total GHG emissions.

Strategies and Specific Actions:

The Group's domestic production plants continue to implement ISO 14064-1 greenhouse gas inventory and verification, continue to implement energy management systems and plan for the implementation of carbon reduction programs. The Group is also actively developing external renewable energy sites, as USI accounts for over 80% of the total electricity emissions, and the layout of green energy is an important strategy:

- ◆Solar energy: The installed capacity reached 7.2 MW in 2023 and is expected to reach 20 MW in 2027.
- ◆Geothermal: The site is located in Taitung and is undergoing.
- ◆Offshore wind power: The company formed Chemical Union Corporation with the petrochemical industry and negotiated with wind power developers for the purchase of electricity.

The Kaohsiung plant's carbon reduction program includes:

- (1) Ice water machine motor renewal, refrigerator replacement, air compressor replacement, motor replacement to IE3 high efficiency motor, box air conditioner replacement, streetlamp replacement to LED lamps and cooling water pump replacement.
- (2) Operating pressure adjustment and parking power reduction according to process requirements.

Achievement:

Greenhouse gas emissions in 2023 have been reduced by 17% compared to the base year (2017), with emissions of 171,530 metric tonnes of $CO_2e/year$ in 2017 and 142,699 metric tonnes of $CO_2e/year$ in 2023, and the achievement rate of the annual target is 101%, and the target emissions (in 10,000 tons) in 2024 are scheduled to be 14.08.

- Note 1: This shall be done in accordance with the time schedule set by the order stipulated in Article 10 (2) of the Guidelines.
- Note 2: The base year shall be the year in which the consolidated financial report boundary is completed. For example, in accordance with the order stipulated in Article 10 (2) of this Standard, a company with a capital of over NT\$10 billion shall complete the consolidated financial report for the 2024 in the 2025 of the fiscal year, and therefore the base year shall be in 2024; if the company has completed the consolidated financial report earlier, it may use that earlier year as the base year, and the data of the base year may be calculated by the average of a single year or a number of years.
- Note 3: The content of the disclosure can be found in the best practice reference examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange

Corporate Governance Report

(VII)Implmentation of ethical corporate management and measures for its implementation Ethical Corporate Management and Deviations from "the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx ListedCompanies" and Reasons

			Status of Implementation (Note 1)	Discrepancies between its
Evaluation Item	Yes	No	Abstract Illustration	implementation and the Ethical Corporate Management Best Practice Principles for TWSE or TPEx Listed Companies and reasons for such discrepancies
 I. Establishment of ethical corporate management policies and programs 1. Formulating Ethical Corporate Management Policies and Programs (I) Does the company formulate its ethical corporate management policies that have been approved by the Board of Directors? Has the Company declared its ethical corporate management policies and procedures in its guidelines and external documents, and does the Board of Directors and management work proactively to implement their commitment to those management policies? (II) Does the company establish an assessment mechanism for unethical risks, according to which it analyzes and assesses operating activities with high potential unethical risks? Does the mechanism include any precautionary measures against all the conducts as stated in Article 7, Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies? 	✓ ✓		 (I) The Group upholds the business philosophy of "Solid Operation, Professional Management, Seeking Excellence and Serving the Society" and exercises its corporate culture that "seeks truth, honesty and comprehensiveness". The Board of Directors has approved that the company has established the "Ethical Corporate Management Best Practice Principles" "Procedures for Ethical Management and Guidelines for Conduct", "Guidelines for the Adoption of Codes of Ethical Conduct for Directors and Managerial Officers" to specify its ethical corporate management policies. The Company's Board of Directors and the General Manager have signed statements of ethical management to fulfill their commitments in management policies. (II) The Company has established the "Ethical Corporate Management Principles," approved by the Board of Directors, and established a risk assessment mechanism for unethical conduct to regularly analyze and evaluate business activities with higher risk of unethical conduct within the business scope, so as to formulate prevention programs, while reviewing the adequacy and effectiveness of prevention programs on a regular basis and strengthening relevant preventive measures. The prevention programs adopted by the Company include preventive measures against the following: 1.To bribe and receive a bribe. 2.To provide illegal political donations. 3.To offer improper charitable donations or sponsorships. 4.To offer or accept unjustified presents or hospitality, or other improper benefits. 5.To infringe on business secrets, trademarks, patents, copyrights, and other intellectual property rights. 6.To engage in unfair competition. 7.Products and services directly or indirectly impair the rights, health, and safety of consumers or other stakeholders when they are developed, purchased, manufactured, 	Consistent with the "Ethica Corporate Management Best Practice Principles for TWSE or
(III) Has the company established policies to prevent unethical conduct with relevant procedures, guidelines of conduct, punishment for violation, rules of appeal clearly stated in the policies, andimplemented the policies, and reviewed the aforementioned policies on a regular basis?	✓		supplied or sold. (III) 1. The Board of directors of the Company has formulated the "Code of Ethical Operation" and the "Ethical Operation Procedures and Conduct Guide" to specifically regulate the matters that should be noted by directors, managers, employees and substantive controllers in the execution of business, and the punishment and appeal system for violations. 2. The Company has established the "Procedures for Handling Cases of Illegal and	

			Status of Implementation (Note 1)	Discrepancies between its
Evaluation Item	Yes	No	Abstract Illustration	implementation and the Ethical Corporate Management Best Practice Principles for TWSE or TPEx Listed Companies and reasons for such discrepancies
II. Implementation of ethical corporate management (I) Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts? (II) Does the Company have a unit under the Board of Directors that specializes in promoting ethical corporate management and regularly (at least once every year) report to the Board of Directors the implementation of the ethical corporate management policies and prevention programs against unethical conduct?			Unethical or Dishonest Conduct" to promote the reporting of any illegal behavior or violation of the Code of Conduct or the Ethical Corporate Management Principles. Any employee or external party can freely choose to access the Company's website or a dedicated hotline set up at the Audit Office to report cases of illegal, unethical, or dishonest conduct through the following units: Audit Committee: Accept reports from shareholders, investors, and other stakeholders. Audit Office: Accept reports from customers, suppliers, and contractors. Human Resources Department: Accept reports from employees of the Company. No illegal report was received by any division in 2023. Implementation of relevant regulations and continuous offering of education and training to raise employees' awareness. Any employee of terms of ethical conduct to be clearly defined in commercial contracts in accordance with its "Ethical Corporate Management Best Practice Principles" and the "Procedures for Ethical Management and Guidelines for Conduct." To enhance ethical corporate management, the Corporate Governance Work Group is responsible for the formulation and supervision of the implementation of ethical corporate management policies and prevention solutions. The Corporate Governance Officer is responsible for regular reports (at least once every year) to the Board of Directors: The Head of Corporate Governance will report to the Board of Directors on 3 November 2023 on the annual performance of ethical operations, including the following: 1. Cooperate with laws and regulations to formulate and implement relevant rules and regulations for the implementation of integrity management policy. 2. Regularly analyze and evaluate the risk of dishonest behavior within the business scope - Evaluate the risk of dishonest behavior within the business scope according to the "Point Checklist for Assessing the Risk of dishonest Behavior". After evaluation, there is no significant risk in this year. 3. The Company has planned its internal organiza	Practice Principles for TWSE or
(III) Does the company establish policies to prevent conflicts of	✓		(III) The Company has formulated the "Guidelines for the Adoption of Codes of Ethical	

				Status of Implementation (Note 1)				Discrepancies between its
Evaluation Item	Yes	No		Abstract Illustration				implementation and the Ethical Corporate Management Best Practice Principles for TWSE or TPEx Listed Companies and reasons for such discrepancies
interest and provide appropriate communication channels, and implement it?			provi stake dedic https expla	uct for Directors and Managerial Officers" to preve de suitable channels (the Audit Committee mailbo holders, a dedicated section for shareholders' ques ated section for investor services on the //www.usife.com.tw/) for Directors, managerial of in any potential conflict of interest with the Company. ions are also included in the shareholders' Q&A section	x, a destions and Conficers, Respo	edicated seand answe ompany's and emponses to sha	ection for rs, and a website: loyees to areholders'	
 (IV) Does the Company have effective accounting and internal control systems in place to implement business integrity? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct, or engage CPAs to perform the audits? (V) Does the company regularly hold internal and external training related to ethical corporate management? 	✓		(IV) The indep audit regul The i which Cond (V) In or addit invite increaward police To it promeducate.	accounting system and internal control system of endently and objectively, and the internal auditors a committee and the board of directors regularly. CPAs arly perform internal audits and hold discussions with the national audit unit, after assessing risks, has drafted the national audit unit, after assessing risks, has drafted the national audit unit, after assessing risks, has drafted the national audit unit, after assessing risks, has drafted the national audit unit, after assessing risks, has drafted the national audit unit, after assessing risks, has drafted the national audit unit, after assessing risks, has drafted the national audit in incorporates the items under "Management of Report onest Behavior," so as to audit the compliance with untertending the relevant regulations on its offices well-known scholars, experts, or attorneys to offee ase Directors', managerial officers', employees', and eness, so as to allow them to fully understand the est, prevention programs, and consequences of violation plement ethical management and ethical behavior, ote and regularly hold relevant training courses. In 20 tition and training courses related to ethical management of years and directors attending and 345 hours of training courses and directors attending and 345 hours of training courses.	the coreport to appoint the man audit pring Illed to the Core ethic cities and subtraction of ethic core the core ethic core the core ethic ethic core ethic ethic core ethic e	ompany catheir finding ted by the nagement. Ilan for the legal and Ur Company's as, the Conversity of the control of the legal and the stantive of the control of the legal and the legal and the legal and the legal conduction and the legal conduct	n operate ngs to the Company next year, nethical or Unethical mpany, in thinuously raining to ontrollers' rmination, ct. ntinues to will hold otal of 175	
			No		Hours	Total Participant	Total hours	
			1	[Ethics Seminar] Fund Security Traps Stop and listen	2	81	162	
			2	[Ethics Seminar] Video Advocacy - Prevent Insider Trading of Videos	0.5	8	4	
			3	[Ethics Seminar] Legal Understanding and Causality in the Age of Intelligence	2	34	68	
			4	[Ethics Seminar] Decree Advocacy - Insider Trading and Gender	2	29	58	
			5	Equality [Ethics Seminar] On the Prevention of Illegal Infringement in Workplace	2	15	30	
			6		3	1	3	
			7	[Ethics Seminar] Brief Introduction of Trade Secrets Act and Case Study	3	6	18	
			8	[Ethics Seminar] Network Copyright and Legal Use of Software	2	1	2	
				Total		175	345	

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				Status of Implementation (Note 1)	Discrepancies between its
	Evaluation Item		No	Abstract Illustration	implementation and the Ethical Corporate Management Best Practice Principles for TWSE or TPEx Listed Companies and reasons for such discrepancies
- 00 -	 (II) Has the Company established a specific whistleblowing and reward system, set up convenient whistleblowing channels and designated appropriate personnel to handle investigations against wrongdoers? (II) Has the Company established standard operating procedures for investigating reported issues, follow-up measures to be adopted after the investigation, and related confidentiality mechanisms? (III) Has the company set up protection for whistleblowers to prevent them from being subjected to inappropriate measures as a result of reporting such incidents? 	<i>*</i>		(I) The Company's Board of Directors passed the "Procedures for Handling Reporting of Illegal and Unethical or Dishonest Conduct" and disclosed such procedures on the Company's official website. (website: https://www.usife.com/USIWebFiles/Others/USI_IllegalReport.pdf) 1.Report channel: (1) Personal report: Face-to-face explanation. (2) Telephone Reporting:02-26503783 (3) Written report: Audit Office, 7F., No. 37, Jihu Rd., Neihu Dist., Taipei City. 2.Incentive system: Where a report is verified as true and its contribution generates significant economic benefits, the incident may be submitted to the General Manager to provide the whistleblower with appropriate rewards. 3. Responsible personnel: (1) Audit Committee: Accept reports from shareholders, investors, and other stakeholders. (2) Audit Office: Accept reports from customers, suppliers, and contractors. (3) Human Resources Department: Accept reports from employees. 4. Whistleblower protection: Whistleblower protection: Whistleblower protection: Whistleblower is an employee, the Company shall guarantee that the employee shall not sustain inappropriate treatment that may arise from the report. (II) The Company's Board of Directors passed the "Procedures for Handling Reporting of Illegal and Unethical or Dishonest Conduct," which specifies the standard operating procedures for investigating the case being exposed by the whistle-blower and the relevant confidentiality mechanism; where whistle-blower is anonymous or did not use his/her true name, or the content stated or the proof of origin provided is deemed necessary for investigation, the case may still be reported to the Chairman/General Manager before the case is handled and recorded as a reference for internal review. After a report is accepted, an investigation will be conducted for internal review. After a report is accepted, an investigation will be conducted for internal evidence. If it is proved to be true, the Company will handle it based on its illegal violation or the severity of violatio	Consistent with the "Ethical Corporate Management Best Practice Principles for TWSE or TPEx Listed Companies."
ĪV	Enhancing information disclosure Has the Company disclosed the content and effectiveness of its integrity management principles on the Company's website and	✓		There were no cases of illegal, unethical, or dishonest behavior reported during the year. The Company has disclosed relevant regulations and information on ethical corporate management on the Company's website. Website: The information related to ethical	Consistent with the "Ethical Corporate Management Best Practice Principles for TWSE of

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			Status of Implementation (Note 1)	Discrepancies between its
				implementation and the Ethical
Evaluation Item				Corporate Management Best
Diameter Item	Yes	No	Abstract Illustration	Practice Principles for TWSE or
				TPEx Listed Companies and
				reasons for such discrepancies
the Market Observation Post System?			corporate management and the effectiveness of implementation is disclosed on the	TPEx Listed Companies."
			website(https://www.usife.com.tw/zh-tw/dirInvestor/frmInvestor1) and annual reports and	
			open information observatory.	

- V. If the Company has established its own Ethical Corporate Management Best Practice Principles in accordance with the Corporate Social Responsibility Best Practice Principles for TWSE or TPEx Listed Companies, state the discrepancies between these principles and its implementation:
- The Company has established its "Guidelines for the Adoption of Codes of Ethical Conduct for Directors and Managerial Officers," the "Ethical Corporate Management Best PracticePrinciples," the "Procedures for Ethical Management and Guidelines for Conduct," the "Code of Conduct for Employees Regarding Concurrent and Part-time Work," and the "Procedures for Handling Cases of Illegal and Unethical or Dishonest Conduct." There was no material discrepancy during the implementation of these rules and regulations.
- VI. Other important information that facilitates the understanding of the implementation of ethical corporate management: (such as review and amendment of the Company's "Ethical Corporate Management Best Practice Principles")
- 1.By referring to the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies" promulgated by the competent authority, the Company has formulated own "Ethical Management Best Practice Principles," "Ethical Management Operating Procedures" and "Code of Conducts," and "Procedures for Handling Reporting of Illegal and Unethical or Dishonest Conduct," which has been effective after reporting to and approving by the Board of Directors. The same rule shall apply to any amendments thereof. The same rule shall apply to any amendments thereof. The Corporate Governance Officer reports to the Board of Directors at least annually on the implementation matters of ethical management. Matters of ethical management of 2023 have been reported to the Board of Directors on November 3, 2023.
- 2.In accordance with the Code of Corporate Governance amended by the competent Authority in August 2022, the Company has amended the Company's "Guide to Ethical Business Procedures and Conduct" to stipulate that, in addition to complying with the ban on insider trading, the directors of the Company shall not trade in the Company's shares during the closed period 30 days before the announcement of the annual financial report and 15 days before the announcement of the quarterly financial report.

Note 1 Regardless of whether "Yes" or "No" is selected, provide a brief description in the Summary column.

(VIII) Methods of inquiry in the Corporate Governance Best Practice Principles and related regulations established by the Company:

- 1. The Company has established the following operating procedures:
 - (1) Articles of Association
 - (2) Corporate Governance Principles
 - (3) Rules of Procedure for Board of Directors' Meetings
 - (4) Procedures for Election of Directors
 - (5) Procedures Governing the Evaluation of the Performance of the Board of Directors
 - (6) Rules Governing the Scope of Powers of Independent Directors
 - (7) Rules of Procedure for Shareholders' Meetings
 - (8) Procedures Governing the Acquisition and Disposal of Assets
 - (9) Procedures for Making of Endorsements / Guarantees
 - (10)Procedures Governing the Loaning of Funds to Others
 - (11)Code of Ethical Conduct for Directors and managers
 - (12) Ethical Corporate Management Best Practice Principles
 - (13)Procedures for Ethical Management and Guidelines for Conduct
 - (14)Remuneration Committee Charter
 - (15) Audit Committee Charter
 - (16)Procedures for Handling Material Insider Information
 - (17)Code of Practice for Sustainable Development
 - (18) Rules of Organization for the Commission on Sustainable Development
 - (19) Guidelines for the Management of Staff Complaints and Complaints Response Boxes
 - (20)Procedures for Handling Cases of Illegal and Unethical or Dishonest Conduct
 - (21) Standard Operating Procedures for Requests Filed by Directors
 - (22) Human Rights Policy and Management Plan
 - (23) Risk Management Policy and Procedures
 - (24) Corporate Governance Self-Evaluation Report
 - (25)Transaction Procedures for Related Parties, Specific Companies, and Corporate Groups.
- 2. For related procedures, please visit the following websites
 - (1) The corporate governance webpage of the Market Observation Post System (https://mops.twse.com.tw/mops/web/index)
 - (2)Corporate Governance section under Investor Relations on the Company's official website (https://www.usife.com)
- (IX) Other material information that can enhance the understanding of the state of corporate governance at the Company:

The Company regularly performs audit of its subsidiaries, and regularly analyzes and reviews the financial and business information of its subsidiaries in accordance with the requirements for supervision and monitoring of subsidiaries stipulated in the Regulations Governing Establishment of Internal Control Systems by Public Companies.



(X) The following items related to the implementation of internal control systems shall be disclosed:

1. Internal Control Statement

USI Conporation

Statement on Internal Control System

Date: March 08, 2024

According to the results from our self-evaluation, the Company shall make the following statements on our internal control system in 2023:

- I. The Company acknowledges that the establishment, implementation and maintenance of internal control systems are the responsibilities of the Company's Board of Directors and managerial officers, and thus the Company has established such systems. The objectives of this system are to meet various goals including achieving operational benefits and efficiency (including profitability, performance, as well as asset and safety protection), and ensuring the reliability, timeliness, transparency and regulatory compliance of reporting, thereby providing reasonable assurance.
- II. An internal control system has inherent constraints. No matter how comprehensive its design may be, an effective internal control system is only capable of providing adequate assurance for achieving the above-mentioned objectives. In addition, the effectiveness of the internal control system may change with the environment and under different situations. Nevertheless, the Company's internal control systems are equipped with self-monitoring mechanisms, thereby allowing the Company to take immediate remedial actions in response to any identified deficiency.
- III. The Company determines whether or not the design and implementation of its internal control system is effective according to the items for determining the effectiveness of internal control systems as stated in the Regulations Governing Establishment of Internal Control Systems by Public Companies (hereinafter referred to as the "Regulations"). The items for the determination of internal control systems adopted in the Regulations has identified five key components based on management control processes: (1) control environment, (2) risk assessment, (3) control operations, (4) information and communication, and (5) monitoring operations. Each component includes several items. Each component includes several items. For more information on the aforementioned items, please refer to the Regulations.
- IV. The Company has adopted the items for determining internal control systems in order to evaluate the effectiveness of its internal control system design and implementation.
- V. Based on the above results, the Company believes that the design and implementation of its internal control systems (including supervision and management of its subsidiaries), as of December 31, 2023 and understanding the level of goal achievement in regards to operational benefits and efficiency, as well as whether the reporting is reliable, timely and transparent and whether it complies with the relevant laws and regulations, is effective and can reasonably assure the accomplishment of the above mentioned goals.
- VI. The Statement shall become the main content of the Company's annual report and prospectus, and shall be made public. Should the above mentioned content contain illegalities such as fraudulent and hidden information, the Company shall assume legal liabilities involving Article 20, Article 32, Article 171 and Article 174 of the Securities and Exchange Act.
- VII. This statement was adopted by the Board of Directors of the Company on March 8, 2024, and the nine directors present agree to the content of this statement and hereby declare.

USI Corporation

Chairman: Wu, I-Kuei Signature and Seal

General Manager: Wu, Pei-Signature and Seal

- 2. Where CPAs are commissioned to audit the Company's internal control systems, the audit report prepared by the CPAs shall be disclosed: Not applicable
- (XI) If there has been any legal penalty against the company or its internal personnel, or any disciplinary penalty by the company against its internal personnel for violation of the internal control system, during the most recent fiscal year or during the current fiscal year up to the publication date of the annual report, where the result of such penalty could have a material effect on shareholder equity or securities prices, the annual report shall disclose the penalty, the main shortcomings, and condition of improvement: None.
- (XII) Key resolutions adopted by the Shareholders' Meeting and the Board of Directors in the most recent fiscal year up to the publication date of this annual report

1. Shareholders' Meeting

Year of	Date of	Key Resolutions
		neg resolutions
Meeting 2023	Meeting 05/31/2023	The minutes of the Shareholders' Meeting were posted onto MOPS on June 16, 2023. The key resolutions and their status of implementation are as follows: 1. Approved the 2022 Account Book. Status of Implementation: Approved. 2. Approve the 2022 earnings distribution plan. Status of Implementation: Approved. The distribution of cash dividends of NT\$832,134,450 to the shareholders, with August 4, 2023 as the base date, was completed on August 25, 2023. 3. Discussed the amendment of the Articles of Incorporation. Status of Implementation: The resolution was approved and has been implemented. 4. Discussion on amendments to the "Rules of Procedure for Shareholders' Meetings" Status of Implementation: The resolution was approved and has been implemented. 5. Discussed the amendment of the "Regulations Governing the Election of Directors". Status of Implementation: The resolution was approved and has been implemented. 6. Election of nine Directors of the Company: 5 elected directors - Wu, I-Kuei, Yu, Ching-Shou, Kao, Che-I, Wu, Pei-Chi and Wu, Hung Ting. Four independent directors were elected - Chen, Chung, Tu, Tzu-Chun, Hai, Ying-Chun, and Chen, Sheng-Te. Implementation status: The term of office of the nine directors (including four independent directors) elected at the AGM is three years, commencing from May 31, 2023 to May 30, 2026, and will take office after the AGM. 7. Discussed the permission for newly appointed Independent Directors to engage in business competition. Status of Implementation: Approved.



2. Board of Directors' Meeting

Session (Year) of	Date of	
		Key Resolutions
Meeting 15th Meeting of 20th Term (1st meeting in 2023)	Meeting 03/07/2023	 Ratify endorsements/guarantees made for Union Polymer International Investment Co., Ltd. Approved the 2022 Account Book. Approved the 2022 directors' and employee reward distribution plan. Approved the 2022 earnings distribution plan. Approved the amendment of certain articles in the Articles of Incorporation. Approved the amendment of certain articles in the Rules of Procedure for Shareholders' Meetings Approve the amendment of certain articles in the Regulations Governing the Election of Board Members Approve the re-election of directors at the Annual General Meeting in this fiscal year Approve the recommendation to lift competition restrictions against newly elected directors at the Annual General Meeting Approved matters related to the convening of the 2023 general shareholders' meeting. Approved to set the period and premises for receiving shareholders' proposals. Approved the 2023 Evaluation of the Independence of Appointed CPAs. Approved the amendments to certain provisions of the Code of Sustainable Development Practices. Approved the issuance of the 2022 Statement on Internal Control System.
	0.4/20/2022	16. Authorize the Chairman to sign and deliver shot-term credit loan contracts and related documents to financial institutions 17. Approve donations to the USI Education Foundation
16th Meeting of the 20th Term (2nd Meeting in 2023)	04/20/2023	Review the list of Director (including Independent Director) candidates (nominated by shareholders) with shareholding percentage exceeding one (1) percent at the Company
17h Meeting of the 20th Term (3st Meeting in 2023)	05/04/2023	 Approved the consolidated financial statements for the first quarter of 2023. Passed the amendments to the Company's internal control system.
1st Meeting of the 21th Term (4st Meeting in 2023)	06/06/2023	 Nominate Mr. Wu Kuei-I as the Chairman of the Company Approve the appointment of four Independent Directors, namely Chen, Chung, Tu, Tzu-Chun, Hai, Ying-Chun, and Chen,Sheng-Te as members of the Company's Remuneration Committee. Approved the appointment of two independent directors, Tu, Tzu-Chun and Hai, Ying-Chun, as members of the Company's Sustainable Development Committee.
2nd Meeting of the 21th Term (5th Meeting in 2023)	08/03/2023	 Ratify endorsements/guarantees made for Union Polymer International Investment Co., Ltd. To ratify the renewal of the three-year medium-term loan facility with First Bank. To ratify the renewal of the three-year medium-term loan facility with Antai Bank. Approved the 2023Quarter 2 Consolidated Financial Statements. Approved amendments to certain provisions of the "Rules of Organization of the Sustainable Development Committee". Approved the appointment of two independent directors, CHEN,SHENG-TE as members of the Company's Sustainable Development Committee. Permitted managerial officers to engage in competitions
3rd Meeting of the 21th Term (6th Meeting in 2023)	November 07, 2023	 Approved the renewal of the three-year medium-term loan facility with Nissho Mizuho Bank. Approved the renewal of the three-year medium-term loan facility with Bank SinoPac. Approved the 2023 Quarter 3 Consolidated Financial Statements Approved the 2024 Company budget. Approved remuneration of CPAs for year 2023. Approved the 2024 Annual Audit Plan.

Session (Year) of Meeting	Date of Meeting	Key Resolutions
	-	 Approved the amendment of certain articles in the "Transaction Procedures with Related Parties, Specific Companies, and Companies of the Group" Approved the amendment of certain articles in the Regulations Governing the Evaluation of the Performance of the Board of Directors. Permitted managerial officers to engage in competitions
4th Meeting of the 21th Term	March 08, 2024	1. To ratify the renewal of the three-year medium-term loan facility with Bank of
(1st meeting in 2024)	2024	China, Taipei Branch. 2. Approved the 2023 Account Book
(1st meeting in 2021)		3. Approved the 2023 recount Book 3. Approved the 2023 earnings distribution plan
		 4. Approved the recommendation to lift competition restrictions against elected directors at the Annual General Meeting 5. Approved matters related to the convening of the 2024 general shareholders'
		 meeting. Approved to set the period and premises for receiving shareholders' proposals. Approved the 2024 Evaluation of the Independence of Appointed CPAs. Approved the appointment of CPAs for year 2024.
		9. Approved the amendment of certain articles in the Rules of Procedure for Board of Directors' Meetings
		10. Approved the amendment of certain provisions of the "Rules and Regulations Governing the Organization of the Audit Committee".
		11. Approved the issuance of the 2023 Statement of Internal Control System.
		12. Permitted managerial officers to engage in competitions
		13. Authorize the Chairman to sign and deliver shot-term credit loan contracts and related documents to financial institutions
		14. Approve donations to the USI Education Foundation

(XIII) Dissenting opinions or qualified opinions on resolutions passed by the Board of Directors that are made by directors and supervisors, and are documented or issued through written statements, in the most recent fiscal year up to the publication date of this annual report:

No such situation at the Company in the most recent fiscal year up to the publication date of the Annual Report.

(XIV)Summary of resignation and dismissal of the Company's Chairman, General Manager, Accounting Manager, Finance Manager, Head of Internal Audit and Head of Research and Development in the most recent fiscal year up to the publication date of this annual report:

No such situation at the Company in the most recent fiscal year up to the publication date of the Annual Report.



V. Certified public accountants' fee information:

Unit: NT\$ thousands

Name of Accounting Firm	Name of CPA	CPA's duration of audit	Audit Fees	Non-Audit Fees	Total	Remark
Deloitte &	Chuang Pi-Yu	2023	4.850	620		Non-audit fees and details of other services: Fees for verification of the tax is
Touche	Chen, Chun-Hung	2023	4,630	620		NT\$620 thousand.

Please specify the non-audit services (e.g. tax verification, assurance or other financial advisory services).

Note: If the Company has replaced the CPAs or accounting firm in the current fiscal year, the audit period should be listed separately, and the reason for replacement should be stated in the "remark" column. Information regarding the audit and non-audit fees paid should also be disclosed in order. Non-audit expenses shall be accompanied by a note indicating the content of their services.

(I) If the non-audit fees paid to the CPAs, their accounting firm and affiliated companies of their accounting firm exceed one-fourth of the audit fees paid to them, the amount of audit and non-audit fees, and the content of non-audit services shall be disclosed:

The non-audit fees paid by the Company did not exceed one-fourth of the audit fees.

(II) Where the CPA firm was replaced, and the audit fees in the fiscal year, when the replacement was made, were less than that in the previous fiscal year before replacement, the amount of audit fees paid before/after replacement and reasons for paying this amount shall be disclosed:

The Company did not replace the CPA firm.

(III) Where accounting fee paid for the year was 10% (or above) less than that of the previous year, the sum, proportion, and cause of the reduction shall be disclosed:

The audit fees paid by the Company in 2023 has increased compared to that in 2022.

VI. Information Regarding the Replacement of CPAs:

(I) Previous CPAs: Not applicable

Date of Replacement				
Replacement reasons and				
explanations				
State whether the appointer or the		Contracting Party	CPA	Scenario
CPAs have terminated the	Positio	on	CITI	Sechario
appointment, or whether the	Termi	nation initiated by client		
appointer or the CPAs have rejected	CPA d	eclined to accept (continue)		N/A
the appointment	the ap	pointment		
Other issues (except for unqualified				
issues) in the audit reports within the				
last two years				
			Accounting	principles or practices
			Disclosure of	of financial statements
	Yes		Audit scope	or procedures
Differences with the Company			Other	
	No			
	Explai	nation:		
Other items for disclosure (where				
Item 1-4 to Item 1-7, Subparagraph				
6, Article 10 of the Regulation				
should be disclosed)				

(II) Successor CPAs: Not applicable

Name of accounting firm	
Name of CPA	
Date of Appointment	
Consultation results and opinions on accounting	
treatments or principles with respect to specified	
transactions and the company's financial reports that the	
CPA might issue prior to the engagement	
Written opinions from successor CPAs with regards to	
matters with which former CPAs disagreed	

(III) Former CPAs reply to Item 1 and Item 2-3, Subparagraph 6, Article 10 of the Regulations: Not applicable

VII. The Company's directors, general manager, managerial officer in charge of finance or accounting who has served in a CPA's accounting firm or its affiliated companies in the most recent fiscal year: No such situation



- VIII. The latest year and up to the printing date of the annual report, the directors, supervisors, managers and shareholders holding more than 10% of the shares of the Company's stock transfer and changes in the pledges of stock options:
 - (I) Changes in Shareholding of Directors, Supervisors, Managerial Officers and Major Shareholders

Unit: Shares

		20	023		al year up to 2, 2024
Title (Note 1)	Name	Increase (decrease) in number of shares held	Increase (decrease) in number of pledged shares	Increase (decrease) in number of shares held	Increase (decrease) in number of pledged shares
Major Shareholder	Shing Lee Enterprises (Hong Kong) Limited	0	0	0	0
	Wu, I-Kuei (Representative of Shing Lee Enterprise (Hong Kong) Limited)	0	0	0	0
Director	Wu, Hung Ting (Representative of Shing Lee Enterprise (Hong Kong) Limited)	0	0	0	0
Shareholder	Asia Polymer Corporation	0	0	0	0
D	Yu, Ching-Shou (Representative of Asia Polymer Corporation)	0	0	0	0
Director	Kao, Che-I (Representative of Asia Polymer Corporation)	0	0	0	0
Shareholder	TTC Chemical Company, Ltd.	0	0	0	0
	Wu, Pei-Chi (Representative of Taita Chemical Company, Ltd.)	0	0	0	0
Director	Huang, Kuang-Che (Representative of Taita Chemical Company, Ltd.) (Dismissed on May 31, 2012)	0	0	N/	A
	Chen, Chung	0	0	0	0
	Tu, Tzu-Chun	0	0	0	0
Independent	Hai, Ying-Chun	0	0	0	0
Director	Chen, Sheng-Te (newly appointed on 5/31/2023)	0	0	0	0
General Manager	Wu, Pei-Chi	0	0	0	0
Deputy General Manager	Liu, Han-Tai	0	0	0	0
Deputy General Manager of Business	Wu, Ming-Tsung	0	0	0	0
Corporate Governance Officer	Chen, Yung-Chih	0	0	0	0
Sales Director	Tseng, Kuo-Lung	0	0	0	0
Finance Manager	Yang, Wen-Li	0	0	0	0
Accounting Manager	Kuo, Chuan-Hua	0	0	0	0

Note 1 Shareholders who hold more than ten (10) percent of the Company's shares shall be noted as major shareholders and listed separately. Note 2 Counterparties involved in equity transfer or pledging of equity are related parties and shall be listed in the following table.

(II) Information regarding equity transfer

Unit: Shares

Name (Note1)	Reason for Equity Transfer (Note 2)	Date of Transaction	Transferee	Relationship between the counterparty and the Company, its Directors, Supervisors, managerial officers, and shareholders with shareholding percentage exceeding ten (10) percent		Transaction Price			
	Not applicable								

Note 1 Fill the name of the Company's directors, supervisors, managerial officers and shareholders with shareholding percentage exceeding ten (10) percent Note 2 Fill either "Acquisition" or "Disposal".

(III) Information regarding pledging of shares

Name (Note 1)	Reason for Pledge (Note 2)	Date of Change	Transferee	Relationship between the counterparty and the Company, its Directors, Supervisors, managerial officers, and shareholders with shareholding percentage exceeding ten (10) percent	Number of share	Percentage of Ownership (%)	Percentage of Shares Pledged	Pledged (Redeemed)	
	Not applicable								

Note 1 Fill the name of the Company's directors, supervisors, managerial officers and shareholders with shareholding percentage exceeding ten (10) percent Note 2 Fill either "Pledge" or "Redemption"



IX. Information regarding the top 10 shareholders in terms of number of shares held, who are related parties or each other's spouses and relatives within the second degree of kinship:

April 2,2024

	Curre: Sharehol		Shares Held by And Underage		by No	nolding ominee gement	Title or Name And Relations Shareholders Who Are Relat Each Other's Spouses And Re The Second Degree of Kins	ted Parties or latives Within	
Name (Note 1)	Number of share	Percentage of Ownership (%) (Note 2)	Number of share	Percentage of Ownership (%) (Note 2)	Number of share	Percentage of Ownership (%) (Note 2)	Title (or name)	Relationship	Remark
Shing Lee Enterprises (Hong Kong) Limited	173,776,546	14.62%	_		0	0%	Asia Polymer Corporation	Note 4	
Representative: Wu, Hong Cheng	3,000	0%	0	0%	0	0%	No	No	
Wholegainer Company Limited' investment account is under custody of Fubon Securities Co., Ltd.	110,000,000	9.25%		1	0	0%	No	No	
Asia Polymer Corporation	101,355,673	8.53%	_	_	0	0%	Shing Lee Enterprises (Hong Kong) Limited	Note 4	
Representative: Wu,Yi-Gui	113,122	0.01%	_	_	0	0%	No	No	
Fubon Life Insurance Co., Ltd. Representative: Lin,	53,422,000	4.49%			0	0%	No	No	
Fook-Sing	0	0%	0	0%	0	0%	No	No	
TaixingInvestment Co., Ltd.	24,233,695	2.04%	=	_	_	_	Shareholders did no information		
Representative: Hsueh, Mei-Liang			Shareholders	did not	provi	de info	rmation.		
Lin, Hua Hsin	20,756,936	1.75%	0	0%	0	0%	No	No	
Yueh Hsing Hua Investment Co., Ltd.	20,621,422	1.73%					Shareholders did not provide information.		
Representative: Hsueh, Hui-Liang			Shareholders	did not	provi	de info	rmation.		
Yu, Wen-Hsuan	16,750,000	1.41%	0	0%	0	0%	Note 5	Note 5	
Yu,Wen-Tsung	16,750,000	1.41%	0	0%	0	0%	Note 5	Note 5	
Yu,Wen-Yu	16,750,000	1.41%	0	0%	0	0%	Note 5	Note 5	

Note 1 All the top 10 shareholders should be listed. For institutional shareholders, their names and the name of their representatives shall be listed separately.

Note 2 Shareholding percentage is calculated separately based on the number of shares held in the name of the person, his/her spouse and minors, and others.

Note 3 Relationships between the aforementioned shareholders, including institutional and natural person shareholders should be disclosed based on the financial reporting standards used by the issuer.

Note 4 Shing Lee Enterprises (Hong Kong) Limited is the corporate director of our company and a subsidiary of Asia Polymer Corporation, the ultimate parent company

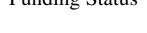
Note 5 Miss Yu Wen-Hsuan, Mr. Yu Wen-Tsung and Miss Yu Wen-Yu are relatives within the second degree of kinship.

X. The Number of Shares Held by The Company, The Directors, Supervisors And Managers of The Company And The Company Directly or Indirectly Control The Businesses in The Same Reinvested Business And The Combined Shareholding Ratio

December 31, 2023 Unit: shares; %

Investee Companies (Note)	Invested by the Company		Investment b Supervisors, officers and indirectly c compa	managerial directly or controlled anies	Combined Investment		
	Number of share	Shares Held	Number of share	Percentage of Shares Held	Number of share	Percentage of Shares Held	
USIFE Investment Co., Ltd.	89,647,000	100.0%	-	0.0%	89,647,000	100.0%	
Swanlake Traders Ltd.	30,000,000	100.0%	-	0.0%	30,000,000	100.0%	
USI (Hong Kong) Company Limited	159,999	100.0%	1	0.0%	160,000	100.0%	
USI Management Consulting Corp.	671,400	100.0%	-	0.0%	671,400	100.0%	
Union Polymer International Investment Corporation	918,324,656	100.0%	-	0.0%	918,324,656	100.0%	
Taiwan United Venture Capital Corp.	14,000,000	70.0%	1,665,333	8.3%	15,665,333	78.3%	
Chong Loong Trading Co., Ltd.	6,882,666	99.9%	-	0.0%	6,882,666	99.9%	
Acme Electronics Corporation	61,682,967	29.0%	39,766,639	18.6%	101,449,606	47.6%	
Swanson Plastics Corporation	62,616,299	40.6%	20,519,558	13.3%	83,135,857	53.9%	
INOMA Corporation	1,334,729	94.4%	-	0.0%	1,334,729	94.4%	
Ever Conquest Global Limited	246,670,000	59.1%	170,475,000	40.9%	417,145,000	100.0%	
USI Optronics Corporation	33,000,000	50.8%	28,263,712	43.5%	61,263,712	94.4%	
USI Green Energy Corporation	36,616,004	100.0%	-	0.0%	36,616,004	100.0%	
Delmind Inc.	9,000,000	30.0%	-	0.0%	9,000,000	30.0%	
Chem Union Renewable Energy Corporation	1,000,000	33.3%	-	0.0%	1,000,000	33.3%	

Note: Invested by the Company using the equity method.



Chapter 4. Funding Status

I. Capital and Shares

- (I) Source of Share Capital
 - 1.Disclose the types of shares issued by the Company in the most recent fiscal year up to the date of the publication of this annual report

As of April 02, 2023; Unit: Shares; NT\$

	0	Authoriz	zed Capital	Paid-ir	n Capital	Re	emark	
Year and Month	Issue Price	Number of share	Amount	Number of share	Amount	Source of Share Capital	Capital Increased by Assets Other than Cash	Other
Sep, 2011	10	993,567,274	9,935,672,740	993,567,274	9,935,672,740	Capital increase by retained earnings NT\$1,295,957,310	No	Note 2(1)
Aug 2012	10	1,142,602,365	11,426,023,650	1,142,602,365	11,426,023,650	Capital increase by retained earnings NT\$1,490,350,910	No	Note 2(2)
June 2013	10	1,342,602,365	13,426,023,650	1,142,602,365	11,426,023,650	-	No	Note 2(3)
Aug, 2017	10	1,342,602,365	13,426,023,650	1,165,454,412	11,654,544,120	Capital increase by retained earnings NT\$228,520,470	No	Note 2(4)
Aug, 2018	10	1,342,602,365	13,426,023,650	1,188,763,500	11,887,635,000	Capital increase by retained earnings NT\$233,090,880	No	Note 2(5)

Note 1 Fill information for the current fiscal year as of the publication date of this annual report.

Note 2 For any capital increase, the effective (approval) date and the document number shall be added.

- (1) Approved document with Reference No. Ching Shou Shang Tzu Reference No. Ching Shou Shang Tzu 10001195590.
- (2) Approved document with Reference No. Ching Shou Shang Tzu 10101178710.
- (3) Approved document with Reference No. Ching Shou Shang Tzu 10201118240 (change of authorized capital).
- (4) Approved document with Reference No. Ching Shou Shang Tzu Reference No. Ching Shou Shang Tzu 10601121280
- (5) Approved document with Reference No. Ching Shou Shang Tzu 10701105950.
- Note 3 Shares issued for less than par value shall be indicated in a conspicuous manner.
- Note 4 Capital increase by currency debts or technology shall be stated, and the type and amount of assets involved in such capital increase shall be noted.
- Note 5 Private placement of corporate bonds shall be indicated in a clear manner.

April 02, 2024; Unit: Shares

Types of shares		Remark			
Types of shares	Outstanding Shares (Note)	Unissued Shares	Total	Kemark	
Registered common shares	1,188,763,500	153,838,865	1,342,602,365	Registered Common Shares Listed	

Note: Please indicate whether the shares are issued by a company listed on the Taiwan Stock Exchange (TWSE) or the Taipei Exchange (TPEx) (Shares of which trading is restricted on the TWSE or those which are traded on the TPEx shall be noted).

2. Information of shelf registration: Not applicable

(II) Shareholder Structure

April 2, 2024; Unit: Shares

Shareholder Structure Quantity	(invernment	Financial Institutions	Other Institutions	Domestic Natural Persons	Foreign Institutions and Foreigners	Total
Number of People	1	2	299	108,580	220	109,102
Number of Shares	1,006,270	2,040	259,194,795	536,967,946	391,592,449	1,188,763,500
Percentage of Shares Held	0.08%	0.00%	21.80%	45.18 %	32.94%	100.00%

Note: Companies primarily listed on the TWSE and the TPEx shall disclose the proportion of their shares held by investors from Mainland China. Investors from Mainland China refer to natural persons, legal persons, organizations, institutions or companies in areas other than Taiwan and Mainland China that are invested by persons of such identity as stipulated in Article 3 of the "Regulations Governing Investment of Mainland Chinese in Taiwan."

(III) Distribution of Equity Ownership

1.Common Shares

April 2, 2024; Unit: Shares

Shareholder Ownership (Unit: Shares)	Number of Shareholders	Number of Shares	Percentage of Shares Held
1 to 999	48,279	7,601,878	0.64%
1,000 to 5,000	43,794	96,096,248	8.08%
5,001 to 10,000	8,645	67,038,980	5.64%
10,001 to 15,000	2,818	35,316,433	2.97%
15,001 to 20,000	1,747	31,653,716	2.66%
20,001 to 30,000	1,481	37,329,907	3.14%
30,001 to 40,000	720	25,402,057	2.14%
40,001 to 50,000	428	19,720,293	1.66%
50,001 to 100,000	707	50,120,031	4.22%
100,001 to 200,000	275	38,264,878	3.22%
200,001 to 400,000	104	29,865,331	2.51%
400,001 to 600,000	30	14,460,092	1.22%
600,001 to 800,000	16	10,713,834	0.90%
800,001 to 1,000,000	11	10,122,626	0.85%
1,000,001 and above	47	715,057,196	60.15%
(The Company can further classify this			
range where necessary)			
Total	109,102	1,188,763,500	100.00%

2.Preferred shares: None.

(IV)List of Major Shareholders

April 2, 2024

Shares Names of Major Shareholders	Number of Shares Held (Unit: Shares)	Percentage of Shares Held
Shing Lee Enterprises (Hong Kong) Limited	173,776,546	14.62%
Wholegainer Company Limited' investment account is under custody of Fubon Securities Co., Ltd.	110,000,000	9.25%
Asia Polymer Corporation	101,355,673	8.53%
Fubon Life Insurance Co., Ltd.	53,422,000	4.49%
Taixing Investment Co., Ltd.	24,233,695	2.04%
Lin, Hua Hsin	20,756,936	1.75%
Yueh Hsing Hua Investment Co., Ltd.	20,621,422	1.73%
Yu, Wen-Hsuan	16,750,000	1.41%
Yu,Wen-Tsung	16,750,000	1.41%
Yu,Wen-Yu	16,750,000	1.41%



(V) Market Price, Net Asset Value Per Share (NAVPS), Earnings Per Share (EPS), Dividends Per Share (DPS) and Related Information in the Most Recent Two Fiscal Years

Unit: New Taiwan Dollars (NT\$)/Share

				Ullit. New Tark	wan Dollars (N15)/Snar
ITEM		YEAR	2023	2022	Financial information of the current fiscal year up to April 02, 2024 (Note 8)
Market Price	Highest		27.40	32.90	19.95
Per Share	Lowest		18.80	19.00	15.85
(Note 1)	Average		23.22	26.43	17.50
Net Asset Value Per Share	Before Di	stribution	19.56	20.61	19.46
(Note 2)	After Dist	ribution	- *	19.91	-*
Earnings Per		verage number of usand shares)	1,072,298	1,072,298	1,072,298
Share	Diluted ear	nings per share	(0.19)	1.45	(0.37)
(Note 3)	Earnings pe adjustment	er share after	-*	1.45	-*
	Cash divider	nds	0.35 ※	0.7	_
Dividends Per Share	Stock Dividends	Dividends from capital surplus earnings	-*	_	_
(DPS)	Dividends	Capital Surplus Distribution	-*	_	_
	Cumulative of dividends (N	undistributed lote 4)	_	_	_
D 4	Price/earning	gs ratio (Note 5)	(118.84)	17.15	(12.11)
Return on Investment	Price/divider	nd ratio (note 6)	64.51	35.53	
	Cash divider	nd yield (Note 7)	1.55%	2.81%	_

Based on the profit distribution plan which has been approved by the Board of Directors but is yet to be acknowledged at the
 Shareholders' Meeting

- Note 5 Price/earnings ratio = Average closing price per share for the current fiscal year/earnings per share.
- Note 6 Price/dividend ratio = Average closing price per share for the current fiscal year/cash dividend per share.
- Note 7 Cash dividend yield = Cash dividend per share/average closing price per share for the current fiscal year.
- Note 8 For net asset value per share and earnings per share, data from the most recent quarter that has been verified (reviewed) by CPAs as of the publication date of this annual report should be filled. For other fields in this column, data from the current fiscal year as of the publication date of this annual report should be filled.

[※] If any revenue or capital surplus is transferred to capital increase or common stock, disclose the information on market prices and cash dividends retroactively adjusted based on the number of shares after distribution.

Note 1 List the highest and lowest market price of common shares for each fiscal year and calculate the average market price for each fiscal year based on trading value and volume in each fiscal year.

Note 2 Fill these rows based on the board of directors or the number of shares that have been issued at the end of the fiscal year and the distribution plan approved at the Shareholders' Meeting in the subsequent fiscal year.

Note 3 If there was any retroactive adjustment required due to stock dividends, earnings per share before and after such adjustment shall be listed.

Note 4 If there was any condition regarding the issuance of equity securities stating that undistributed dividends for the current fiscal year has to be accumulated till the year when a profit is recorded, the Company shall separately disclose cumulative undistributed dividends as of the current fiscal year.

(VI) Dividend Policy and Its Implementation:

1. Dividend policy stipulated in the Company's Articles of Association

If the Company posts a net income after taxes (NIAT) as indicated in its final annual accounts for the current fiscal year, the Company shall use its NIAT to cover cumulative loss in the previous fiscal year. If there is remaining balance, ten (10) percent of this balance has to be set aside as statutory reserves, while the rest shall be regarded as distributable profit. This distributable profit shall then be combined with undistributed earnings that have been accumulated in previous fiscal years. Part of this combined amount shall be recognized as or transferred to special reserves as required by the law or the competent authority, while the remaining balance shall be regarded as cumulative distributable profit. The Board of Directors shall propose a profit distribution plan which is then submitted to the Shareholders' Meetings for approval. The Shareholders' Meeting shall retain all or part of the Company's profit based on its business performance.

In regards to the resolution on profit distribution, it has been decided that, due to the fact that the industry to which the Company belongs is in the maturity stage, and taking in account R&D needs and business diversification, dividends paid to shareholders shall not be less than ten (10) percent of distributable profit in the current fiscal year, where cash dividends shall not be less than ten (10) percent of the total dividends. However, no dividend shall be distributed if the distributable profit per share in the current fiscal year is less than NT\$0.1.

- 2. Distribution of dividends proposed at the most recent Shareholders' Meeting Cash dividends: The allocation of NT\$416,067,225 from earnings in 2022 for the distribution of cash dividends, where a dividend of NT\$0.35 will be paid for every share, has been proposed. The proposal is still pending approval at the Annual General Meeting before the Chairman of the Board is given the authority to set the date for the distribution of cash dividends.
- 3. Any expected material changes to the dividend policy should further be explained:

The Company's dividend policy is not expected to experience any material changes as of the publication date of this annual report.



(VII)Effects on the Company's business performance and earnings per share of any stock dividend distribution proposed or adopted at the most recent Shareholders' Meeting:

Unit: New Taiwan Dollars (NT\$)

		Offic. 1 tow 1	arwan Donars (1414)
ITEM		YEAR	2024 (Estimated)
Beginning paid-in capita	al		11,887,635,000
Distribution of	Cash dividends per share		0.35
dividends in the current	Number of shares distributed per share h	eld due to capital increase from surplus earnings	_
fiscal year (Note 1)	Number of shares distributed per share h	eld due to capital increase by capital reserve	_
	Operating profit		
	Percentage of increase (decrease) in open	rating income YoY	
	Net income after taxes (NIAT)		
Changes in Operating	Percentage of increase (decrease) in NIAT over the same period in the previous fiscal		
Performance	year		
	Earnings Per Share		
	Percentage of increase (decrease) in EPS over the same period in the previous fiscal year		
	Annual average return on investment (re-	ciprocal of average annual price/earnings ratio)	Not applicable
	If capital increase by retained earnings is	Pro forma earnings per share	(Note 2)
	entirely replaced by cash dividend distribution	Pro forma average annual return on investment	(1.0.0 2)
Pro forma earnings per	If capital reserve is not used for capital	Pro forma earnings per share	
share and	increase	Pro forma average annual return on investment	
price/earnings Ratio	If capital reserve is not used for capital		
	increase and capital increase from	Pro forma earnings per share	
	surplus earnings is replaced by		
	distribution of cash dividends	Pro forma average annual return on investment	

Note 1 Distribution of dividends in 2023 is based on the profit distribution plan approved by the Board of Directors on March 08, 2024. Note 2 The Company has no regulations in place for the publication of its financial forecast. Hence, changes in the Company's operating performance, pro forma earnings per share and price-to-earnings ratio are not applicable.

(VIII) Rewards Distributed to Employees and Directors:

- 1. Percentage or range of rewards distributed to employees and directors as stipulated in the Company's Articles of Association:
 - (1) Employee rewards: Employee rewards shall not be less than one (1) percent of the Company's profit in the current fiscal year. However, the Company shall reserve its profit to cover its loss if cumulative loss is recorded. The above-mentioned employee remuneration can be distributed in the form of shares or cash. Remuneration may also be distributed to employees of the Company's subordinate companies when they meet certain conditions. Such conditions shall be set by the Board of Directors.
 - (2) Directors' remuneration: Directors' remuneration shall not exceed one (1) percent of the Company's profit in the current fiscal year. However, the Company shall reserve its profit to cover its loss if cumulative loss is recorded.
- 2. Basis for estimating the amount of remuneration to be distributed to employees and directors, basis for calculating the number of shares to be distributed as employee remuneration and accounting treatment for discrepancies between the actual and estimated amount of remuneration to be distributed for this period:
 - (1) Basis for estimating employee compensation: To be calculated based on the condition that employee remuneration shall not be less than one (1) percent of the Company's profit in the current fiscal year.
 - (2) Basis for calculating the number of shares to be distributed as employee remuneration: Not applicable.

- (3) Accounting treatment for discrepancies between the actual and estimated amount of rewards to be distributed: If there is any material change made to the amount of rewards upon approval by the Board of Directors, such changes shall be adjusted as annual expenses in the current fiscal year.
- 3. Distribution of remuneration approved by the Board of Directors:
 - (1) Remuneration for employees and directors shall be distributed in the form of cash or shares. If there is any discrepancy between the abovementioned amount and estimated amount of recognized expenses for the current fiscal year, the amount, causes and treatment of such discrepancy shall be disclosed:

 Since the Company did not earn any profit in 2023, no compensation to employees or directors was distributed.
 - There was no discrepancy between the amount of rewards to be distributed as approved by the Board of Directors and the recognized amount of rewards for employees and directors.
 - (2) Amount of employee remuneration distributed in the form of shares and its proportion to NIAT provided in the parent company only or individual financial statements, as well as its proportion to the total amount of employee remuneration:

Not applicable as employee rewards were not distributed in the form of shares.

- 4. If there is any discrepancy between the actual amount of rewards distributed to employees and directors (including number and dollar amount of shares distributed, as well as share price) and the recognized amount of rewards for employees and directors in the previous fiscal year, the amount, causes and treatment of such discrepancies shall be stated.
 - (1) Distribution of rewards to employees and directors in the previous fiscal year:

Unit: New Taiwan Dollars (NT\$)

	2022 directors' and employee reward distribution plan			Description of
ITEM	Approved at the Annual General Meeting	Approved by the Board of Directors'	Discrepancy	Reason for
	via resolution on May 31, 2023	Meeting on March 7, 2023		Discrepancy
Remuneration of Directors	3,000,000	3,000,000	0	-
Remuneration of Employees	19,542,779	19,542,779	0	-

- (2) If there is any discrepancy between the actual amount and the recognized amount of remuneration for employees and directors in the previous fiscal year, the amount, causes and treatment of such discrepancy should be noted: There is no discrepancy between the actual amount and the recognized amount of remuneration distributed.
- (IX) Repurchase of the Company's Own Shares: None.

II. Issuance of Corporate Bonds

(I) Unpaid Corporate Bonds:

April 02, 2024

Type of Corp	oorate Bonds (Note2)	2019-1 Unsecured Ordinary Corporate Bonds (Note5)
Issue Date		04/26/2019
Denomination		NT\$ 1 million
Place of issuance	e and transaction (Note 3)	Taipei Exchange
Issue Price		NT\$ 1 million
Total		NT\$ 2 billion
Interest rate		0.98% per annum
Maturity		5 years Maturity Date: April 26, 2024
Guarantor		No
Trustee		Taipei Fubon Commercial Bank
Underwriter		Yuanta Securities Co., Ltd.
Certified Lawyer	r	True Honesty International Law Offices Lawyer Kuo, Hui-Chi
Certified Public	Accountant	Deloitte & Touche CPAs Chuang, Pi-Yu and Kuo, Cheng-Hung
Repayment meth		Payment upon maturity
Outstanding prin		NT\$ 2 billion
	tion or early repayment	N/A
Restrictions (Not		No
	ating Agency, Rating Date	USI Group was given a long-term and short-term rating of
and Corporate Bo		tw A-/twA-2 by Taiwan Ratings Corporation on December 21, 2018
Additional rights	Amount of common shares already converted (swapped or warranted) and global depository receipts or other negotiable securities as of the publication date of this Annual Report Issuance and Conversion	N/A
(Swap or Subscription) Methods		No
shareholders' equ on the issuance a subscription to st		N/A
Name of commis exchangeable und	sioned custodian of derlying	N/A

Type of Corporate Bonds (Note2)	2021-1 Unsecured Ordinary Corporate Bonds	2021-1 Unsecured Ordinary Corporate Bonds
(,	Corporate Bond A (Note 5)	Corporate Bond B (Note 5)
Issue Date	June 23, 2021	June 23, 2021
Denomination	NT\$ 1 million	NT\$ 1 million
Place of issuance and transaction (Note 3)	Taipei Exchange	Taipei Exchange
Issue Price	NT\$ 1 million	NT\$ 1 million
Total	NT\$ 1 billion	NT\$ 1 billion
Interest rate	0.63% per annum	0.73% per annum
Maturity	5 years Maturity Date: June 23, 2026	7 years Maturity Date: June 23, 2028
Guarantor	No	No
Trustee	Bank SinoPac Company Limited	Bank SinoPac Company Limited
Underwriter	Masterlink Securities Corporation	Masterlink Securities Corporation
Certified Lawyer	True Honesty International Law Offices Lawyer Kuo, Hui-Chi	True Honesty International Law Offices Lawyer Kuo, Hui-Chi
Certified Public Accountant	Deloitte & Touche CPAs Chuang, Pi-Yu and Kuo, Cheng- Hung	Deloitte & Touche CPAs Chuang, Pi-Yu and Kuo, Cheng-Hung
Repayment method	1/2 the capital shall be repaid in the fourth and fifth years from the date of issue	1/2 the capital shall be repaid in the sixth and seventh years from the date of issue
Outstanding principal balance	NT\$ 1 billion	NT\$ 1 billion
Terms of redemption or early repayment	N/A	N/A
Restrictions (Note 4)	No	No
Name of Credit Rating Agency, Rating Date and Corporate Bond Ratings	USI Group was given a long-term and short-term rating of tw A-/twA-2 by Taiwan Ratings Corporation on December 29, 2020	USI Group was given a long-term and short- term rating of tw A-/twA-2 by Taiwan Ratings Corporation on December 29, 2020
Amount of common shares already converted (swapped or warranted) and global depository receipts or other negotiable securities as of the publication date of this Annual Report	N/A	N/A
Issuance and Conversion (Swap or Subscription) Methods	No	No
Possible dilution of equity or impact to shareholders' equity caused by regulations on the issuance and conversion, swap or subscription to stocks	N/A	N/A
Name of commissioned custodian of exchangeable underlying	N/A	N/A



Type of Corporate Bonds	2021-2 Unsecured Ordinary Corporate	2021-2 Unsecured Ordinary Corporate
(Note2)	Bonds	Bonds
	Corporate Bond A (Note 5)	Corporate Bond B (Note 5)
Issue Date	October 26, 2021	October 26, 2021
Denomination	NT\$ 1 million	NT\$ 1 million
Place of issuance and transaction (Note 3)	Taipei Exchange	Taipei Exchange
Issue Price	NT\$ 1 million	NT\$ 1 million
Total	NT\$700 million	NT\$1.3 billion
Interest rate	0.63% per annum	0.77% per annum
Maturity	5 years Maturity Date: October 26, 2026	7 years Maturity Date: October 26, 2028
Guarantor	No	No
Trustee	Bank SinoPac Company Limited	Bank SinoPac Company Limited
Underwriter	Masterlink Securities Corporation	Masterlink Securities Corporation
Certified Lawyer	True Honesty International Law Offices Lawyer Kuo, Hui-Chi	True Honesty International Law Offices Lawyer Kuo, Hui-Chi
Certified Public Accountant	Deloitte & Touche CPAs Chuang, Pi-Yu and Kuo, Cheng- Hung	Deloitte & Touche CPAs Chuang, Pi-Yu and Kuo, Cheng-Hung
Repayment method	1/2 the capital shall be repaid in the fourth and fifth years from the date of issue	1/2 the capital shall be repaid in the sixth and seventh years from the date of issue
Outstanding principal balance	NT\$700 million	NT\$1.3 billion
Terms of redemption or early repayment	N/A	N/A
Restrictions (Note 4)	No	No
Name of Credit Rating Agency, Rating Date and Corporate Bond Ratings	USI Group was given a long-term and short-term rating of tw A-/twA-2 by Taiwan Ratings Corporation on December 29, 2020	USI Group was given a long-term and short-term rating of tw A-/twA-2 by Taiwan Ratings Corporation on December 29, 2020
Amount of common shares already converted (swapped or warranted) and global depository receipts or other negotiable securities as of the publication date of this Annual Report	N/A	N/A
Issuance and Conversion (Swap or Subscription) Methods	No	No
Possible dilution of equity or impact to shareholders' equity caused by regulations on the issuance and conversion, swap or subscription to stocks	N/A	N/A
Name of commissioned custodian of exchangeable underlying	N/A	N/A

- Note 1 The issuance of corporate bonds includes public offering and private placement corporate bonds that are still under preparation.

 Public offering corporate bonds still under preparation refer to corporate bonds that have already been confirmed valid (approved) by the SFB, whereas private placement bonds still under preparation refer to corporate bonds that have already been approved by the Company's Board of Directors.
- Note 2 Adjust the number of rows based on the number of issuance.
- Note 3 To be filled as well if corporate bonds are issued overseas.
- Note 4 Such as restrictions on the distribution of cash dividends, foreign investments or requirement for maintaining the asset ratio at a certain level.
- Note 5 Private placement of corporate bonds shall be indicated in a clear manner.
- Note 6 Information on corporate bond conversion, information on corporate bond swap, status of shelf registration for corporate bonds and information on equity warrant bonds shall be tabulated according to characteristics.

- (II) Corporate Bonds Still Under Preparation: None.
- (III) Information on the Conversion of Corporate Bonds: None.
- (IV)Information on Corporate Bond Swap: None.
- (V) Information on Shelf Registration for Corporate Bonds: None.
- (VI)Information on Equity Warrant Bonds: None.
- III. Issuance of preferred shares: None.
- IV. Issuance of Global Depository Receipts: None
- V. Issuance of Employee Stock Options: None.
- VI. New Restricted Employee Shares: None.
- VII. Status of New Share Issuance in Connection with Mergers and Acquisitions: None.

VIII.Implementation of Capital Utilization Plan

(I) Content:

As of one quarter before the publication date of this annual report, previous issuance or private placement of marketable securities that have not been completed, or that have been completed but are yet to record any benefit within the past three fiscal years: None.

(II) Status of Implementation:

N/A.



Chapter 5. Operations Overview - Consolidated Information

I. Business Content:

(I) Scope of Business:

- 1. Main purpose of the Company's businesses
 - (1) Manufacture, process and sell polyethylene plastic raw materials (including ethylene vinyl acetate resin)
 - (2) Manufacture, process and sell polyethylene plastic products (including ethylene vinyl acetate resin products)
 - (3) Manufacture, process and sell ring block copolymer materials.
 - (4) Manufacture, process and sell catalyzers and related chemicals required by the plastics industry.
 - (5) Research and development of technologies in the plastics industry; the acquisition and sales of proprietary technologies and patents in the plastic industry, and licenses of such technologies and patents to others
 - (6) Design, manufacture, process and sell plastic processing equipment.
 - (7) General import/export trade businesses (except for those subject to license approval).
 - (8) Businesses that are not prohibited or restricted by law, except for those subject to license approval.
 - (9) Manufacture of plastic and its raw materials.
 - (10) Manufacture plastic processed products and their required chemical products.
 - (11) Manufacturing, storage, transport, sales, import and export, and resale of VCM.
 - (12) Manufacturing and sales of technical services (including design and installation) for chemical machinery equipment (including vinyl chloride monomer (VCM) plant equipment).
 - (13) Groundwater regulation business.
 - (14) Manufacture and sales of degradable plastic materials.
 - (15) Machinery wholesaling
 - (16) Trading of plastic raw materials.
 - (17) Manufacturing and sales of polystyrene (GPS) resins and foaming polystyrene (EPS) resins.
 - (18) Manufacture and sales of acrylonitrile-butadiene-styrene copolymer resin (ABS).
 - (19) Manufacturing and sales of styrene-acrylonitrile copolymer resin (SAN).
 - (20) Manufacture and sell plastic raw materials and processed products.
 - (21) Manufacturing and sales of glass wool and related products.
 - (22) Production and sales of cubic printing and related products.
 - (23) E303020 noise and vibration control engineering.
 - (24) E801010 interior decoration.
 - (25) Manufacture and sell manganese-zinc and nickel-zinc soft ferrite powder, ferrite cores, carborumdum powder and other components related to inductors.
 - (26) Engage in venture capital investments in invested businesses
 - (27) Business management and consulting services for invested businesses and other venture capital investments.
 - (28) Electricity supply industry.

2. Ratio

The revenue and proportion of the Company's main products are as follows:

Product Item	Proportion of
	Revenue (%)
Plastic Raw Materials	94
Electronic Materials	4
Other	2

- 3. The Company's current product items
 - (1) Low-density polyethylene (LDPE)
 - (2) Ethylene vinyl acetate resin (EVA)
 - (3) High-density polyethylene (HDPE)
 - (4) Linear low density polyethylene (LLDPE)
 - (5) Cyclic Block Copolymer (CBC)
 - (6) Vinyl chloride monomer
 - (7) PVC powder, plastic pellets and chemicals
 - (8) PVC construction products: Pipes, pipe fittings, door panels and anti-corrosion protection panels
 - (9) Plastic sheets: Soft plastic sheets, rigid plastic sheets, semi-rigid plastic sheets, adhesive plastic sheets and print plastic sheets.
 - (10) Rubber and soft rubber leather
 - (11) Expanded polystyrene (EPS)
 - (12) Acrylonitrile-butadiene-styrene copolymer resin (ABS)
 - (13) General purpose polystyrene (GPS)
 - (14) Glass wool products(Glasswool)
 - (15) Impact-resistant polystyrene (IPS)
 - (16) Mn-Zn soft ferrite powder
 - (17) Ni-Zn soft ferrite powder
 - (18) Manganese-zinc (Mn-Zn) soft ferrite cores (hereinafter referred to as "Mn-Zn cores")
 - (19) Nickel-zinc (Ni-Zn) soft ferrite powder (hereinafter referred to as "Ni-Zn cores")
 - (20) High Purity SiC powder

4. New products development

- (1) Development of new optical-grade applied materials Cyclic block copolymer
- (2) High-speed laminating film-grade EVA products
- (3) High-viscosity pre-coating film-grade EVA products
- (4) Hot-melt adhesive-grade ethylene vinyl acetate resin products
- (5) Other special-grade ethylene vinyl acetate resin products
- (6) Utilizing 30L PVC rejoining experimental tank to carry out the analysis of each by-product counterpart.
- (7) PVC powder color difference study and analysis
- (8) High Softening Temperature Automobile Foot Mats
- (9) PVC Wire Harness Tape Cloth (Italian, Printing)
- (10) Easy-to-cut door edge tape
- (11) Tape for marking line
- (12) GRS Global Recycling Standard Certification
- (13) Anti-virus door panel and hard cloth development
- (14) TPO automobile islands/Foot mats
- (15) TPE leather for finished product recycling
- (16) POE Fish and Electricity Symbiosis Pool Fabrics
- (17) Development of TPU Headset Cover Tape
- (18) TPE leather for car seats
- (19) Development of Bio-Shell Powder Antibacterial and Anti-fungal Leather
- (20) Low VOC PVC/TPE series rubber sheets

- (21) Development of TPU Headset Cover Tape
- (22) PVC/TPE paste cloth without solvent development
- (23) Solvent-free surface treatment leather for PVC/TPE
- (24) Development of High Hydrolysis Resistant TPU Materials and Related Products
- (25) TPO anti-static transparent film development
- (26) Development of Casting Furniture Replicas Through the Use of Soft Leather
- (27) Development of Smooth Leather for Marine Vehicles
- (28) PVC third generation anti-fouling rubber development
- (29) Acrylonitrile-butadiene-styrene polymer (ABS) high gloss material development
- (30) Expanded polystyrene (EPS) rapid prototyping grade material development
- (31) Development of design application frequency up to 10MHz material and iron core
- (32) Development of 3D/4D automotive sensor iron cores
- (33) Development of power materials and iron cores for electric vehicle charger boxes
- (34) High flux/high Curie temperature choke materials and iron cores for automotive applications
- (35) Development of CAN bus materials and iron cores for automotive applications
- (36) Development of automotive airbag connector materials and iron cores
- (37) Development of amorphous and superfine alloy materials and iron cores
- (38) Development of power supply design high temperature current resistant material and iron cores
- (39) High-frequency low-loss GaN/SiC server applications core material design and development
- (40) High frequency high flux (ΔB>120mT
- (41) SiC ceramic powder and carrier disk development

(II) Industry Overview:

1. Current state and development of the industry

Since the commissioning of Formosa Plastics Sixth Light, the PE/EVA production volume in China has increased year by year, and has been more or less stabilized in recent years. At present, there are three PE/EVA manufacturers in China, namely, the Company (including Taipoly and Asia Poly) and Formosa Plastics, and since Taipoly and Asia Poly have each commissioned one new EVA production line in 2016, the total production volume of PE/EVA reached 1,052 thousand metric tons in 2023, of which 450 thousand metric tons of HDPE, 126 thousand metric tons of LLDPE, and 476 thousand metric tons of LLDPE (including EVA). In terms of domestic market demand, the total domestic demand for HDPE in 2023 was 325 thousand metric tons, LLDPE was 239 thousand metric tons, and LDPE (including EVA) was 188 thousand metric tons, due to low import tariffs and competitive prices. Because of low import tariffs and competitive prices, imported materials still accounted for a certain proportion.

At the beginning of 2023, the market was over-expecting the lifting of the epidemic, and the durable materials market rebounded, which also led to a short-term recovery of the alkali and chlorine-related industries. However, with the unstable economic conditions in China, the downturn in the construction-related industries, and the decrease in demand, the new production capacity of various durable materials was rapidly launched, and the increase in supply made the alkali and chlorine series of products unable to support the uptrend, and in turn weakened in a downward direction. VCM has been subjected to the dual effects of strong raw materials and weak downstream demand, which has increased the pressure on its operations. Raw materials: As international demand for alkali remained low, it was difficult to raise the price of EDC, and alkali plants maintained a low operating rate, which also

affected the supply of EDC. In addition, the low water level of the Panama Canal, the deterioration of the Red Sea situation, and the high freight rates have made it difficult for ocean-going cargoes to reach Asia, and sales have been shifted to India, Europe and other regions, and the Asian market, under the influence of the limited supply of EDC, is characterized by firm prices, and even if the downstream buyers reduce their production, they can hardly affect the price of EDC. Ethylene in the first half of the year due to inflation and uncertainty about the future economy, coupled with the mainland after the unsealing of the economic recovery is not as expected, the overall downstream demand is weak, the demand for ethylene also fell. In addition, the prices of upstream raw materials such as light oil and ethane were weak. Although the light cracking plants carried out annual repairs and limited production, it was still difficult to stop the global price of ethylene from going down.

There are four manufacturers of ABS/GPS/EPS in Taiwan, and the domestic demand only accounts for 10% of the annual production of each product, while the rest of the products are exported to maintain normal operation. Because of cost competitiveness and the response to competition from U.S.-China trade, downstream processing plants are slowly shifting from Mainland China to Southeast Asian countries to set up factories. In addition, the Middle East, Africa, and Central and South America are emerging markets with relative potential for demand growth. The total production capacity of EPS producers in Mainland China is also far greater than its domestic demand. According to the statistics 2023, the annual production capacity of EPS was 9.3 million tons in Mainland China, with an operating rate of only 50% or so. Mainland EPS demand by application is basically divided into four segments: electrical appliances packaging, fruit and vegetable boxes, ceramic packaging, and panels, of which electrical appliances packaging and construction panels are dominant. As regards market distribution by region, it is mainly concentrated in South China (Guangdong), East China (Jiangsu and Zhejiang), North China (Shanxi, Hebei and Shandong) and Northeast China (Heilongjiang, Jilin and Liaoning). South China and East China are mainly for electrical alliances packaging whereas North China and Northeast China are mainly for construction panels and the application of vegetable and fruit crates and ceramic packaging is the main application in Yunnan and Guangdong. With advancements in the Chinese government's policy for expanding the domestic market, the electrical appliance production sites in South China and East China have gradually relocated inland along the Yangtze river basin. The relocation is exemplified in the emerging appliance manufacturing bases in Hefei, Wuhan, Chongging, and Chengdu. Demand in the North China and Northeast China regions, which has been affected by the severe overcapacity has led to the deterioration of the competitive environment in the regional market. Moreover, the increasingly stringent environmental protection policies in mainland have led to early closure or relocation of some EPS molding plants.

In respect to ferrite powder and iron cores, such materials are mainly applied in the production of coil inductors which is a type of inductive material of passive components Inductors are mainly used for preventing electromagnetic interference, filtering noise in electric current and power conversion. In addition to the aforementioned functions, inductors can also be used along with resistors and capacitors to demonstrate filtering functions. For example, inductors can be used as upstream material for filters, chokes, ballasts, switch power supplies, various transformers (e.g. inverters, converters, inductors and telecoms), and can be further applied to common electronic products such as (wireless) chargers, cloud servers, desktop computers, notebook computers, liquid crystal displays, LED TVs, smartphones, automotive electronics and communication network devices. Because inductors can stabilize electric current, remove noise and suppress electromagnetic

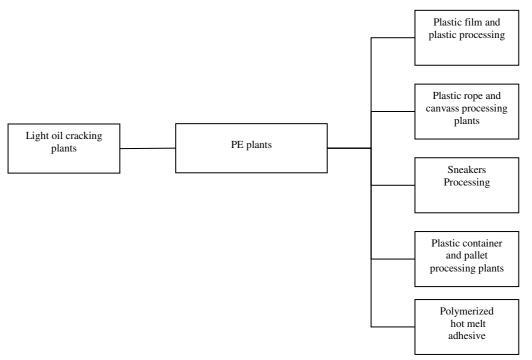


radiation, inductors are widely used in electronic digital and consumer products. In 2023, the passive component industry showed a small decline of 6.4% due to factors such as weak demand for electronic end products, unanticipated inventory adjustments, and the economic downturn in China.

In the silicon carbide powder segment, silicon carbide is a multifunctional semiconductor material with excellent high-voltage, high-power, high-temperature, and high-frequency characteristics. This gives it great potential for use in applications such as electric vehicles, electric vehicle charging piles, and green energy equipment, and it is expected to play a greater role in future technological and industrial fields.

2. The correlation among the upstream, midstream and downstream of the industry

UpstreamMidstreamDownstream



The Company has maintained a good upstream and downstream relationship with CPC Corporation, Taiwan, and they have complemented each other over a long period. In the future, the Company will actively seek to establish a closer partnership with CPC Corporation, Taiwan. There are three PE manufacturers in Taiwan and each of these manufacturers has its own supply and sales system. Nevertheless, the Company continuously strives for excellence by improving product quality and production volume, thereby being able to provide high-quality products to a large number of downstream processing companies which subsequently enhance their product processing standards and lead to cooperation with the Company in market development.

Ethylene dichloride (EDC), the raw material for VCM in the upstream, is supplied by Formosa Plastics Corporation and overseas manufacturers. Ethylene is supplied by CPC Corporation, Taiwan and overseas manufacturers. while liquid chlorine issupplied by Taiwan Chlorine Industries Ltd. EDC is cracked to produce VCM and hydrochloric acid gas. Ethylene, oxygen and hydrochloric acid produce EDC via oxychlorination. VCM produces PVC resin via polymerization, which is then supplied to secondary plastic processing plants in Taiwan in order to produce a

series of plastic products such as plastic leather, plastic sheets, plastic pipes and pellets.

The primary raw material for GPS and EPS is styrene monomer (SM) while that for ABS includes SM, acrylonitrile (AN), and butadiene (BD). SM producers in Taiwan include Taiwan Styrene Monomer Corporation, Formosa Chemicals & Fibre Corporation, and Grand Pacific Petrochemical Corporation. They have a combined output of approximately 2 million MTA (annual demand is approximately 1.85 million MTA in Taiwan). SM is traded in large quantities in international trade, and the transportation conditions are more convenient. Therefore, it is relatively easy to obtain. In addition to making purchases from domestic sources, some of the SM required in Taiwan is purchased from foreign sources on a spot basis. The total annual production capacity of SM producers in Mainland China is currently about 14.08 million tons. There have been expansions and new plants since 2020, resulting in an oversupply, and therefore SM producers in Mainland China seek to export SMs. The main raw material SM of EPS in Zhongshan Factory of our company is mainly obtained from domestic SM Plants of mainland China, and we can also purchase SM from overseas when necessary. AN producers in Taiwan include China Petrochemical Development Corporation and Formosa Chemicals & Fibre Corporation. They have a combined output of approximately 500,000 MTA, sufficient for all domestic demand (annual demand is approximately 380,000 MTA in Taiwan). AN is toxic and its transportation is governed by numerous regulations and restrictions. It is therefore not favored for long-distance transportation. The AN required by the Company is mainly from domestic sources. BD producers in Taiwan include CPC Corporation and Formosa Chemicals & Fibre Corporation. They have a combined output of approximately 600,000 MTA, which equals the overall domestic demand of 600,000 MTA. However, companies sometimes import the product during annual maintenance shutdowns. The main users are the rubber industry and ABS plants. The Company can obtain sufficient BD from domestic sources. The upstream materials for ABS/PS/EPS are crude oil derivatives and prices usually fluctuate along with fluctuations in oil prices. Reference prices of raw materials for SM/AN/BD are available globally for buyers and sellers. The upstream materials for ABS/ GPS/EPS are crude oil derivatives and prices usually fluctuate along with fluctuations in oil prices. Reference prices of raw materials for SM/AN/BD are available globally for buyers and sellers. Downstream customers are mainly small and medium enterprises with a generally low processing scale. The design of molds and craftsmanship also differ based on product design provided by final customers. ABS/GPS/EPS plants have to meet the downstream customers' needs and provide technical services and material recommendations upon request.



In respect to magnetic iron oxide powder and cores:

Upstream	Mid-stream	Downstream	Product Application
Iron oxide	Manganese-zinc ferrite	Upstream	Digital products: Power supplies, monitors,
Manganese	core	component for	motherboards, hard drives, optical drives, printers,
oxide	Nickel-zinc ferrite core	power	scanners and other computer peripheral devices
Zinc oxide	Manganese-zinc ferrite	transformers,	Telecommunication products: Transmission devices
Nickel oxide	powder	load coils,	such as smartphones, telephones, fax machines,
Copper	Nickel-zinc ferrite	choke coils	switches and servers, as well as enduser devices
oxide	powder	and	Consumer electronics: tablets, digital cameras, game
		degaussing	consoles, CD/DVD players, LED TV, audio, etc.
		coils	Others: Automotive electronics, solar energy,
			wireless chargers etc.

Siliconware powder:

Upstream	Mid-stream	Downstream	Product Application
N-type	Wafer Substrate	IC Design	Telecommunications, Communication Equipment,
Silicon	Epitaxial	IDM	Electric Vehicle Charging Stations, Vehicle
Carbide		Foundry	Chargers, etc.
Semi-			Expanding automotive field
Insulated			5G base stations and networking equipment
Silicon			
Carbide			

3. Product development trends and competition

In terms of domestic sales, there are currently three domestic PE and EVA manufacturers. Over the years, their respective supply and marketing systems have een formed. However, due to the low import tariffs, LDPE, HDPE, and LLDPE products still account for a considerable proportion of the import. In terms of the export market, Taiwan is always the main exporter of petrochemical products, such as PE and EVA; the export areas are mainly Mainland China, Southeast Asia, and South Asia. In addition to the Middle East and some ocean-going goods from Europe and the US, the main competitors in Asia include manufacturers from Japan, South Korea, Thailand, Singapore, Malaysia, India, Indonesia, and Mainland China. In recent years, with rising local protectionism, countries, including ASEAN members, Mainland China, and India, have successively implemented differentiated tariff policies. Our main competitor, South Korea, has taken a lead in trade negotiations. Even ASEAN countries, such as Thailand and Singapore, have continuously expanded their production capacity in recent years with the benefits of preferential tariffs, plus the RECP takes effect in early 2022, which has greatly affected the competitiveness of Taiwan's petrochemical products. Moreover, new PE production capacity of several million tons has been put into operation in North America in the past two years with the shale gas as a raw material; the low cost of ethylene produced accordingly has posed a great threat to Asia's light cracking naphtha plants; the mainland China is also actively expanding PE and EVA production capacity. Faced with this severe challenge, the Company has continued to develop differentiated products for the

market in recent years to avoid general specification-based price-undercutting competition while actively strengthening its international marketing capabilities and developing its business layout in Russia, Pakistan, Vietnam, Cambodia, Myanmar, and Central and South America to avoid the risk of excessive market concentration.

In the current PVC industry in Taiwan, the annual production volume of VCM at the Company and Formosa Plastics Corporation is 485 thousand tons and 1.644 million tons respectively. The annual production volume of PVC resin at the Company, Formosa Plastics Corporation and Ocean Plastics Co., Ltd. is 450 thousand tons, 1.785 million tons and 150 thousand tons respectively. PVC processed products consist mainly of PVC film/sheet, PVC leather and construction products. In 2023, due to the impacts of the Average Land Rights Amendment, interest rate hike by the central bank, and the presidential election, the construction industry was slow, and the government continued to impose credit control and hoarding tax measures, resulting in a year-on-year decline in the housing market, which led to a decline in the demand for building materials and leather fabrics, which are the basic materials for people's livelihoods, as well as consumer products. PVC market in the first quarter of the push up, the second quarter from the cooling demand, China / U.S. domestic demand is not good, a large number of PVC powder to export dumping, so the international market rose less and fell more. Geopolitics (Russia-Ukraine conflict, Israeli-Harbin war to Red Sea incident) and extreme weather (winter cold wave / summer and fall Panama Canal water level reduction) intensified the disruption to operations, resulting in lower revenue and profitability. In 2023, the operation was based on the balance between production and sales, strictly controlling the upstream cost and inventory risk in response to the changes in the market of PVC powder, while the sales strategy emphasized price-volume control and real-time market conditions in order to expand the source of high-priced orders.

ABS resin are widely used in automotive engineering, electronics, electrical appliances, equipment and building materials, due to the product's synthesized feature of resistance to impact, heat, low temperature, and chemical erosion, in addition to its modability and surface gloss. It is a type of polymer material between general-purpose plastic and engineering plastic. In Mainland China, the downstream consumption of ABS is mainly concentrated in the household appliance industry, accounting for 60% of the total market share. Among all the applications, air conditioners, vacuum cleaner, refrigerator and laundry machines incur the most demand for ABS. In the future, the market competition will become more intense due to the continuous increase of new production capacity in mainland China. GPS is widely used plastic whose market value mainly fluctuates with the price of its raw material, SM. Due to the advantage of vertical integration, Taiwan's largest GPS manufacturer, Formosa Chemicals & Fibre Corporation, has a lower GPS production cost than other manufacturers, and thus it can easily dominate the market. All other domestic manufacturers (including the Company) purchase SM to produce GPS, and

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the competitiveness is greatly affected by the price of SM. The Company is the only manufacturer in Asia who adopts NOVA manufacturing technology in the production of GPS. Featuring the character of low free monomer, the quality of the Company's product is competitive in the market and is mainly distributed in Taiwan, Southeast Asia, and Mainland China. The main markets for GPS are disposable tableware and food packaging materials, which are markets with relatively stable growth in demand. Full production and sales were maintained in 2023, with a slight growth of approximately 6% over 2022. GPS still has a stable profit margin and the Company continues to develop markets other than Mainland China and Hong Kong to maximize production and sales and ensure profitability. Competition in the future market will continue to focus on the impact of the new GPS production capacity in China. The demand for EPS packaging in the domestic market has shrunk significantly due to the gradual relocation of large-scale processing factories. Meanwhile, Taiwan is located in the subtropical zone, and EPS is seldom used as a building material to keep the temperature in construction, therefore, so the four EPS manufacturers in Taiwan currently have about 90% of their EPS products. The Company's former township EPS plant continued to develop markets outside of China and Hong Kong and achieved success, but demand for EPS still declined in 2023 due to inflation, down approximately 3% from 2022.

For ferrite powder and cores, due to rapid development of 3C products, downstream manufacturers continuously launch new products in response to changes in market demand. With increasingly enhanced functions of electronic products and the polarized development of large-sized transformers and micro-miniature inductors, it is necessary to design product characteristics such as materials, formulas, impedances, dimensions and appearances according to customers' requirements for product functions, materials and shapes, as well as follow the trend of developing complicated products with wide temperature range, high frequency, resistance to high current and micro-miniature size. The Company's products are mainly sold in Mainland China. Currently, the Company's principal competitors are the iron core manufacturers in China and Japan. Since there are many competitors in this industry, and the price competition is fierce, the Company has established a competitive advantage by enhancing the added value of its products, improving the manufacturing process to reduce production costs, and bettering the quality of its products in a comprehensive fashion for effective market differentiation. In addition, establish all-around support service capabilities in line with customers' product development needs, shape the Company's competitive advantage over other competitors, as well as jointly develop future products according to development trends in order to quickly grasp market developments and enhance competitiveness.

(III) Technology and Research and Development:

1. Research and development expenditures invested during the most recent fiscal year

Unit: NT\$ thousand

		CIIII, 1114 iliousuite
	2023	As of the end of March, 2024
R&D Expenses	468,416	112,327

- 2. Technologies and/or products successfully developed
 - (1) New specifications of ethylene vinyl acetate resin
 - (2) Specification Development of High mobility HDPE
 - (3) Development of the application of high-performance shoes made of foaming material
 - (4) Production technology for the large batch production of V18161 low crystal point coating-grade EVA product
 - (5) Production technologies for low crystallization point coating-grade high-speed laminating film EVA product V18251
 - (6) Development of hot melt grade EVA production technology EVA products V080850 and V191501
 - (7) High reflection cooling water based paint
 - (8) Development of new dosage and application of fire-retardant addition liquid
 - (9) CX grade Low VOCs corrosion protection paint
 - (10) 30L PVC synthesis test
 - (11) PVC powder moisture AI monitoring
 - (12) PVC powder color difference study and analysis
 - (13) GRS Global Recycling Standard Certification
 - (14) Tape cloth for Japanese marking line
 - (15) PVC Wire Harness Tape Cloth (Italy, India)
 - (16) Easy-to-cut door edge tape
 - (17) High Softening Temperature Automobile Foot Mats
 - (18) Anti-virus door panel and hard cloth
 - (19) TPO automobile islands/Foot mats
 - (20) TPE leather for finished product recycling
 - (21) POE Fish and Electricity Symbiosis Pool Fabrics
 - (22) Smooth Leather for Marine Vehicles
 - (23) CG-A imitating Xinli Casting
 - (24) CG-A QC truck seat and interior rubber
 - (25) Soft leather for car seats and interior and furniture
 - (26) Acrylonitrile-butadiene-styrene polymer (ABS) gloss enhancement General grade ABS product basic performance improvement
 - (27) Acrylonitrile-butadiene-styrene polymer (ABS) market expansion Bureau of Indian Standards (BIS) ABS product certification, from 2023/07 to an average of 1700MT per month
 - (28) Heat-resistant acrylonitrile-butadiene-styrene (ABS) polymers: development of heat-resistant ABS alloys in non-traditional copolymer formulations, both of which can withstand a heat-resistant deformation temperature of 100°C.
 - (29) Improved shelf-life of expanded polystyrene polymer (EPS) products and increased storage efficiency of export containers by 30 per cent.
 - (30) CIM injection and forming technology development
 - (31) Development of SiC sintered ceramic powder and forming sintering technology
 - (32) Raw mould engraving technology for all sizes of surface development
 - (33) P63 material power chokes



- (34) A044 material wide temperature automotive Antenna development
- (35) Alloy and Ferrite paste and technology development

(IV) Long-term and short-term business development plans

1. Short-term business development plans:

For short-term business planning, due to lack of ethylene supply based on the contract with CPC Corporation, the Company not only is committed to searching for sources of low-priced ethylene, but also continuously develop differentiated products, optimizes product mix, and reduces production costs, thereby enhancing product profitability and the competitiveness in the domestic market. In terms of exports, the Company plans to continuously solidify its position in the markets outside the market in China to diversify risks. Additionally, the Company will comprehensively enhance service quality, improve product structure and focus on differentiation and customization to address niche market needs in order to avoid vicious low-price competition. The Company has the advantages of high quality and reputation in the solar packaging film-grade and special hot melt adhesive market. In recent years, the solar market has developed vigorously. To meet clients' urgent needs, the company established EVA production lines with a production capacity of 90,000 tons, which was successfully put into production in the middle of 2016. The products were immediately recognized by clients. At present, the overall EVA sales were smooth. For the investment in the Gulei project, the Company has established most plants with the aim of having a stable supply of raw materials in the upstream section and integrating both petrochemical raw materials and plastics refining in the mid-stream section, so as to enhance its overall cost support and reduce transportation costs while alleviating the price competition in the international market, thereby enabling the Company to establish a foothold in the Greater China market. The Company will continue to engage in the research and development of CBC optical materials and food-grade container materials, and continuously investigate and evaluate the market potential for high-value ethylene derivatives / copolymer and the feasibility of mass production for these products.

The Company will strengthen integrated operations of VCM-related industry chain in order to stabilize high production volume and quality and actively explore stable sources of raw material supply. In addition, due to the uncertainty of the current market conditions, it is necessary to make frequent and flexible adjustments to production and marketing plans in order tominimise losses and increase our leverage when the market is weak. In view of PVC, the Company is keenly to establish cooperative and reciprocal relationship with major clients of PVC powder, while continuously acquiring new clients and enhancing development in high-value sectors. Therefore, both domestic sales and the market share are expected to be maintained in 2024. The production capacity of the plants in Toufen and Linyuan are utilized in flexible ways to enable product diversification, labor division, thereby decentralizing the customer and market base. The Company has set up policies to select customers with good credit ratings for sales and strengthen major distribution channels to increase the proportion of sales with downstream manufacturers. All these have been done in an attempt to balance market fluctuations between the peak and off-peak seasons, and eliminate the bottleneck of excessive sales concentration on retailors. In 2022, the domestic economic economy is weakening, and the electronics and communication industries are starting to decline along with the export demand. However, the quotation of liquid alkali in Asia is firm, and the domestic chemical production/sales will be at the same price/volume in 2022. In 2023, the Company will

continue to strengthen the relationship with the sales channel and expand the integration of downstream sales, comprehensively improve the quality of service, ensure stable supply and increase sales. Particularly for the 45% liquid caustic soda product, the Company keeps making solid relationship with core customers in order to maintain its market share. The PVC plastic products part optimized the pipe product mix, maintained the stability and increased the market share of construction pipe, and actively participated in the supply of public works to increase the profit by reflecting the raw material cost. Promote the application of functional products of environmental protection materials, enhance product added value and brand image, and pursue material innovation to increase sales and profits. On top of that, advertisements on media, website broadcasting design, and participation of various major exhibitions are made to enhance product awareness and expand business opportunities for the plastic leather / sheet products. The Company will also join forces with its peers to strengthen the supply of various types of artificial leather, with the purpose of increasing its product portfolio and enhancing horizontal competitiveness. The formula of the FORBID stain-resistant product is upgraded to improve the cleaning effect. A water-based formula is developed to improve the fog surface feel and create more market opportunities. The business of leather for agricultural equipment and seats in North America has been stable. Continuously develop new products to win annual orders from major North American trolley chair manufacturers. The Company's product portfolio and sales performance will also experience a strong rise, thereby significantly benefiting the Company. In addition to the original OEM truck market, cooperate with customers to develop electric vehicle seat leather to increase the sales of interior leather and seat leather, and expand the product application range. The anti-mold formula for plastic leather used in ships is upgraded to meet the REACH requirements. It is expected that the UV-resistant formulation of marine leather will be upgraded at the same time as it is sold to the European market, so as to meet the demand of the OEM marine leather market in accordance with the U.S. regulations. In line with the requirements of Prop#65 regulations in the North American market, the formulation and related labeling are improved, and the market operation is expected to be more sound. Strengthen product greening and recycling (in compliance with the GRS standard -- Global Recycled Standard), and continuously optimizing the upgrading of environmentally friendly materials such as TPO and TPU, we are mainly promoting them to the furniture, marine, motorcycle, exhaust ducts, baby and child products, and footwear materials, etc., which have a deep sense of environmental protection. Launch cooling vinyls, translucent vinyls and anti-viral products for furniture, upholstery, marine, automotive/motorcycle, door panels and shoe materials, etc. Innovative materials and environmental protection issues are expected to be echoed in the marketplace and to enhance the branding and effectiveness of the products' applications. Strengthen operations in the Asian rigid fabric market to increase market share and enhance gross margins for continued growth in 2013 The development of the automotive tape market in Europe and India is expected to increase the shipment performance in 2024 substantively. Epidemiological factors are eliminated, plan to participate in trade fairs and continue to use e-commerce/internet to grasp business opportunities in various markets.

ABS is fully produced and fully sold, continuously increasing the proportion of direct customers and developing markets outside the mainland China and Hong Kong. In the production of ABS, new Toyo SAN manufacturing process is set in place, and improvement in the background color and quality of the ABS product has also been seen. In the future, we will make good use of this advantage and expand the market application. GPS also needs to continue to explore markets outside mainland China

and Hong Kong, while leveraging NOVA's quality advantages in the food packaging market for continued growth opportunities. The company's former plant EPS still needs to increase the global sales layout, to ensure that the full production of the target. The Company will realize the integrated supply chain management to maximize production and sales and maintain the inventory of raw materials and finished products at a low level. Strengthen business development capabilities, develop markets with low market share and product market applications, expand sales base customers, and stabilize market sales. The Company will expand functionality and flexible organization and actively expand export sales, particularly develop the market in emerging and developing countries. In the South China market, EPS continues to improve and stabilize the quality of fast materials and extra light materials, and expand market sales. Continue to strengthen the core market (Yunnan, Guangdong province) and continue to develop Guangxi, Fujian, Hubei and other markets. Make use of the complementarity of market demand specifications, balance sales specifications, continue to improve and expand technical customer service capabilities and scope, increase customerloyalty. The Company will improve the pellet size and concentration to meet market demand.

In terms of ferrite powder and cores, the Company will continue to develop new materials, new technology and new products, and integrate the cost advantage of factories in Mainland China to increase competitiveness and market share. Taiwan, Malaysia, South China, East China and Chengdu offices and other sales bases, with service bases in Japan, continue to strengthen the service to downstream customers, close to the customer base, in order to quickly meet customer needs. The Company will also work in collaboration with international major manufacturers to implement the Design-in/Spec-in process and recognize their new product designs. Product portfolio will also be adjusted in order to increase profitability.

For siliconware powder, the Taoyuan plant continues to expand its capacity to 25 tonnes per month to meet the rapid growth of the market. Expansion of the Malaysian production line to avoid geo-political factors affecting the progress of product recognition.

2. Long-term business development plans

In the long-term planning of its PE/EVA business, the Company will actively expand this business into markets including Southeast Asia, South Asia, East Asia, the Middle East and the Americas in order to diversify risks due to excessive market concentration. In addition, the Company will find a stable source of ethylene and seek opportunities for vertical integration, thereby controlling the cost of raw materials in the upstream to get a foothold in the global market, and expanding its sales strategies by integrating refineries in both the upstream and the downstream.

In VCM business, occupational health and safety policies will be intensified companywide and production processes will be stabilized in plants; all these will be made in the hope to reduce cost and ensure long-term stability for the Company's product supply. In addition, VCM storage tanks were built at the Intercontinental Terminal to increase storage capacity as a buffer against drastic changes in the market. Te Company will enhance differentiation in PVC resin product processing and continue to expand selling for special specifications. Fully utilize the existing production capacity of chemicals, the new hydrochloric acid furnace is conducive to de-bottlenecking the production capacity and improving product quality and realising the basis for product upgrading, as well as stabilising the channel for expanding sales. The Company will enhance research on processing technologies for PVC plastic products, and improve equipment and its environment in order to produce

differentiated products, thereby segmenting the increasingly competitive traditional product market. The Company will improve the production capacity and raw material formula of PVC plastic product machines, develop high value-added products, and expand the production capacity of professional products to increase the market share. The PVC products will continuously be promoted in regions with high economic growth potential, such as Southeast Asia, South Asia, and South America. The product assortment to be promoted includes SRT stain-resistant leather, cooling leather, automotive leather, and stationery/universal/pool adhesive sheets. The Company will search for information on fashion and trends to continuously develop trendy emboss and color combinations for PVC plastic products, and jointly develop new PVC plastic products with peers to create a more complete product portfolio to develop more customers. In line with the updated environmental protection regulations, the Company will continue to adjust the formula and various supporting measures for PVC plastic products, and optimize the equipment in order to enhance the value of the products. The Company will continue to develop and promote environmentally friendly materials for PVC plastic products to the markets ranging from footwear, automotive, furniture, marine to flooring products. The Company will put efforts to reduce the production cost of environmental protection materials, in order to improve the market competitiveness and acceptance. Continue to observe the geopolitical situation in the Middle East, the competitive changes in China-U.S. relations, as well as the development of the Russia-Ukraine war, and pay attention to the downstream production and sales trend derived from the shift of PVC plastic products production bases in the second half of 2024 in anticipation of a slowdown in inflation and an expected recovery of the economy. Plan for the export of PVC plastic products such as synthetic leather and tapes as targets for carbon footprint inventory to enhance the competitiveness of the international brand.

Collect the trend of ABS/PS selection of industrial materials and develop suitable product materials. With the improvement of physical properties of its products, the Company will enhance its market share in the "high-quality, high-priced" market segment. The Company will increase its market share in overseas emerging markets.

Resources of the Company will be integrated to continuously make development in the ferrite powder and iron core products as well as new material business lines. The Company will also acquire potential customers and develop new sales bases so as to increase market share. On the other hand, the Company will continue to nurture international marketing talents, set up overseas sales offices, and keep abreast of information related to international markets in order to achieve the goal of internationalization.



II. Overview of Market and Production and Marketing:

(I) Market Analysis:

1. Sales regions and market share for major products

Domestic polyethylene (PE) plastic raw materials are used by USI, APC, and Formosa Plastics Corporation to manufacture low-density polyethylene (LDPE) and ethylene vinyl acetate (EVA). High-density polyethylene (HDPE) and linear low-density polyethylene (LLDPE) are manufactured by both USI and Formosa Plastics Corporation as well. USI Corporation's PE / EVA sales account for 33% of the total domestic sales, where its PE / EVA exports account for 67%. APC's PE/EVA sales in the domestic market account for 24% of total, while 76% of the sales are originated from export. The Company's products are exported to different countries, including the United Arab Emirates, Australia, Bangladesh, Brazil, mainland, Ecuador, Egypt, Britain, Hong Kong, Indonesia, Israel, India, Iran, Japan, Cambodia, Sri Lanka, Myanmar, Mexico, Malaysia, Nigeria, New Zealand, Peru, Philippines, Pakistan, Poland, Russia, Senegal, Thailand, Turkey, United States, Venezuela, Vietnam, South Africa, with 60% of the sales orders of USI Corporation arising from Hong Kong and Mainland China, while 60% of the sales orders of APC Corporation arising from Hong Kong and Mainland China. Among all the plastic materials exported overseas, ethylene vinyl acetate (EVA) is the most important item, followed by low-density polyethylene (LDPE) and linear low-density polyethylene (LLDPE). Among all the plastic materials exported overseas, ethylene vinyl acetate (EVA) is the most important item, followed by low-density polyethylene (LDPE) and linear lowdensity polyethylene (LLDPE). USI's low density polyethylene (LDPE) accounts for about 2.4% of the domestic market, while the rest is supplied by APC and imports. Of the total sales volume of ethylene vinyl acetate (EVA) in the domestic market, sales by USI account for 43%, whereas 35% were sold by APC and Formosa Plastics Corporation, and the remaining 22% are from import. In view of high-density polyethylene (HDPE), 16% of domestic sales are from USI, and the Company's linear low-density polyethylene (LLDPE) accounts for 3% of the total market share. The rest is supplied by Formosa Plastics Corporation and import. Since the total domestic production volume has exceeded the demand, the Company strives to increase export sales in an attempt to absorb excess production and achieve the balance between production and sales.

For VCM, the ratio of domestic sales to export sales and self-use products is approximately 6.5:0.7:92.8. For PVC powder, the ratio of domestic sales to exports to personal use is 11:81:8. The main export regions include Bangladesh, India, Southeast Asia, the Middle East, South America, and Africa. Chemical products are sold mainly to Hsinchu Science Park, Central Taiwan Science Park and northern regions, accounting for 70% of total sales. The main client for these products are electronics and petrochemical industries. The Company's market share in the domestic market is approximately 2 to 3% for liquid caustic soda and approximately 16 to 18% for hydrochloric acid and liquid bleach. The PVC plastic product portfolio consists of: (1) building products: mainly sold domestically. Domestic market share: approximately 18% for PVC pipes and a gradual increase in PVC door panels. (2) PVC film/sheet: The ratio of domestic sales to exports is 53:47 and the Company's market share in the domestic market is approximately 21%. These products are exported mainly to the Americas, Europe, Australia, South Africa, Russia, Japan, China, Vietnam, Bangladesh and Southeast Asia. (3) PVC leather: The ratio of domestic sales to exports is 35:65, while its market share in the domestic market is approximately 28%. These products are exported mainly to North America, Europe, Australia, Japan, Mainland China, Malaysia and India.

ABS/PS is mainly exported, accounting for about 90% of the turnover. Within the

export region, the proportion of ABS/PS is the largest in mainland China and Hong Kong, and the sales in Southeast Asia/South Asia/Central and South America/North America/Egypt and other regions have also been growing. The percentage of sales in the domestic market is as follows: 9% for ABS / PS and 62% for glass wool products. In addition, EPS products produced in the Company's plants located in Mainland China are basically all sold within Mainland China.

In view of ferrite powder and iron cores, the domestic demand for inductor is around 12% to 15% of the total domestic demand for passive components; therefore The estimated market share of the Company's ferrite powder and iron cores is about 2% to 4%. The siliconware powder segment is initially estimated to account for 10% of the global market.

2. Market supply and demand and market growth in the future

In 2023, EVA production and sales were normal, and sales volume increased compared to 2022, but PE was affected by inflation, downstream demand decreased, and sales volume showed a decline, and the new production capacity of PE in North America was nearly finished, in which shale gas is adopted to refine ethylene; compared with the light cracking plant where naphtha is used, it has a very great advantage in cost, and the threat to the Asian light cracking plants cannot be underestimated. In the next few years, there will be new EVA production capacity in China from 2024 to 2025, which is likely to have a certain degree of impact on supply and demand. The Company's PE products are mainly sold domestically, and in recent years, the Company has been actively developing differentiated products. Moreover, with the experience of coping with the previous wave of expansion in the Middle East, the Company has the confidence that it can successfully overcome this wave of severe challenges successfully.

At the beginning of 2023, when the epidemic in China was lifted, demand was expected to increase, and VCM factories in Asia-Pacific intensified their annual repairs and unplanned shutdowns, which pushed up spot prices. However, the PVC market started to weaken at the end of the first quarter and fell for many months, with VCM demand weakening and prices sliding, and a number of factories were unable to cope with the cost pressure by reducing their production, thus tightening the supply. The PVC market experienced threequarters of price correction in 2023, and the main market inventory was at a low level, urgently waiting for new supply. After the market bottomed out in early 2024, India has taken the lead in a large number of replenishment, pushing up the transaction price, while driving other markets to actively chase prices. In 2024, the domestic market for PVC powder remained buoyant due to demand for public works and the renewal of domestic demand for Taiwan's power cables. Domestic large chemical users are expected to have the opportunity to slowly pick up demand in 2024, and demand for upstream industries such as wafers and panels is expected to grow. In 2024, the government's housing market policy is to continually curb housing speculation and price increases by combining interest rate rises and credit control measures to combat property speculation while public construction contracts are expected to be issued one after another. Therefore, the overall sales of building materials are expected to remain stable in 2024. In 2023, despite the elimination of epidemics and the stabilisation of shipping costs and raw material prices of PVC plastic tape, the persistence of the global high inflation problem, coupled with high inventories to be eliminated and the compression of end-consumption, and the reduction of loads in response to the start-up of factories, the demand for raw materials has declined sharply, thus affecting the purchasing power. Looking forward to 2024, the domestic and overseas PVC plastic sheet markets are expected to recover quarter by quarter. The Company continues to keep niche products in its product portfolio, and mainly promote high value-added products. The domestic and export market is based on the company's stable customer source and long-

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term good cooperation; In the development of new products and new markets, spare no effort, and the performance has been shown one after another, and the sales volume is expected to gradually stabilize. Looking forward to 2024, the domestic sales of PVC plastic leather will continue to expand the indirect export channels and promote a series of functional and environmentally-friendly products, while in terms of export, the U.S.-based market will continue to be maintained steadily. Despite low-price competition from Vietnam, India, Mexico, and Mainland China, the Company's production and sales team will research and develop new products, expand product assortment, and develop new markets; the sales volume is expected to increase in 2024.

ABS: In 2023, due to the impact of inflation, the demand for consumer electronics in Europe and the United States declined significantly. In 2024, continue to pay attention to geopolitics and the impact of the U.S. Federal Reserve's decision on inflation and interest rate hikes on the market, and the competition in the market will become more and more intense as new production capacity of ABS in Mainland China will be put into operation one after another; the company continues to develop the ratio of direct customers with higher profit margins, and develop non-Mainland and non-Hong Kong markets, in order to achieve the strategic goal of full production and full sales and to ensure the performance of the Company's operations. GPS: The global plastic ban issue continues to ferment, coupled with China's estimated 1 million tonnes of new PS production capacity in 2024, the impact on the market will continue to be observed. Therefore, Taita Chemical's strategy is to actively develop markets outside of China and Hong Kong, and to maintain full production and sales to ensure operational performance. EPS part: EPS in Mainland China is still in the situation of oversupply, it is estimated that there will be about 1 million tonnes of new production capacity in Mainland China in 2024. Looking forward to 2024, the development of new markets/new customers has been successful, such as the growth of Africa, Central and South America and other markets, the Company's strategy is to achieve full production and sales of EPS, and to improve operational performance. As for EPS in Mainland China, there are four major EPS manufacturers in South China. In December 2023, another 150,000 tons of production capacity was put into operation in Zhuhai, increasing the production capacity in South China to about 1.35 million tons. The Zhongshan plant of the Company has an advantage in the quality of ordinary materials, fast materials and special lightweight materials, and continues to optimize the quality to enhance the Company's competitiveness in the market of packaging and sheets for electrical appliances and fruits and vegetables; at the same time, enhance the concentration of production particles, increase the output ratio of products with effective specifications, reduce the generation of stagnant materials, and strengthen our production efficiency; and in order to achieve sustainable development, actively promote the setting up of a new plant of 200,000 tons for the Gulai plant. In terms of glass wool products, the domestic market declined by 8% in 2023, and the import volume accounted for about 3% of the overall market. With India being the main import countries, it is estimated that the domestic market in 2023 will decrease by 2% compared with that in 2023. The export market in Southeast Asia is highly competitive and the unit price is low. Therefore, the sales focus is on New Zealand, Australia, and other markets with high unit price. At present, the sales in New Zealand and Australia are stable, and other market opportunities are continuously developed to actively improve the breadth and depth of the export market; The domestic and international sales ratio is estimated to be 60% and 40% in 2024.

In 2023, due to the Russian-Ukrainian war, Israeli-Palestinian conflict, and inflation, the passive component industry is still in a slight recession due to the weak end-demand, unforeseen inventory adjustment, and the economic downturn in Mainland China. Looking ahead, the inventory of each industry is gradually entering into a safe level, and the passive component industry is still optimistic about the development of high-end

automotive, AI, industrial, medical, aerospace, and 5G/IoT applications.

The compound growth rate of silicon carbide powder reached 31% from 2022 to 2028, of which 70% was applied to electric vehicles. Although the global economy is currently poor and the recovery of demand is not as expected, many countries have set a timetable for the suspension of the sale of fuel vehicles, and the growth of electric vehicles is inevitable, which will push up the growth of silicon carbide. The Company is the most upstream raw material for siliconware long crystals, and the higher the upstream, the higher the growth rate, so the Company's growth rate will be higher than the industry average. From the development of siliconware to the present, our company has been growing at a doubling rate every year, and our share and sales have climbed significantly.

3. Competitive Niches

The Company has always been known for its decent management. Our business philosophy is "Solid Operation, Professional Management, Seeking Excellence and Serving the Society." The Company's current business strategy is to manufacture and sell PE / EVA products with higher added value using limited sources of ethylene, and continuously change its product portfolio in order to generate higher profits. The Company has set up a research and development division in Guishan, which is responsible for development of new products and development of new market application, and is also committed to product optimization and customer technical support, with the effect affirmed by downstream customers.

In production, VCM (vinyl chloride monomer) process equipment is improved to stabilize production capacity and maximize utility rate. In purchase, the Company purchases competitive raw materials to increase production efficiency and reduce cost, thereby enhancing profitability in the overall industrial chain. Adhered to the spirit of integration of the vinyl chain and worked together toward the goal of maximizing the production and sales of VCM/PVC/processed products and other products. We seek to minimize costs while stabilizing ourselves amid a series of challenges as we wait for opportunities to create profitability. In sales, products are made in stable and proper quality, and delivered on time and in accuracy. Full understanding of customers' needs and full support for them is the key to create competitiveness in the domestic sales and export of PVC powder. The Company holds the advantage to stably supply PVC compound and possesses experienced R&D teams that strive to improve quality and develop high value-added new products for its customers. PVC plastic products because of (1) private brand, brand awareness established; (2) Good quality control and after-sales service; (3) Existing product lines and downstream sales categories are wide, which is not affected by the peak season of a single industry, affecting the overall sales volume; (4) Vertical integration of VCM, PVC powder and downstream processing; (5) Complete supply of technical professionals; (6) Complete international marketing bases; (7) IATF16949(International Automotive Task Force) and ISO 9001 quality control system complete, provide excellent quality certification system; (8) Environmental regulations are becoming more and more rigorous, such as: Prop#65, REACH, RoHS. The Company is capable of meeting the requirements, for the export market competition with advantage.

The competitive niche of ABS/PS and glass wool products is (1) maintaining the business strategy of full production and full sales and continuously optimizing the customer mix to ensure the operating performance. At the same time, under the premise of full production and full sales, we effectively control the reasonable inventory of raw materials and finished products to avoid the impact of large fluctuations in market prices on the company's operating performance; (2) to continuously strengthen its development capacity and effectively develop markets outside the mainland China and Hong Kong; (3) Continuous development of customized products; (4) Fast and timely customer service



and regular customer visit plan, strengthen after-sales service and enhance product added value.

Reinvested in Kunshan City, Jiangsu Province and Zengcheng City, Guangdong Province, engaged in the forming, sintering and grinding of magnet core, nearby to serve customers in East and South China; To meet the timely needs of customers, shorten the delivery time and provide stable quality products, to establish a competitive brand image. The technical experience and product scale of Japan, Europe, and the US are in a dominant position. The magnetic powder formula of the ferrite magnet cores greatly affect the magnet process and the final quality as the content of the formula is closely related to the magnetic permeability, density, energy conversion efficiency of the manganese-zinc ferrite, as well as the time and yield required for future sintering. Therefore, ferrite magnet factory regards the formula content as top secret. Since establishment, the Company has continuously accelerated talent cultivation and the development of technology research to establish the self-development ability for materials. The Company has also caught up with the pioneer of material development. In addition, the products need to be aligned with the applications of downstream manufacturers for different purposes. Therefore, the Company participates in the planning at the beginning of the downstream clients' product design, and then supplies it to the downstream system terminal product manufacturers to make finished products. Once the downstream clients adopts this model, it is not easy for them to change suppliers in normal conditions, and the product loyalty is high.

4. Favorable and unfavorable factors affecting the Company's development prospects and corresponding countermeasures

Favorable factors affecting the Company's development prospects:

- (1) With regards to PE / EVA, the Company has established an excellent supply chain relationship with CPC Corporation, and has implemented flexible measures to obtain a stable supply of ethylene from various sources and maintain the stability of raw material supply.
- (2) In view of PE/EVA, the Company has established long-term cooperation relationship with downstream customers and developed such relationship into partnerships. Apart from the stable mutual supplies and sales with these partners, the Company has engaged in technical cooperation with partners to jointly develop new products and product applications.
- (3) In view of EVA used in membrane-encapsulated solar cells, the Company has a leading edge in terms of quality and technology. In addition, the Company's customers play a vital role in the industry. Over the years, these customers have collaborated and grown with the Company, and thus deep and solid partnerships have been established.
- (4) In view of PE/EVA, the Company's efforts to actively expand its related business in a number of emerging markets have shown excellent results. The Company will continue to target effort at different regions and products in order to meet product needs from these market segments, and thereby expanding into emerging economy markets.
- (5) Gulei investment project has been mostly completed and put into production, will enhance the competitiveness of the company in the future.
- (6) Vertical integration of VCM, PVC powder and its downstream processing products.
- (7) Fully seizing sources of the main raw material EDC and ethylene
- (8) Fully utilizing the Company's VCM production capacity to effectively reduce production costs.

- (9) With Toufen and Linyuan two factories complementary production, PVC powder product features more diversified, adequate inventory and fast delivery elasticity.
- (10)The Company's relationship with PVC powder customers and the depth of its services.
- (11) The Company continues to break bottlenecks in PVC powder production and sales, thereby effectively reducing production costs.
- (12)PVC powder rejoining tanks and a number of other PVC powder production equipment renewal project, equipment projects have been carried out, the expected benefits include increased production capacity, improved product quality, reduced energy consumption, increase in the production capacity of special powders, etc., various advantages will further enhance the Company's competitiveness.
- (13) The Company has long been reputed for good quality of its chemical products.
- (14)For chemical products, the Company has a good customer portfolio as market demand for these products is experiencing stable growth.
- (15) The Company has its own brand for PVC plastic products, along with good quality control and after-sales services.
- (16)The Company has readily available professionals in the area of PVC plastic product technology.
- (17) The automotive leather for PVC plastic products has been certified by IATF16,949.
- (18)In view of PVC plastic products, the Company is engaging in the research and development of new products including high value-added and ecofriendly materials
- (19)For PVC plastic products, the Company continues to improve related equipment, manufacturing processes and product quality.
- (20)The Company has established sales offices and distribution channels overseas which can facilitate market expansion.
- (21)For PVC plastic products, exported plastic leather and plastic sheets, the Company has printed its corporate identification labels on the products in order to increase brand awareness, thereby effectively raising customers' willingness in purchase.
- (22)Continuous research and development of environmentally friendly materials for PVC plastic products helps enhance product segmentation and marketpromotion. In 2024, the Company will plan consecutive new product launches focusing on the US markets for furniture and the interior of ships. It is expected for the Company to experience an increase in profit and performance in the American markets.
- (23)The surface treatment technology applied to PVC plastic product is expanded its use to plastic leather and plastic sheet; it is expected to increase sales volumes in the US market for the inner lining products for machinery and equipment.
- (24) The stable quality of ABS/PS products, integration of research and development capabilities, strengthening of customer service and implementation of management system will help customers to have confidence in our products.
- (25)Fro GPS, the Company uses NOVA process technology, which has the advantages of heat resistance and low residual monomer quality.
- (26) The development of new EPS product has catapulted the Company to a leading position in the domestic market. The Company is the first to develop fire-rate antistatic products, which has gained it considerable reputation in the international market.
- (27)Mainland government continues to stimulate domestic demand, which is conducive to the space for domestic demand in the South China market(Vegetables, fruits and cold chain transport services, etc.) to grow. Since the demand for EPS is still growing, this is conducive to the operation of the Company's Zhongshan Plant.



- (28) The new production capacity of the main raw material SM in mainland China continues to increase, which is conducive to Taita Chemical's bargaining power for raw material SM.
- (29)The Company is a leading brand in the glass wool market, and the product quality is well recognized.
- (30)The Company offers high level of services associated with the glass wool products so as to effectively eliminate product competition among other foreign goods.
- (31)The Company has stable marketing channels for glass wool products, which is an advantage for market development and competition.
- (32)Glass wool is used as filler in the calcium silicate board partition system. This application has been gradually accepted in the market.
- (33)With annual increases in sales for the gypsum board partition system, the use of glass wool is expected to increase as well.
- (34)The conversion of the non-combustibility test of CNS6532 to CNS14705 can facilitate the fiberglass ceilings panel products to pass the test.
- (35)In addition to the successful renewal of BRANZ certification in New Zealand and Australia, the Company has also helped its New Zealand customers successfully obtain the Environmental Choice New Zealand (ECNZ) ecofriendly label, thereby facilitating bids for government projects.
- (36) The market of fireproof glass wool for roof and exterior wall is growing steadily, and the sales in 2023 grew by 19% compared with 2022.
- (37)Regulations related to floor impact sound will be implemented in January 2021. Newly developed product, i.e. the glass wool sound insulation system for Porter panels and wood floors has passed the test, thus facilitating new market development, continuously visit and promote contractors, engineering and construction companies.
- (38)Newly developed six-side wrap-around products to increase the added value of the products, and the application market grew steadily, with the sales volume of 210 tonnes in 2023 increasing by 32% compared with that of 2022.
- (39)Electromagnetic radiation interference between electronic products has been attracting growing attention. Europe and the U.S. were the first to pay attention to the issue of electromagnetic radiation, and have established strict electromagnetic test standards. In the future, products must pass these electromagnetic radiation tests, which will help increase demand for products such as ferrite cores and inductors.
- (40) With the thriving development in the global automotive, information, network communication, and consumer electronics industries, the global market scale continues to expand, thereby increasing the demand for magnetic cores and inductors. Moreover, due to a wide range of applications for downstream products, the Company will be less affected by the condition of a single industry. Unfavorable factors and corresponding countermeasures:

PE/EVA:

- (1) The Company relies on purchasing from third parties to complement the shortage of ethylene supply. The price of ethylene is fluctuated in line with the international market, thus are difficult to manage.
- (2) The low production capacity of the production line increases unit production costs.
- (3) Low import tariffs for LDPE/EVA products in Taiwan have resulted in competition from low-priced imported materials from new production capacities in foreign countries. Not only has the market been divided, the sales price of LDPE / EVA products will also be indirectly affected and cannot be increased.

- (4) As Taiwan did not join the ASEAN Free Trade Area, and many countries are keen to sign double tax treaties among themselves, such as RECP, the Company's LDPE/EVA export market is full of trade barriers and unfair competition; this has also caused significant impact on the Company's LDPE/EVA sales volume and product prices.
- (5) In December 2023, the Ministry of Environment issued the "draft carbon fee charging Method", which is expected to introduce a carbon fee for large carbon emitters whose annual emissions exceed 25,000 tons.
- (6) Starting from April 2024, the Taiwan Power Company will implement a comprehensive tariff adjustment for all customer categories, regardless of whether they are industrial, domestic, small business or low-voltage customers, all of whom will face an increase in electricity tariffs.

Countermeasures:

- (1) Apart from continuously seeking sources of low-priced ethylene, making investment in the Gulei petrochemical projects, improving and enhancing the stability and operating rate of production equipment, increasing production capacity and product quality to reduce production cost to win over the market, the Company is even more committed to offering reasonable product prices and providing services to customers. Besides, the Company also develops high value-added products in response to market trends, and expands export sales into emerging markets, such as Mainland China, to establish stable customer base for the long term and therefore increase operating profits. In addition, due to the rise of environmental awareness, on March 3, 2022, products obtained ISO 14067 (2018) carbon footprint verification statement.
- (2) To introduce internal carbon pricing in 2024, with shadow pricing, to incorporate carbon costs into investment appraisals and to enhance the chances of implementing carbon reduction projects. Set up an energy management system and analyze the figures for room for improvement. Evaluate the addition of rooftop solar energy equipment to the new premises.
- (3) Actively investing in low-carbon technology to minimize the impact of electricity price increases. Improvements in chilled water tanks and pipework insulation help to minimize cooling escape and reduce power consumption. The ethylene purification system improves the effective removal of carbon dioxide from the system and reduces the inefficiency of the compressor to reduce power consumption. Replacement of equipment (refrigeration unit renewal), adjustment of operation mode, and power failure are available.

VCM:

- (1) With domestic environmental protection policies getting more and more stringent and proposals for energy saving and carbon reduction being accelerated in implementation, coupled with the revision of the Labor Standards Act, the auxiliary measures and grace periods for businesses in the related issues turned out to be not as good as expected, and this will impose limitation on the Company's business transformation and development.
- (2) The unpredictable international situation affects the transport and price of raw materials, and the Russia-Ukraine war may cause high costs and increased supply due to the intensive new production capacity, resulting in an imbalance between supply and demand.
- (3) Domestic supply of ethylene is unstable, while the cost of ethylene is fluctuated.
- (4) Inflation worries will create more uncertainty on the demand side.

Countermeasures:



- (1) Update production equipment, accelerate energy saving, water saving, electricity saving, carbon reduction improvement and investment, while improving operation efficiency, maintain high productivity.
- (2) Continue to communicate with the relevant government agencies on plans related to corporate social responsibility and environmental responsibility to reach a consensus between both parties
- (3) Continue to obtain sources of competitive raw materials, and respond to everchanging market changes using flexible production and sales strategies
- (4) Increase the storage capacity of EDC and VCM, the inventory will be carefully adjusted to find the right market to enter and purchase and to enhance the advantages of vertical integration and increase overall profitability.

PVC powder:

- (1) The United States overcame the supply problem, coupled with the addition of new production capacity, oversupply and inventory pressure affect the global PVC powder market supply and demand balance.
- (2) The international market of PVC powder began to rise at the beginning of 2023, accelerating the Chinese PVC powder plant to pull up the operating rate, waiting for a low export order, interference with the market order.
- (3) Without signing FTA with major consumers of PVC powder, while China, Japan, South Korea and Southeast Asian manufacturers enjoy preferential tariffs, sales market for Taiwan is compressed.

Countermeasures:

- (1) Actively acquire the market of commercial materials for PVC powder downstream manufacturers in Southeast Asia, India, Bangladesh, and Brazil and establish stable cooperative relationships with them.
- (2) Actively establish strong customer base in both India and Bangladesh through agents and traders as demand for PVC in both countries is rapidly increasing, with the purpose of expanding sources of sales orders.
- (3) Actively apply for certification, in order to meet the requirements of PVC powder raw materials or processed products and expand business opportunities.
- (4) Seek long-term support from PVC powder key customers in every region
- (5) Enhance PVC powder product quality and develop products with unique specifications and market differentiation
- (6) Streamline organization, improve operational efficiency and enhance customer service.

Alkali-chlorine:

- (1) Expansion of domestic potassium sulfate plants has led to an increase in the production of secondary hydrochloric acid, thereby impacting the hydrochloric acid market.
- (2) Domestic sales of alkali face competition from those imported from Mainland China, thus squeezing profit margins for this product.

Countermeasures:

- (1) Segment sales markets to establish stable sales and distribution channels
- (2) Continuously increase production quality and efficiency, and optimize production and sales planning

PVC plastic products:

(1) Development of high value-added and differentiated products is not yet completed.

- (2) The cost of green eco-friendly materials is high.
- (3) OEM automotive leather exports are restricted by rigorous quality requirements and the long testing and development schedule delays qualification certification.
- (4) Environmental regulations in Europe and the United States are becoming stricter, North America furniture leather limits the addition of flame resistant agents, adjust the product formula and sales regional restructuring.
- (5) Low-cost competition with the Company's foreign peers and tariff barriers have led to obstacles in its export expansion plans.
- (6) Some markets have replaced PVC with other materials.
- (7) The Company continues to face exchange rate pressure, which reduces export competitiveness.

Countermeasures:

- (1) Securing the right to supply building materials for civil engineering projects and private construction projects.
- (2) Continue to develop environmental protection materials and high value added products, establish and obtain environmental protection materials GRS certification, increase competitiveness.
- (3) Engage in product and market segmentation to acquire markets for high value-added products.
- (4) Continuous reduction of production costs and improvement of production technology, VOC treatment equipment construction, in line with the requirements of regulations, product competitiveness greatly improved.
- (5) Actively develop new products and apply for invention patents or new type patents.
- (6) Develop business opportunities in emerging markets and launch new products to capture market share
- (7) Use North America's successful high-end product portfolio and promote them in marine or furniture markets abroad, where the main target regions are Europe, Australia and Asia.
- (8) Cooperate with professional companies specializing in channels related to U.S. OEM automotive leather, and utilize collaborations with such professional companies to accelerate the Company's entry into the supply chain of the automobile industry
- (9) Establish strategic alliances with domestic and overseas brands, as well as develop new materials
- (10)Engage in horizontal promotion of unique products in each individual region to each major market through exchange of product information.

ABS/PS products:

- (1) EPS manufacturers in Mainland China are also facing overcapacity and price competition is also extremely intense.
- (2) The main raw material SM market is unstable on the ups and downs.

Countermeasures:

- (1) Enhance product quality and product added value, segment markets, and avoid market price competition.
- (2) Maximize capacity, reduce cost, as well as select and sell products with relatively good profit margin.
- (3) Analyse and monitor the market trends, develop new potential markets outside mainland China and Hong Kong.



(4) Effectively bring the integrated supply chain management into full play and lower the inventory level of raw material and finished goods so as to reduce risk.

Glass wool products:

- (1) India's import cost is low and its products have passed the one-hour calcium silicate board fire test, thus making a big impact on the domestic market.
- (2) Substitutes are flooding the market.
- (3) Products from Mainland China are entering the Taiwanese market through project import.

Countermeasures:

- (1) Carry out special sales for imported specifications and consolidate distribution network.
- (2) Strengthen project tracking and conduct direct sales.
- (3) Enhance project visits and control to prevent changes in glass wool materials.
- (4) Actively participate in related trade associations, maintain contact with the Industrial Development Bureau, and keep an eye on product trends in Mainland China at all times.

In regard to ferrite magnetic powder and iron cores:

- (1) Costs of domestic and foreign workers are gradually increasing every year, thereby increasing production and operating costs.
- (2) There are many competitors in the industry, which leads to intense price competition.

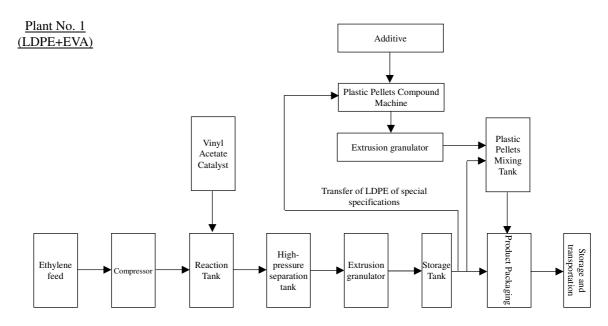
Countermeasures:

- (1) Improve quality, lean production, and automated production through the purchase of advanced machines and equipment and improvement of manufacturing processes, as well as enhance employees' on-the-job training in order to improve efficiency and productivity.
- (2) Increase the added value of products, implement the refinement of various manufacturing processes and improve such processes to reduce production costs and enhance overall product quality, thereby engaging in effective market segmentation and establishing a competitive advantage in the market. In addition, establishing all-around support service capabilities in line with customers' product development needs, shaping the Company's competitive advantage over other competitors, as well as jointly developing future products according to development trends in order to quickly grasp market dynamics and enhance competitiveness.

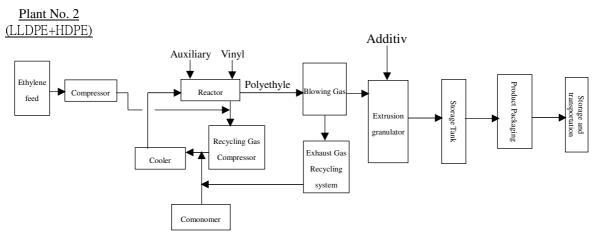
(II) Important Uses and Production Processes of Main Products

The Company's polyethylene plastic pellets are supplied to domestic and overseas processing plants. These pellets are used in a wide range of plastic products for daily use, such as plastic bags, handbags, food bags, plastic films, bubble cloth, woven bags, woven canvas, window nets, fishing nets, ropes, plastic tubes, plastic flowers (trees), plastic turf, plastic lunch boxes, plastic containers, bottles, baskets, boxes, beer boxes, bottle caps, non-woven fabrics, carpet adhesives, and even hot-melt adhesives for cartons, just to name a few. As PE is non-toxic and easy to process, the number of new products made from PE is still increasing. Another product, ethylene vinyl acetate copolymer resin (EVA), is mainly used in the production of foaming shoes, sports equipment, various types of films, membrane-encapsulated films for solar batteries, hot-melt adhesives, protective films, wire and cable insulation shields, and low-smoke halogen-free materials due to its high level of toughness and flexibility. The process of producing low-density polyethylene (LDPE) and ethylene vinyl acetate (EVA) is as follows. Raw materials, ethylene (its finished product is LDPE) or

ethylene vinyl acetate (its finished product is EVA) is fed into a high pressure reactor after going through multiple times of pressurization. Next, organic peroxides are used as catalysts to carry out polymerization. Semi-finished polymer products are then packaged into pellets after pelletizing, and unreacted gases are repeatedly recycled.



The process of producing high-density polyethylene (HDPE) and linear low-density polyethylene (LLDPE) includes the following steps: First, the raw material, ethylene (HDPE is the finished product) or ethylene and butane (LLDPE is the finished product) is pressurized multiple times and fed into a high-pressure reactor. Next, transition-metal catalysts are added as catalyst to carry out polymerization. The granular semi-finished products are then packaged into commercially available products after granulation, and unreacted gases are recycled after separation.



VCM is mainly used in the production of PVC powder, where EDC is used as a raw material. After cracking, VCM and hydrochloric acid gas are produced. Through the oxychlorination reaction on ethylene, oxygen and hydrochloric acid gas, EDC is then produced (back to cracking process). PVC powder is mainly used for producing flexible film/sheet, leather, rigid film/sheet, rigid pipes, and extrusion construction products. The materials include VCM, initiators, and dispersants and it is produced through polymerization and drying processes. Chemicals are mainly used in water treatment and

Operations Overview

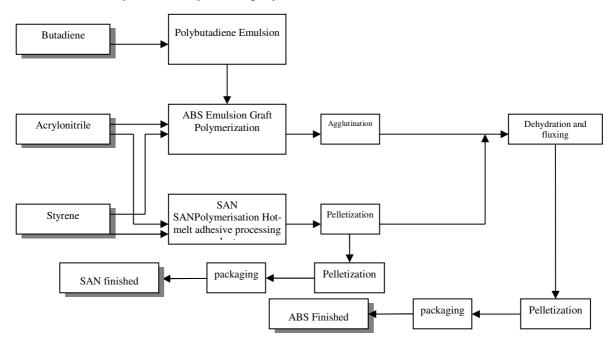


the production of food MSG, synthetic fibers, detergents, dyes, pulp, steel, etc. and the materials consist of industrial salt, other indirect materials, and water which are refined into pure brine and then electrolyzed into liquid caustic soda, hydrogen, and chlorine using ion-exchange membranes. Chlorine gas is then reacted with hydrogen and liquid caustic soda to synthesize hydrochloric acid and bleaching liquid. PVC building materials and products (PVC pipes, foamed PVC pipes, glass-reinforced plastics door panels, foamed door panels, and anti-corrosion lining)mainly for buildings (water pipes, drainage pipes for rain/domestic sewage, electrical protection sleeves, room door, toilet door, and partitions) and public construction projects (water supply and drainage works, electrical protection sleeves, and wastewater sewage). The materials include PVC powder and stabilizing agents which undergo procedures including mixing, gelatinization, extrusion, cooling, and cutting. Soft plastic sheets can be used to produce tape cloth, semi-rigid cloth, stationery cloth, transparent cloth, waterproof film, swimming pool cloth, mesh cloth, cloth for gas blowing, bonding cloth, furniture cloth, advertising cloth, screen cloth, raincoat cloth, table towel cloth, shower curtain cloth, and curtain cloth. Soft plastic sheet is made of PVC powder, plasticizer, and other auxiliary materials through the process of cold and hot mixing, gelation, filtration, calendering, cooling, and coiling. These sheets/cloth can also be printed and laminated to increase their added value. Hard plastic sheets can be used for the production of vacuum forming cloth, drug packaging cloth, cooling tower dripping cloth, collar lining cloth, flitch cloth, protective cloth, printing cloth, stationery cloth, and ceiling cloth. They are produced from PVC powder and other auxiliary materials which are mixed before undergoing procedures including gelatinization, extrusion, deferred pressure, cooling, and coiling extraction. They can also be processed or embossed to increase added value. Soft leather and non-foaming leather are mainly used to produce sofa skin for cars, motorcycles, bicycles and marine vehicles, SPA cover, shoe leather, baseball gloves, sports equipment, and medical chairs, etc. Plastic leather is made of (1) plastic powder, plasticizers and other auxiliary materials, and (2) Non-PVC environmental protection materials is put through various processes in production, including mixing, gelatinizing, filtering, and being stretched by tape machine, laminating to base fabric, and finally being foamed and embossed in the foaming furnace or embossing machine. Moreover, special treatments such as printing, stain-resistant or water-based scratch-resistant treatment can be performed to increase added value.

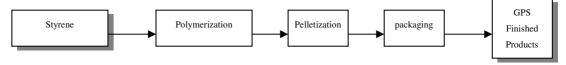
ABS resins are mainly used for producing information equipment, OA equipment, home appliances and electronic parts and appliances, electronic accessaries, bathroom ware, toys, automotive and scooter components, heels, suitcases, daily necessity items, telephones, stationery, sports equipment, batteries, safety helmets, and tool machine. SAN resins are mainly used to produce juice blender casing, powder boxes, coffee machine water tank, transparent decorations, air-conditioning fan, blades, stationary, and tableware. Important applications of the general-purpose polystyrene include lighting, stationery, household appliance, daily accessories, diffusion boards, insulation boards, disposable tableware, food and pharmaceutical packaging materials. Expanded polystyrene is applied to building material insulation boards, packaging materials, antistatic packaging materials, vegetable and vegetable boxes, fishing boxes, insulation materials, boards, construction thermal insulation walls, and helmet cushion. Impact-resistant polystyrene is mainly applied to digital equipment, home appliances, toys, everyday accessories, stationery, electronic components and disposable cups. Glass wool is mainly applied to cooling materials for air-conditioning ducts, metal roofs, heat-insulating materials for walls, dry partitions filled with sound-absorbing insulation materials, ceilings for interior decoration, wall panels, heat-insulating materials used in machinery and equipment installed in the petrochemical industry, heat-insulating and sound-absorbing materials for home appliances, vehicles, heat- and sound-insulating materials for ships and heat-insulating materials for curtain walls. Cubic printing is used mainly in special printing techniques

for plastics, metals, wood, plaster, glass and ceramics. In view of the long-term and continuous contraction of the curved surface printing market, after discussion, we decided to temporarily stop the production and business of the curved surface printing department from April 2021. The production processes for major products are demonstrated as follows:

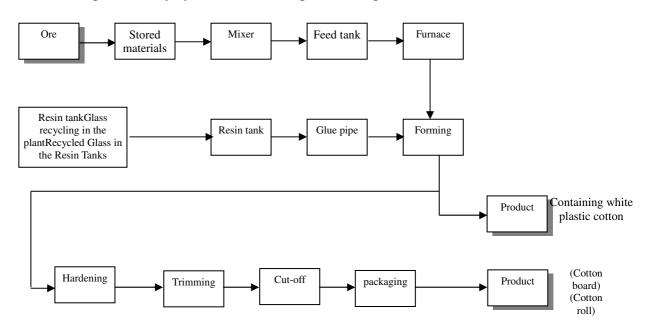
(1) Production process for styrene acrylonitrile-butadiene-styrene (ABS) and acrylonitrile-styrene copolymer resin (SAN)



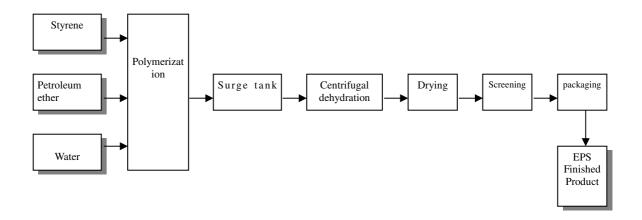
(2) Polystyrene (GPS) resin production process



(3) Expanded Polystyrene (EPS) resin production process



(4) Production process of glass wool products



The production process for ferrite powder and cores is divided into four stages: milling, forming, sintering, and abrasive machining. The main uses for these products are as follows:

Product Category	Downstream Products	Use
Traditional magnetic core	Filters, adapters, and light tube stabilizers	Power supplies, modems, scanners, (wireless) chargers,
Magnetic core for inverters	Inverters	LED TVs, laptops,
Magnetic core for communications	Communication transformers and splitters	smartphones, tablets, game consoles, routers, central
Polished magnetic core for filtering	Electromagnetic interference filters	office switches and telecommunication network
Ring-type magnetic core	Electromagnetic interference filters and light tube stabilizers	equipment, automotive
Magnetic core for power inductors	Power inductors	equipment
Nickel-zinc series magnetic core	Communication transformers and power inductors	T. P.
Soft ferrite powder	Raw materials used in iron cores	

The production process for Siliconwarepowder is divided into three stages: synthetics, crystal growth and purification. The main products are monocrystalline raw materials and high purity sintered ceramic raw materials.

(III) Supply of major raw materials

Ethylene is the basic raw material for the Company's polyethylene plastic products, and the material is mainly supplied by CPC Corporation. The Company also partially relies on imported ethylene to cover the shortage of supply by CPC. Part of EVA raw materials, namely vinyl acetate monomers (VAM), are supplied by Dairen Chemical Corporation or supplemented by imported VAM. Other fillers are mostly imported from abroad as they are either used in small quantities or produced outside Taiwan.

The main raw materials of VCM are EDC and ethylene. Long-term contracts have been signed with suppliers to ensure stable supply of these raw materials. The main raw material of PVC powder is vinyl chloride monomer (VCM), which is produced by the Company for self-use. The main raw material of alkali-chlorine is industrial salt. Long-term contracts have been signed with suppliers to ensure stable supply of these raw materials. The main raw materials to produce plastic sheets and leather are PVC powder and plasticizers, and the supply condition is described as follows: (1) PVC powder: Most of the PVC powder is produced by the Company for self use in production, and only a small

quantity is urchased from external sources; Plasticizers: Plasticizers are mainly supplied by Nan Ya Plastics Corporation, while special plasticizers are imported from abroad. The main raw material of building materials is PVC powder, which is mainly self-produced and supplied, and thus the source of this raw material is stable.

The supply and demand of styrene monomer (SM) is currently in balance. The Company has routinely purchased SM from Taiwan Styrene Monomer Corporation, Formosa Chemicals and Fibre Corporation, China Petrochemical Development Corporation, CNOOC and Shell Petrochemicals Company Limited, in order to balance price risk and overcome the shortage of supplyThe Company has established supply contract with CPDC for the supply of acrylonitrile (AN). Domestic procurement is also regularly made with Formosa Plastics Corporation. The Company also imports the material from abroad from time to time dependent on the status of supply and demand in order to increase flexibility in inventory support and ensure stable source of material supply. In view of butadiene (BD), material supply agreements have been signed with CPC Corporation and Formosa Petrochemical Corporation. The Company imports the material from time to time depending on the status of supply and demand to provide full support in private use. Pentane is mainly available in ready stock abroad. The usage of this material is stable, and there is no issue regarding shortage of supply of this material. Glass-quality sand is the main raw material of glass wool products. Because its unit price is relatively low, it is constantly supplied domestically. As its quantity and price experience minimal changes, it can be fully controlled.

The main raw materials and suppliers of ferrite powder and cores are as follows and the supply of such materials are stable:

Main Raw Materials	Name of Main Supplier
Iron oxide	High-tech magnetic technology
Manganese oxide	Guizhou Jinruixin Metallurgical Materials
Zinc oxide	Ciyang Technology
Nickel oxide	Prior Company, Ltd.

The main raw materials and suppliers of Siliconware powder are European and American manufacturers and the supply of such materials are stable:

- (IV)Name of customers who account for more than ten (10) percent of the total purchases (or sales) of goods and their dollar amount and proportion of purchase (or sales) of goods in any one of the most recent two fiscal years, and an explanation of the reason for changes in these figures
 - 1. Name of customers who account for more than ten (10) percent of the total purchases of goods and their amount and proportion of purchase (or sales) of goods

Unit: NT\$ thousand

	2023 (audited and verified)			202	22 (audited and	verified)		2024 up to t	2024 up to the previous quarter (reviewed) (Note 2)			
ITEM	Name	Amount	Percentage of Net Purchase for the Current Year(%)	Relationship with the Issuer	Name	Amount	Percentage of Net Purchase for the Current Year(%)	Relationship with the Issuer	Name	Amount	Percentage of Net Purchase for the Current Year as of the End of the Preceding Quarter (%)	Relationship with the Issuer
1	CPC Corporation	7,079,911	19	No	CPC Corporation	8,526,796	18	No	CPC Corporation	1,405,985	16	No
2	Other	29,979,646	81	Note 3	Other	39,079,528	82	Note 3	Other	7,549,138	84	Note 3
	Net purchases of goods	37,059,557	100		Net purchases of goods	47,606,324	100		Net purchases of goods	8,955,123	100	

- Note 1. List the name of suppliers who account for more than ten (10) percent of the total purchases (or sales) of goods and their dollar amount and proportion of purchase (or sales) of goods in the most recent two fiscal years. However, if the name of suppliers or counterparties who are individuals or non-related persons cannot be revealed due to contractual agreements, a code may be used.
- Note 2. As of the publication date of this annual report, if financial information of companies that are publicly listed or whose shares are traded on the TPEx were recently audited or reviewed by CPAs, such information shall be disclosed.
- Note 3. No suppliers account for more than ten (10) percent of the total purchases of goods. Among them, NT\$2,152,810thousand and \$2,439,051 thousand were imported from Fujian Gulei Petrochemical Company, a related company, in 2023 and 2022, respectively, which accounted for 5.81% and 5.12% of the import ratio, and \$197,466 thousand in the first quarter of 2024, which accounted for 2.21% of the import ratio; Fujian Gulei Petrochemical Company is a joint venture accounted for under the equity method.

Reasons for changes in purchase: Mainly due to the fall in oil prices, coupled with downstream demand is still weak, resulting in a decrease in purchases.

2. Name of customers who account for more than ten (10) percent of the total sales of goods and their dollar amount and proportion of purchase (or sales) of goods: None. Name of customers who account for more than ten (10) percent of the total sales of goods and their dollar amount and proportion of purchase (or sales) of goods: None.



(V) Production volume and value in the most recent two fiscal years

Unit: metric tons / thousand yards / grids / NT\$ thousands

		Ullit.	metric tons / i	mousand yard	as / grius / iv	1 ψ tilousalius	
Value Year Production		2023		2022			
Volume							
	Production Capacity	Production Volume	Production Value	Production Capacity	Production Volume	Production Value	
Main Product							
LDPE/EVA (MT)	300,000	264,565	11,268,339	300,000	244,286	12,603,127	
HDPE/LLDPE (MT)	130,000	84,849	2,932,699	130,000	93,247	3,565,950	
Plastic Powder, Chemical Products (tons)	525,025	450,819	10,375,233	531,375	460,570	13,586,197	
Plastic Products (metric tons)	84,360	39,333	1,793,680	99,360	43,912	2,262,713	
Plastic Leather (thousand yards)	8,600	5,130	529,158	8,600	4,792	480,230	
Vinyl Chloride Monomer (metric tons)	485,000	425,825	8,182,687	485,000	441,709	12,074,965	
ABS Resins (metric tons)	100,000	96,467	4,184,034	100,000	91,106	4,359,980	
Polystyrene (metric tons)	480,000	280,997	10,207,729	480,000	283,379	11,354,224	
Cubic printing (JIG)	50,000	-	-	50,000	12,288	11,590	
Glass wool products (MT)	8,600	8,950	324,193	8,600	9,116	318,884	
Ferrite Powder and Cores (metric tons)	13,000	6,750	2,295,093	13,000	9,538	2,562,376	
Siliconware powder(tonnes)	100	73	175,472	60	33	77,575	
Packaging Films (metric tons)	43,896	43,896	2,603,483	43,955	43,955	2,883,731	
Other	-	8,860	864,538	-	686	729,198	
Total			55,736,338			66,870,740	

(VI)Sales Volume and Value in the Most Recent Two Years

Unit: metric tons / thousand yards / grids / NT\$ thousands

					T thousand yards / grids / 1014 thousands			
Value Year-		20	23		2022			
Sales	Dome	estic sales	Expo	ort sales	Dome	estic sales	Exp	ort sales
Volume Main	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Product LDPE/EVA	42,399	2 243 054	215 440	11,674,207	40,712	2,948,248	100 105	16,796,493
(MT) HDPE/LLDPE								
(MT)	59,908	2,231,834	23,556	854,166	67,080	2,712,663	23,577	987,097
Plastic Powder, Chemical Products (tons)	95,235	1,975,828	314,559	8,006,374	107,167	2,680,976	298,720	10,430,961
Plastic Products (metric tons)	29,718	1,479,807	9,507	621,360	31,559	1,731,658	11,128	809,894
Plastic Leather (thousand yards)	1,810	222,736	3,526	672,507	1,829	220,379	4,131	774,396
Vinyl Chloride Monomer (metric tons)	27,000	595,278	3,001	72,644	31,600	965,897	-	-
ABS Resins (metric tons)	9,457	430,178	83,105	3,434,603	9,244	487,509	82,696	4,231,853
Polystyrene (metric tons)	13,645	529,647	268,160	10,284,835	13,614	591,335	268,334	12,237,275
Cubic printing (JIG)	-	470	-	-	14,044	13,963	-	-
Glass wool products (MT)	8,595	387,793	3,341	137,936	8,919	407,422	3,157	114,442
Ferrite Powder and Cores (metric tons)	14	7,946	7,060	2,205,223	27	18,431	8,993	2,863,883
Siliconware powder(tonnes)	4	30,243	67	308,334	2	17,581	27	157,322
Packaging Films (metric tons)	9,410	609,273	38,065	2,401,046	9,860	695,275	36,663	2,877,827
Others (square meters)	-	184,518	-	662,922	-	145,572	-	518,770
Total		10,928,605		41,336,157		13,636,909		52,800,213

III.Average Years of Service, Average Age, and Distribution of Academic Qualifications of Employees in the Most Recent Two Fiscal Years up to the Publication Date of this Annual Report

YE	2023	2022	Financial information of the current fiscal year up to April 02, 2024	
	Staff	1,903	1,890	1,911
Number of employees	Direct Labor	2,963	3,041	2,998
	Total	4,866	4,931	4,909
Avera	ige Age	41.54	41.11	41.43
Average Ye	ar of Service	11.30	11.08	11.10
	Doctor	1.36%	0.53%	1.36%
Distribution of	Master	12.10%	9.84%	12.14%
Academic	University/College	35.72%	37.52%	35.75%
Qualifications	Senior High School	25.59%	27.84%	25.42%
	Below high school	25.23%	24.27%	25.33%

IV. Disbursements for Environmental Protection:

(I) In the most recent years as of the publication date of this annual report, the losses incurred due to the environment pollution (including compensation and environmental protection audit results that violated environmental protection laws and regulations, the date of disciplinary action, disciplinary official letter number, the provision of laws violated, the content of laws violated, and the content of disciplinary action), current and future estimated amounts that may occur, and responding measures:

Unit: NTD

Date of disciplinary action/Disciplinary official letter No.	Laws violated	Penalty Amount (NT\$ thousands)	Facts of Violation	Improvement Action
01/31/2023	Article 23 of	450	On December 26, 2022, personnel from	The fault of the sensor of the damper
Kaohsiung	the Air		Kaohsiung Environmental Protection Bureau	lifting positioner causes the
Environmental	Pollution		checked and found that the process control	combustion temperature to fail to
Protection Bureau	Control Act		equipment RTO (A055) of Renwu Plant	reach 700°C. The lifting valve
Reference No.			dropped the combustion temperature in the	positioner has been repaired and
11230368300			furnace at 4:30 a.m. on December 26,	corrected.
			because the damper was not fixed. The	
			combustion temperature between 6 a.m. and	



	D 1/		
Laws violated		Facts of Violation	Improvement Action
Article 23 (2) of the Air Pollution	150	11 a.m. on the same day did not reach 700 degrees Celsius (i.e., it did not comply with the approved range of fixed source operating Permit - 700 degrees Celsius to 1,000 degrees Celsius), indicating that the normal treatment of incoming exhaust gas was not possible. Your plant does not maintain proper operation of air pollution control facilities. On June 8, 2023, the Bureau's officers audited the Renwu Plant of TVCM and found that, after the results of the self-	Installation of additional natural gas lines to supplement Flare exhaust when the calorific value is insufficient
Prevention Law		sampling and analysis of the exhaust combustion tower on May 2, 10, 15 and 29, the total net value of the exhaust gas was 4.75, 0.13, 0.04 and 9.56 MJ/Nm3 (of which there were emissions at the same time as the sampling time on May 10 and 29), which did not comply with the requirements of the "Volatile Organic Air Pollution Emission Standards" Article 5, which stipulates that the total net value of the air-assisted combustion type of emissions should be greater than 12 MJ/Nm3. The total net calorific value of the air-assisted combustion type should be greater than 12 MJ/Nm3 as stipulated in Article 5 of the "Volatile Organic Air Pollution Emission Standards".	to meet regulatory requirements.
Article 24 (2) of the Air Pollution Prevention Law	300	On September 25 AND 28, 2023, inspections of TVCM's Renwu plant revealed the following discrepancies between the operating conditions and the contents of the permit. (1) M01 process: preventive equipment RTO (A055) on September 25, 11:32-12:50 period, its furnace temperature of 649.5 degrees Celsius to 695.7 degrees Celsius, waste gas inlet air volume of 200.85-301.4Nm3 / min, with the permit approved content (furnace combustion temperature of 700-1000 degrees Celsius, the amount of waste gas treatment 800-1528Nm3 / min) is not consistent with the content (furnace temperature of 700-1000 degrees Celsius, waste gas treatment capacity of 800-1528Nm3 / min). 1528Nm3/min). (2) M02 process: the original buffer tank has been dismantled, the site was replaced by a movable recovery tank (sent isopentane recovery tank 4, hexene recovery tank 1) to recover the waste liquid sent to the (M05) boiler combustion, according to the operating records show that on August 27 and September 1 have been introduced into the combustion, the operation of the site does not match with the permitted process approved by the waste gas recycling tanks introduced into the boiler combustion process.	(1) Reduce the frequency of RTO jumps and avoid the occurrence of furnace temperature drops as a three-year KPI for the Public Utilities Division, and then analyze and formulate an improvement plan, as well as educate and train the relevant employees. (2) 2-1 movable recovery tank through the existing equipment E-5221 heating gasification, and Normal vent together to the boiler treatment, in line with the exhaust gas through the recovery tank into the boiler combustion process. 2-2 Currently an application for an operating permit variance has been filed, an application for an operating permit variance has been filed and approved for commissioning, and is currently in the commissioning phase. (3) 3-1 ethylene purification tower purge gas to the boiler processing, in accordance with the provisions of the application. 3-2 Currently an application for an operating permit variance has been filed, an application for an operating permit variance has been filed and approved for commissioning, and is currently in the commissioning phase.
Article 23 (2) of the Air Pollution Prevention	150	Audit found that TVCMs Renwu plant from August 8 to September 27 (M02) years of repair during the use of multiple days (Flare exhaust flow, August 24, August 27 to Contember 8 and September 20 to September	Propose flare to use the plan to change, modify to meet the actual operating conditions. Accelerate the use of TO furnace test, avoid flare use.
	Article 23 (2) of the Air Pollution Prevention Law Article 24 (2) of the Air Pollution Prevention Law Article 23 (2) of the Air Pollution	Article 23 (2) of the Air Pollution Prevention Law Article 24 (2) of the Air Pollution Prevention Law Article 23 (2) of the Air Pollution Prevention Law	Laws violated housands) It a.m. on the same day did not reach 700 degrees Celsius (i.e., it did not comply with the approved range of fixed source operating Permit - 700 degrees Celsius to 1,000 degrees Celsius), indicating that the normal treatment of incoming exhaust gas was not possible. Your plant does not maintain proper operation of air pollution of air pollution of air pollution of air pollution found that, after the results of the self-sampling and analysis of the exhaust combustion tower on May 2, 10, 15 and 29, the total net value of the exhaust gas was 4.75, 0.13, 0.04 and 9.56 MJ/Nm3 (of which there were emissions at the same time as the sampling time on May 10 and 29), which did not comply with the requirements of the "Volatile Organic Air Pollution Emission Standards" Article 5, which stipulates that the total net value of the air-assisted combustion type of emissions should be greater than 12 MJ/Nm3. The total net calorific value of the air-assisted combustion type should be greater than 12 MJ/Nm3. The total net calorific value of the air-assisted combustion type should be greater than 12 MJ/Nm3 as stipulated in Article 5 of the "Volatile Organic Air Pollution Emission Standards". Article 24 (2) of the Air Pollution Emission Standards". On September 25 AND 28, 2023, inspections of TVCMs Renwu plant revealed the following discrepancies between the operating conditions and the content (furnace combustion temperature of 700-100 degrees Celsius, waste gas inlet air volume of 200.85-301.4Nm3 / min, with the permit approved content (furnace combustion temperature of 700-100 degrees Celsius, the amount of waste gas treatment capacity of 800-1528Nm3 / min). 1528Nm3 / min) is not consistent with the content (furnace temperature of 700-100 degrees Celsius, waste gas inlet air volume of 200.85-301.4Nm3 / min, with the permit approved content (furnace combustion temperature of 700-100 degrees Celsius, the amount of waste gas recycling tone to the content (furnace temperature of 700-100 degrees Celsius, w

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Date of disciplinary action/Disciplinary	Laws violated	Penalty	Facts of Violation	Improvement Action
official letter No.	Laws violated	thousands)	racts of violation	improvement Action
11241788800		uiousuius	25 exceeded the amount of exhaust that can be blown away (1,200Nm3/hr), the use of timing does not meet the approval of the content of the use of the exhaust gas combustion tower book, does not comply with the provisions of the VOCs Act, section Article 7	
February 21, 2024 Kaohsiung Environmental Protection Bureau Reference No. 11330641800	Subparagraph 1, Paragraph 1, 2, Article 31 of the Waste Disposal Act	12	On October 27, 2023, we sent our staff to TVCM's Renwu Plant to conduct an audit and found the following irregularities: The Renwu Plant's linear low-density polyethylene chemical manufacturing process (M02) was investigated, and the process waste gas was piped into the boiler as fuel through fixed equipment (cushioning tanks, gas recovery tanks, and reactor, etc.), and it was found that it had been replaced by mobile recovery tanks to the boiler, and that its materials were (butene, isopentane) mixed liquids, but it was investigated that the plant had not applied for permission to dispose of them on its own, and had not reported the waste disposal situation by means of network transmission. However, the Renwu Plant did not apply for a self-treatment permit and put the above substances into the boiler for mixing and burning, and did not report the waste disposal situation through network transmission.	The buffer tank is changed to a fixed equipment and equipped with a fixed pipeline to collect the waste gas to the boiler for treatment in a closed area, after the change, no waste is produced from this equipment.
December 01, 2023 aohsiung Environmental Protection Bureau Reference No. Accounting Division - 120003	Paragraph 1, Article 20 of the Air Pollution Control Act	150	On August 31, 2023, the Environmental Protection Bureau of Kaohsiung Municipal Government sent its staff to the LDPE chemical manufacturing process (M03) at the Lin Yuan Plant of Asia Polytechnic Corporation to test the concentration of volatile organic compounds leaking from equipment components, and the result was that the net detection value of the leakage of equipment components at four points exceeded 2,000 ppm as stipulated in the "Kaohsiung Municipal Volatile Organic Components Control and Emission Standards for Equipment Components", which is against the provisions of the Article 20, paragraph 1 of the Air Pollution Prevention and Control Law. This is a violation of Article 20, Paragraph 1 of the Air Pollution Prevention and Control Act.	Reinforce the inspections for equipment: (1) Weekly random testing by field personnel in areas of responsibility by jurisdiction (2) Infrared scanning inspection from time to time (3) Monthly monitoring and sampling of equipment components conducted by the Environmental Protection Division (4) Quarterly commissioning of the Ministry of the Environment's approved testing company to carry out plant-wide testing.
May 31, 2023 Kaohsiung Environmental Protection Bureau Reference No. Accounting Division - 050026	Paragraph 1, Article 20 of the Air Pollution Control Act	225	TVCM's Lin Yuan Plant ethylene metering station equipment components exceeded VOC standards. (VOC detection concentration: 14,140 ppm)	Updating testing methods and enhancing self-testing (The test point detection method has been revised to use an extension rod).
July 17, 2023 Kaohsiung Environmental Protection Bureau Reference No. Accounting Division - 070013	subparagraph 1, Paragraph 1, Article 31 of the Waste Disposal Act	6	Empty drums of peroxide polymerization initiator and waste filter bags at CGCP's Linyuan Plant were not reported in the waste cleanup plan.	Apply for a variance to the Waste Cleanup Program.
July 17, 2023 Kaohsiung Environmental Protection Bureau Reference No. Accounting Division - 070014	Subparagraph 1, Paragraph 1, Article 32 of the Waste Disposal Act	6	Empty drums of peroxide polymerization initiator and waste filter bags at CGCP's Linyuan Plant were not reported in production and storage.	Apply for a variance to the Waste Cleanup Program and declared in accordance with the law.



Date of disciplinary		Penalty		
action/Disciplinary official letter No.	Laws violated	Amount (NT\$ thousands)	Facts of Violation	Improvement Action
August 31, 2023 Kaohsiung Environmental Protection Bureau Reference No. Accounting Division - 080018	Article 24 (2) of the Air Pollution Prevention Law	100	When the baghouse (A102) of CGCP's Linyuan Plant was in operation, the pressure drop showed 0.3KPa (operation permit condition 0.5~2KPa), which was not operated in accordance with the permit content.	Change of operating license for stationary sources of pollution in the glass-wool factory
November 08, 2023 Kaohsiung Environment Bureau Drug Enforcement Administration Reference No. Accounting Division - 080018	Article 12, Item 2 of the Measures for the Administration of Contingency Devices and Detection and Warning Equipment for Toxic and Concerned Chemicals	100	TVCM's Lin-Yuan Plant's fixed VCM detector was not calibrated with a standard gas of less than 10 times the converted TWA concentration in accordance with regulations.	Starting from the fourth quarter of 2023calibration vendors have been required to comply with the regulations and switch to calibrating with standard gases below 10 times the converted TWA concentration.
December 12, 2023 Kaohsiung Environmental Protection Bureau Waste Disposal Reference No. 41-112- 120314	Subparagraph 1, Paragraph 1, Article 27 of the Waste Disposal Act	1.2	Failure to properly dispose of and remove stagnant water in the stagnant water containers (trash cans) at TVCM's Lin Yuan Plant, resulting in the breeding of vector mosquitoes and tsetse.	Cleanup has been completed immediately.
December 01, 2023 Kaohsiung Environmental Protection Bureau Reference No. Accounting Division - 120002	Paragraph 1, Article 20 of the Air Pollution Control Act	150	component No. E2521-2F02, background value 1.18 ppm, detection value 8,687 ppm) exceeded the "Kaohsiung City VOC Control and Emission Standards for Equipment Components". 2F02, background value 1.18 ppm, test value 8,687 ppm) exceeded 2,000 ppm as stipulated in the "Kaohsiung City Volatile Organic Compounds Control and Emission Standards for Equipment Components", which is in violation of Article 20, Paragraph 1 of the Air Pollution Prevention and Control Act.	The leakage components in Area 24 (P2423-2N03) and Area 25 (E2521-2F02) have been repaired by the Mechanical Repair Department during the audit inspection, and a reinspection was arranged by an outsourced testing company on 09/13, and the re-inspection results were reported to the Environmental Protection Bureau (EPB) for improvement and completion.
December 12, 2023 Kaohsiung Environmental Protection Bureau Reference No. Accounting Division - 120025	Air Pollution Prevention and Control Act, Article 23, Item 1, Air Pollution Prevention and Control Act, Article 32, Item 1, Paragraph 3	130	During an audit of Delta Chemical on September 9, 2023, the EPA found that the neutralization tank to the sifter in Area B-26 was open for feeding, which was inconsistent with the operation permit (No. E1516-03, Air Operation Permit No. E1516- 03), and was in violation of Article 24, Paragraph 2 of the Air Pollution Prevention and Control Act.	(1) In Area 26, line A, the die head air hood and collection line of the extruder were blown and boiled with steam immediately, and the blower belt was replaced and repaired immediately. (2) Replacement of belt pulley and damper adjustment. (3) After the above hood inspection and repair is completed, photos and videos should be taken and VOCs concentration (at least 10ppm or less is recommended) should be checked before driving to confirm the hood (ventilation effect). (4) EPA contractor staff confirmed completion of improvements on

Date of disciplinary action/Disciplinary official letter No.	Laws violated	Penalty Amount (NT\$ thousands)	Facts of Violation	Improvement Action
December 12, 2023	A arti al a 24 (2)	225	During and its f Date Chamical an	09.12, 2023 to 26th District Line A. (1)Neutralization tanks and
Kaohsiung Environmental Protection Bureau Reference No. Accounting Division - 120024	Article 24 (2) of the Air Pollution Prevention Law	225	During an audit of Delta Chemical on September 9, 2023, the EPA found that the neutralization tank to the sifter in Area B-26 was open for feeding, which was inconsistent with the operation permit (No. E1516-03, Air Operation Permit No. E1516-03), and was in violation of Article 24, Paragraph 2 of the Air Pollution Prevention and Control Act. During the inspections of Delta Chemical on September 8, 2023 and September 9, 2023, the EPA found that air pollutants generated from the ABS Dehydration Compressors (E092 and E093) were collected through hoods and processed in the preventive equipment. However, the collection effect was ineffective, resulting in the plastic odors escaping through the cracks of the plant and the windows to the outside of the plant, causing pollution, which was in violation of the requirements of the Air Pollution Prevention and Control Act, Article 32, Item 1, Clause 3 and Article 23, Paragraph 1, respectively. The Company has violated Article 32(1)(3) and Article 23(1) of the Air Pollution Prevention and Control Law respectively.	coagulation tanks and coagulation tanks are reconfirmed and if they do not match, they are re-made and rubber gaskets are used to strengthen the sealing effect. (2) The filter hood is redesigned and the exhaust is channeled to the RTO for treatment. (3) In accordance with the requirements of the EPA, the company submitted an application for air pollution permit (M02) variance on 10/17, and then submitted an improvement report to the EPA within 90 days according to the "Air Pollution Law Violation Improvement Deadline".

(II) Current and future potential estimated amount and response measures:

- 1. Comply with relevant environmental protection and occupational safety and health regulations, as well as relevant requirements derived from such regulations.
- 2. Sustainable energy saving, regeneration and industrial waste reduction.
- 3. Prevent pollution, reduce potential risks in operations.
- 4. Continue to provide employees with education and training, implement measures related to environmental protection and occupational safety and health.
- 5. Actively communicate with customers and residents, manage suppliers and contractors, and encourage all employees to participate in matters related to environmental protection and occupational safety and health.
- 6. Thoroughly implement the environmental management system to enhance environmental performance and reduce environmental risks in the community.
- 7. Promote the process safety management system (PSM) to achieve safe process operation and maintenance personnel safety by "prior prevention, impact mitigation and abnormal improvement" of accidents.
- 8. Implement ISO 14064-1 management system for all potential sources of greenhouse gases within the organization, and conduct emission source inventory and data collection.



The material environmental protection expenses of the Company in the most recent fiscal year up to the publication date of this annual report are as follows:

Unit: NT\$ thousand

	Umi: N15	1
	Pollution Prevention Equipment Installed or Expenditure Content	Amount
1.	Renwu Plant C/EF Rx Middle Catalyst Pump Update	24,852
2.	Renwu Plant No.1 applied for a Recycle Cooler inner pipe	4,746
3.	Renwu plant No.1 process control valve replacement operation	180
4.	Improvement project of radiation level switch in processing room of Renwu Plant No.1	1,640
5.	C-line Updates Modifier Pump for Renwu Plant No.1	4,490
6.	Boiler black smoke identification system of Renwu Plant No.1	232
7.	Improvement project of 1500KVA High Voltage Transformer of Renwu Plant	3,530
8.	Improvement Project for Insufficient Heat Value of FLARE Exhaust Gas of Renwu Plant	106
9.	Improvement Project E-1110 NITROGEN DEOXO AFTERCOOLER of Renwu Plant	563
10.	Heat and coolness reservation construction project and 112 CUI inspection in Linyuan Plant	12,091
	Acquisition of spare parts for the first and second reactor motor of Linyuan Plant	
11.	· · · ·	10,480
12.	Linyuan Plant 82A biological aeration pool blower (B8266-3) renewal	2,650
13.	Linyuan Plant Zone 26 B2644C Lu blower replaced with energy-saving air suspension blower	3,360
14.	Linyuan Plant Zone 34 B3473 Lu blower replaced with energy-saving air suspension blower	3,500
15.	Linyuan Plant Zone 24 P2432-1 Monomer Reflow Pump Renewal	430
16.	Oxygen analyzer Sensor in flue of secondary incinerator of Linyuan Plant	120
17.	Linyuan Plant incinerator equipment rust removal paint project	200
18.	Maintenance and repair of incinerator at Linyuan Plant	770
19.	Linyuan Plant Zone 32 Z3285-2 electrostatic dust collector (EP) Renewal	5,440
20.	Linyuan Plant Zone 27 single feed control valve FV272022/FV27110A/LV27203/LV27601 updated to Non-	1490
	leakage type	
21.	Linyuan Plant Zone 25 DMF pump P2542 updated to Non-leakage type	240
22.	Linyuan Plant Zone 25/27 emergency discharge tank discharge line into the combustion tower	400
23.	The steam for EP cleaning in Zone 27 of Linyuan Plant was changed from 2S to 4S	450
24.	Qianzhen Plant GPS Program Cooling Water Tower (improves energy efficiency, saves energy and reduces	14,230
	carbon) (in progress)	,
25.	Replaced 3 sets of IE3 motors for GPS process and 1 set of high efficiency explosion-proof motor for EPS	2,491
	process in Qianzhen Plant, the efficiency of the motors was increased from 90% to 95.4%, in order to	
	achieve the purpose of energy saving and carbon reduction. (in progress)	
26.	The EPS process in Qianzhen Plant purchased a total of 5 speed reducers (including the replacement of the	1,194
	motor with a high efficiency IE3), which can effectively reduce energy consumption and improve efficiency	
	to achieve the purpose of energy saving and carbon reduction (completed).	
27.	Replacing the old GPS tank weight indicator in Qianzhen Plant to ensure the safety of the production	260
	process and to avoid leakage of raw materials. (Completed)	
28.	Qianzhen Plant Pure water system 2B3T resin renewal (improve pure water manufacturing efficiency and	591
	reduce regenerative drug consumption) (completed)	
29.	Qianzhen Plant EPS process dryer Replacement (improves energy efficiency, saves energy and reduces	700
	carbon) (in progress)	
30.	Apply to purchase the instrument control spare parts of heat medium boiler (FB-650) of Qianzhen Plant to	485
	avoid damage of control parts, which may cause boiler abnormal and lead to environmental pollution	
	(completed)	
31.	Qianzhen Plant EPS process purchase new type shaftless pump (avoid VOCs leakage) (in progress)	533
32.	Qianzhen Plant Steam control valve (avoid steam leakage, reduce energy waste) (completed)	845
33.	Coating and heat insulation case for the roof of dangerous goods warehouse and RTO control machine	751
	roomofQianzhen Plant (reduce the temperature in the plant, save energy and reduce carbon) (completed)	
34.	Qianzhen Plant Steam flowmeter, thermometer and pressure regulator valve (stabilize boiler liquid level and	350
	(in progress)	
35.	Rusted cooling water piping in the 4-slot area of the GPS process in Qianzhen Plant is replaced to avoid	200
	environmental pollution caused by leakage. (completed)	
36.	Qianzhen Plant GPS process ice water machine (improve operation efficiency, energy saving and carbon	1,050
	reduction) (completed)	,,,,,
37.	Qianzhen Plant Air dryer active aluminum ball renewal (reduce energy consumption, energy saving and	319
	carbon reduction) (completed)	
38.	Qianzhen Plant EPS 24 area process recovery condensate main line rust local replacement, avoid	475
	leakagecaused by environmental pollution (completed)	
39.	Qianzhen Plant GPS process computer DCS program processor module (HPMM) failure replacement, to	1,596

	Pollution Prevention Equipment Installed or Expenditure Content	Amount
	ensure safe operation of the process (completed)	
40.	Addition of waste storage facilities at ToufenPlant(in progress)	5,120
41.	Regular Maintenance of Static Collectors in Toufen Plant (Completed)	110
42.	Sewage Drainage Pipe for ESP Dust Collector of Toufen Factory (Completed)	41
43.	Purchase of spare table for A-008 in Toufen Plant (Completed)	182
44.	Improvement of cutting machine dust in ToufenPlant(Completed)	110
45.	Replacement of dust filter bags in Toufen plant (Completed)	160
46.	Installation of stabilizer for ultrasonic flow meter in Toufen Factory (Completed)	27
47.	Replacement of molding fan motor and blades in Toufen Plant (Completed)	860
48.	Improvement of dust dispersion in the batching room in Toufen Plant (Completed)	288
49.	Costs for environmental protection related to exhaust gas and wastewater monitoring in Zhongshan Plant.	2,399
50.	Maintenance and repair costs for exhaust gas and wastewater monitoring instruments in Zhongshan Plant.	1,288
51.	Commissioned service fee for national emissions and Taiwan accounts in Zhongshan Plant	195
52.	Air pipe and Fan's new environmental improvement Project in Taoyuan Plant	240
53.	Repair and maintenance in Taoyuan Plant	3,050
54.	Partial production line redesign and change project in Taoyuan Plant.	1,380
55.	Improvement of sewage pipes in toilets and bathrooms in Taoyuan Plant.	129
56.	New office pantry system cabinets in Taoyuan plant.	135
57.	Newly built clean room in processing workshop in Guangzhou plant.	193
58.	Renovated the wall and painted the floor in the molding workshop in Guangzhou Plant.	211
59.	Built a new cubicle in the microelectronic workshop in Guangzhou Plant.	30
60.	Painting of sintering wall in Guangzhou Factory	8
61.	Roofing of security room in Guangzhou Factory	45
62.	Environmental optimization of tin compartments of some production lines in Guangzhou Plant	76
63.	Installation of air-conditioning in the R&D measurement room in Guangzhou Plant	8
64.	Cleaning of molding dust collection ducts and optimization of the dust environment in Guangzhou factory.	58
65.	Replacement of air-conditioning system in Kunshan Plant	366
66.	Installation of soundproof enclosure for processing and grinding machines in Kunshan Plant.	229
67.	Replacement of energy-saving lamps in Kunshan Plant	194
68.	Air conditioning equipment improvement in Malay Plant	828
69.	Toilet improvement in Malay Plant	32
70.	Restaurant and rest area rectification in Malay Plant	10
71.	Epidemic prevention measures in Malay plant	119
72.	Garden organization in Malay plant	17
73.	Employee work gloves in Malay Plant	223
74.	Sorting out environmental wastes in Malay factory	499
75.	Rectification of the factory building in Malay factory	947
76.	Improvement of the fire fighting system in Malay plant	110
77.	Improvement of pipeline in Malay Plant	696
	Total	128,643

The Company's estimated capital expenditures for environmental protection in 2024 are as follows:

Unit: NT\$ thousand

	Proposed Pollution Prevention Equipment or Expenditure	Amount
1.	Installation of gas detectors in Renwu Plant 1 (Phase II)	6,000
2.	Boiler graphic control system update operation in Renwu Plant 1.	400
3.	Improvement of operation safety of EF-Line reactor in Renwu Plant I.	7,900
4.	Improvement of BLOWDOWN system in Renwu Plant I	600
5.	Improvement of sewage sludge decontamination in wastewater pond in Renwu Plant.	200
6.	Improvement of explosion-proof electrical system in Renwu Plant 1.	280
7.	760 Feeder GCB Renewal Project in Renwu Plant.	6,000
8.	Purchase and construction of V-207B_V-208B_V-209B operation platform in Renwu Plant.	400
9.	Modifier Injection PumpJ-220E renewal project (E) in Renwu Plant.	7,900
10.	Purchase of C-line F/G Compressor Cooler with permanent fixed platform.	600
11.	FL-9812 new filter cloth backwash pipeline in Renwu Plant.	200



	Proposed Pollution Prevention Equipment or Expenditure	Amount
12.	C-9205 Hydrogen Compressor shutdown and discharge to TO furnace pipeline in Renwu Plant.	280
13.	L1 primer Pump D/E table replacement and renew in Linyuan plant.	38,000
14.	Installation of C-3504 energy-saving program for L4 conveyor compressor in Linyuan plant.	5,300
15.	Expansion of the waste storage area in Linyuan plant.	2,800
16.		10,000
17.	27 (TOYO SAN process area) B2790 Lu-type blower is replaced with energy-saving air suspension blower in Linyuan plant.	3,300
18.	Area 26 (ABS process area) B3403-3 Lu-type blower is replaced by energy-saving gas suspension blower in Linyuan plant.	3,000
19.	Area 26 (ABS process area) B3403-4 Lu-type blower is replaced by energy-saving air suspension blower in Linyuan plant.	3,000
20.	Area 26 (ABS Processing Area) B3403-5 Lu-type blower is replaced by energy-saving gas suspension blower in Linyuan plant.	3,000
21.	Area 26 (ABS Processing Area) B3403-7 Lu-type blower is replaced by energy-saving gas suspension blower in Linyuan plant.	3,300
22.	Area 25 (SUKA SAN process area) P2572-2 is replaced by high efficiency pump in Linyuan plant.	310
23.	TAP-II PBDL feed pump (P2134-2) 22 area is replaced by new one in Linyuan plant.	215
24.	Area 82 A (sewage treatment area) PVA carrier tank carrier purchase spare parts in Linyuan plant.	640
25.	Waste Storage Facility Refurbishment (existing) in Linyuan plant	300
26.	Maintenance and repair of incinerator at Linyuan Plant	700
27.	Purchase of AI smoke detection software and hardware equipment in Linyuan plant	1,410
28.	Area 81 combustion tower 10S steam pipeline (air seal) additional control valves in Linyuan plant	250
29.	Area 82A Renewal of corrosion in the bottom discharge pipe of the measuring tank (D8220-2) in Linyuan plant.	250
30.	Replace the EPS process energy-saving air dryer with energy-storage air dryer to achieve environmental protection and power saving effect in Qianzhen Plant.	220
31.	Replacement of air compressor for EPS process, purchasing variable frequency air compressor to ensure stable supply of PA and achieve energy saving in Qianzhen Plant.	2,170
32.	The GPS process purchased a total of 5 sets of IE3 high-efficiency motors to replace the old traditional MELTING PUMP motors to save energy and reduce carbon emissions in Qianzhen Plant.	9,210
33.	The EPS process purchased a total of 9 speed reducers (including the replacement of motors with high efficiency IE3), which can effectively reduce energy consumption and improve efficiency, and achieve the purpose of energy saving and carbon reduction in Qianzhen Plant.	2,230
34.	Replacing the old filter plate of the adsorption tank in the GPS process to avoid affecting the production process and causing environmental leakage in Qianzhen Plant.	1,200
35.	The GPS program extruder liquid level detector to avoid affecting the process, resulting in environmental leakage in Qianzhen Plant.	470
36.	The GPS process of reactor tank temperature preservation is old and replaced with a new one to avoid	230
	energy consumption and to achieve the purpose of energy saving and carbon reduction in Qianzhen Plant. SLURRY PUMP for EPS process in the former township factory is replaced with IE3 high efficiency	330
37.	motor to achieve energy saving and carbon reduction.	
38.	Replacement of MCC room chiller for EPS process plant to avoid damage and failure of instrumentation, which may affect production safety and cause environmental pollution in Qianzhen Plant.	267
39.	Please purchase the spare parts of mechanical shaft seal for GPS process mixer to avoid mechanical shaft seal damage, which may cause process abnormality and environmental pollution in Qianzhen Plant.	580
40.	Please purchase the spare parts of EPS cooling water control valve to avoid rust and abrasion, which may cause frequent shaft leakage and environmental pollution in Qianzhen Plant.	450
41.	Spare parts for shaftless pumps for EPS process, newly purchased shaftless pumps as spare parts to avoid equipment damage and VOCs leakage in Qianzhen plant.	310
42.	Regular maintenance of air compressors for EPS process to improve operational efficiency and achieve energy saving and carbon reduction in Qianzhen plant.	300
43.	The cleaning project of GPS process electrostatic precipitator to ensure compliance with environmental regulations and licensing requirements in Qianzhen plant.	270
44.	Improvement of styrene VOC system to ensure compliance with environmental regulations and permit requirements in Qianzhen plant.	2,140
45.	After-furnace cooling fan (upgrade/standby) in Toufen Plant.	855
46.	Improvement of energy supply method for ceiling line dryer in Toufen Plant.	390
47.	Improvement of GW wastewater pipeline in Toufen plant.	520
	Replacement of infrared heaters with natural gas-fired baking edges at the outlet of packaging machines in	370

	Proposed Pollution Prevention Equipment or Expenditure	Amount
	Toufen Plant.	
49.	Replacement of air compressor #1 with energy-saving equipment in Toufen Plant.	3,030
50.	Costs for environmental protection related to exhaust gas and wastewater monitoring in Zhongshan Plant.	2,500
51.	Maintenance and repair costs for exhaust gas and wastewater monitoring instruments in Zhongshan Plant.	1,400
52.	Commissioned service fee for national emissions and Taiwan accounts in Zhongshan Plant	200
53.	Repair and maintenance in Taoyuan Plant	6,000
54.	Rectification of microelectronic dust collection equipment and installation of soundproofing devices in Guangzhou Plant	900
55.	Replacement of air-conditioning for staff dormitories in Guangzhou Plant	203
56.	Kunshan Plant air conditioning improvement	315
	Total	143,595

(III) In response to the European Union's Restriction of Hazardous Substances Directive (RoHS):

The Company is RoHS-compliant, and the restriction has no effect in the Company's financial operations.

V.Labor relations:

I. List the Company's employee welfare measures, continuing education, training, retirement system and implementation status, as well as agreements between the employer and employees and measures for protecting employee rights and interests:

1. Employee welfare measures

- (1) The Company provides a diversified and competitive salary system, on the premise of external competition, internal fairness and legality, and upholds the concept of sharing profits with employees to draw, retain, cultivate and motivate outstanding talents. The remuneration of the Company's employees consists of monthly salaries, bonuses for production performance, and employee compensation for the distribution of each year's earnings.
- (2) In order to maintain the overall salary competitiveness, the Company conducts annual salary increase according to the profit situation, market salary level, price index, company salary policy, annual performance and development potential of colleagues. The salary increase range of employees in 2023 is about 0%~4%. Employees' rewards shall not be lower one (1) percent of the Company's distributable earnings in the current fiscal year.
- (3) The Company rewards employees for their contributions and motivates them to continue their efforts through employee compensation, so that the interests of employees and shareholders are directly aligned to create a win-win-win situation for the Company, shareholders and employees. The Company bases the distribution of employee bonuses on the results of the Company's operations while referring to the payout levels in R.O.C. industry. The amount allocated to each employee is based on individual contribution and performance.
- (4) As regards the compensation of employees of overseas subsidiaries, the Company not only sets reasonable and competitive salary levels in accordance with the local labor



market conditions, but also makes reference to local laws and regulations, industry practices and the overall operating performance of each subsidiary to encourage its employees to make long-term contributions and grow with the Company.

- (5) The Company arranges regular employee health checkups every year. The head office in Taipei is equipped with fitness facilities and showers, and each factory is equipped with qualified nurse practitioners to provide employees with physical health care and medical assistance, as well as physiological leave and independent space for breastfeeding for female employees, and childcare and education organizations to provide childcare and parenting services.
- (6) Employees who have serve in the Company for 3 months (or above), are entitled a birth allowance of NT\$ 10,000 for each new born child in the family. The amount is doubled for twins. Employees' application for unpaid parental leave can be submitted before their children reach the age of three and the leave can be extended to up to two years.
- (7) The Company has established the Employee Welfare Committee and sets aside fund for the welfare fund in accordance with the Employee Welfare Fund Act. The Company manages the use of the employee welfare fund for various beneficial activities to promote the physical and mental health of employees. All employees of the Company are entitled to fair access to all benefits provided by the Employee Welfare Committee. The retention and use of the employee welfare fund are processed by the Employee Welfare Committee.

2. Workplace Diversity and Equality

In 2022, according to the characteristics of the petrochemical industry, although there is a slight difference in the ratio of male to female, it still approaches 1 to 1, showing the achievement of gender equality. (Compared with the full salary, the ratio of male to female in the middle and upper ranks was 1.21:1, and that of male to female in the general staff was 0.90:1; In terms of salary, the ratio of male to female is 1.14:1, and that of male to female is 0.85:1).

3. Employee education and training

- (1) Every year, the Company shall conduct surveys on requirements of employee training, and complete annual training plans in accordance with the Company's employee training regulations. The Company shall also create budget for the implementation of trainings. Employee functional training, management training, seminars, health talks and various types of conferences are all included in the scope of training. Employees can participate in learning through various learning methods including work instructions given by supervisors, classroom lectures, educational CDs or online learning.
- (2) In order to combine both employee training and promotion, the Company has specifically established general education courses for promotion in order to encourage employees to actively learn and study. Employees must complete the prescribed courses before they can be officially promoted.
- (3) For employees who demonstrate a strong willingness to learn and develop their potential, the Company provides grants for further education in local universities, which are supplemented with career adjustments in their respective positions in order to nurture leaders required by enterprises.
- (4) Employee training is recorded and archived. Every year, employees have to attend at least 8 hours of internal training, which is taken into account during employees' performance appraisal. At the end of each course, the Company conducts employee opinion surveys and prepares review reports. Satisfaction surveys will also be organized

at the end of every year to collect employees' opinions and recommendations on employee training as a reference to improve training.

(5) Employee Training Expenditures: The total training expenditures for 2023 amounted to NT\$7,985thousand.

Name of Representative Training	Recipients	Name of Representative Training	Recipients
Courses for Directors and Supervisors: Chinese Communist Party Politics and Economy, International Situation and Cross-Strait Relations	Chairman's Office	Toward Net Zero Sustainability: The Group's Practices and Prospects	Research and Development Division
Fire Commander Skills Training Course for Taiwan Group in 2023	Renwu Plant	[Ethics Seminar] Legal Understanding and Causality in the Age of Intelligence	Sales and Marketing Division
Real Fire Fire Fighting Skills Training Course for Taiwanese Consortium in 2023	Renwu Plant	Flood Prevention and Retaining Gate Education and Training	Renwu Plant
2023 Ionizing Radiation Protection Safety Training	Renwu Plant	Introduction to Centrifugal Pumps	Renwu Plant
2023 Chemical Process Engineer Training Course	Renwu Plant	Introduction to Construction Frames and Risks	Renwu Plant
Process Safety (PSM) Education and Training	Renwu Plant	Underground Pipeline Inspection and Emergency Response Self-Organized Training	Renwu Plant
Completion Inspection Preparation	Renwu Plant	Piping Supervision Engineer Training Course	Renwu Plant
Non-Destructive Inspection Magnetic Particle Inspection Method	Renwu Plant	In-service safety and health training	Renwu Plant
GRI Standards Certification Training Program	ESG Contractor	Special Chemical Operations Supervisor Training Class	Operation Supervisor
Chemical Plant Operation Engineer Training Course	Related employees	Dust operation supervisor safety and health education training	Operation Supervisor
Hazard Communication and Work Safety Promotion for Age Repair and Joint Agreement Organization Seminar	Related employees	Pure water manufacturing operation education and training	Public Utilities Division
Fire Commander Skills Training Course #1~4	Related employees	Hypoxia Operation Supervisor Retraining	Related employees
Real Fire Suppression Skills Training Course #1~4	Related employees	Energy Management Training	Related employees
Corporate Sustainability Training - Advanced Course	ESG Contractor	Standardization of piping project specifications and attention to common measurement problems.	Related employees
Emergency Response and Evacuation Drills	On-site Staff	Special Safety and Health Training for Aerial Vehicle Operators	Aerial Work Vehicle Operators
Labor Code of Conduct Promotion Test	Related employees	High-speed lathe operating instructions	Related employees
Health Promotion - Weight Loss Program	General Staff	High Pressure Gas Equipment Operator Training Course	Specific Equipment Operator
Zero Net Emission Enterprise Transformation Technology Basic Course	Related employees	High Pressure Gas Manufacturing Safety Officer Education Training	Operation Supervisor
Labor Health Service Professional Knowledge and Practical Experience Sharing Session	Nursing Staff	High-pressure electrical system equipment operation instructions	Related employees
Technical Case Presentation	Related employees	Health Risk Assessment Specialists	Specialists
Presentation Skills Workshop	Related employees	International Vibration Analyst Level 2 Training and Certification Course	Equipment Inspectors
Occupational Health Professional Functions Inservice Education Training	Related employees	Basic Mechanical Learning and Data Analysis in Chemical Industry	AI Team
69KV damaged obstacle and power failure, plant-wide emergency stopping and emergency response training.	Related employees	Basic Catalyst Workshop	Related employees
API510 Pressure Vessel Authorized Inspector	Related employees	Seminar: New Trend of ESG - Energy Saving, Green Energy, I Energy	Related employees
C-6203 Vinyl Chloride Tower EDC and High Moisture Problems after Stopping and Restarting / Familiarize with raw materials, auxiliary materials, chemical and physical properties of finished products as well as work permit verification and training on the use of personal protective equipment.	Related employees	Complexity to simplicity data thinking class	Related employees
CPR+Automatic Extra corporeal Cardiac Pulse Dispenser Seed Instructor Education & Training	Related employees	Common Infectious Diseases and Vaccination Recommendations	General Staff
DCS disk control principle and operation training	Related employees	Emotion Management and Stress Relief	General Staff



Name of Representative Training	Recipients	Name of Representative Training	Recipients
Dow Chemical's LOPA Technical Seminar Program part1~2	Related employees	International Trend of Net Zero Carbon Emission and Green Transformation of Chemical Industry	Related employees
GC&GC/MS Gas Chromatography Mass Spectrometer Basics and Maintenance	Colleagues of Inspection Course	Pre-Machine Cleaning Power Off Operation Drill	Related employees
GRS Counseling	Designated employees	On-site remediation instruction	Related employees
ISO 14001:2015 Environmental Management System and Internal Auditor Training Course	Internal Auditor	Product Quality Control	Colleagues of Pi2 Division
ISO 14064:2018 Greenhouse Gas Inventory Standard Lead Inspector Training	ISO 14064 Internal Auditor	Product Carbon Footprint Training	Related employees
ISO 45001:2018 Occupational Safety and Health Management System and Internal Auditor Training Course	Internal Auditor	Mobile Electricity Generator Welding Machine Work Instructions	Related employees
ISO 9001:2015 Quality Management System and Internal Auditor Training Course	Internal Auditor	Safety Code of Practice for Mobile Boarding Platforms	Processing and Storage Division
ISO 9001 Calibration and Management Practices for Gauging Instruments	Internal Auditor	First Pressure Vessel Operator Training Course	First Pressure Vessel Operator.
PLC Programmable Controller Teaching Simulation Practice	Designated personnel of Raw Material Processing Department	Processor quality control	Colleagues of Pi2 Division
PSM/PSSR education and training	Engineering Department	Practical training on equipment safety and instrument monitoring.	Related employees
TAF certification test standards (all items) and finished product inspection, instrumentation, drug testing and calibration related training.	Colleagues of Inspection Course	Emergency response training for equipment anomalies / VCM plant process overview.	Related employees
US-VIS Visible Spectrophotometer Training	Quality Inspection Division	Site on-site guidance: waste cooking oil recycling and drilling machine series 1-application introduction and operation instructions.	Related employees
General Safety and Health Education and Training and Specific Chemical Substances Education and Training.	Related employees	Intelligent Petrochemical Seminar	Related employees
Acetylene welding operator training	Related employees	The latest "ESG Sustainability" and "Financial Reporting" related policy development and internal control management practice.	Audit Agent
Class B boiler operator safety and health education training class	Class B Boiler operators	Introduction to Plastic Weathering Additives	Colleagues of Processing Technology Division
Class B Occupational Safety and Health Administrator Exam Preparation Course	Safety and Health Manager	New Product Introduction	Colleagues of Processing Technology Division
Women's Health Seminar	Female colleague	New hydrochloric acid furnace education and training	Alkaline Chlorine Division
Workplace safety case studies and preventive education training	Hard Pipe Division	Business market expansion and new market development	Sales personnel
Coaching and training of employees	Supervisors at or above the classroom level	How to Supervise a Company in Corporate Risk Management and Crisis Management (Directors and Supervisors)	Related employees
Seminar on Carbon Insulation and Corrosion Prevention for Industrial Facilities	Engineering Department personnel	Insider Trading and Gender Equality Law Advocacy	Related employees
Chinese Communist Party's Political Economy, International Situation and Cross-Strait Relations (Directors and Supervisors)	Related employees	Legal Awareness and Response in the Smart Era	Related employees
Chemical system interface operation and instructions for use	Colleagues using the system	Information Security Traps	Related employees
Delta V Configuration Training	Related employees	Internet Copyright and Legal Use of Software	General Staff
Natural gas boiler operation education and training	Public Utilities Division	Prevention of Workplace Violations	General Staff
Document handling-CMMS and ERP utilization		Introduction to Trade Secrets Act and Case Analysis	General Staff
Risk Management" to Promote Sustainable Development of Enterprises	Audit Agent	Electric Forklift Education and Training	Related employees
Training course for Class A Air Pollution Prevention Specialists	Specialists	Introduction to common functions of computerized document processing	Colleagues of Processing

Name of Representative Training	Recipients	Name of Representative Training	Recipients
			Technology Division
Training for professional and technical management of Class A toxicity and chemical substances of concern.	Related employees	Laboratory equipment operation	Colleagues of Processing Technology Division
Occupational Safety and Health Training for A- type Occupational Safety and Health Supervisors	Safety and Health Supervisor	Laboratory accreditation standard ISO/IEC17025 training	Related employees
Target Management and Performance Evaluation	Supervisors at or above the classroom level	Green factory capacity building counseling	Designated employees
Petrochemical Disaster Rescue Training Course	Designated employees	Corrosion and deterioration mechanism API571 training	Related employees
Corporate Disaster Prevention Education and Training	Industrial Safety Office Staff	Process Safety Management (PSM) Education and Training	Related employees
enterprise finance and tax processing common problems analysis	Related employees	Comparison of certification test and inspection and practical training 1~4	Inspection Section personnel
Training Class for Operators of Fixed Cranes	Fixed crane	Mechanical and electrical maintenance training	Colleagues of Tape Maintenance Course
with Hoisting Capacity of 3 Tons or More Safety Valve Inspection and Equipment Pressure Test Training Course	operators Related Operators	Instrument calibration and quality training	Quality Inspection Division
Health and Safety Training for Supervisors of Organic Solvent Operations	Organic Solvent Operations Supervisors	Maintenance of underground pipelines outside the factory	Related employees
Education and training on automatic packaging machines and conveyors.	Raw Material Storage and Transportation Division	On-the-job training for specialized waste treatment technicians.	Professional technicians
Notes on the operation of automatic storage equipment	Raw Material Storage and Transportation Division	Familiar with the chemical and physical properties of raw materials, auxiliary materials and finished products in the factory.	Related employees
Self-defense firefighting training and civil defense training	Fire Fighting Organization	Fabric quality inspection	Duplicating fabrics
Initial training for professional responders to technical level toxicity and chemical substances of concern.	Related employees	Introduction of raw materials for adhesive tape-additives and blue colorants.	Duplicating fabrics
Initial refresher training for fire prevention administrators	Related employees	Principles and Practical Operation of Plastic Fabric Machine	Colleagues of the tape factory
Typhoon emergency response drill	Related employees	Remediation of site conditions and discussion of work/safety defense driver training course	Related employees
Staff training course	Related employees	Radiation Protection Workshop (Continued Re- education)	Mechanical Maintenance Training
Hoisting operators using cranes	Crane operators	Requirements for environmental testing laboratories	Related employees
Sexual harassment prevention	Related employees	Performance Management Interview	Related employees
Security Inspector Training Course	Security inspectors	Workplace Etiquette	Related employees
Fair Trade Law and Case Study Camp for the Southern Elites	Related employees	Occupational Health Care Worker First Aid Recertification Course	Related employees
	Colleagues in Leather Technology Classes	Win-Win Interpersonal Interaction - Comprehensive Interpersonal Relationships	Related employees
Safety and Health On-the-Job Training for First Aid Personnel	First Aid Team Members	Introduction to Centrifugal Pumps	Related employees
Initial training for command-level toxicity and chemical substances of concern responders.	Related employees	Centrifuge and Aerosol Drying Education and Training	Related employees
Operation and Maintenance of Activated Carbon Bed VOC Treatment Equipment	Colleagues of Pi2 Division	Security Guard Training Program	Related employees
Process Improvement and Innovation	General Staff	Portable Multi-Purpose Planner Operation Training	Instrumentation and Electricity Division
Basic Fan, Energy Saving and Noise Control Programs	Engineering Department	Hearing protection and health promotion training	Noise Site Workers
Raw Material Inspection and Development Test and Leather Inspection Training	Colleagues of Inspection Course	Change management and PSSR related training	Related employees
Time Management	General Staff	Alkaline Chlorine Division GHP process education and training	Alkaline Chlorine Division
Python Programming Language Training	Ho Wing-ling/Hu	Safety Valve Testing and Inspection Training	Mr. Chang Chien



Name of Representative Training	Recipients	Name of Representative Training	Recipients
Aerial Work Vehicle Operators	Chiu Chin-Hui	Dust operation supervisor retraining	Synthesis Section
Fork Lift Operation Training	Related employees	On-the-job Training for Occupational Safety and Health Managers	Mr. Liu Man Shee
Crane Operation Retraining	Related employees	Security Supervision	HSUEH,SHENG- JEN
High-Pressure Gas-Specific Equipment Operation Training	Synthesis Section	Safety Seminar for High Pressure Specific Equipment	Yen, Sheng-Chung
PSM Audit-External Training for PSM Auditors	Related employees	Toward Net Zero Sustainability: The Group's Practices and Prospects	Related employees
Retraining for Type 1 Pressure Vessel Operators	Related employees	Training for A and Wastewater Treatment Specialists	Hsu, Pang-You
Process Safety Assessment Personnel Retraining	Mr. Poon Hsin- Hong / Mr. Lau Yau- An	Acetylene Operator Retraining	Machine Repair Section
General Safety and Health Education and Training	Employees of Lin Yuan Plant	On-the-job training for wastewater specialists	Hsu Chunwei
High Pressure Gas Vessel Operation Training	Related employees	Non-Destructive Inspection - Visualization (VT) Elementary Level	Kuo, Hao Sheng
Organic Solvent Operation Supervisor Training	Related employees	Safe City - 6th International Forum on Industrial Pipeline Management	Wu, Meng-xiu/Kuo, Haosheng
Dust operation supervisor retraining	Related employees	112th Chemical Corrosion Energy Consumption and Overhaul Management Workshop	Lin Cheng-Hsiung
Radiation Protection Training	Related employees	On-the-Job Training for Class A Air Pollution Prevention Specialists	Kuo Tien-Chieh
Process Safety Management (PSM) Overview Boiler operation training	Kuo, Hao Sheng Related employees	2023 Energy management personnel Courses 2023 Labor Education	Hu, Chen-Ti Employees of Lin Yuan Plant
High Pressure Gas Specific Equipment Operation	Related employees	Crane operators over three tons	Machine Repair Section
Supervisor Retraining on Specific Chemical Operations	Related employees	ISO 50001 energy management system internal auditor training	Related employees
Confined Space Oxygen Deficiency Hazardous Operation Prevention Seminar	Machine Repair Section	ISO 14001 environment management system internal auditor training	Related employees
Industrial Control Joint Emergency Response - Unit Practice Simulation Education	Related employees	ISO 45001 Occupational Safety and Health Management System internal auditor training.	Related employees
The Solution to Net Zero Carbon Emission	Employees of Lin Yuan Plant	Health Talk	Employees of Lin Yuan Plant
Security Supervision	Lin Cheng-Hsiung	Professional Response Personnel Training on Toxic Substances (Expert Level)	Lin, Cheng- Hsiung/Chen, Shun- Han
2023 Underground Pipeline Contingency Staff Training	Related employees	ISO 9001 Quality Management System Internal Auditor Training	Related employees
Intelligent Petrochemical Seminar	Employees of Lin Yuan Plant	Standardization of piping project specifications and attention to common measurement problems.	Related employees
Workplace Chemical Hazard Exposure Assessment Workshop	Yen, Sheng-Chung	Kaohsiung City Pipeline Excavation Project Manager Certification	Li, Meng-Tse
Fire Prevention Management	Hsueh Sheng-Jen / Lin, Cheng-Hsiung	2023 International Climate Workshop	Pan, Hsin-Hung
Advanced Quantitative Exposure Assessment of Chemical Hazards in the Workplace	Yen, Sheng-Chung	Extra High Voltage 69KV Lightning Arrester (LA) Related Training	Related employees
Hypoxia Operation Supervisor Retraining	Lin, Cheng-Hsing	Internal Audit Digital Transformation and Emerging Technology Application	Lin, Chia-Hui
ISO14001 Internal Auditor	Hsu, Pang-You	Practical operation of journal analysis	Lin, Chia-Hui
Seminar on Steam Technology and Net-Zero	Machine Repair	Enhance corporate sustainability value and	Chuang, Chia-Fang
Production Management Kaohsiung City Pipeline Excavation Project Management Staff Retraining in 2023	Section Related employees	improve risk management system How to Utilize Digital Technology to Explore and Improve Operation Processes and Fraud Detection - Audit Practice Discussion	Chuang, Chia-Fang
High Pressure Gas Manufacturing Safety Officer Training	HSUEH,SHENG- JEN	Talk about the Group's B2C product development from scratch	All staff
Safety and Health Education for First Aiders	Chiu, Yung-I / Yeh, Hsueh-Mei	ESG New Trend - Energy Saving Green Energy I Can	All staff
Kaohsiung City Existing Industrial Pipeline Maintenance Training Program in 2012	Inspection Section	Successful Presentation Skills	All staff
Dow Chemical's LOPA Technical Seminar	Related employees	[Ethics Seminar] Fund Security Traps Stop and	All staff

Name of Representative Training	Recipients	Name of Representative Training	Recipients
		listen	
API-510 Pressure Vessel Inspector Course	Chang Hung-Tse	Hung Hai's solution to net-The Solution to Net	All staff
		Zero Carbon Emission	
Aerial Work Vehicle Operators	Instruments and	Intelligent Petrochemical Seminar	All staff
	Electrical Section		
Kaohsiung City Pipeline Excavation Project	Li, Wei Te	Toward Net Zero Sustainability: The Group's	All staff
Manager Certification (Initial Training)		Practices and Prospects	

4. Employee Retirement System

ITEM	Labor Pension				
ITEM	Old	New			
Legal Basis	Labor Standards Act	Labor Pension Act (Effective from July 1, 2005)			
Proportion of Salary Contributed to Pension The Company set up the "Labor Pension Reserve Supervision Committee," and contributes 12% of employees' monthly salaries to the pension reserve fund.		Employer: Employee's monthly salary 6% Employee: 0-6% per month (which can be fully exempted from employees' individual consolidated income tax amount of the current year)			
Custodian Institution	Bank of Taiwan	Labor and Insurance Bureau			
Eligibility and Application Method	When an employee whose service for a company constitutes the eligibility for pension payment in accordance with Labor Standards Act for the employee, the e employer shall make such payment upon the employee's retirement.	At the age of 60, an employee may apply for return to the Labor Insurance Bureau for the accumulated amount in his/her individual pension account.			
Degree of Employees' Participation in Pension Plan	100%	100%			
Appropriation	Accumulated appropriation of NT\$1,806,829 thousand	NT\$166,668 thousand was allocated in 2023			

Note:

- 1.In old pension system, if the balance in the fund, after actuarial evaluation, is insufficient to pay to all employees qualified for retirement in following year, the Company shall make up the difference in one appropriation by the end of March in the following year. The appropriation shall be submitted to the Supervisory Committee of Labor Retirement Reserve for deliberation.
- 2.The amended Labor Pension Act took effect on July 1, 2005. Employees who were hired prior to the enactment of the amended articles and remain working for the Company thereafter are allowed to choose between the amended or the old system until July 15, 2005. Those who failed to make decision before the aforementioned deadline shall continually apply to the old system. Those who choose the new system will be required to contribute to the new retirement pension starting from July 1, 2005; those who choose the old system (including those who do not choose the old system for the time being) will be allowed to change to the new system within five years (before June 30, 2010). Employees who are employed after July 1, 2005 or are re-employed after resignation after the aforementioned date shall be applicable to the amended pension system.
- 3. Employees who are applicable to the amended pension system in accordance with the Labor Standards Act may not choose to be applicable to the old pension system.
- 4.Provisions of Labor Pension Act applicable to the Company include the following:

Voluntary retirement:

A worker may apply for voluntary retirement under any of the following conditions: (the provisions shall apply, mutatis mutandis, to those who are in the amended Labor Pension Act system)

- (1) Where the worker attains the age of fifty-five and has worked for fifteen years.
- (2) Where the worker has worked for more than twenty-five years.
- (3) Where the worker attains the age of sixty and has worked for ten years.

Mandatory retirement:

Unless any one of the following circumstances is met, the Company shall not force an employee to retire:

- (1) Where the worker attains the age of sixty-five
- (2) Where the worker is totally incompetent at work due to mental disorders or physical disabilities.

The Company may request the central competent authority to adjust the age prescribed above if the specific job entails risk, requires substantial physical strength or otherwise of a special nature; provided. However, that the age shall not be reduced below fifty-five. Pension payment standard:

- (1) Employees who have service seniority accumulated before or after the application of the Labor Standards Act, and choose to be applicable to the Labor Standards Act in accordance with Labor Pension Act or service seniority preserved before the application of the Labor Pension Act, shall have their retirement benefit paid in accordance with Article 55 and Article 84-2 of the Labor Standards Act.
- (2) Employees who have service seniority calculated according to the preceding pension payment standard and are forced to retire in accordance with Subparagraph 2 of Paragraph 1 of Article 35 of the Labor Standards Act, an additional 20% on top of the amount calculated according to the preceding pension payment standard shall be given to the worker forced to retire due to disability incurred from the execution of their duties, as set forth in Subparagraph 2 of Paragraph 1 of Article 55.
- (3) For employees who are applicable to the provisions of the Labor Pension Act, 6% of the amount of employee's salary into employees' individual account of labor pension.

Pension payment:

The Company shall pay the due amount of pension within 30 days after an employee's retirement.



5.Labor-Management Agreements and Measures to Protect Employees' Rights and Interests

In order to establish a rule-based channel for agreements between the employer and employees, meetings are regularly held between the employer and employees in order to effectively solve problems between the employer and employees.

6. The status of obtaining relevant certificates and licenses as specified by the competent authorities for personnel involved in financial information transparency.

Unit Name		Related Study License		
	Kuo, Chuan-Hua	Continuing Education Course for Principal Accounting Officers of Issuers, Securities Firms, and Securities Exchanges offered by the Accounting Research and Development Foundation		
	Kuo Chien-chou	Continuing Education Course for Principal Accounting Officers of Issuers, Securities Firms, and Securities Exchanges offered by the Accounting Research and Development Foundation		
	Chen, Cheng-Shun	Continuing Education Course for Principal Accounting Officers of Issuers, Securities Firms, and Securities Exchanges offered by the Accounting Research and Development Foundation Passed the Accountant Examination in the 2008 Advanced Examination for		
Accounting		Professional and Technical Personnel held by the Ministry of Examination Certificate No.: (97) Chuan Kao Hui Tzu No. 000012		
Division	Chang, Sheng-Chuan	Continuing Education Course for Principal Accounting Officers of Issuers, Securities Firms, and Securities Exchanges offered by the Accounting Research and Development Foundation		
	Chang, Sheng-Chuan	Passed the Accountant Examination in the 2007 Advanced Examination for Professional and Technical Personnel held by the Ministry of Examination Certificate No.: (96) Chuan Kao Hui Tzu No. 000147		
	Chang, Pi-Ling	Continuing Education Course for Principal Accounting Officers of Issuers, Securities Firms, and Securities Exchanges offered by the Accounting Research and Development Foundation		
	Wu, Chia-Ling	Passed the Accountant Examination in the 2011 Advanced Examination for Professional and Technical Personnel held by the Ministry of Examination Certificate No.: (100) Chuan Kao Hui Tzu No. 000114		
	Chiang I-Ting	Certified Internal Auditor (CIA) "Security protection" and "Cloud security" audit practice discussion		
		Certificate No.: Chi Hsieh Pei Cheng Fa Tzu No. 11204894 Fund loan, endorsement guarantee, acquisition and disposal of assets regulation and practice analysis		
		Chi Hsieh Pei Cheng Fa Tzu No. 1121102 Certified Internal Auditor (CIA)		
	Li Ta-Cheng	Certification of internal audit personnel's advanced study and test Certificate No.: (112) Hui Chiao (Gong) Tzu No. 8073014 Certificate No.: (112) Hui Chiao (Gong) Tzu No. 8077010 Certificate No.: Chi Hsieh Pei Cheng Fa Tzu No. 11247674		
	Hsu, Liang-Wei	Internal Audit Association of the Republic of China Certificate No.: Chi Hsieh Pei Cheng Fa Tzu No. 1121077 Certificate No.: Audit North Certificate No. 1127965		
Auditing Office	Lin, Chia-Hui	International Certified Internal Auditor certification Certificate No.: Chi Hsieh Cheng Tzu No. 1060022 Internal Audit Association of the Republic of China		
g		Certificate No.: Chi Hsieh Pei Cheng Fa Tzu No. 1120931 Computer Audit Association Certificate No.: Tien Hsieh Cheng Tzu No. 1120174		
	Chuang, Chia-Fang	Internal Audit Association of the Republic of China Certificate No.: Audit of Beijingshaft No. 1122259 Internal Audit Association of the Republic of China		
	Tu Ying-Chun	Certificate No.: Chi Hsieh Pei Cheng Fa Tzu No. 1128202 Certified Internal Auditor (CIA) Certificate of Completion of the Basic Competency Test for Internal Control of Enterprises by the Securities and Futures Market Development Foundation of the Republic of China (Taiwan)		
	Jiang, Kang-Nian	Certified Internal Auditor (CIA)		
	Kuo, Shih To	"Security protection" and "Cloud security" audit practice discussion Certificate No.: Chi Hsieh Pei Cheng Fa Tzu No. 1120476		
	,	Enhance corporate sustainability value and improve risk management system Chi Hsieh Pei Cheng Fa Tzu No. 1122238		

7. Employee Code of Conduct or Ethics

In accordance with the Labor Standards Act and relevant laws, employees' work rules and various management systems (described below) have been established in order to maintain workplace discipline and order among employees.

- (1) Every employee is given a Employee Work Rules Handbook which specifies the behavior or work ethic of employees, including employment, dismissal, working hours, vacation, leave, rewards and punishments, performance appraisal, retirement and welfare.
- (2) Pre-employment training for new employees covers basic education on ethics, environmental protection, occupational safety and health management.
- (3) Signing of Letter of Undertaking by employees: This document establishes employees' commitment towards maintaining the confidentiality of information regarding the Company's tangible and intangible operating assets and prevents employees from infringing on the interests of the Company.
- (4) The Company's website discloses the following: Guidelines for the Adoption of Codes of Ethical Conduct for Directors and Managerial Officers, Ethical Corporate Management Best Practice Principles, Procedures for Handling Material Inside Information and Procedures for Ethical Management and Guidelines for Conduct.

For Employee Work Rules, please visit the Corporate Governance section under Investor Services on the Company's website: https://www.usife.com

8. Protection Measures for Work Environment and Employees' Personal Safety

- (1) The Company has passed ISO 14001 and OHSAS18001 (completed in May 2020 and obtained ISO 45001 certificate, currently valid from May 9, 2022 to April 16, 2025) management system certification, and actively promotes energy conservation, disaster prevention, pollution prevention and other improvement activities.
- (2) In order to enhance self-inspection of all aspects of work safety, the Company complies with the "Group Safety and Health Partners Regional Joint Rescue" system recommended and guided by the South Labor Inspection Institute, and actively participates in the events organized by Renda Safety and Health Promotion Association.
- (3) The Company actively attends activities held by Taiwan Responsible Care Association (TRCA) in the chemical engineering industry and upholds its spirit, as well as helps contractors build a safe and healthy environmental management system. In addition, the Company also participates in community events and cares for product protection in order to create a better living environment.
- (4) The Company provides its employees with comprehensive health care. In addition to the formulation of guidelines related to employee assistance services and gender equality in the workplace, the Company also provides group insurance, annual health checkups, sports and fitness equipment, as well as organizes various outdoor recreational activities and talks on mental, emotional and spiritual health
- (5) With regard to employees' personal safety protection, the Company not only provides employees with personal protective equipment such as goggles, earplugs and earmuffs, as well as vertical fall arresters, but also continuously offers training related to employee safety, with hopes that manufacturing equipment can run safely in plants, thereby achieving production goals in a smooth manner.

9. Fulfilling Social Responsibilities

(1) The Company makes contributions to our social and economic well-being.



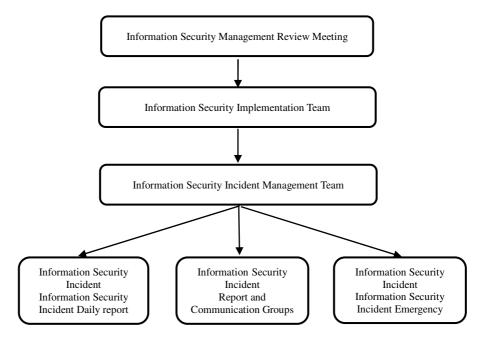
- (2) The Company encourages its employees to participate in various service activities to promote community and social development.
- (3) The Company does its best to reduce the negative impact of its business activities on the environment in line with government regulations, and achieve the objectives of the Group's environmental policies (environmental protection responsibilities (carbon reduction and greenhouse effect reduction) such as using eco-friendly refrigerants and energy-saving lamps).
- (4) The Company does its best to take in to account local cultural and social traditions when conducting various business activities.
- (5) The Company has always been committed to the principle of equal opportunities and recognizes the contribution of employees from different backgrounds. The Company adopts an open selection process and hires the right talent for the right position, instead of restricting employees' career development based on their race, gender, age, religion, nationality or political affiliation.
- II. In the most recent years as of the publication date of the annual report, the losses suffered due to the labor disputes (including matters with labor inspection results that violate the Labor Standards Act, the punishment date, the punishment font size, the provisions of the statute violated, the content of the statute violated, and the punishment content are listed), and the current and future estimated amounts and responding measures shall be estimated. If it cannot be estimated reasonably, state the fact that it cannot be estimated reasonably:

The Company has always attached importance to labor-management communication and harmony. On the basis of good labor-management relations, in addition to being committed to improving employee benefits, welfare, ability, and work environment, and the Company has maintained smooth communication channels to understand employees' difficulties and needs. Thus, all labor-management issues can receive attention from supervisors at all levels and can be communicated and resolved on the basis of mutual integrity. No loss has resulted from labor dispute in the most recent fiscal year up to the publication date of this annual report.

VI.Information Security Management:

- I. Explain the security risk management structure, security policy, specific management plan and resources invested in security management of Capital Communication.
 - 1. Information security risk management framework:
 - (1) Enterprise information security governance Organization:

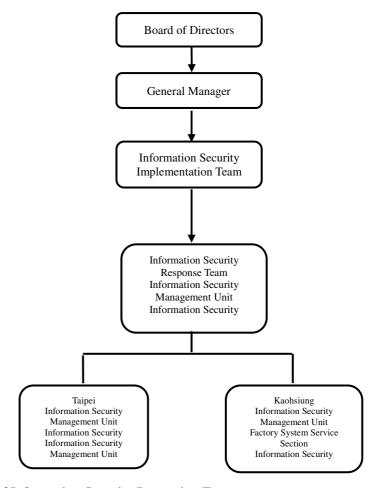
The Information Security Management Review Meeting is held regularly every year. Adjudication of 6 major input items of asset security management system (handling status of previous management review proposals, changes of internal and external issues related to information security management system, feedback of information security performance, feedback from interested parties, results of risk assessment and status of risk treatment plan, and opportunities for continuous improvement) and agreement on 2 major output items of asset security management system (decisions related to opportunities for continuous improvement Policy, any need for changes to the information security management system) to achieve the objectives of the information security management system. The organisation chart of the Information Security Management Audit Committee is as follows:



(2) Enterprise information security Organization Structure:

We established the "Information Security Implementation Team" in accordance with the regulations defined in the "Information Security Implementation Organization Regulations" in the Company's internal standard operating procedures to supervise the implementation status of information security management of the Group and clarify the roles and duties of various organizations. The meeting is held once a year. If there is a major information security incident, it can be held immediately. The director of Information Technology Division serves as the convener of the team and is responsible for the convening of the team's meetings and the resolution and arbitration of its opinions; the heads of department under the Information Technology Division are team

members. In the event of a major information security incident, the head of the information office will notify the general manager or the head of the relevant department. The organisation chart of the Information Security Facilitation Team is as follows:



Responsibilities of Information Security Promotion Team:

- Establish the information security risk management framework and information security policies
- Conduct information security risk assessments and analyses
- Information security maintenance and execution
- Verification of the effectiveness of information security operations
- (3) Establishment of the Chief Security Officer and Special Security Units:

In September 2022, the Company set up a dedicated information Security unit with a Chief security Officer and dedicated personnel.

2. Information Security Policy:

- (1) Enterprise Information Security Management Policy and Structure
 - ISO 27001 Info Security System: ISO/IEC 27001 has been established since 2014: In 2013, the asset safety management system was continuously operated and promoted. Every year, the British Standards Institution (BSI), an external professional asset safety inspection and certification company, was invited to conduct the review. It has been certified for 8 consecutive years (the current certificate is valid from July 4, 2020 to July 3,

2023).

- NIST CSF Info Security Management Framework: Included in the Cybersecurity Framework (CSF) developed by the National Institute of Standards and Technology (NIST).
- (2) Enterprise information security Risk Management and continuous Improvement Framework

Based on the ISO 27001 asset safety management system, supported by the NIST CSF asset safety management framework, strengthen the management of risks, enhance the resilience of asset safety and the ability to withstand, contain and quickly recover asset safety events, in order to continue to provide critical operational services.

(3) Specific management plan:

- Scanning and detection of weaknesses: It has been carried out for six years in a row
 to periodically scan and detect the weaknesses of the server operating system,
 identify potential risks, modify the system or propose compensatory measures to
 improve the safety of the capital.
- Information asset management and control: Establish an information asset management platform, log in information assets, note asset items, use status, maintenance records, and conduct regular inspection and maintenance.
- Firewall and industrial control equipment: Adopts Palo Alto networks 3220, using a next-generation 7-layer firewall system to improve the filtering efficiency for incoming and outgoing packets and effectively reduce the risk of system vulnerability exposure.
- Key server (SEVER): Crowd Strike endpoint detection software is built, which uses non-feature matching artificial intelligence (AI) and machine learning (ML) mode to analyze the attack behavior in real time and block the known and unknown potential threats.
- Email: Use Microsoft Office 365 solution with advanced Threat protection (ATP) service mechanism to protect against unknown malicious code and viruses. The number of active Directory (AD) and Domain Controller (DC) hosts is gradually reduced to reduce the number of attack planes.
- Office equipment (IT): Use the Trend Micro antivirus software to detect abnormal network behaviors. For example, monitor the user's login behavior to the Active Directory (AD) host.
- Personnel security management: Prevent incidents such as hacking or data leakage, and information personnel conduct at least four hours of information security education and training each year.
- Social engineering exercise: At least twice a year, the Company entrusts an external professional security consulting company to carry out social engineering drills, so as to effectively enhance employees' awareness of security, protect data from external intrusion and tampering.
- (4) Resources invested in security management:

Information security has become an important issue in the Company's operation. The corresponding information security management issues and resources invested in the program are as follows:

• Dedicated staff: A dedicated corporate organization, "Information Security Network Section", has been set up with a dedicated information security director and information security staff to be responsible for the company's information security planning, technology introduction, and related auditing matters in order to maintain and continuously strengthen information security.

- Certification: Passed ISO27001 information security certification for 9 consecutive years with no major deficiencies in related information security audits.
- Customer Satisfaction: No major information security incidents and no complaints about loss of customer data.
- Education and Training: All information personnel have completed two annual information security education and training programs. All Group employees conducted two social engineering phishing exercises, with a total of 4,070 participants.
- Investment expenditure: A total of about NT\$ 12960 thousand
- Information Security Notices: 9 notices were issued.

II. Communications Security Risks and Response Measures

1. Risks to Information Technology Security:

Plant maintenance management is the core of the manufacturing industry, and its production processes and procedures are mainly managed and controlled by Operational Technology (OT), such as Distributed Control System (Distributed Control System. DCS), Supervisory Control and Data Acquisition system (SCADA), etc. Based on requirements such as production stability, the operating System or program itself is often not upgraded and updated after installation, and becomes the so-called Legacy System. Its security protection level is compared with that of general Information Technology (IT), such as: ERP, CRM, OA and other hardware equipment, is obviously insufficient.

2.IT security management measures:

- (1)The internal audit department of the company and the external professional security consulting company will conduct the audit regularly. The external company also requests the British Standards Institution Taiwan Branch (BSI), an internationally renowned certification company, to conduct the ISO 27001 certification audit every year. In addition to reviewing the framework for information security risk management, provide guidance and prevention on internal and external issues, and conduct information security risk assessment and analysis. In addition to reviewing the information security risk assessment management framework, we also provide assistance and prevention measures for internal and external issues and conduct information security risk assessments and analyses.
- (2)A Multi-Factor Authentication (MFA) mechanism is fully implemented for the Group's web mail system, where in addition to first factor authentication via password, second factor authentication via a separate device is required in order to enhance security levels.
- (3) The Group's OT adopts Palo Alto networks 3220, using a next-generation 7-layer firewall system to improve the filtering efficiency for incoming and outgoing packets and effectively reduce the risk of system vulnerability exposure.
- (4)Enhanced control of external devices for chemical control equipment: Restricted USB access to prevent data leakage and external security attacks from affecting the production line.
- (5)External storage media health check: Conduct comprehensive external storage media checks to minimize the risk of data loss and hidden security hazards on external devices through regular scans, inspections, and inventories.
- (6)We appoint professional external information security consulting companies to conduct vulnerability assessments each year to identify potential risks for system corrections or propose remedial measures.

(7)Strengthen personnel security management to prevent incidents such as hacking or data leakage, and information personnel conduct at least four hours of information security education and training each year.

III. Major information security incidents:

State the losses suffered in the most recent year and up to the date of publication of the annual report as a result of major information security incidents, possible impacts and countermeasures, and if it is not reasonably possible to estimate, state the fact that it is not reasonably possible to estimate.

As of the date of publication of the annual report, the Company has not suffered any loss or possible impact due to major security incidents.

VII. Important Contracts:

Nature of Contract	Contracting Party	Contract Start /End Date	Main Content	Restrictive Provisions
Ethylene and Propylene Purchase Contract	PetroChina(Taiwan)Co.	January 1, 2023 - December 31, 2023	Annual volume and price of ethylene and propylene supplied to USI Corporation's Kaohsiung Plant	None.
Ethylene purchase contract	Fujian Gulei Petrochemical Co., Ltd.	January 1, 2023 - December 31, 2023	Annual volume and price of ethylene supplied to USI Corporation's Kaohsiung Plant	None.
Vinyl acetate purchase contract	Dairen Chemical Corporation	January 1, 2023 - December 31, 2023	Annual contract volume and price of vinyl acetate supplied to USI's Kaohsiung Plant	None.
Vinyl acetate purchase contract	HELM	January 1, 2023 - December 31, 2023	Annual contract volume and price of vinyl acetate supplied to USI's Kaohsiung Plant	None.
108-1Unsecured common bonds	Trustee: Taipei Fubon Commercial Bank Co., Ltd	April 26, 2020- April 26, 2024	USI issued corporate bonds worth NT\$2 billion in total; the bonds were fully issued at par value of NT\$1 million; a 5-year term with fixed interest rate of 0.98%.	None.
2021-1 Unsecured Bonds (A)	The trustee is Bank SinoPac Company Limited	June 23, 2021- June 31, 2026	USI Corporation issued corporate bonds worth NT\$ 1 billion in total; the bonds were fully issued at par value of NT\$ 1 million; a 5-year term with fixed interest rate of 0.63%.	None.
2021-1 Unsecured Corporate Bonds (B)	The trustee is Bank SinoPac Company Limited	June 23, 2021- June 23, 2028	USI Corporation issued corporate bonds worth NT\$ 1 billion in total; the bonds were fully issued at par value of NT\$ 1 million; a 7-yeaer term with fixed interest rate of 0.73%.	None.
2021-2 Unsecured Bonds (A)	The trustee is Bank SinoPac Company Limited	October 26, 2021- October 26, 2026	USI Corporation issued corporate bonds worth NT\$0.7 billion in total; the bonds were fully issued at par value of NT\$ 1 million; a 5-year term with fixed interest rate of 0.63%.	None.
2021-2 Unsecured Corporate Bonds (B)	The trustee is Bank SinoPac Company Limited	October 26, 2021- October 26, 2028	USI issued corporate bonds worth NT\$1.3 billion in total; the bonds were fully issued at par value of NT\$1 million; a 5-year term with fixed interest rate of 0.77%.	None.
Medium-term Lending Limit Contract	Chang Hwa Bank	September 07, 2020-September 07, 2025	USI and Bank of China, Taipei Branch, signed a three-year medium-term lending limit contract worth NT\$500 million, which is a revolving loan facility.	None.
Medium-term Lending Limit Contract	Taipei Fubon Commercial Bank	October 06, 2022- September 12, 2025	to secure a 3-year medium-term lending contract with a revolving credit limit of NT\$500 million.	Based on the consolidated annual report of USI Corporation, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%.
Medium-term Lending Limit Contract	Bank of Tokyo- Mitsubishi UFJ	October 04, 2022- October 04, 2025	USI and Bank of Tokyo-Mitsubishi UFJ signed a three-year medium-term lending limit contract worth NT\$700 million, which is a	Based on the consolidated annual report of USI Corporation, its current



Nature of Contract	Contracting Party	Contract Start /End Date	Main Content	Restrictive Provisions	
			revolving loan facility	ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%.	
Medium-term Lending Limit Contract	First Commercial Bank	March 28, 2023- March 28, 2026	USI signed with First Commercial Bank to secure a 3-year medium-term lending contract with a revolving credit limit of NT\$ 500 million.	None.	
Medium-term Lending Limit Contract	Bank SinoPac	June 29, 2023- June 30, 2026	USI signed with Bank SinoPac to secure a 3-year medium-term lending contract with a revolving credit limit of NT\$ 500 million.	Based on the consolidated annual report of USI Corporation, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%.	
Medium-term Lending Limit Contract	Mizuho Bank	October 11, 2023- August 25, 2026	USI Corporation signed with Bank of Tokyo- Mitsubishi UFJ to secure a 3-year medium- term lending contract with a revolving credit limit of NT\$ 500 million.	None.	
Medium-term Lending Limit Contract	Bank of China, Taipei Branch	October 28, 2023- October 27, 2026	USI Corporation signed with Bank of China, Taipei Branch to secure a 3-year medium-term lending contract with a revolving credit limit of NT\$ 500 million.	None.	
Medium-term Lending Limit Contract	Taipei Fubon Commercial Bank	October 15, 2021- October 15, 2026	USI Corporation and Taipei Fubon Commercial Bank signed a five-year medium- term lending limit contract worth NT\$804.8 million.	Based on the consolidated annual report of USI Corporation, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%.	
Medium-term Lending Limit Contract	E.Sun Commercial Bank	November 15, 2021-October 15, 2026	USI Corporation and E.Sun Commercial Bank signed a five-year medium-term lending limit contract worth NT\$400 million.	None.	
Medium-term Lending Limit Contract	Taipei Fubon Commercial Bank	October 05, 2022- September 12, 2025	Union Polymer International Investment Co., Ltd. signed with Taipei Fubon Commercial Bank to secure a 3-year medium-term lending contract with a revolving credit limit of NT\$300 million.	The debt ratio (debt/net worth) of the annual individual financial report of the Union Gathering Company is not more than 150%.	
Medium-term Lending Limit Contract	Chang Hwa Bank	August 16, 2023- August 16, 2026	Union Polymer International Investment Co., Ltd. signed with Chang Hwa Bank to secure a 3-year medium-term lending contract with a revolving credit limit of NT\$ 200 million.	None.	
Joint Venture Contract	Ho Tung Chemical Corporation, LCY Group, Asia Polymer Corporation, Hsintay Petroleum Co., Ltd., Chenergy Global Co., Ltd., Lien Hwa International Corporation, CTCI Corporation, Fubon Financial Capital, HF Investment and other companies	12/18/2019	USI Corporation and other nine companies jointly invested in the Gulei Industrial Park located in Zhangzhou, Fujian Province, China, to produce petrochemical-related products.	Restrictions on the transfer and pledge of shares.	
Joint Venture Contract	Ever Victory Global Limited and DOR PO Company	06/05/2019	Jointly invested in Dynamic Ever Investments Limited before jointly investing in Gulei Park, Zhangzhou, Fujian Province, to produce petrochemical-related products.	Restrictions on the transfer and pledge of shares.	
Material Purchase Contract	Dampier Salt Limited	January 01, 2022 - December 31, 2023	Hwa Hsia entered into a contract with Dampier for the purchase of industrial salts at a price to be agreed between the buyer and seller.	None.	

Nature of Contract	Contracting Party	Contract Start /End Date	Main Content	Restrictive Provisions	
Material Purchase Contract	Formosa Plastics Corporation	January 1, 2023 - December 31, 2023	TCC entered into a contract with Taiwan Plastic Industry Co., Ltd. for the purchase of Dichloroethane at a price to be agreed by the buyer and seller.	None.	
Material Purchase Contract	Mitsubishi Corporation	January 1, 2023 - December 31, 2023	TCC entered into a purchase contract with Mitsubishi Corporation for the purchase of ethylene dichloride at a price to be determined by the buyer and seller.	None.	
Material Purchase Contract	CPC Corporation	January 1, 2023 - December 31, 2023	TCC entered into a purchase contract with PetroChina for the purchase of ethylene at a price to be agreed by the buyer and seller.	None.	
Medium-term Lending Limit Contract	Bank of China, Taipei Branch	March 15, 2022- March 14, 2025	CGPC and Bank of China, Taipei Branch, signed a three-year medium-term lending limit contract worth NT\$300 million, which is a revolving loan facility.	report of CGPC, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%.	
Medium-term Lending Limit Contract	Taipei Fubon Commercial Bank	October 11, 2022- September 12, 2025	CGPC and Taipei Fubon Commercial Bank signed a three-year medium-term lending limit contract worth NT\$200 million, where it can be used cyclically.	Based on the consolidated semi-annual and annual report of CGPC, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%.	
Medium-term Lending Limit Contract	Yuanta Bank	May 5, 2023-May 5, 2026	CGPC and Yuanta Commercial Bank signed a three-year medium-term lending limit contract worth NT\$300million,where it can be used cyclically.	Based on the consolidated annual report of CGPC, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%.	
Medium-term Lending Limit Contract	Entie Commercial Bank	May 29, 2023- May 29, 2026	CGPC and Entie Commercial Bank signed a three-year medium-term consolidated lending limit contract worth NT\$200 million, which is a revolving loan facility.	None.	
Medium-term Lending Limit Contract	The Export-Import Bank of the Republic of China	July 17, 2023- June 17, 2026	CGPC and Entie Commercial Bank signed a three-year medium-term consolidated lending limit contract worth NT\$200 million, which is a revolving loan facility.	None.	
Medium-term Lending Limit Contract	Chang Hwa Bank	October 13, 2023- October 13, 2026	CGPC and Chang Hwa Bank signed a three- year medium-term consolidated lending limit contract worth NT\$ 500 million, which is a revolving loan facility.	None.	
Medium-term Lending Limit Contract	Chang Hwa Bank		CGPC and Chang Hwa Bank signed a five- year medium-term consolidated lending limit contract worth NT\$ 84million	None.	
Medium-term Lending Limit Contract	Yuanta Bank	April 15, 2022- April 15, 2027	CGPC and Yuanta Banksigned a five-year medium-term consolidated lending limit contract worth NT\$ 562.4million	Based on the consolidated annual report of CGPC, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%.	
Medium-term Lending Limit Contract	Yuanta Bank	November 29, 2023-November 29, 2028	CGPC and Yuanta Banksigned a five-year medium-term consolidated lending limit contract worth NT\$ 804.8million	Based on the consolidated annual report of CGPC, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%.	
Medium-term Lending Limit Contract	Yuanta Bank	May 30, 2023- May 30, 2025	CGPC and Yuanta Commercial Bank signed a two-year medium-term lending limit contract worth NT\$200 million, which is a revolving loan facility.	None.	
Medium-term Lending Limit	Bank SinoPac	August 21, 2023- June 31, 2026	CGPC and Bank SinoPac signed a three-year medium-term consolidated lending limit	Based on the consolidated semi-annual and annual	



Nature of Contract	Contracting Party	Contract Start	Main Content	Restrictive Provisions		
Contract	Contracting Party	/End Date	contract worth NT\$ 300 million, which is a			
			revolving loan facility.	report of CGPC, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%.		
Medium-term Lending Limit Contract	Hua Nan Commercial Bank	September 15, 2023 -2026. September 15	CGPC and Hua Nan Bank signed a threeyear medium-term lending limit contract worth NT\$300 million, which is a revolving loan facility.	None.		
Medium-term Lending Limit Contract	First Commercial Bank	- December 8, 2026	three-year medium-term lending limit contract worth NT\$100 million, which is a revolving loan facility.			
Medium-term Lending Limit Contract	Taishin International Bank	November 15, 2022-November 30, 2025	Taiwan VCM CorporationI and Taishin International Bank signed a three-year medium-term lending limit contract worth NT\$300 million, which is a revolving loan facility.	Based on the consolidated annual report or semi- annual report of Taiwan VCM Corporation, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%.		
Medium-term Lending Limit Contract	Cathay United Bank	October 15, 2026	TVCM and Cathay United Bank signed a five- year medium-term lending limit contract worth NT\$10071 million.	None.		
Medium-term Lending Limit Contract	Taipei Fubon Commercial Bank	October 15, 2026	contract worth NT\$ 595.2 million.	Based on the annual report of Taiwan VCM Corporation, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%.		
Medium-term Lending Limit Contract	E.Sun Commercial Bank	November 15, 2021-November 15, 2026	TVCM and E.Sun Commercial Bank signed a five-year medium-term lending limit contract worth NT\$ 776 million.	None.		
Medium-term Lending Limit Contract	Bank of Taiwan	2027	TVCM and Bank of Taiwan signed a five-year medium-term lending limit contract worth NT\$ 300 million.	None.		
Medium-term Lending Limit Contract	Yuanta Bank	April 15, 2022- April 15, 2027	TVCM and Yuanta Bank signed a five-year medium-term lending limit contract worth NT\$ 235.2 million.	Based on the annual report of Taiwan VCM Corporation, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%.		
Material Purchase Contract	CPC Corporation	January 1, 2024- December 31, 2024	Annual contract volumes and pricing for the supply of ethylene and propylene from APC	None.		
Material Purchase Contract	Dairen Chemical Corporation	January 1, 2024- December 31, 2024	Annualcontract volume and pricing for the supply of vinyl acetate toPolyMirae.	None.		
Medium-term Lending Limit Contract	Hua Nan Commercial Bank	May 28, 2021- May 28, 2024	Asia Polymer Corporation signed with Hua Nan Commercial Bank to secure a 3-year medium-term lending contract with a revolving credit limit of NT\$ 500 million.	None.		
Medium-term Lending Limit Contract	DBS Bank (Taiwan)	July 25, 2022-July 25, 2025	Asia Polymer Corporation signed with DBS Bank (Taiwan) to secure a 3-year mediumterm lending contract with a revolving credit limit of NT\$ 500 million.	None.		
Medium-term Lending Limit Contract	Taipei Fubon Commercial Bank	October 06, 2022- September 12, 2025	Asia Polymer Corporation signed with Taipei Fubon Commercial Bank to secure a 3-year medium-term lending contract with a revolving credit limit of NT\$ 500 million.	Based on the consolidated semiannual and annual report of Asia Polymer Corporation, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%. Based on the consolidated		
Medium-term	Bank of Tokyo-	October 03, 2022-	Asia Polymer Corporation signed with Bank	Dascu on the consolidated		

Nature of Contract	Contracting Party	Contract Start /End Date	Main Content	Restrictive Provisions	
Lending Limit Contract	Mitsubishi UFJ	October 03, 2025	of Mitsubishi UFJ to secure a 3-year medium- term lending contract with a revolving credit limit of NT\$ 500 million.	semiannual and annual report of Asia Polymer Corporation, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%.	
Medium-term Lending Limit Contract	First Commercial Bank	November 15, 2022-November 15, 2025	APC entered into a \$300 million three-year medium-term loan facility with Bank One, which is revolving.	None.	
Medium-term Lending Limit Contract	Taishin International Bank	December 26, 2022-May 15, 2026	APC and Taishin International Bank signed a three-year medium-term lending limit contract worth NT\$500 million, which is a revolving loan facility.	Based on the consolidated semiannual and annual report of Asia Polymer Corporation, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%.	
Medium-term Lending Limit Contract	Chang Hwa Bank	August 16, 2023- August 16, 2026	Asia Polymer Corporation signed with Chang Hwa Bank to secure a 3-year medium-term lending contract with a revolving credit limit of NT\$ 500 million.	None.	
Medium-term Lending Limit Contract	Mizuho Bank	August 30, 2023- August 30, 2026	Asia Polymer Corporation signed with Bank of Tokyo-Mitsubishi UFJ to secure a 3-year medium-term lending contract with a revolving credit limit of NT\$ 300 million.	None.	
Medium-term Lending Limit Contract	Yuanta Bank	October 13, 2023- October 13, 2026	Asia Polymer Corporation signed with Yuanta Bank to secure a 3-year medium-term lending contract with a revolving credit limit of NT\$ 300 million.	Based on the consolidated annual report of Asia Polymer Corporation, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%.	
Medium-term Lending Limit Contract	Cathay United Bank		Asia Polymer Corporation signed with Bank of Cathay United Bank to secure a 3-year medium-term lending contract with a revolving credit limit of NT\$ 1419 million.	None.	
Medium-term Lending Limit Contract	Bank of China, Taipei Branch		signed a three-year medium-term lending limit contract worth NT\$300 million, which is a revolving loan facility.	Based on the consolidated semiannual and annual report of Asia Polymer Corporation, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%.	
Medium-term Lending Limit Contract	Hua Nan Commercial Bank	October 15, 2021- October 15, 2026	a five-year medium-term lending limit contract worth NT\$121.2 million.	None.	
Medium-term Lending Limit Contract	Chang Hwa Bank	November 15, 2021-October 15, 2026	CGTD and Chang Hwa Bank signed a five- year medium-term lending limit contract worth NT\$ 217.2 million.	None.	
Purchase of material	Taiwan Styrene Monomer Corporation	January 1, 2023- December 31, 2024 (Renew every two years)	Purchase of styrene from Taiwan Styrene Monomer Corporation to be supplied to Taita Chemical's Cianjhen Plant and Linyuan Plant every year, where the price of the material is calculated based on the mutual agreement between both parties.	None.	
Purchase of material	Formosa Chemicals & Fibre Corporation	January 1, 2023 - December 31, 2023 (Contract renewal every year)	Purchase of styrene from Formosa Chemicals & Fibre Corporation to be supplied to Taita Chemical's Cianjhen Plant and Linyuan Plant every year, where the price of the material is calculated based on the mutual agreement between both parties.	None.	
Purchase of material	CPC Corporation	January 1, 2023 - December 31, 2023 (Contract renewal every year)	CPC Corporation agreed to sell and supply butadiene to Taita Chemical's Linyuan Plant every year, where the price of the material is calculated based on the price set by CPC Corporation. Payment for the material must be	None.	



Nature of Contract	Contracting Party	Contract Start /End Date	Main Content	Restrictive Provisions
		/Liiu Dale	settled on the 15th of the following month after delivery.	
Purchase of material	Formosa Petrochemical Corporation	January 1, 2023 - December 31, 2023 (Contract renewal every year)	Formosa Petrochemical Corporation agreed to sell and supply butadiene to Taita Chemical's Linyuan Plant every year, where the price of the material is calculated based on the price set by Formosa Petrochemical Corporation. Payment for the material must be settled on	None.
Purchase of material	China Petrochemical Development Corporation	January 1, 2023- December 31, 2024	the 14th of the following month after delivery. China Petrochemical Development Corporation agreed to sell and supply acrylonitrile to Taita Chemical's Linyuan Plant every year, where the price of the material is calculated based on the mutual agreement between both parties. Payment for the material	None.
Purchase of material	CNOOC and Shell Petrochemical Co., Ltd (CSPC)	January 1, 2023 - December 31, 2023 (Contract renewal every year)	must be settled on the 15th of the following month after delivery. Import of styrene from CHOOC and Shell Petrochemicals Co., Ltd. to besupplied to Taita Chemical's Zhongshan Plant every year, where the price of the material is calculated based on the mutual agreement between both parties, and a domestic letter of credit should be issued	None.
Purchase of material	SinoPecChemical Commercial (Huanan) Holding Co., Ltd.	January 1, 2023 - December 31, 2023 (Contract renewal every year)	before shipment. SinoPec Chemical Sales (Huanan) Co., Ltd. agreed to sell and supply styrene to Taita Chemical's Zhongshan Plant every year, where the price of the material is calculated based on the mutual agreement between both parties. Payment for the material must be settled before delivery.	None.
Technical Cooperation	TAICA (Japanese Company)	Starting from November 25, 1996, the request will be automatically extended every five years if there is no objection by both parties after the contract expires.	This contract involves the transfer of cubic printing technology to Taita Chemical Co., Ltd., where this technology is the first of its kind in the world and enables printing of various patterns on uneven surfaces (such as telephones, automobile parts and components), thereby enhancing the added value of products. This technology has been patented in many countries, including the United States, Japan, Canada, Germany, the Netherlands, France and the United Kingdom.	None.
Provision of Technology	Owens Corning Company (U.S. Company)	April 01, 2014- March 31, 2014	Provision of expertise to Taita Chemical with regards to the manufacture of glass wool insulation products.	None.
Medium-term Lending Limit Contract	Far Easter International Bank	May 06, 2021- May 6, 2024	Taita Chemical Co., Ltd. signed with Far Easter International Bank to secure a 3-year medium-term lending contract with a revolving credit limit of NT\$300 million.	Based on the consolidated annual report of Taita Chemical Company, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 175%.
Medium-term Lending Limit Contract	Bank of China, Taipei Branch	July 26, 2022-July 25, 2025	Taita Chemical Co., Ltd. signed with Bank of China, Taipei Branch to secure a 3-year medium-term lending contract with a revolving credit limit of NT\$300 million.	Based on the consolidated semi annual and annual report of Taita Chemical Company, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%.
Medium-term Lending Limit Contract	Taipei Fubon Commercial Bank	November 07, 2022-September 12, 2025	Taita Chemical Co., Ltd. signed with Taipei Fubon Commercial Bank to secure a 3-year medium-term lending contract with a revolving credit limit of NT\$300 million.	Based on the consolidated semi annual and annual report of Taita Chemical Company, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%.
Medium-term	Taishin International	September 15,	Taita Chemical Co., Ltd. and Taishin	Based on the consolidated

Nature of Contract	Contracting Party	Contract Start /End Date	Main Content	Restrictive Provisions		
Lending Limit Contract	Bank	2022-September 15, 2025	International Bank signed a three-year medium-term lending limit contract worth NT\$300 million, which is a revolving loan facility.	semi annual and annual report of Taita Chemical Company, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 175%.		
Medium-term Lending Limit Contract	Yuanta Bank	May 05, 2023- May 05, 2026	Taita Chemical Co., Ltd. and Yuanta Bank signed a three-year medium-term lending limit contract worth NT\$300 million, which is a revolving loan facility.	Based on the consolidated annual report of Taita Chemical Company, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%.		
Medium-term Lending Limit Contract	Chang Hwa Bank	August 16, 2026	Taita Chemical Co., Ltd. and Chang Hwa Bank signed a three-year medium-term lending limit contract worth NT\$500 million, which is a revolving loan facility.	None.		
Medium-term Lending Limit Contract	Mizuho Bank	August 30, 2023- August 30, 2026	USI Corporation signed with Bank of Tokyo- Mitsubishi UFJ to secure a 3-year medium- term lending contract with a revolving credit limit of NT\$ 300 million.	None.		
Medium-term Secured Lending Credit Limit Contract	Yuanta Bank	March 15, 2022- March 15, 2027	The land and plant of Acme Electronics' Taoyuan plant is a collaterized to secure a loan of NT\$ 87 million.	There are limitations on current ratio and net debt ratio.		
Medium-term Lending Limit Contract	Yuanta Bank	March 15, 2022- March 15, 2025	The land and plant of Acme Electronics' Taoyuan plant is a collaterized to secure a loan of NT\$ 13 million.	There are limitations on current ratio and net debt ratio.		
Medium-term Secured Lending Credit Limit Contract	Yuanta Bank	December 15, 2023-December 15, 2028	The loan amount of Taoyuan plant machinery and equipment is NT\$560 million.	There are limitations on current ratio and net debt ratio.		
Medium-term unsecured Lending Credit Limit Contract	Chang Hwa Bank	November 23, 2023-November 23, 2028	The credit line for Acme Electronics is NT\$300 million.	None.		
Medium-term Unsecured Lending Limit Contract	Mega International Commercial Bank	October 6, 2023- October 5, 2025	The credit line for Acme Electronics is NT\$100 million.	None.		
Medium-term Unsecured Lending Limit Contract	Bank SinoPac	June 3, 2023-June 31, 2026	The credit line for Acme Electronics is NT\$200 million.	There are limitations on current ratio and net debt ratio.		
Medium-term Unsecured Lending Limit Contract	Shanghai Commercial and Savings Bank	November 09, 2022-November 09, 2025	The credit line for Acme Electronics is NT\$200 million.	None.		
Medium-term Lending Limit Contract	HSBC Bank (Taiwan) Limited	May 05, 2022- May 05, 2024	USIGE signed with HSBC Bank (Taiwan) Limited to secure a 2-year medium-term lending contract with a revolving credit limit of NT\$ 300 million.	None.		
Medium-term Lending Limit Contract	DBS Bank (Taiwan)		USIGE Corporation signed with DBS Bank (Taiwan) to secure a 3-year medium-term lending contract with a revolving credit limit of NT\$300 million.	None.		
Medium-term Lending Limit Contract	Taipei Fubon Commercial Bank	October 19, 2022- September 12, 2025	Commercial Bank to secure a 3-year mediumterm lending contract with a revolving credit limit of NT\$200 million.	Based on the consolidated annual report of USI Corporation, its current ratio shall not be less than 100%, and its debt ratio (debt/net value) shall not be greater than 150%.		
Medium-term Lending Limit Contract	Bank of Tokyo- Mitsubishi UFJ	October 14, 2022- October 14, 2025	USIGE Corporation signed with Bank of Tokyo-Mitsubishi UFJ to secure a 3-year medium-term lending contract with a revolving credit limit of NT\$300 million.	None.		



Chapter 6. Financial Summary

- I. Condensed Balance Sheet, Statement of Comprehensive Income, as well as Name and Audit Opinions of CPAs in the Most Recent Five Years
 - (I) Condensed consolidated balance sheet and consolidated comprehensive income statement
 - 1. Condensed consolidated balance sheet IFRS

Unit: NT\$ thousand

	Year	Financial information in the most recent five fiscal years (audited and verified)					of the to cial	
Item 2		2023	2022	2021	2020	2019	Financial information of the current fiscal year up to March 31, 2024 Financial information (Reviewed)	
Current ass	ets	29,557,500	31,623,300	35,367,040	28,539,554	28,020,172	30,226,377	
Property, pl equipment	ant and	26,380,393	25,520,104	24,471,011	23,169,313	23,228,911	26,515,237	
Intangible a	issets	320,614	318,485	314,194	279,833	286,030	318,888	
Other assets	S	17,814,298	20,279,680	24,672,968	25,335,816	19,890,673	17,488,995	
Total Assets		74,072,805	77,741,569	84,825,213	77,324,516	71,425,786	74,549,457	
Current	Before Distribution	11,849,335	10,775,857	15,549,577	12,703,826	12,634,382	12,940,948	
Liabilities	After distribution (Note 1)	12,265,402	11,607,991	18,164,857	13,892,589	13,228,764	—(Note 2)	
Non-curren	t liabilities	14,679,570	16,040,827	13,630,675	15,897,047	19,614,457	14,191,985	
Total	Before Distribution	26,528,905	26,816,684	29,180,252	28,600,873	32,248,839	27,132,933	
Liabilities	After distribution (Note 1)	26,944,972	27,648,818	31,795,532	29,789,636	32,843,221	—(Note 2)	
Equity attribut the parent com	able to owners of npany	23,254,285	24,496,092	25,461,999	20,990,778	18,659,503	23,132,152	
Share capita	al	11,887,635	11,887,635	11,887,635	11,887,635	11,887,635	11,887,635	
Capital surp	olus	476,799	449,960	366,185	321,798	271,613	476,778	
Retained Retained Per	Before Distribution	11,526,902	12,625,207	13,599,427	9,497,146	7,756,919	11,133,002	
Share (EPS)	After distribution (Note 1)	11,110,835	11,793,073	10,984,147	8,308,383	7,162,537	-(Note2)	
Other equity		(161,445)	8,896	84,358	(240,195)	(781,058)	110,343	
Treasury stock		(475,606)	(475,606)	(475,606)	(475,606)	(475,606)	(475,606)	
Non-controlling Interests		24,289,615	26,428,793	30,182,962	27,732,865	20,517,444	24,284,372	
Equity Total	Before Distribution	47,543,900	50,924,885	55,644,961	48,723,643	39,176,947	47,416,524	
Equity Iolai	After distribution (Note 1)	47,127,833	50,092,751	53,029,681	47,534,880	38,582,565	- (Note 2)	

Note 1.The figures after distribution shall be filled in accordance with the resolutions of the Board of Directors in 2022, and for the rest years, in accordance with the resolutions of the shareholders' meeting of the next year. The company's articles of association stipulate that cash dividends must still be submitted to the shareholders' meeting.

Note 2.It is not listed unless the resolution has been passed by the Shareholders' Meeting.

2. Condensed consolidated statement of comprehensive income - IFRS

Unit: NT\$ thousand, except Earnings Per Share

	YEAR	Financial	Financial information in the most recent five fiscal years (audited and verified)					
ITEM		2023	2022	2021	2020	2019	Financial information of the current fiscal year up to March 31, 2024 Financial information (Reviewed)	
Revenue	,	52,264,762	66,437,122	71,755,542	50,201,273	55,656,741	12,024,428	
Gross operatin	g profit	5,606,271	10,940,146	17,753,701	10,479,882	6,732,369	522,478	
Net operating j	profit	1,619,335	5,735,991	12,882,918	6,886,592	2,931,733	(438,333)	
Non-operating expenses		(3,556,152)	(5,039,001)	(130,476)	236,403	429,637	(701,711)	
Net profit befo		(1,936,817)	696,990	12,752,442	7,122,995	3,361,370	(1,140,044)	
	nents - after tax	_	_			2,541,226		
operations	m discontinued	_	_	_	_	4,175	_	
	oss) for the year	(1,906,642)	(61,189)	10,079,451	5,682,637	2,545,401	(976,567)	
Net amount aft		(154,241)	714,590	(187,249)	516,772	(993,485)	834,892	
the year	ensive income for	(2,060,883)	653,401	9,892,202	6,199,409	1,551,916	(141,675)	
	parent company	(207,006)	1,555,097	5,191,394	2,409,778	1,281,364	(393,900)	
controlling into		(1,699,636)	(1,616,286)	4,888,057	3,272,859	1,264,037	(582,667)	
Total compreheattributable to parent compan	owners of the y	(381,717)	1,567,260	5,615,597	2,875,537	822,153	(122,112)	
Total comprehe attributable to interest	non-controlling	(1,679,166)	(913,859)	4,276,605	3,323,872	729,763	(19,563)	
Earnings Per	Before Adjustment	(0.19)	1.45	4.84	2.25	1.19	(0.37)	
Share	After adjustment (Note 1)	- (Note 2)	1.45	4.84	2.25	1.19	- (Note 2)	

Note 1. The earnings distribution has been retroactively adjusted.

Note 2. It is not listed unless the resolution has been passed by the Shareholders' Meeting.

(II) Condensed balance sheet and statement of comprehensive income

1. Condensed balance sheet - IFRS

Unit: NT\$ thousand

	YEAR	Financial information in the most recent five fiscal years				
		(audited and verified)			ed)	
ITEM		2023	2022	2021	2020	2019
Current asse	ts	5,798,419	6,481,551	8,112,835	5,882,803	6,038,900
Property, pla equipment	ant and	5,951,994	6,331,437	6,511,029	6,473,623	6,609,957
Intangible as	ssets	956	666	40	155	333
Other assets		20,016,212	21,456,331	23,228,538	20,536,054	18,682,731
Total Assets		31,767,581	34,269,985	37,852,442	32,892,635	31,331,921
Current	Before Distribution	3,843,816	2,796,375	5,964,947	4,089,828	3,102,159
Liabilities	After distribution (Note 1)	4,259,883	3,628,509	8,580,227	5,278,591	3,696,541
Non-current	liabilities	4,669,480	6,977,518	6,425,496	7,812,029	9,570,259
Total	Before Distribution	8,513,296	9,773,893	12,390,443	11,901,857	12,672,418
Liabilities	After distribution (Note 1)	8,929,363	10,606,027	15,005,723	13,090,620	13,266,800
Share capita	1	11,887,635	11,887,635	11,887,635	11,887,635	11,887,635
Capital surp	lus	476,799	449,960	366,185	321,798	271,613
Retained	Before Distribution	11,526,902	12,625,207	13,599,427	9,497,146	7,756,919
Retained Per Share (EPS)	After distribution (Note 1)	11,110,835	11,793,073	10,984,147	8,308,383	7,162,537
Other equity	7	(161,445)	8,896	84,358	(240,195)	(781,058)
Treasury sto	ck	(475,606)	(475,606)	(475,606)	(475,606)	(475,606)
	Before Distribution	23,254,285	24,496,092	25,461,999	20,990,778	18,659,503
Equity Total	After distribution (Note 1)	22,838,218	23,663,958	22,846,719	19,802,015	18,065,121

Note 1. The figures after distribution shall be filled in accordance with the resolutions of the Board of Directors in 2022, and for the rest years, in accordance with the resolutions of the shareholders' meeting of the next year. The company's articles of association stipulate that cash dividends must still be submitted to the shareholders' meeting.

2.Parent company-only statement of comprehensive income - IFRS

Unit: NT\$ thousand, except Earnings Per Share

	YEAR	Financ		n in the most re lited and verifi	ecent five fiscal ed)	years
ITEM		2023	2022	2021	2020	2019
Revenue		11,449,372	15,632,151	16,034,251	10,172,220	10,966,471
Gross oper	ating profit	1,629,732	4,193,933	4,303,866	1,507,409	1,382,167
Net operati	ng profit	1,028,794	3,468,706	3,521,910	908,440	702,720
Non-operar expenses	ting revenue and	(1,288,465)	(1,536,971)	2,348,931	1,651,882	756,267
Net profit l	pefore tax	(259,671)	1,931,735	5,870,841	2,560,322	1,458,987
Net Income	e for the Year	(207,006)	1,555,097	5,191,394	2,409,778	1,281,364
Other compincome - Nataxes	prehensive let amount after	(174,711)	12,163	424,203	465,759	(459,211)
Total comp income for		(381,717)	1,567,260	5,615,597	2,875,537	822,153
Net income owners of t company	e attributable to he parent	(207,006)	1,555,097	5,191,394	2,409,778	1,281,364
Total comp income attr owners of t company	ributable to	(381,717)	1,567,260	5,615,597	2,875,537	822,153
Earnings	Before Adjustment	(0.19)	1.45	4.84	2.25	1.19
Per Share	After adjustment (Note 1)	- (Note 2)	1.45	4.84	2.25	1.19

Note 1. The earnings distribution has been retroactively adjusted.

Note 2.It is not listed unless the resolution has been passed by the Shareholders' Meeting.

(III) Name of CPAs and their audit opinions in the most recent five fiscal years

YEAR	Accounting Firm	Name of CPA	Audit opinion
2019	Deloitte & Touche	CPAs Chuang, Pi-Yu and Kuo, Cheng-Hung	Unqualified opinion
2020	Deloitte & Touche	CPAs Chuang, Pi-Yu and Kuo, Cheng-Hung	Unqualified opinion
2021	Deloitte & Touche	CPAs Chuang, Pi-Yu and Kuo, Cheng-Hung	Unqualified opinion
2022	Deloitte & Touche	CPAs Chuang, Pi-Yu and Kuo, Cheng-Hung	Unqualified opinion
2023	Deloitte & Touche	Chuang, Pi-Yu and Chen,Chun-Hung,	Unqualified opinion



II. Financial Analysis in the Most Recent Five Fiscal Years

(I) Financial analysis - IFRS

USI and its subsidiaries

	Financial A	Financial Analysis for the most recent 5 years (audit and certification)					
Analysis Iten	m (Note 3)	2023	2022	2021	2020	2019	Financial information of the current fiscal year up to March 31, 2024 (Verified) (Note 2)
Financial	Debt-to-assets ratio	35.81	34.49	34.40	36.99	45.15	36.40
structure (%)	Ratio of long-term capital to property, plant and equipment	235.87	262.40	283.09	277.85	253.10	232.35
	Current ratio	249.44	293.39	227.45	224.65	221.78	233.57
Solvency (%)	Quick ratio	184.12	215.25	172.08	184.80	176.65	174.62
	Interest coverage ratio	(605)	417	7,608	3,272	1,205	(1,524)
	Receivables turnover ratio (times)	7.70	7.59	8.42	6.82	7.05	8.59
	Average collection days	47	48	43	54	52	42
	Inventory turnover ratio (times)	6.61	7.50	9.08	8.62	8.42	6.86
Operation	Payables turnover ratio (times)	14.66	16.14	15.57	12.89	15.91	16.20
ability	Average days of sales	55	49	40	42	43	53
	Property, plant, and equipment (PP&E) turnover ratio (times)	2.01	2.66	3.01	2.16	2.37	1.82
	Total asset turnover ratio (times)	0.69	0.82	0.89	0.67	0.79	0.65
	Return on assets (%)	(2.23)	0.14	12.60	7.89	3.96	(4.96)
	Return on equity (%)	(3.87)	(0.11)	19.32	12.93	6.73	(8.23)
Profitability	Income before tax to paid-in capital ratio (%)	(16.29)	5.86	107.27	59.88	28.28	(38.36)
Tromuomity	Net profit margin (%)	(3.65)	(0.09)	14.05	11.32	4.57	(8.12)
	Earnings per Before Adjustment	(0.19)	1.45	4.84	2.25	1.19	(0.37)
	share (NT\$) After adjustment	(0.19)**	1.45	4.84	2.25	1.19	(0.37)
	Cash flow ratio (%)	40.26	90.48	57.45	85.14	48.06	(0.13)
Cash flow	Cash flow adequacy ratio (%)	121.29	102.97	79.81	78.88	62.54	90.73
	Cash reinvestment ratio (%)	4.27	7.32	7.76	10.86	6.53	(0.02)
Leverage	Degree of operating leverage (DOL)	2.61	1.42	1.18	1.34	1.76	(0.56)
Le verage	Degree of financial leverage (DFL)	1.20	1.04	1.01	1.03	1.11	0.86

Reasons for changes in various financial ratios in the most recent two fiscal years. (Analysis is not be required if such changes are within 20%)

^{1.} Due to the current increase in raw material costs, decrease in product spreads, and decreased profit, interest coverage ratio, return on asset, return on equity, ratio of net profit to paid-in capital, net profit margin, earnings per share, and degree of operating leverage decreased by 245%, 24%, 1,693%, 3,418%, 378%, 3,956%, 113%, and increased by 84%.

^{2.} Current ratio, quick ratio, and cash flow ratio increased by 56%, 42%, and 57%, respectively, which was mainly due to the repayment of bonds leading to a decrease in current liabilities.

Based on the profit distribution plan which has been approved by the Board of Directors but is yet to be acknowledged at the Shareholders' Meeting

USI

	Y	Year (Note 1)	Financia	l Analysis for	r the most rec	ent 5 years (at	udit and
			•	certification)	3		
Analysis I	tem (Note	3)	2023	2022	2021	2020	2019
Financial	Debt-to-ass	sets ratio	26.80	28.52	32.73	36.18	40.45
structure (%)	Ratio of lor capital to part and equipm	roperty, plant	469.15	497.10	489.75	444.93	427.08
Calvanav	Current rati		150.85	231.78	136.01	143.84	194.67
Solvency (%)	Quick ratio		112.28	173.77	111.59	120.65	155.74
(70)	Interest cov		(334)	2,634	6,128	2,478	1,285
	Receivable ratio (times		7.01	6.69	8.63	6.97	7.40
	Average co	llection days	52	55	42	52	49
	Inventory to (times)	urnover ratio	7.34	8.58	11.57	9.49	7.93
Operation	Payables tu (times)	rnover ratio	7.98	8.46	10.13	9.53	10.26
ability	Average da	ys of sales	50	43	32	38	46
	Property, plequipment turnover rate	(PP&E)	1.86	2.43	2.47	1.55	1.65
	Total asset (times)	turnover ratio	0.35	0.43	0.45	0.32	0.36
	Return on a	assets (%)	(0.48)	4.48	14.89	7.77	4.50
	Return on e		(0.87)	6.23	22.35	12.16	6.96
	Income bef paid-in cap	fore tax to ital ratio (%)	(2.18)	16.25	49.39	21.54	12.27
Profitability	Net profit n		(1.81)	9.95	32.38	23.69	11.68
	Earnings per share	Before Adjustment	(0.19)	1.45	4.84	2.25	1.19
	(NT\$)	After adjustment	(0.19)**	1.45	4.84	2.24	1.19
	Cash flow 1	ratio (%)	55.51	174.29	46.56	42.41	27.71
Cash flow	Cash flow a ratio (%)	adequacy	116.37	78.54	43.74	34.19	17.23
	Cash reinve	estment ratio	3.85	6.10	4.27	3.40	1.54
Lavamas	Degree of of leverage (D		1.64	1.18	1.18	1.68	1.74
Leverage	Degree of f leverage (D	inancial DFL)	1.06	1.02	1.03	1.13	1.17

Reasons for changes in various financial ratios in the most recent two fiscal years. (Analysis is not be required if such changes are within 20%).

^{1.} Current ratio, quick ratio, and cash flow ratio increased by 35%, and 35%, respectively, which was mainly due to the repayment of bonds leading to a decrease in current liabilities.

^{2.} The decreases of 113%, 23%, 20%, 111%, 114%, 113%, 118%, 113%, and the increase of 38% in multiples of interest coverage, turnover rate of property, plant and equipment, turnover rate of total assets, return on assets, return on equity, ratio of pre-tax net income to paid-in capital, net income ratio, earnings per share, and operating leverage, respectively, were attributable to decreases in profit due to decreases in product margins as a result of lower selling prices during the year. The decrease was due to the decrease in profitability as a result of the decrease in product margins due to the decrease in selling prices.

^{3.} Current ratio, quick ratio, and cash flow ratio increased by 68%, 37%, and 57%, respectively, which was mainly due to the repayment of bonds leading to a decrease in current liabilities.

^{4.} A increase of 48% in cash flow adequacy ratio, It is mainly caused by decrease in capital expenditures in the most recent five years.

Based on the profit distribution plan which has been approved by the Board of Directors but is yet to be acknowledged at
 the Shareholders' Meeting

Note 1. Years not audited and certified by CPAs shall be noted.



- Note 2. As of the publication date of the annual report, companies that have been listed or have been traded at TPEx should analyze the financial information of the most recent period audited or reviewed by CPAs.
- Note 3. The table at the end of the annual report shall include the following formulas:
 - 1. Financial structure
 - (1)Debt-to-asset ratio = total liabilities / total assets.
 - (2)Proportion of long-term capital in property, plant and equipment ratio (Total equities + non-current liabilities)/ Total net value property, plant and equipment.
 - Solvency
 - (1) Current ratio = current assets / current liabilities
 - (2) Quick ratio = (current assets inventory prepaid expenses) / current liabilities
 - (3)Interest coverage ratio = Income before income tax and interest expense/Interest expense of the current period 3. Operation ability
 - (1)Receivable (including accounts receivable and business-related notes receivable) turnover ratio = net operating revenue / average balance of receivable of the period (including accounts receivable and business-related notes receivable).
 - (2) Average collection days = 365 / Receivables turnover ratio.
 - (3) Inventory turnover ratio = cost of goods sold / average amount of inventory.
 - (4) Payable (including accounts payable and notes payable arising from business) turnover ratio = net sales revenue / average balance of payable for each period (including accounts payable and notes payable arising from business).
 - (5) Average days for sale = 365 / Inventory turnover ratio.
 - (6)Property, plant and equipment turnover ratio = Net sales / Average net property, plant and equipment.
 - (7) Total asset turnover rate = net sales / average total assets.
 - 4. Profitability
 - (1) Return on assets = [net income after taxes + interest expense x (1 tax rate)] / average total assets99
 - (2) Return on equity = net income after taxes / average equity
 - (3) Net profit margin = Net income after tax / Net sales.
 - (4)Earnings per share = (net income (loss) attributable to the owners of the parent Company dividends on preferred shares) / weighted average number of shares issued shares. (Note 4)
 - 5. Cash flow
 - (1) Cash flow ratio = Net cash flow from operating activities / Current liabilities.
 - (2) Net cash flow adequacy ratio = Net cash flow from operating activities for the most recent five years / (capital expenditures + inventory increase + cash dividend) for the most past five years.
 - (3)Cash re-investment ratio = (Net cash flow from operating activities -Cash dividends) / (Gross value of property, plant and equipment + Long-term Investment + Other non-current assets + Working capital) (Note 5)
 - 6. Leverage:
 - (1)Degree of operating leverage (DOL) = (net operating revenue variable operating cost and expenses) / operating profit (Note 6)
 - (2) Degree of Financial Leverage (DFL) = operating profit / (operating profit interest expense).
- Note 4. Special attention shall be paid to the following items when calculating the earnings per share by the above-mentioned formula:
 - 1.The weighted average number of ordinary shares shall prevail, instead of the number of year-end outstanding shares.
 - 2. Shares from cash capital increase or treasury stock transactions shall be considered when calculating the weighted average number of shares.
 - 3...In the event of capital increase by earnings or capital reserves, when calculating the earnings per share of the previous year and thesemi-annual earning per share, it shall be retrospectively adjusted according to the proportion of capital increase, and there is no need to consider the period of the capital increase.
 - 4..If the preferred share cannot be converted into cumulative preferred share, then the dividend of the year (whether paid or not) is deducted from net income after tax (NIAT), or included as a net loss after tax. If the preferred shares are non-accumulated preferred shares, where net income after taxes is available, preferred share dividends should be deducted from the net income after taxes, or increase the net loss after taxes. If there is loss, no adjustment is needed.
- Note 5. In calculating cash flow, special attention should be paid to the following matters:
 - 1.Net cash flow from operating activities refers to the net cash inflow from operating activities in the cash flow statement.
 - 2. Capital expenditure refers to the annual cash outflows for capital investments.
 - 3. The increase in inventory is included only if the balance at the end of the year is greater than the balance at the beginning of the year. If it is the other way around, the number used should be zero.
 - 4. Cash dividends include cash dividends from ordinary shares and preferred shares.
 - 5.Gross property, plant and equipment refers to the total amount of real estate, plant and equipment before the deduction of accumulated depreciation.
- Note 6. The issuer shall classify the various operating costs and operating expenses into fixed and variable according to their nature, and shall pay attention to their rationality and maintain consistency if there is any estimation or subjective judgment involved.
- Note 7. If the Company's stock is not denominated or the denomination is not NT\$10, the calculation of the paid-in capital ratios shall be based on the equity attributable to owners of the parent company in the balance sheet.

III. Audit Committee's Audit Report in the Most Recent Fiscal Year

Audit Report by the Audit Committee of USI Corporation

The Audit Committee has completed the review of the 2023 financial statements

(including parent company-only financial statements and consolidated financial

statements) and profit distribution plan produced by the Board of Directors and audited

by CPAs Chuang, Pi-Yu and Chen, Chun-Hung from Deloitte & Touche in accordance

with the law, and found no inconsistencies. Please review the Report which has been

prepared in accordance with Article 14-4 of the Securities and Exchange Act and

Article 219 of the Company Act.

Sincerely

2024 Annual Shareholders' Meeting of USI Corporation

Audit Committee of USI Corporation

Independent Director: Chen

Independent Director: Du Zijur

Independent Director: Hai, Ying-Chun

Independent Director: Chen

March 8, 2024



- IV. Financial report for the most recent year: Please refer to page 235.
- V. Financial report verified and assured by the CPAs for the most recent year: Please refer to page 379.
- VI. If the Company or its Affiliates Have Experienced Financial Difficulties in the Most Recent Fiscal Year or During the Current Fiscal Year up to the Date of Publication of the Annual Report, the Annual Report Shall Explain How Said Difficulties Affect the Company's Financial Situation: None.

Chapter 7. Review and Analysis of Financial Position and Financial Performance risk issues - Consolidated information

I. Financial Position

Major reasons for material changes in assets, liabilities and shareholders' equity, as well as related effects in the most recent two fiscal years, and response measures in the future if such effects are significant.

Unit: NT\$ thousand

YEAR	End of 2023	End of 2022	Difference	
ITEM	Elia 01 2023	Elia oi 2022	Amount	%
Current assets	\$29,557,500	\$31,623,300	(2,065,800)	(7)
Long-term investments	11,837,683	16,022,549	(4,184,866)	(26)
Property, plant and equipment	26,380,393	25,520,104	860,289	3
Intangible assets	320,614	318,485	2,129	1
Other assets	5,976,615	4,257,131	1,719,484	40
Total Assets	74,072,805	77,741,569	(3,668,764)	(5)
Current Liabilities	11,849,335	10,775,857	1,073,478	10
Non-current liabilities	14,679,570	16,040,827	(1,361,257)	(8)
Total Liabilities	26,528,905	26,816,684	(287,779)	(1)
Share capital	11,887,635	11,887,635	0	0
Retained earnings	11,526,902	12,625,207	(1,098,305)	(9)
Equity attributable to	23,254,285	24,496,092	(1,241,807)	(5)
shareholders of the parent				
company				
Non-controlling Interests	24,289,615	26,428,793	(2,139,178)	(8)
Total equity	47,543,900	50,924,885	(3,380,985)	(7)

(I) Major reasons for material changes

The decrease in long-term investments was due to the increase in the current share of loss of joint ventures accounted for using the equity method.

The increase in other assets was due to the increase in current right-of-use assets and deferred tax assets.

(II) Effects

None.

(III)Future response plan

N/A.



II. Financial Performance

Major reasons for material changes in revenue, operating income and net profit before taxes in the most recent two fiscal years are estimated sales volume and its basis, as well as possible effects on the Company's financial operations and response measures in the future

Unit: NT\$ thousand

YEAR			Increase (decrease)	
ITEM	2023	2022	Amount	(%)
Revenue	\$52,264,762	\$66,437,122	(14,172,360)	(21)
Operating costs	(46,658,491)	(55,496,976)	(8,838,485)	(16)
Gross operating profit	5,606,271	10,940,146	(5,333,875)	(49)
Operating expenses	(3,986,936)	(5,204,155)	(1,217,219)	(23)
Operating profit	1,619,335	5,735,991	(4,116,656)	(72)
Non-operating revenue and expenses	(3,556,152)	(5,039,001)	1,482,849	29
Net profit before tax	(1,936,817)	696,990	(2,633,807)	(378)
Income tax expenses	30,175	(758,179)	(788,354)	(104)
Net Income for the Year	(1,906,642)	(61,189)	(1,845,453)	(3,016)
Other comprehensive income (net amount after taxes)	(154,241)	714,590	(868,831)	(122)
Total comprehensive income for the year	(2,060,883)	653,401	(2,714,284)	(415)

(I) Major reasons for material changes

- 1. The decrease in operating revenue, operating profit, income tax expenses, net profit for the year, and total comprehensive profit and loss in current year was mainly due to the increase in cost of raw materials, decrease in product spreads, and decrease in
- 2. The non-operating revenue and expenses and net profit before tax declined, mainly due to the increase in the share of loss of joint ventures accounted for using the equity method.
- 3. The increase in other comprehensive income (net amount after taxes) was mainly due to the increase in the re-measurements of defined benefit plans and increase in the exchange differences on translating the financial statements of foreign operations.

(II) Estimated sales volume and its basis

The Company forecasts the target of PE/EVA sales volume in 2024 to be approximately 357,000 tons; the Vinyl series and its downstream processed products have a sales target of approximately 520,000 tons; the ABS/PS sales target is about 419,000 tons; and the ferrite magnet powder and ferrite core sales target is about 8,000 tons.

(III)Possible effects on the Company's financial operations in the future No material effect.

(IV)Future response plan

N/A.

III. Cash flow

Analysis of changes in cash flow and improvement plans for liquidity shortage in the most recent fiscal year, and cash liquidity analysis in the coming fiscal year

(I) Analysis and explanation of changes in cash flow in the most recent fiscal year

Unit: NT\$ thousand

Period-	Annual net cash flow	Other cash		Remedies fo	r cash deficit
beginning cash balance	from operating activities	outflows throughout the year	Cash Balance	Investment projects	Financing plans
11,522,009	4,756,467	5,218,930	11,059,546	-	-

1. Operating activities

The net cash inflow was NT\$4,756,467 thousand, an decrease from the previous year, which was mainly due to the decrease in operating net profit.

2. Investing activities

The net cash outflow from financing activities reached NT\$4,586,479 thousand, due mainly to the Group's acquisitions of property, plant, and equipment.

3. Financing activities

The net cash outflow amounted to NT\$587,379 thousand mainly due to the increase in the Group's payment of cash dividends.

(II) Improvement plans for liquidity shortage

There is no liquidity shortage situation.

(III) Cash flow analysis for the coming fiscal year

Beginning cash balance: NT\$ 11,059,546 thousand Annual cash inflow: NT\$ 4,151,669 thousand Annual cash outflow: (NT\$ 4,567,794) thousand

Ending cash balance (shortage): NT\$ 10,643,421 thousand



IV. Material expenditure and its impact on the Company's financial operations in the most recent fiscal year:

- 1. To ensure adequate supply of ethylene raw materials, the Company expects that ethylene storage tanks will be built within 10% of NT\$906 million.
- 2. In order to ensure adequate supply of ethylene raw materials, APC expected that ethylene storage tanks and ethylene underground pipelines will be built at NT\$1.02 billion.

These expenses will first be paid using the Company's own funds, while the Company will also assess the cost of raising capital in the capital market and the cost of borrowing from financial institutions.

- V. Investment policies, profit/loss analysis and improvement plans in the most recent fiscal year, as well as investment plans for the coming fiscal year.
 - (I) Investments whose amounts exceed 5% of paid-in capital at the end of 2023:

Remark	Unit (NTD in Thousands)	Policy	Main reasons for profit or loss	Improvement plan	Other investment plans in the future
CTCI Corporation	1,246,660	Investment Diversification	Steady growth in overall performance, and hence continuously profitable	No	-
Fujian Gulei Petrochemical Co., Ltd.	9,267,749	Petrochemical investments	Due to high raw material acquisition costs, downstream products not easy to pass on, and the interest margin is insufficient, resulting in losses	No	_

(II) Investments expected in the next year that exceed 5% of paid-in capital: None.

VI.Risk Analysis and Evaluation

The Company has enhanced its risk management operations, and designated specific executive and responsible units to assess specific matters or risks. Moreover, the Company has also established a monitoring mechanism, where the organizational structure is as follows:

Important risk assessment matters	Execution and responsible units	Supervision unit
Impact of Interest Rates and Exchange Rate Fluctuations and Inflation on the Company's Profit and Loss, and Future Response Measures	Finance Division	Auditing Office
2. Policies on high risk, highly leveraged investments, loans to other parties, endorsements, guarantees and derivatives trading, main reasons for profits or losses generated, and future response measures to be undertaken		
3. Future R&D projects and R&D expenditure to be invested	Research and Development Division	
4. Changes to local and overseas policies and laws that impact the company's financial operations and response measures	All relevant units	
5. Impact of changes in science and technology (including information security risk) as well as industry on the Company's financial operations and countermeasures	Sales and Marketing Division/Information System Division	
6. Impact of changes in corporate image on corporate crisis management and countermeasures	Human Resource Division	
7. Expected benefits and possible risks to engage in mergers and acquisitions and countermeasures	Planning Department/Finance Division	
8. The Expected Benefits and Possible Risks to Expand the Plants and the Countermeasures	Various plants	
Risks faced with concentrated procurement and sales, and countermeasures	Procurement and Logistics Division Sales and Marketing Division	
10. Effects and risks resulted from major equity transfer or replacement of directors, supervisors, or shareholders holding more than 10% of the Company's shares, and related response measures	Finance Division	
11. Effects and risks related to any changes in management control in the Company, and related response measures	Board of Directors	
12. Directors, Supervisors, General Managers, person with actual responsibility in the company, and substantial shareholders holding more than 10% of the company's shares, shall be disclosed. If there has been any substantial impact upon shareholders' equity or prices for the company's securities as a result of any litigation, non-litigious proceeding, or administrative dispute involving the company that was finalized or remained pending during the most recent 2 fiscal years or during the current fiscal year up to the printing date of the annual report, the report shall disclose the facts in dispute, amount in dispute, commencement date, main parties involved, and current status of the case as at the date of printing of the report	Legal Division	
13. Climate change affects the Company's operations, finance, supply chain, policy and investment decisions, etc.	Corporate Governance Team	
14. Risks of environmental, social and corporate governance issues	Corporate Governance Team	
15. Other significant matters and action plans.	Trust Department	

- (I) Impact of Interest Rates and Exchange Rate Fluctuations and Inflation on the Company's Profit and Loss, and Future Response Measures:
 - 1. Implementation or Responsible Unit: Finance Division.
 - 2. Impact on the Company's profit and loss:

ITEM	2023 (NT\$ 1,000; %)
Net interest income (expense)	24,093
Net currency exchange gain (loss)	26,492
Ratio of net interest income (expense) to net revenue	0.05%
Ratio of net interest income (expense) to net profit before taxes	(1.24%)
Ratio of net currency exchange gain (loss) to net revenue	0.05%
Ratio of net currency exchange gain (loss) to net income before taxes	(1.37%)

3.Interest rate: The carrying amounts of the Company's financial assets and financial liabilities with exposure to interest rates on the balance sheet date were as follows:

	As of December 31, 2023 (NT\$ 1,000)
Fair value interest rate risk	
—Financial assets	9,822,484
—Financial liabilities	11,870,537
Cash flow interest rate risk	
Financial assets	2,945,405
—Financial liabilities	6,393,637

An increase or decrease of 0.5% in market interest rates is used as a reasonable risk assessment for reporting changes in interest rates to the Company's senior management team. With all other variables remaining unchanged, an increase or decrease of 0.5% in market interest rates will lead to a decrease or increase of NT\$17,241 thousand in the Company's net profit before taxes in 2023.

For risk of interest rate changes, please refer to page 203 of the Annual Report.

- 4. Exchange Rate: For risk of exchange rate changes, please refer to page 203 of the Annual Report. The sensitivity analysis for foreign currency exchange risk is mainly calculated based on foreign currency monetary projects as at the end of the reporting period (mainly the US dollar and Renminbi items). When the Company's functional currency appreciates/depreciates against U.S. dollar and RMB by 3%, the Company's next profit before taxes in 2023 will decrease/increase by NT\$91,179 thousand.
- 5. Inflation: The prime cost of the Company is the cost of raw materials; the price of the product fluctuates in the same direction as the cost of raw materials. Continue to assess the impact of changes in raw material and electricity prices on the Company, dispose of old energy-consuming equipment, and implement energy conservation and carbon reduction policies.
- (II) Policies to engage in high-risk and high-leverage investments, provision of loads to others, making guarantees and endorsements, as well as derivative trading, major reasons for profits and losses, as well as future response measures:

- 1. Implementation or Responsible Unit: Finance Division.
- 2. Engaging in high-risk and high-leverage investments, and provision of loans to others

The Company's "Regulations Governing the Acquisition and Disposal of Assets" stipulate that it shall not engage in high-risk and high-leverage investments. The Company has also established the "Procedures for Loaning of Funds to Others", and confirm to perform pre-loan evaluation and follow-up of funds and others.

- 3. Endorsement and guarantee:Ensure to implement the prior evaluation and subsequent follow-up according to the company's endorsements and guarantees procedures.
- 4. Derivative trading: The Company engages in derivative commodity trading for the purpose of avoiding operational management risks. The trading commodities are mainly undertaken as forward foreign exchange and speculative operations are not involved. In addition, the counterparties should choose reputable financial institutions to avoid credit risks.

(III)Future R&D projects and estimated R&D expenditure:

- 1. Executive and responsible unit: Research and Development Division
- 2. The plans are as follows:

Unit: NT\$ thousand

Research and Development Plan	Current progress	R&D expenditure that requires investment	Estimated time for the completion of mass production	Main factors affecting the success of R&D in the future
Development of Highly Heat Resistant CBCs	70%	5,000	2024	Equipment, formula and process technology
Functional shoe midsole material development	70%	5,000	2024	Equipment, formula and process technology
High VA and low MI for W&C application	70%	5,000	2024	Equipment, formula and process technology
Development of water-based temperature-reducing color paste	80%	5,000	2024	Equipment, formula and process technology
Development of Fire-Resistant Formulas	70%	8,000	2025	Equipment, formula and process technology
Development of Fire-Resistant Masterbatch Formulas	60%	8,000	2025	Equipment, formula and process technology
Development of Thermal Insulation Coating	30%	10,000	2026	Equipment, formula and process technology
Development of Hot Melt Adhesive Grade Eva Production Technologies	60%	420	2024 Quarter 4	Cultivation of R&D talents, inheritance of technology, sufficient market intelligence and addition of necessary equipment
Low VOC PVC/TPE series rubber sheets	50%	15,000	Before mid-2024	Low VOC PVC/TPE series rubber sheets
Development of Casting Furniture Replicas Through the Use of Soft Leather	50%	1,000	Before the end of 2024	Development of Casting Furniture Replicas Through the Use of Soft Leather
Residual hydrogen energy	0%		2026	Residual hydrogen energy
Scratch-resistant tape for TPO automobile pedal pads	75%	800	Before mid-2024	Scratch-resistant tape for TPO automobile pedal pads
PP Flame-resistant rigid tape	0%	800	Before mid-2024	PP Flame-resistant rigid tape



1		1		
		R&D	Estimated time for	
Research and Development Plan	Current	expenditure	the completion of	Main factors affecting the
research and Bevelopment Fran	progress	that requires	mass production	success of R&D in the future
		investment	,	
TPO transfer mold	0%	800		TPO transfer mold
transparent leather/	50%			transparent leather/
Non-PVC Bracelet Fabric	0%	600	Before mid-2024	Non-PVC Bracelet Fabric
PVC wire bundle tape (the	0%	500	Before the end of	PVC wire bundle tape (the
Philippines)			2024	Philippines)
PVC High Temperature Colored Harness	0%	500	Defere the and of	PVC High Temperature Colored
	0%	300	2024	Harness Tape
Tape Flame Resistant Decorative Fabric	007	500		Flame Resistant Decorative
Flame Resistant Decorative Fabric	0%	500		
		700	2024	Fabric
Low Odor Automotive Tape	0%	500		Low odor automotive tape
			2024	
PVC third generation anti-fouling rubber	25%	500		PVC third generation anti-fouling
development			2024	rubber development
The development of motorcycle seats	25%	500	Before the end of	The development of motorcycle
with cooling skin			2024	seats with cooling skin
Development of Solvent-Free PVC Paste	50%	500	Before mid-2024	Development of Solvent-Free
Clothe				PVC Paste Clothe
Solvent-free surface treatment leather for	50%	500	Before the end of	Solvent-free surface treatment
PVC/TPE	3070	300	2024	leather for PVC/TPE
Development of TPU Headset Cover	50%	500	-	Development of TPU Headset
Tape	30%	300	Delote IIIu-2024	
	500	500	D.C. :1.2024	Cover Tape
TPO antistatic transparent membrane	50%	500	Before mid-2024	TPO antistatic transparent
				membrane
CGA TPO ventilation rubber hose	50%			CGA TPO ventilation rubber hose
PP equipment extensible cover tape	75%	500	Before mid-2024	PP equipment extensible cover
				tape
Decathlon TPO fully recycled shoe	50%	500	Before mid-2024	Decathlon TPO fully recycled
leather				shoe leather
GRS Certified TPU Foams	0%	500	Before mid-2024	GRS Certified TPU Foams
PP Decorative Tape	0%	500	Before mid-2024	PP Decorative Tape
Development of Bio-Shell Powder	50%			Development of Bio-Shell
Antibacterial and Anti-fungal Leather	20,0	200	2024	Powder Antibacterial and Anti-
7 introductional and 7 that Tangar Ecamer			2021	fungal Leather
Development of High Hydrolysis	25%	300	Refore the end of	Development of High Hydrolysis
Resistant TPU Materials and Related	23 /0	300		Resistant TPU Materials and
			2024	
Products	550	200	D. C	Related Products
TPE leather for car seats	75%			TPE leather for car seats
Development of Solvent-Free TPE Paste	75%	300	Before mid-2024	Development of Solvent-Free
Clothe				TPE Paste Clothe
Silicon Dispenser /	25%			Silicon Dispenser /
Utilizing 30L PVC rejoining	50%	300	Before the end of	Utilizing 30L PVC rejoining
experimental tank to carry out the			2024	experimental tank to carry out the
analysis of each by-product counterpart.				analysis of each by-product
J J parameter parameter				counterpart.
30L test tank test tank new formula	50%	300	Before the end of	30L test tank test tank new
- too tame too tame now formata	2070		2024	formula
Development of Smooth Leather for	75%	200		Development of Smooth Leather
Marine Vehicles	1370	200	2024	for Marine Vehicles
	000	1 200		
General grade ABS rubber particle size	80%	1,200	2024	Processing hardware equipment,
homogenization formula				raw material procurement costs
				and market demand overall
				arrangement
Butadiene emulsion polymerization-	60%	1,200	2024	Process hardware equipment and
reactor mixing blades on the control of				manpower configuration
PBDL particle size and concentration				
control study				
Optimization of EPS aging time and	70%	1,000	2024	Layout based on market demand
molding cycle				
		L		İ

Research and Development Plan	Current progress	R&D expenditure that requires investment	Estimated time for the completion of mass production	Main factors affecting the success of R&D in the future
EPS preservability improvement	80%	1,000	2024	Polymerization formula design, process hardware and layout based on market demand
Alloy material technology development	Sample making and testing	50,000	December, 2024	Electrical vehicle market and PV/wind inverter demand
CIM new forming technology development	Product testing and validation phase	30,000	December, 2024	Automotive Parts Recognition Progress
SiC Ceramic Powder and parts	Sample delivery and testing	300,000	December, 2024	Semiconductor equipment demand and verification

(IV)Changes to local and overseas policies and laws that impact the company's financial operations and response measures:

- 1. Implementation or Responsible Unit: All relevant units.
- 2. Impact on financial operations:
 - (1) Please refer to Chapter V in this annual report: the third section of "Information Regarding Environmental Protection Expenditure" indicated in "Operations Overview" In response to the European Union's Restriction of Hazardous Substances Directive (RoHS).
 - (2) Continuously assess the impact of IFRSs issued by IASB but not yet approved and issued in effect by FSC. Examples include amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture", IFRS 16 "Lease Liability in a Sale and Leaseback", IFRS 17 "Insurance Contracts", and amendment of "classification of liabilities as current or non-current" in IAS 1.
 - (3) Continuously assess the impact of the Regulations overning Assessment of Profit-Seeking Enterprise Income Tax on Non-Arm's-Length Transfer Pricing and Economic Substance Act in Tax Havens.
 - (4) Pursuant to Article 23-3 of the Statute for Industrial Innovation, the Company shall apply for a reduction in the taxes applicable to undistributed earnings by using undistributed earnings in substantial investments.
 - (5) Pursuant to Article 10-1 of the Statute for Industrial Innovation, investment in brand-new smart machines and investment in related brand-new hardware, software, technology or technical services for introducing 5th-generation mobile networks and information security products or services are applicable to the tax exemption.
 - (6) Continue to assess the impact of changes in water and electricity prices on the Company.
 - (7) Continue to assess the impact of the European Union's Carbon Border Adjustment Mechanism (CBAM), as well as Taiwan's carbon pricing, levies on carbon taxes and fees, and drafting of the Climate Change Adaptation Act.
 - (8) Continue to assess the impact of the CFC system, changes in the Hong Kong tax system, and implementation status of the Global Minimum Tax.



- 3. Response measures: The Company has established the Legal Division to assess legal risks and formulate countermeasures, review important contracts and relevant legal documents and warn of risks in advance, and provide legal advance to handle legal affairs where necessary in order to reduce default risk and losses. In addition, the Accounting Division assesses the changes in accounting and tax-related laws and regulations, and evaluates such the effects of such changes on the Company's financial operations and formulates related response measures. Besides, discussions are held with CPAs to make prior planning for related changes.
- (V) Impact of changes in science and technology (including information security risk) as well as industry on the Company's financial operations and countermeasures:
 - 1.Executive and responsible unit: Sales and Marketing Division and Information **System Division**
 - 2.Please refer to I. Business Description (2) Industry Overview and VI. Information Security Management (2) Information Security Risks and Countermeasures in the Operation Overview.
- (VI)Impact of changes in corporate image on corporate crisis management and countermeasures:
 - 1. Executive and responsible unit: Human Resource Division
 - 2. The Company has always adhered to upright and down-to-earth management, sound financial operations and good product quality, and has garnered positive reviews from the industry. In the event of a crisis, the Company not only will submit report according to its organization system, but can also obtain help from external organizations to help overcome the crisis.
- (VII)Expected benefits and possible risks to engage in mergers and acquisitions and countermeasures:
 - 1. Executive and responsible unit: Finance Division.
 - 2. There was no merger and acquisition implemented by the Company in the most recent fiscal year up to the publication date of this annual report.
- (VIII) The Expected Benefits and Possible Risks to Expand the Plants and the Countermeasures:

Invest in the construction of storage tanks for ethylene, vinyl chloride, dichloroethane and underground pipelines for ethylene.

Expected benefits: Ensure stable supply of main raw materials, namely ethylene and dichloroethane, as well as the production and sales scheduling of vinyl chloride.

Possible risks: Increase in supply, thereby leading to the product's price to drop.

Response measures: Develop high-quality and niche products to avoid price competition.

- (IX) Risks faced with concentrated procurement and sales, and countermeasures:
 - 1. Executive and responsible unit: Material Planning Division
 - 2. The Company has decentralized global sources of goods and purchased goods in multiple pricing modes to avoid specific centralized sources.
 - 3. Part of the purchase volume of spot goods will be set aside, and purchases will be made according to the spot market and production needs, whichever is better.
 - 4. The Company focuses on studying information of the petrochemicals and plastics market and strengthening production, sales, and procurement business strategies to maximize profits, to minimize risks associated with overconcentration in purchase or sale.
- (X) Effects and risks resulted from major equity transfer or replacement of directors, supervisors, or shareholders holding more than 10% of the Company's shares, and related response measures:
 - 1. Implementation or Responsible Unit: Finance Division.
 - 2. There was no such situation at the Company in the most recent fiscal year up to the publication date of this annual report.
- (XI) Effects and risks related to any changes in management control in the Company, and related response measures:
 - 1. Executive and responsible unit: Board of Directors
 - 2. There have been no changes in management control at the Company in the most recent fiscal year up to the publication date of this annual report.
- (XII) Litigation or non-litigation events should be listed as significant litigation, non-litigation or administrative events that have been determined or are still pending by the Company, its directors, supervisors, general manager, principals, major shareholders holding more than 10% of the shares, and subsidiaries, and the results of which may have a significant impact on shareholders' interests or securities prices, and should disclose the facts of the dispute, the subject matter of the litigation, the date of commencement of the litigation, the major parties involved, and the handling of the case up to the date of the publication of the annual report:
 - 1. Executive and responsible unit: Legal division.
 - 2. Significant litigious, non-litigious or administrative disputes that have been decided or are still pending in the most recent fiscal year up to the publication date of this annual report:
 - (1) The Company: None.



(2) Directors, supervisors, general managers, person with actual responsibility in the Company, and major shareholders holding more than 10% of the company's shares: None.

(3) Subsidiary:

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

CGTD reached an agreement with the Kaohsiung City Government on February 12, 2015 to provide pledged bank deposit worth NT\$ 231,585 thousand (including interests) to the Kaohsiung City Government as guarantee for the losses suffered during the gas explosion disaster. Kaohsiung City Government has also filed civil lawsuits against LCY, CGTD and CPC Corporation. In addition, Taiwan Power Company applied to the court to execute provisional attachments on the properties of CGTD on August 27 and November 26, 2015, respectively. CGTD has provided a cash deposit of NT\$99,207 thousand to the court to avoid the provisional attachments. Taiwan Water Corporation applied to the court to execute provisional attachments on the properties of CGTD on February 3 and March 2, 2017, respectively. As of March 31, 2024, the property value impounded against CGTD amounted to NT\$15,860 thousand.

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

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

As of March 31, 2024, 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\$3,831,319 thousand. The firstinstance judgments of some of the above mentioned civil cases (with a total amount of compensation of approximately NT\$1,467,861 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\$1,860,633 thousand). CGTD and its insurance company signed a settlement agreement, covering the proportion of the liability for negligence determined in the firstinstance judgment, the estimated amount of the settlement with the victims and the severely injured, and the amount of compensation in civil cases (including cases that have been settled); after the upper limit of insurance claims is deducted, the estimated amount that should be borne by CGTD and has been recognized is NT\$136,375 thousand. However, the actual amount of the aforementioned relevant settlements and compensation will not be confirmed until the proportion of the liabilities that should be borne by CGTD is determined in the civil case judgment in the future.

(XIII)Climate change affects the Company's operations, finance, supply chain, policy and investment decisions, etc:

Climate change is a problem faced jointly by countries across the globe. In order to align with international trends and meet the requirements of sustainable development, the Legislative Yuan passed the third reading of the Climate Change Response Act on January 10, 2023. Faced with the impact of climate change, carbon reduction has became a common global goal. In order to strengthen efforts for carbon reduction, USI set the carbon reduction target "27% reduction in carbon emissions in 2030 from 2017" in early 2022, and has actively implemented corresponding response strategies and management mechanisms. The Group's nine domestic core production plants continue to implement ISO 14064-1 greenhouse gas inventory and verification, and have planned to implement carbon reduction plans. The Group has also actively developed external renewable power plants. As of the 2022, the cumulative generation capacity of solar power plants reached 7.2 MW. As per the Group's carbon reduction target for 2030, the Company has reduced its greenhouse gas emissions by 17% from the base year (2017), and in the future will make even more active efforts to implement energy-saving carbon reduction plans, improve energy efficiency, use renewable energy and use low-carbon fuels, and implement carbon reduction targets to promote sustainable development. The Sustainability Council is the Company's highest-governing body for climate change management. It is chaired by an Independent Director and assesses matters of climate change strategies and targets, climate change risk management, opportunity initiatives, and current implementation statuses, and reports to the Board of Directors every year. The Company references the procedures for the identification of climate risks and opportunities set forth in the Task Force on Climate-Related Financial Disclosures (TCFD). Evaluation is conducted on the risks, opportunities, and financial impact for different departments, and response plans are also formulated. The Company plans to restart the full assessment every three years, and review and update it annually. The last assessment was completed in 2021. Became one of the 1,846 companies worldwide that support TCFD in November 2020. Participated in the annual Earth Hour event where all lights are turned off for one hour since 2018; joined the Carbon Neutrality Alliance in April 2022 and signed the Taiwan Chemical Industry Association (TCIA)'s Net Zero Emissions Declaration in August of the same year.

1. The Company's TCFD framework

	Sustainability Council	The Sustainability Council is the Company's highest-governing body for climate change management. It is chaired by an Independent Director and reports the implementation, plans, and actual performance in climate change in meetings every six months.
Governance	Business Management Meeting	With the Chairman of the Board of Directors serving as the chair, regular meetings are held to discuss strategies and present results in the major policies for energy conservation and carbon reduction.
	Quarterly Meeting of the Group's Environmental Protection Department	The meeting is USI Group's highest energy management unit and it is responsible for reporting the implementation planning, progress, and decision-making to the Chairman of the Group each quarter.
	Group Green Energy Team	As the primary unit responsible for the promotion of green energy, the Group Green Energy Team reports monthly to the Chairman on the progress of green power development and future plans.
	Identify risks and opportunitiesI	According to risk and opportunity items, each company identifies major items based on the probability and impact.
Strategy	Evaluate potential financial shocks	Potential financial impact evaluation is conducted for major risks and opportunities identified.
	Scenario analysis	Formulate net-zero solutions based on different scenarios.
D: 1	Adoption of TCFD	Use the TCFD framework to identify risks and opportunities, communicate with main responsible units, and confirm with senior executives.
Risk Management	Identification result report	While including the Company's annual risk management evaluation items, the General Manager reports to the Audit Committee and the Board of Directors every year on the status of control measures and management operations.
	The Group's carbon reduction target	Using 2017 as the base year, a carbon emissions reduction of 27% by 2030
Indicator and target	Climate response strategies	Equipment replacement, installation of renewable energy equipment, optimization of production schedules, air conditioning planning of buildings, energy management systems, and extreme climate emergency response plan are included.
	Disclosure of greenhouse gas emissions	The Scope 1 and Scope 2 emission data are disclosed in the Sustainability report every year, Category 4 inventory continues to be enforced, and review of the reasons for the increase or decrease is conducted regularly.

2. Identify climate risks and opportunities

The impact of climate change on operations has become increasingly severe. The Company shall carefully assess any possible risks and grasp potential new business opportunities. Referring to the Taiwan Climate Change Estimation Information and Adaptation Knowledge Platform (TCCIP) and the National Center for Disaster Prevention and Relief Technology (NCDPRT), three physical risk issues are listed for the scenarios of RCP 8.5, estimating the temperature increase, rainfall, flooding, and drought in 2016-2035; and nine transformation risks and 12 opportunity issues are listed based on the group's strategy, industry characteristics, and the nation's self-defined

expected contribution target (INDC) and TCFD indicators. There are also 9 transformation risks and 12 opportunity issues based on the Group's strategy, INDC and TCFD indicators, making a total of 24 potential risk and opportunity issues.

In 2023, a questionnaire survey was conducted among the ESG Committee and senior unit executives to assess the relevance of each risk to the Company's operations and the timing of its possible impact, as well as the development and implementability of each opportunity. 14 questionnaires were returned, which were statistically analysed by the team to identify 12 significant climate issues (1 physical risk item, 5 transformation risk items, and 6 opportunity items).

The Company assessed the potential financial impacts of the 12 significant risks and opportunities and formulated a response strategy and management mechanism to understand the possible impacts of climate change in various aspects, reduce the possible operational impacts of extreme weather and establish a resilient climate change culture.

3. Potential financial impact of risks and Response measures

Climate change issue	Туре	Risks and Opportunities ITEM	Potential financial impact	Strategy and Response of the Company
Aridity	Physical Risk/Chronic	1.Based on the base period of 1986-2005, it is estimated that the recent climate conditions of the Company's Kaohsiung Plant (2016-2035) will have a maximum number of consecutive days without rainfall of 58 days per year, which may lead to water shortage or drought. 2.In response to the abnormal climate, the plant will limit water or lack of water, and the production line will be reduced or completely shut down in serious cases.	Increased cost of operations In case of water deficiency, the Company will buy water trucks. If the situation is severe, the Company will reduce production line output or suspend all productions. The water purchasing cost is expected to rise by NT\$100,000 every day. If it is necessary to stop a single production line, the loss will reach some NT\$2.50 million per day, and given a comprehensive business suspension, the loss will exceed NT\$10 million per day.	The company has established an AI water monitoring system since 2010 to keep an eye on water supply. In addition to stopping non-essential water use, strengthening inspection of pipelines and switches, and reducing cooling water discharge, there are also fire tanks to store water buffer, water trucks to buy water, and actively implement various water improvement programs to reduce the total water withdrawal year by year.
Government regulation or oversight - levy of water consumption charges	Transformation Risk/Policy and Law	The Water Resources Administration of the Ministry of Economic Affairs promulgated the "Measures on Water Consumption Charge" in January 2023 which came into effect on February 1, 2023. A "water consumption charge" of \$3 per kilowatt-hour will be levied on heavy water users whose monthly water consumption exceeds 9,000 kilowatt-hour during the dry season (January to April, November to December). However, if the recovery rate meets the announced standard, the rate can be reduced to \$2 or \$1.	Increased cost of operations Based on the actual water consumption of the Company from February to April 2023, the water consumption fee paid in 2023 was 284,000 yuan, accounting for about 0.002% of the individual revenue.	1.Promotion of ISO 46001 water efficiency management systems 2.Improve the wastewater recycling system and strengthen the operation management to increase the amount of recycled water
carbon fee	Transformation Risk/Policy and Law	In December 2023, the Ministry of Environment issued the "draft carbon fee charging Method", which is	The early input cost is high, the later carbon emissions are low, and the operating cost is reduced	The Company evaluates the introduction of internal carbon pricing and the use of shadow pricing to



Climate change issue	Туре	Risks and Opportunities ITEM	Potential financial impact	Strategy and Response of the Company
		expected to introduce a carbon fee in 2025 for large carbon emitters whose annual emissions exceed 25,000 tons.	Based on the Company's estimated carbon emissions for 2023, assuming a carbon fee of NT\$300 per tonne, the carbon fee is estimated to range from NT\$37.0 million to NT\$44.5 million, accounting for approximately 0.32% to 0.39% of the Company's individual revenue.	incorporate carbon costs into investment appraisals to enhance the execution opportunities of carbon reduction projects. 2. Set up an energy management system and analyse the figures for room for improvement. 3. Evaluate the addition of rooftop solar energy equipment to the new premises.
Renewable Energy Regulations - Large Consumers Clause Risks	Transformation Risk/Policy and Law	The Ministry of Economic Affairs (MOEA) implemented the "Regulations on the Installation of Renewable Energy Power Generation Facilities for Electricity Consumers with Contracted Capacities Above a Certain Level" in 2021, which requires that large-scale users with contracted capacity of 5,000 kW or more must install renewable energy facilities with a contracted capacity of 10 per cent of the total contracted capacity by 2025	Increased cost of operations The Company owns 100% of the shares of USI Green Energy Corporation with a capital of NT\$366 million. USI Green Energy Corporation will continue to develop the plant with a target of completing the installation of a 20MW plant in 2027, and will continue to develop the plant in the future.	The Company established USI Green Energy Corporation to actively find an appropriate site and implement the green power development plan. In 2023, the accumulated capacity of solar photovoltaic installations reached 7.2 MW, with an annual power generation capacity of 9.15 million kWh. It is estimated that 3.698 million kWh of green electricity will be procured from USI Green Energy Corporation.
Low Carbon Technology Transition	Transformation Risks/Energy, Technology	Investing in the development of low-carbon technologies such as energy transformation, efficiency enhancement and fuel substitution for the purpose of carbon reduction has led to an increase in the cost of technology investment by enterprises	Higher capital expenditure and lower operating costs Project investment of \$16.27 million; annual power saving of 1,487,878 kWh, 84 tonnes of raw material consumption reduction, 757 tonnes of carbon reduction; quantitative benefits of \$7.85 million/year.	Improvements in chilled water tanks and pipework insulation help to minimize cooling escape and reduce power consumption. The ethylene purification system improves the effective removal of carbon dioxide from the system and reduces the inefficiency of the compressor to reduce power consumption. Replacement of equipment (refrigeration unit renewal), adjustment of operation mode, and power failure are available.
Rising Raw Material Prices	Transformation Risks/Markets	In the future, under the consideration of carbon tax, the cost of raw materials will be added to the cost of carbon emission, and the price will increase.	Increased cost of operations Ethylene is the major raw material for the Company's products. To diversify import sources of ethylene, the Company invested nearly NT\$8 billion and NT\$906 million in Gulei and the ethylene storage tank project of the Kaohsiung Intercontinental Dock, respectively.	1. Due to the increase in Taiwan's electricity tariffs in March 2024, the Kaohsiung plant's electricity tariffs are estimated to increase by NT\$53.78 million/year based on 2023, and the Company will actively invest in low-carbon technology to minimize the impact of the electricity tariff increase. 2. The Company will accelerate the schedule for AI introduction, improve the efficiency and reduce the loss from specification change of raw materials. 3. Carried out chiller system renewal and related improvement projects to

Climate change issue	Туре	Risks and Opportunities ITEM	Potential financial impact	Strategy and Response of the Company
				enhance the recovery rate of the original vinyl acetate condenser and increase the recovery rate of raw materials. 4. The 2023 feedstock recovery rate of 14.6 % was about \$960 million.
Highly efficient production	Opportunity/Resource efficiency	Enhance overall production efficiency and reduce energy consumption through production tools such as AI intelligent production, industrial motors, and automatic packaging.	Higher capital expenditure and lower operating costs In recent years, the investment in various AI projects has amounted to approximately NT\$30 million.	Implementation of various efficiency improvement and AI projects, etc.: 1. DCS + field data system construction. 2. High-pressure reactor vibration monitoring 3. AI quality prediction. 4. Black smoke identification system. 5. Digital graphic management system included.
Recycling - Circular Economy	Opportunity/Resource efficiency	Based on the three principles of circular economy (3Rs): Reduce, Reuse and Recycle. Reduce the cost of waste disposal, or the amount of raw materials used.	Higher capital expenditure and lower operating expenditure The cost of the wax recycling equipment was \$776,574 and the amount of wax recovered in 2023 was 75,320kg, resulting in a profit of \$150,000 and a saving of approximately \$4.09 million in wax treatment costs.	1. Wax processing for reuse. 2. Our company cooperates with the team of University of Taiwan and National Taiwan University of Science and Technology to carry out the industry-academia co-operation project of virtual-reality integration technology development, applying AI technology to carry out quality prediction, reduce the generation of second-grade materials, and enhance the utilization rate of raw materials.
Reduction of water use and water consumption	Opportunity/Resource efficiency	Water is an irreplaceable resource in the manufacturing process. Reducing factory water leakage and increasing the proportion of water recycling will save operating costs and enhance the resilience of the factory.	Higher capital expenditure and lower operating expenditure 1. Invested about \$16 million in a continuous wastewater monitoring system. 2. Invested about \$1.2 million in detention ponds and tank area rainwater recycling system. 3. Invested \$1.6 million in process improvement for steam condensate recovery with an annual recovery rate of 17,500 tonnes. Improvement of process operations in 2023 will result in steam reduction and water savings of 56,878 tonnes/year, saving approximately NT\$682,536.	Investments in wastewater treatment systems, MRT condensate reclamation improvements and stormwater reclamation systems in retention ponds. Improvements in process
Use of low-carbon energy	Opportunity/Resilience, energy source	Promote coal-to-gas conversion and increase the use of renewable energy to reduce carbon costs and lower the carbon footprint of products.	Higher Operating Costs and lower Carbon Fees Project Inputs Carbon Reduction, Costs, Benefits.	Developing self-built solar farms. Natural gas is preferred as the source of steam supply. To be aware of and participate in the renewable electricity market. The cost of equipment and project inputs was NT\$25 million, and the energy



Climate change issue	Туре	Risks and Opportunities ITEM	Potential financial impact	Strategy and Response of the Company
				savings in 2023 was NT\$4,114 thousand.
Developing Low Carbon Goods and Services - Investing in Renewable Energy Markets	Opportunities/Products and Services, Resilience	Invest in renewable energy development and power purchase and sale platforms, and lower the threshold for acquiring green power.	Higher capital expenditures and higher revenues 1. The Company holds 100% of the shares of USI Green Energy Corporation, which has a capital of NT\$366 million. 2. The Company owns 33.3% of the shares of Chemical Union Corporation, which has a capital of NT\$30 million.	1. The company established USI Green Energy Corporation to actively find an appropriate site and implement the green power development plan.: (1) Photovoltaic: Cumulative installed capacity reached 7.2MW in 2023, with an annual generation capacity of 9.15 million kWh. (2) Geothermal: The site is located in Taitung and is undergoing exploration. 2. The company formed Chemical Union Corporation with the petrochemical industry and negotiated with wind power developers for the purchase of electricity.
Development of new products and R&D and innovation of services - Research and Development of Low Carbon Energy Saving Products	Opportunity/Products and services	R&D is geared towards the development of circular economy, low-carbon and energy-saving products, and technological investment is made from the perspective of the complete life cycle of products and services to develop low-carbon products.	Higher R&D Expenses and higher revenue The company's environmentally friendly water-based insulation coatings can significantly reduce the surface temperature of large tanks by 15-20 degrees Celsius and the temperature inside the tank by 3-7 degrees Celsius, and it is estimated that the output value of domestic tank coatings is about NT\$3.5 billion, which will lead the development of the industry towards high-value.	1. The company has developed an environmentally friendly water-based insulation coating with a sunlight reflectivity of 90%, which not only reduces the heat of factory buildings to reduce air-conditioning and electricity consumption, but also can be coated on the surface of chemical tanks to effectively block the sun's warming caused by the escape of VOCs and unstable chemicals, and at the same time, reduces the frequency of sprinkling to reduce the temperature in order to reduce energy consumption and carbon emissions. 2. We have developed low-solvent anticorrosive paints, green fireproofing materials, and PCR plastic recycling.

- 4. The Group's companies continue to invest in innovative materials and products to reduce the impact of climate change
 - (1) The temperature in Taiwan hits new highs every summer. The extreme high temperature constantly reminds us of the threat of global warming. As such, the Company has developed in succession products that are environmentally friendly, green, and energy-saving. The latest cooling technology product developed by the Company, Cooltact TM contains special cooling ceramic materials which can effectively reduce the bsorption of heat energy by colorants. Cooltact TM can be applied to a variety of material surfaces. It can not only achieve bright colors, but also has the property of slowing down the temperature rise of the surface under sunlight, which greatly increases the comfort of skin contact. According to the test results of the ASTM D 4803-10 standard, synthetic leather introduced with

Cooltact TM technology can effectively reduce the temperature by up to 20° C. Due to the reduction of heat energy absorption, it can greatly reduce the aging phenomenon of materials caused by heat, prolong the service life of products, and reduce the impact of product replacement and waste on the environment. At present, this technology has been applied to motorcycle seats, ship seats, outdoor sofas and other purposes.

- (2) According to the statistics of the Food and Agriculture Organization of the United Nations, the proportion of vegetables and fruits that are discarded or worn out is as high as 45%. The Company has developed fresh-keeping technology for vegetables and fruits, which can absorb the aging hormones in plants, prolong the fresh-keeping period of vegetables and fruits, and then reduce the proportion of food waste. It is a reusable PE bag material, which can also reduce waste of resources indirectly. The cut surface of the meat is exposed to oxygen, which increases oxidation and causes the meat to deteriorate. Therefore, blocking oxygen becomes very important for the preservation of meat products. The company has developed a food lock bag that is 500 times better than the commercially available oxygen barrier technology. It completely isolates oxygen, delaying the deterioration and oxidation of meat and thereby improving the quality of meat preservation. It can also be reused to extend the shelf life of meat.
- (3) The highly weather-resistant reflective anti-corrosion coating system is a breakthrough coating technology. It simultaneously has the three functions of sun protection, corrosion protection and weather resistance. The use of a low-solvent design reduces the air pollution caused by the volatilization of organic solvents. The topcoat has a total sunlight reflectance of 90%, which can greatly reduce the temperature in the tank, maintain the quality and stability of the chemicals in the tank, and reduce the emission of VOCs.

(XIV) Risks of environmental, social and corporate governance issues:

To ensure robust operation and sustainable development and lower potential operating risks, the Company actively launches the risk management mechanism with a sound and ethical business philosophy. In 2020, the Board passed the "Regulations Governing Risk Management Policy and Procedures," which stipulates that the General Manager's Office should supervise the operation of the various risk management units, regularly assess risks annually, define the various risks pertaining to the Company's overall operating directives, and early identify, accurately measure, effectively supervise, and strictly control the risk management, and thereby prevent any possible losses within tolerable risks. To ensure robust operation and sustainable development and lower potential operating risks, the Company actively launches the risk management mechanism with a sound and ethical business philosophy. In 2020, the Board passed the "Regulations Governing Risk Management Policy and Procedures," which stipulates that the General Manager's Office should supervise the operation of the various risk management units, regularly assess risks annually, define the various risks pertaining to the Company's overall operating directives, and early identify, accurately measure, effectively supervise, and strictly control the risk management, and thereby prevent any possible losses within tolerable risks. The Company always keeps an eye on the evolution of risk management systems at home and abroad to review and improve this Policy, and keeps adjusting and best improving the risk



management methods based on changes in internal and external environment, so as to raise the implementation effectiveness of the Company's risk management, thereby protect the interest of the Company, employees, shareholders, and stakeholders.

The Company reports the implementation status of risk management to the Audit Committee and the Board of Directors at least once a year, and discloses such information on the annual report and the Company's website. On 7 November 2023, the Company reported to the Audit Committee and the Board of Directors on its risk management operations for the current year and the report on the 2013 Risk Management Priority Implementation Plan. The management policies or strategies to various risks at this stage are as follows:

Risk Categories	Risk Profile	Risk Management Policy or Strategy
g	Risk of interest rate changes	Due to the impact of soaring inflation caused by the surge in global commodity prices, central banks have raised interest rates to curb inflation in the rising wave of
		 interest rates: 1. As to short-term borrowings in the NT\$, the Company will closely monitor the changes in the overnight interbank offering rate published by the Central Bank of the Republic of China and the interest rate on the negotiable certificate of deposit with different terms published by the central bank and moderately adjust the borrowing term to effectively reduce the cost. 2. For medium- and long-term capital needs, the Company obtains medium- and
		long-term lines of credit from financial institutions during periods of rising interest rates or issues common bonds at appropriate times to lock in capital costs at fixed interest rates to avoid the risk of future interest rate increases. The Company has increased the levels of the lines of credit, adjusted the proportion of short, medium, and long-term borrowings, and kept the application rate of short-term lines of credit at no higher than 50%, making the overall financial structure more prudential and reducing the risk of interest rate fluctuation.
Einen eiel eiele	Risk of exchange rate changes	The US Federal Reserve raised interest rates sharply to combat inflation, resulting in great volatility in the international currency market. In principle, the company's net position in foreign exchange operations is 100 percent hedging; However, when the exchange rate market trend is obviously favorable to the Company, the hedging ratio will be adjusted appropriately within the range of controllable risks.
Financial risks	Risk of property loss	The Company has purchased various property insurances based on the size of the Company's business assets and replacement costs to transfer risks to insurance company appropriately.
	Risk of endorsement and guarantee	Endorsement beneficiaries of the Company are the subsidiaries 100% and 99.96% owned by the Company, which helps reduce capital costs and increase flexibility in capital movement They are consistent with the Company's current operational strategies and whether the risks the Company bears are under the tolerable level by the Company.
	Risk of accounts receivable	For a customer making an overdue payment, the Company will suspend the shipment, visit the customer immediately to find out the reason for overdue payment and assess whether the customer's payment is abnormal. If necessary, the Company will initiate the preservation procedure to conduct a false attachment on and seal the customer's properties. The Company holds a monthly meeting to assess the customer's operating status or analyze its financial report. If anything is found to have gone wrong with the customer, the Company will suggest suspending the shipment or reducing the line of credit. For a domestic sales customer, the Company will require an additional substantive guarantee as well as qualified joint and several guarantors. For an overseas sales customer, the Company will seek to increase the line of credit insurance and increase the country purchasing the credit insurance (such as Bangladesh, Egypt, Pakistan and South Africa).
Risk of strategy and operation	 Risk of strategy and operation Industry risk Investment Risks 	1. The Company's Sustainability Council identifies major issues, proposes short, medium and long-term goals for each major issue, and regularly reviews performance. The Company identifies and reviews major issues, sets short, medium- and long-term goals for each major issue, and regularly reviews performance. 2. In order to effectively integrate the demand for renewable energy and smoothly obtain renewable energy supply, the Company, after internal evaluation, and Taiwan's petrochemical companies, Changchun Group and Chi Mei Group, jointly organised the establishment of a renewable energy purchasing and selling platform, "Chemical Alliance Renewable Energy Co. CMA Renewable Energy Corporation was established by the Company, Changchun Petrochemical and Chi

Risk Categories	Risk Profile	Risk Management Policy or Strategy
		Mei Corporation, each holding one-third of the equity interest. 3. In March and August, the operating units of the Company held the respective meetings of the Board of Directors and the Sustainability Council and completed their CSR report, which covers the strategic planning, annual plan, special plan and other issues.
	Change in material prices	In 2023, the market was affected by the war and the epidemic, and the fluctuations in the price of raw materials increased. The purchase price was set at a fixed price or purchased in batches based on formulas with set parameters, which can effectively reduce inventory risks. At the same time, purchases from different regional sources reduced the impact of price changes.
Risk of material prices and supply chains	Material inventory and logistics management	This year marks the forth year since the outbreak of the pandemic. The delay in international shipping due to the impact of the epidemic has gradually eased, but downstream demand has changed rapidly, resulting in an increase in the inventory of some raw materials. After coordinating with factories and suppliers to delay delivery or cancel some orders, inventory and price risks were reduced. At the same time, alternative testing is still being actively promoted, and goods from different sources have been introduced to increase inventory stability.
Production equipment spare parts planning	Important equipment that are custom-made products and long lead times have set inventory requirements for spare parts. Shortage of raw materials due to the Russian-Ukrainian war, global shortage of chips and electronic components, and international shipping congestion have created risks in the supply of critical spare parts. Procurement Department II continues to remind purchasing units to increase inventory for spare parts and open purchase requisitions in advance, and regularly checks purchase order times and manufacturer's delivery dates. Some of the items were originally purchased from external suppliers, and new domestic suppliers have been developed in consideration of the risk of supplying materials.	
Occupational safety risk	Occupational accidents of employees and contractors in the operation process	 On 25 October 2023, the Group will organise the 2023 Group Plant Technology Case Study Presentation to encourage plants to continue to implement and improve industrial safety and environmental protection, equipment pre-warranty, energy saving and carbon reduction through the presentation of case studies and selection of awards. The number of major occupational accidents and the cumulative number of safety days in each plant of the Group are counted every month. Every time the accumulated safety days for a plant reaches 1,000 days, the plant is given a performance trophy and publicly commended. Monthly statistics on the number of inspections conducted by the government, the contents of inspections, and the number of industrial safety penalty tickets are distributed to all factories for vigilant learning. From August 19 to 28, 2023, the Group's annual environmental safety audit plan was implemented at the Kaohsiung Plant, during which compliance with industrial safety and health, environmental protection, and fire protection regulations was checked (or checked for legal compliance). On August, 28, 2023, the "Reference Standards for Penalties for Violations of Important Occupational Safety Requirements by Contractors of the Group for implementation in order to strengthen the safety management of contractors. Annual environmental safety professional training was held in the southern and northern Districts. On April, 19, 2023, a training course on Group Safety, Environment and Pre-insurance Guidelines, Contractor Safety Management Practices and Lock out/Tag out was held at the Lam Yuen Plant of Asia Polymer Corporation, with a view to upgrading the professional skills of the staff of the plants on occupational safety and environmental protection through the organisation of on-going training courses. Publicize the CCPS "Process Safety Beacon" e-newsletter at the beginning of each month and in the middle of each month, promote t



Risk Categories	Risk Profile	Risk Management Policy or Strategy
		and conduct PSM education and training to strengthen occupational safety and
		health management.
		11.
		(1) Contractors participate in environmental safety and health education and
		training before entering the factory. Through continuous training, advocacy, and setting of requirements, contractors are urged to comply with various
		safety and health regulations and achieve the goal of zero accidents.
		(2) Security guards supervise the entry of contractors into the factory and manage
		vehicle control, conduct alcohol testing operations in a timely manner, and
		ensure the safety status of people and vehicles entering the factory
		(3)Ensure the contracting work environment and hazard notifications, and arrange work safety meetings as well as protocol meetings. Strengthen the
		toolbox meeting for the management of each work permit; announce and
		explain the contents of operations, potential hazards of the working
		environment, and safety protection and regulations; and complete the safety
		inspection of on-site construction equipment and tools.
		(4) The Labor Safety Section conducts inspections for various operations on site every day to reduce the occurrence of unsafe conditions and behaviors on site.
		12.
		(1) Every year, the Kaohsiung Plant legally holds relevant workplace safety and
		health licenses, organizes incumbent education and training, identifies laws
		and regulations related to the plant contained in the new announcement, and reports them to the quarterly meeting of the Environmental, Safety and Health
		Management Committee.
		(2) In 2023, environmental safety awareness and training programs were
		implemented, including courses such as accident investigation and drills and
		equipment degradation and corrosion mechanisms, etc., to enhance
		colleague's environmental safety professional knowledge and skills. 13. The Company adheres to safety and health management rules, process hazard
		analysis guidelines, safety, health, fire and environmental management education
		and training guidelines, occupational safety and health hazard identification and
		opportunity assessment and control management guidelines, various operating
		standards, and emergency response plan guidelines, etc. 14. The Engineering Department and the production units have thoroughly performed
		preventive equipment repair and PDA inspection.
		15. In 2023, the Kaohsiung Plant conducted 2 emergency response and fire drills, 1
		planned emergency response to toxic chemical substances, 2 emergency response
		drills on toxic chemical substances without warning, and also conducted 3 emergency response equipment trainings to strengthen personnel emergency
		response.
		16. Publicize the CCPS "Process Safety Beacon" e-newsletter at the beginning of
		each month and periodically publicize major industrial environmental safety
		news at home and abroad for reference and to prevent similar accidents by learning from other accidents.
		17. In the first quarter of this year, no-warning tests were conducted to assess the fire
		emergency response capabilities of Linyuan No. 4 Plant and USI Kaohsiung
		Plant. Afterwards, special training classes were held for fire commanders in two
		stages on August 23 and August 29 in order to enhance the fire command capability of each factory.
		18. The Group holds quarterly resource integration conferences at the southern plant
		area, during which various departments under the Environmental Protection
		Division deliver work reports to communicate and advocate the various environmental safety work promoted by the Group
		Appointed a professional security consultancy firm to conduct half-yearly social
		engineering drills and security education training and testing to strengthen the
		security awareness of the company's staff.
		2. Regularly send staff to the OT computers in the factory to conduct security inspections and asset inventories to strengthen the security control of OT
		computer equipment and perform USB connector locking control operations to
	Security protection of	reduce the security risk from the USB connector.
	information maintenance and	3. Every year, we appoint ISO professional security consultants to assist us in
Information Security		conducting security audits, strengthening internal security control and various
Risk	industrial control systems, sensitive data, and customer	operational security processes, and conducting biannual vulnerability scans and vulnerability corrections.
	transactions	4. Appoint ISO professional security consultants to carry out information security
		audit of the information environment, and perform packet traffic collection and
		distribution for servers, client computers, AD hosts and core network switches.
		5. Every year, the Company periodically engages an internationally famous company to assure the Company's implementation of the ISO-27001
		certification. This year, the Company has passed the ISO-27001 certification for
		nine consecutive years. The Group's internal audit department performs two

Risk Categories	Risk Profile	Risk Management Policy or Strategy
- Carryon Ro		 information security audits every year. 6. Transferring the company's corporate website to the cloud, and ensuring the effectiveness and integrity of the website's operation through cloud-based information security and backup mechanisms. 7. Continuously update the system version and security protection suite for external firewalls to ensure that firewalls have the latest protection against hacking; and conduct regular disaster recovery and backup drills for external firewalls every year to enhance the ability of corporate firewalls to continue to operate. 8. The company periodically implements the disaster recovery drill for important systems, and reinforces system recovery speed and capacity. The Company observes the 321 backup principle for key system data in the hope of quickly recovering the normal working status and ensuring the sustainable operation capacity in case of a disaster. 9. Performs recycling inventory and anti-virus protection health checks on the Group's USB external storage devices to ensure the safety of the use of incoming USB storage devices. 10. In accordance with the requirements of the FSC, a dedicated information security unit has been established with a chief information security officer, a dedicated information security supervisor, and a dedicated information security officer, etc., who are responsible for planning, monitoring, and executing information security management operations and supervision. 11. For important information assets, two sets of heterogeneous endpoint detection and response software are configured to complement each other in preventing
Legal risk	Compliance risk	 hacking. This year, the Legal Division provided timely written and oral consultations as well as response suggestions regarding those legal questions advanced by different user units, and ensured that the activities of the Company complied with legal provisions. The Company conducted overall assessment and researched relevant overall solutions in relation to the latest important laws and policies at home and abroad (such as the Commercial Event Trial Act, the Company Act and the Securities and Exchange Act) to provide related people of the Company for reference at an appropriate time. When necessary, the Company will solicit opinions from competent authorities or external parties to confirm whether relevant legal opinions are appropriate. Operations were normal this year.
	Transaction risk	 The Legal Division accepts the preparation and review of legal documents related to various transactions, fully understands the background fact, our stance and contracting purpose through individual discussion or meeting and provides appropriate and feasible suggestions to promote the completion of transaction while ensuring the Company's interests and avoid the derived default risk and liability. Pursuant to regulations of the Company, special person is designated to manage and use the seals of the Company, and the Legal Division requires the clarification or supplement of noncompliant legal or contractual documents to well perform the management responsibility. Operations were normal this year. Provide written or oral advice to assist user units in responding to inquiries from
	Dispute resolution	 Provide written of of a device to assist user units in responding to inquiries from competent authorities. Provide legal advice and assistance in three personnel litigation cases (same employee) handled by the Human Resources Department in 2023.
	Awareness and behavior of compliance	 Participate in educational and training events organized by competent authorities or external institutions, timely remind and reinforce legal risk awareness among colleagues of different departments through individual discussion, meeting discussion or opportunity when the legal assistance is provided, internalize the awareness in the daily working behaviors of colleagues, thereby reducing the risks of the Company. Operations were normal this year.
Human resources risks	Risk of human resource shortage	 The Company's HR website, ESG website, and LinkedIn social network are utilized to enhance the Company's brand image and visibility in order to increase the source of talent and willingness to apply for jobs. Set up the training map and make the plan: CCPG's training and education is divided into new personnel training, core and managerial function training professional function training, common sense courses, and language courses, etc.
	Risk of increase in labor costs - backlog risk	according to common scope and course targets. There are also different units responsible for training and education. 3. Streamline the supervisor reserve reporting operation to enhance the efficiency of execution; strengthen the talent identification and cultivation planning, and specifically implement the succession training.



Risk Categories	Risk Profile		Risk Management Policy or Strategy
	Risk of employee turnover		Continue to maintain good communication with labor unions, and in 2023, the company established a good relationship between employers and employees through regular meetings such as labor relationship meeting, members' conference, and meetings of directors and supervisors as well as through daily good communication and interaction. Continue to comply with the Company's rules and regulations on matters related
	Compliance risk	6.	to employee compensation. The Company has formulated the Code of Honest Operation, the Operating procedure and Behavioral Guide to Honest Operation, and the Group has formulated the Codes of Ethical Conduct for Directors and Managerial Officers and the Code of Conduct for Part-time Employees. There were no relevant non-compliance or whistleblowing incidents in 2023.
Research and development risk	Product technology risk(R&D information may fall into the hands of competitors, and R&D personnel may be poached by competitors, causing leakage of R&D results) Market Risks(Customers adjust their demands or market conditions change, causing product development to fall short of expected goals)	2.	R&D meeting information and presentations are uploaded to the WSS system for data retention, backup, storage and retrieval management. USB slots on work computers can only be accessed with identity-restricted USB to enhance the security of data management. Confirm and regularly update the data access permissions for WSS project systems. Continue to promote high VA products
Environmental and Energy Resource Risk	Environmental impact of carbon emissions from operating processes	 3. 4. 7. 8. 	The Group sets a carbon reduction target of 27% by 2030 (as compared with the base year 2017). The Kaohsiung plant completed six energy saving programs in 2022, reducing carbon emissions by 2,138 metric tons of CO2e, and implemented three energy saving programs in 2023. The Group carried out the annual Group Plant Visit Plan for Energy Conservation and Carbon Reduction. On July 14 this year, a visit was made to the Kaohsiung Plant to advocate energy conservation and carbon reduction trends and policies. Discussion at the meeting mainly focused on the analysis and improvement measures of major carbon emission and energy consuming equipments, energy efficiency measurement of equipments and improvement tracking of diagnostic results, energy saving and carbon reduction technologies promoted horizontally by the Group, and presently surveyed the improvement of compressed air and steam leakage, and thermal and thermal insulation wrapping., and regular followup tracking was implemented after the meeting. The Group's annual Factory Technical Exchange Seminar was held in 2022. Exemplary cases were presented, among which the best were selected and given awards to encourage plants to continue to implement and improve industrial safety and environmental protection, equipment pre-insurance, energy conversation, and carbon reduction. In order to effectively manage energy performance, continuously improve and promote the establishment of the ISO 50001 energy management system in plants. At present, 9 USIG plants have passed the verification process. The Group will continue to pay attention to and grasp the changes in policies and regulations related to energy and carbon reduction, actively participate in public hearings on new (revision to) relevant laws and regulations such as the Climate Change Response Act, and evaluate the impact and response of changes in laws and regulations. Following the Group's set energy management goals, participate in technical exchange meetings to to promote energy saving and carbon reduction
	Environmental pollution caused by operating processes		on each of the Group's factories by the government, the contents of such audits and the number of environmental fines imposed, and distributed to each of the Group's factories for self-review and immediate improvement if the same situation arises, in order to continuously improve the Group's environmental performance. The number of leakage points of VOC leakage from the equipment components of the Group's petrochemical plants is counted quarterly to enhance the monitoring frequency and tracking of the maintenance completed during the most

Risk Categories	Risk Profile	Risk Management Policy or Strategy
3		recent year-end maintenance, and "zero leakage" is the Group's goal, which has been maintained at the Kaohsiung Plant as of July 20, 2023 3. To carry out the annual group safety and environmental audit program, the Group
		visited the Kaohsiung Plant for two days from August 28 to 19, 2023, to conduct compliance audits (or legal compliance audits) on industrial safety and health,
		environmental protection and fire prevention. 4. Annual environmental safety professional training was held in the southern and
		northern Districts. On April, 19, 2023, a training course on Group Safety, Environment and Pre-insurance Guidelines, Contractor Safety Management Practices and Lock out/Tag out was held at the Lam Yuen Plant of Asia Polymer
		Corporation, with a view to upgrading the professional skills of the staff of the plants on occupational safety and environmental protection through the organisation of on-going training courses.
		5. In response to news of major environmental accidents within the Group as well as domestically and abroad, prepare one-page advocacy documents and reminders and provide them to the Group's plants for reference, so that they can learn from
		 accidents and prevent similar accidents from happening. 6. Continue to pay attention to and grasp the changes in environmental protection regulations, and through public associations, actively participate in public hearings on new (revised) environmental laws and regulations held by competent
		authorities.7. Conducts regulatory audits and compliance assessments in accordance with ISO 14001.
		 ISO-46001 Water resource efficiency management systems has been established. The Group announced its five-zero goal of "Zero Occupational Accident, Zero Accident, Zero Pollution, Zero Emission and Zero Failure" and established "the Group's Guidelines for Sefetti" to fulfill the goal of five zero.
		Group's Guidelines for Safety" to fulfill the goal of five-zero. 10. The Group has been promoting the establishment of ISO 14001 environmental management system.
		11. Evaluated compliance with industrial safety and health, environmental protection, and fire protection regulations applicable to the Kaohsiung plant of Taiwan Polytechnic and failed to make recommendations for improvement.
		12. Enforcement of safety education and training in accordance with the law 13. Continue to pay attention to and grasp the changes in environmental protection regulations, and propose solutions in response.
Climate change risks	• Water resource management • Carbon neutral/Carbon tax 4	1. The Group has set a carbon reduction target of "reducing carbon emissions by 27% in 2030 as compared to 2017" and has actively implemented corresponding strategies and management mechanisms. The Group's nine domestic core production plants have continued to implement ISO 14064-1 GHG inventories and verification, and are planning for the implementation of carbon reduction programs. As of the end of 2022, the cumulative grid-connected capacity of our solar farms had reached 5.9MW.
		 The Group carried out the annual Group Plant Visit Plan for Energy Conservation and Carbon Reduction. On July 14 this year, a visit was made to the Kaohsiung Plant to advocate energy conservation and carbon reduction trends and policies.
		Discussion at the meeting mainly focused on the analysis and improvement measures of major carbon emission and energy consuming equipments, energy efficiency measurement of equipments and improvement tracking of diagnostic results, energy saving and carbon reduction technologies promoted horizontally by the Group, and presently surveyed the improvement of compressed air and
		steam leakage, and thermal and thermal insulation wrapping., and regular follow- up tracking was implemented after the meeting. 3. The Group has scheduled the 2023 Group Plant Technology Case Study Presentation on 25 October 2023. Exemplary cases were presented, among which the best were selected and given awards to encourage plants to continue to
		implement and improve industrial safety and environmental protection, equipment pre-insurance, energy conversation, and carbon reduction. 4. Continue to pay attention to and grasp the changes in policies and regulations related to energy and carbon reduction, actively participate in public hearings on
		new (revision to) relevant laws and regulations such as the Climate Change Response Act, and evaluate the impact and response of changes in laws and regulations.
		 Reference TCFD and international research reports to identify climate change risks and opportunities and devise major projects based on the likelihood of occurrence and impact.
		6. In response to the opportunity for energy transformation provided by climate change, the Group is actively planning for the on-site development of new energy sources. Solar photovoltaics will be the focus at the initial stage, after which other new energy opportunities will be researched and analyzed.



Risk Categories	Risk Profile	Risk Management Policy or Strategy
Risk of disasters and accidents	 Risk of not tracking and reviewing the causes of accidents and improvement plans Risk of operation and property/personnel loss Risk of employee job hazard Risk of operation interruption 	 The Company revised the methods for accident investigation and the investigation and management of false-alarm accidents, and reexamined the procedures for accident investigation, including both accidents and false-alarm accidents. Education, training, and drills were also held on accident investigation and analysis techniques in order to strengthen professional knowledge and skills for accident investigation. Regularly track the progress internal and external audits to maintain the validity of ISO 14001 and ISO 45001 certificates. Continues to promote the strengthening of occupational health management and PSM. Revisions were made to "Measures for Emergency Preparedness and Response Management" and "Emergency Response Plan and Procedures" in an effort to reassess the organization structure for emergency response organization and strengthen the reporting process for emergency response. The goal is that organizational members can be quickly mobilized in the event of an emergency and take correct actions to effectively control disasters and reduce losses. In 2023, the Kaohsiung Plant conducted 2 emergency response and fire drills, 1 planned emergency response to toxic chemical substances, 2 emergency response drills on toxic chemical substances without warning, and also conducted 3 emergency response equipment trainings to strengthen personnel emergency response. Environmental safety and fire trainings are held in the quarterly safety meetings of each unit to enhance colleagues' environmental safety culture and knowledge. The Repair section carries out the repair and maintenance of machinery and equipment according to the annual repair and regular maintenance plan. The Company continues to take out public liability insurance, toxic chemical substance operators liability insurance, transportation insurance, and operation interruption insurance to reduce operational losses. In response to the explosion incident at the east pl
Technology risk	Risk of information security breaches arising from the adoption of new technologies, resulting in losses to the Group and employees Lagging in response to market consumption habits and production technology	 An annual inventory of the Group's SSLVPN accounts is conducted to maintain security controls with minimal authorization. Keeping abreast of various information security issues (e.g. information security news released by the National Institute for Information Security), and reviewing and correcting the weaknesses of the Group's information security environment. Continue to comply a practical and implementable three-stage defense system for the Company; that is, the three stages of before, during and after. Through AI intelligent manufacturing to control the MI (melt index) to accurately control the product quality and reduce the output of defective products. The company has successfully developed high VA and low MI products, expanded the product specifications, and improved the product quality and production efficiency. The company maintains intensive contact with our customers to develop this product from shoe materials to wire and cable applications, and develop different
Other risks	the occurrence of a major environmental pollution incident, the toxic and hazardous substances emitted and the energy flow released will immediately enter the	 specifications for different applications to meet customer needs. Wastewater abnormal notification and related contingency measures are in place. In 2023, the Company completed training, drills, and education campaigns for toxic chemical disaster prevention and rescue, including 2 no-warning tests and 1 comprehensive drill. Manage waste storage, removal, and disposal, and perform monthly on-site inspections. If there is any discrepancy, review and improve the situation immediately. The factory has established crisis handling measures and emergency preparedness and response management measures. In accordance with API-1163 "In-Line Inspection System Qualification Standard", an Intelligent Lead Inspection (ILI) of underground pipelines is completed to confirm the integrity of underground pipelines. Completion of a hydraulic pressure test of the entire underground pipeline to confirm that the underground pipeline can still be operated safely under the set maximum operating pressure conditions. The Federation of Restricted Areas (FRAC) organizes all factories to appoint a professional security company to carry out daily inspections and occasional inspections and audits. Monitor third-party excavations to maintain pipeline safety. Carry out pipeline maintenance management, cathodic anticorrosion inspection, the thickness measurement of exposed pipe sections, and stray current monitoring

Risk Categories	Risk Profile	Risk Management Policy or Strategy
		6. Cooperate with the requirements of the Pipeline Management Center of the
		Economic Development Bureau to complete the emergency response training and
		drills for patrol personnel and operators.
COVII	COVID-19	The outbreak was well managed in 2012, and in accordance with the epidemic
		information announced by the Central Epidemic Command Center, CKP was
		downgraded from Category 5 to Category 4 of the Legally Communicable Diseases
		from May 1, 2023 onwards.
		The Group's preventive measures have been adjusted accordingly, and the control of
		confirmed and fast-screening positive patients has been abolished in favor of self-
		management of those who have the flu.

(XV) Other significant matters and action plans:

- 1. Receivables recovery risk
 - (1) Executive and responsible unit: Trust Department
 - (2) Conduct usual transactions through advance receipts or letter of credit (L/C), provide credit to customers based on their credit limits and risks after performing credit assessment, and purchase accounts receivable insurances involving mainland customers whose risks are beyond its control to reduce risks to a manageable level.
- 2. As of the publication date of this annual report, there has been no other risk issues in the Company



VII. Other important matters:

I. Key performance indicators of USI

- 1. Injury-free working hours: The production environment at Renwu plant, with a strong emphasis on occupational safety, health and environmental protection, won the Excellence Award in the "Selection of Excellent Units and Employees Promoting Occupational Safety and Health" conducted by the Ministry of Labor. Renwu Plant paid special attention to the production environment as well as workplace safety and environmental protection. As of December 31, 2023, it has accumulated a total of 757,976 injury-free working hours.
- 2. Equipment operating rate: In 2023, the equipment operating rate was 78.3%.

II. Key performance indicators of Asia Polymer Corporation (APC)

- 1. Injury-free working hours: As of December 31, 2023, the high-temperature and high-pressure production environment at Linyuan plant, with a strong emphasis on occupational safety, health and environmental protection, has accumulated 458,154 hours in terms of injury-free working hours in total.
- 2. Equipment operating rate: Apart from production shutdown due to equipment maintenance and power outage in coordination with Tai Power Company, production at the plant remains normal for the rest of the time. The equipment operating rate in 2023 was 98.45%.

III. Key performance indicators of CGPC

- 1. Production rate: Compared to the annual target, the production rate for raw material products was 92.60%, and 84.60% for processed products.
- 2. Yield rate: Compared to the annual target, the yield rate for raw material products was 100.30%, and 99.50% for processed products.
- 3. Customer objections: The ratio of annual losses from customer complaints (excluding quantity discounts) was 0.033% (the losses from customer complaints as a ratio of the revenue) and it was within the Company's control.
- 4. Employeeproposals: There were 402 proposals (established cases) and the estimated savings is NT\$ 35.57 million.
- 5. Workplace accidents: Injury frequency (number of disabled persons per million hours): 2.9.
 - Injury severity rate (total number of days of losses due to disability and injury per million hours): 73.2.

IV. Key performance indicators of TTC

- 1. Disaster-free working hours: As of December 31, 2012, the cumulative disasterfree working hours for each plant were 2,502,800 hours for the Qianzhen plant, 1,754,073 hours for the Lin Yuan plant, 1,216,474 hours for the Toufen plant and 2,488,121 hours for the Zhongshan plant.
- 2. Equipment operating rate: In 2023, the equipment operating rate for ABS/SAN was 80.5%; GPS 100.4%; EPS 93.4%; Glasswool 94.1%; and Zhongshan Plant 70%.

V. Key performance indicators of ACME Electronics Corporation

- 1. Inventory turnover rate (times): 2.50 in 2023.
- 2. Property, plant and equipment turnover (times): 1.32 times in 2023

VI. Pollution prevention:

- 1. The Company's subsidiary, Taiwan VCM (vinyl chloride monomer Corporation rented part of the land occupied by the China Petrochemical Development Corporation's Cianjhen Plant from January 1, 1970 to December 31, 1989 to set up its plant and manufacture In October 2006, the area was deemed a groundwater pollution control site. After remediating the area using the "Physics+Chemistry+Biology" engineering method developed by INOMA Corporation, the groundwater pollution concentration level of the site decreased to less than the groundwater pollution control standard. Based on the findings of re-inspections by the Environmental Protection Bureau of the Kaohsiung City Government on January 11, 2016, it was announced on April 11, 2016 that the area had its status as a groundwater pollution control site terminated and was removed from the delineation of the groundwater pollution control region. In 2022, the second Certificate of Technology Applied in Delisted Soil and Groundwater Contamination Site was obtained from Kaohsiung Environmental Protection Bureau: The Kaohsiung City Environmental Protection Bureau recognizes the performance of Taiwan VCM Corporation's Environmental Development Department in the delisted control site of CPDC's Qianzhen Plant.
- 2. In 2010, part of the land occupied by the Company's Toufen Plant was listed as a groundwater pollution control site and included in the groundwater pollution control region by environment unit. Therefore, the Company introduced and implemented the "Physics+Chemistry+Biology" engineering method developed by Taiwan VCM Corporation to carry out remediation and improvement of the area. After the field samples collected were verified by environmental protection agencies, it was found that various data have complied with the government's control standards. The site was removed as a groundwater pollution control site by the Environmental Protection Administration on February 24, 2017 and the Environmental Protection Bureau of the Miaoli County Government on March 21, 2017. In 2021, the second Certificate of Technology Applied in Delisted Soil and Groundwater Contamination Site was obtained from the Environmental Protection Administration (EPA) of the Executive Yuan: The EPA recognizes the performance of Taiwan VCM Corporation's Environmental Development Department in the delisted site of the Company's Toufen Plant.
- 3. Taiwan VCM Corporation, a subsidiary of the Company, has won the certificate of explanation and analysis of treatment technology for polluted site issued by the Environmental Protection Agency of Executive Yuan. Through promoting the certification and validation of remediation technologies, and collecting information from domestic manufacturers and successful cases of separation, the EPD recently announced the remediation technologies of Environmental Development Department of Taiwan VCM Corporation in the "soil and groundwater pollution remediation network" of EPD. Through promoting the



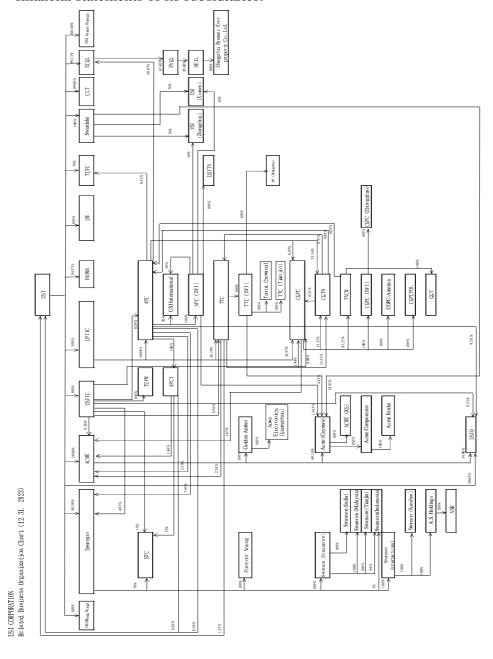
- certification and validation of remediation technologies, and collecting information from domestic manufacturers and successful cases of separation, the EPD recently announced the remediation technologies of Environmental Development Department of Taiwan VCM Corporation in the "soil and groundwater pollution remediation network" of EPD.
- 4. Director Hua-I Chien from Taiwan VCM Corporation, a subsidiary of the Company, won the Outstanding Planning Manager Award for 2020 conferred by Taiwan Association for Soil and Underground Environment Protection.
- 5. Taiwan VCM Corporation (TVCM), a subsidiary of the Company, was awarded the "Soil and Groundwater Symposium - Best Paper Award" from the Chinese Institute of Environmental Engineering - 33rd Annual Conference and from various other specialized academic seminars.
- 6. Newly developed oil-degrading bacteria in 2022: After the soil of oil-polluted sites were domesticated in laboratories, bacteria with degradative functions were screened out; and following fermentation and cultivation, toluene and naphthalene degradation genes were detected, which showed the ability to degrade benzene and toluene. In addition, the properties of diesel oil can be used for on-site renovation.
- 7. In 2023, the excellent performance of groundwater remediation at the Taiwan Corporation, a subsidiary of the Company, was recognized by the the Environmental Protection Agency of the Ministry of the Environment (MOE), and the Company was selected as the "Excellent Unit of Green Sustainable Remediation".
- 8. In 2023, Taiyo's Luzhu plant was officially certified to have been de-listed, which was also the first remediation completion achievement for Taiwan VCM Corporation's subsidiary, GGC.

The results of the above remediation cases have been recognized by experts and scholars from Society of Environmental Engineers (SEE) and the Environmental Protection Professionals Association and awarded with Outstanding and Outstanding Paper Awards; the Environmental Analysis Laboratory has also obtained the Waters ERA Laboratory Proficiency Comparison Certification in the U.S.A. to demonstrate the quality of testing; the drilling rig team has passed the examination to obtain the Well Drilling Technician License of the Ministry of Economic Affairs' Department of Water Resources; and the application of Biocrystalline Spheres is being developed and submitted to the patent application process.

Chapter 8. Special Notes

I. Information regarding Affiliated Companies:

- (I) Consolidated Business Report of Affiliated Companies
 - 1. The organizational chart for affiliated companies (as of December 31, 2023) is shown in the following. In addition, the shareholding structures of affiliated companies are also detailed in the following section, whereas the financial statements, including both the consolidated financial statements and related notes, in the most recent four fiscal years, are also included in the consolidated financial statements of its subsidiaries.



2. Basic Information of Various Affiliated Companies

December 31, 2023 Unit: Amount in New Taiwan dollar (NT\$ 1,000), unless otherwise stated

	-	Γ		Tarwan donar (1114 1,000), unless otherwise stated
Enterprise Name	Date of Establishment	Address	Paid-in Capital	Main Business or Production Items
Swanson Plastics Corporation	July 03, 1986	12th Floor, No. 37, Jihu Road, Neihu District, Taipei City	1,543,119	Production and sales of embossed films, stretch films, heavy bags, and industrial multi-layer packaging films
Forever Young Company Limited	March 03, 1993	Skelton Building, Main Street, P.O. Box 3136,	1,535	Trading and agency businesses
		Road Town, Tortola, British Virgin Islands	(USD50,000)	
Swanson Plastics (Singapore)	July 23, 1997	16 Pandan Road Singapore 60926	807,804	Production and marketing of plastic products
Pte. Ltd.	-		(USD 26,308,543)	
Acme Electronics Corporation	September 05, 1991	8th Floor, No. 39, Jihu Road, Neihu District, Taipei City	2,129,937	Manufacture and sale of soft ferrite powder, cores and other related electromagnetic components and
Acme Electronics Corporation—	October 07, 1993	No. 2, Guojian 2nd Rd., Guanyin Dist., Taoyuan		raw materials1.
Guanyin Plant		City 328		Design, manufacture, processing, and sales of production equipment for the products mentioned above
				 Import and export of the products mentioned above, and other businesses excluding those subject to individual approval
Golden Amber Enterprises Ltd.	March 26, 1998	Citco Building, Wickhams Cay, PO Box 662,Road	669,072	Corporate investments
		Town, Tortola, BVI	(USD20,800,000)	
USIFE Investment Co., Ltd.	May 22, 1989	12th Floor, No. 37, Jihu Road, Neihu District, Taipei City	896,470	Investments in production, transportation, warehousing, construction, banking, securities companies and trading companies
Taiwan United Venture	January 07, 1998	12th Floor, No. 37, Jihu Road, Neihu District,	8,000	Corporate management consulting
Management Corporation	_	Taipei City		
Union Polymer International	October 09, 1996	12th Floor, No. 37, Jihu Road, Neihu District,	9,183,247	Investments in various production and service
Investment Corporation		Taipei City		businesses
Swanlake Traders Ltd.	September 21, 1995	Citco Building Wickhams Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands	744,602 (USD24,250,184.6)	Engage in various trading and investment businesses
Acme Components (Malaysia)	September 06,	Plot 15,JalanIndustri 6 Kawasan Perindustrian	273,109	Corporate investments
Sdn. Bhd.	1990	Jelapang II (ZPB) Jelapang 30020 Ipoh, Perak, Malaysia.	(RM42,600,000)	
Acme Ferrite Products Sdn. Bhd.	September 21, 1990	Plot 15,JalanIndustri 6 Kawasan Perindustrian Jelapang II (ZPB) Jelapang 30020 Ipoh, Perak, Malaysia.	248,133	Manufacturing and marketing of soft ferrite core



Enterprise Name	Date of Establishment	Address	Paid-in Capital	Main Business or Production Items
Chong Loong Trading Co., Ltd.	June 22, 1950	12th Floor, No. 37, Jihu Road, Neihu District, Taipei City	68,852	Import and export business (excluding those subject to individual approval), sales agent, and distribution of products from domestic and overseas manufacturers. (excluding derivatives), commodity wholesaling and retail sales, management, and investments related to the businesses mentioned above
Taiwan United Venture Capital Corp.	April 10, 1995	10F, No. 39, Jihu Road, Neihu District, Taipei City	200,000	Engage in venture capital investments in invested businesses Planning, consulting, engagement and management services to invested businesses Corporate business, management and consulting services to other venture capital businesses Other relevant businesses approved by the government.
USI Far East (HK) Co., Ltd.	December 08, 1999	6/F., Caltex House,258 Hennessy Road, Hong Kong.	62,864 (HKD16,000,000)	Engage in various trading businesses
TTC Chemical Company, Ltd.	April 06,1950	12th Floor, No. 37, Jihu Road, Neihu District, Taipei City		Production and sales of ABS, PS, glass wool insulation products and Cubic printing
TTC Chemical Company, Ltd Linyuan Plant	August, 1979	No. 5, Gongye 1st Road, Linyuan Industrial Park, Kaohsiung City, Taiwan	2.075.070	Production and sale of ABS
TTC Chemical Company, Ltd Cianjhen Plant	April 06,1950	No. 3, Jianji St., Qianzhen Dist., Kaohsiung City 806, Taiwan (R.O.C.)	3,975,868	Production and sale of PS
Taita Chemical Company, Ltd Toufen Plant	March, 1992	No. 571, Minzu Road, Toufen Township, Miaoli County, Taiwan		Production and sales of glass wool products
Taita (BVI) Holding Co., Ltd.	April 10, 1997	CITCO Building, Wickhams CAY.P.O Box 662, Road Town, Tortola, British Virgin Island	2,755,854 (USD89,738,000)	Investment holding company
Taita Chemical (Zhongshan) Co., Ltd.	March 24, 1999	YenJiang East 2nd Road, Zhongshan Torch Hi- Tech Industrial Development Zone, Zhongshan City, Guangdong Province, China	1,420,106 (USD46,250,000)	Production and sales of expanded polystyrene (EPS) derivatives
Asia Polymer Corporation	January 25, 1977	12th Floor, No. 37, Jihu Road, Neihu District, Taipei City	5 037 //38	Manufacture and sales of medium- and low-density polyethylene and ethylene vinyl acetate copolymer
Asia Polymer Corporation— Linyuan Plant	March, 1979	No. 3, Gongye 1st Road, Linyuan Industrial Park, Kaohsiung City	3,737,430	resins
APC (BVI) Holding Co., Ltd.	April 10, 1997	Citco Building, Wickham Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands	348,274 (USD11,342,594)	Reinvestment business
China General Plastics Corporation	April 29, 1964	12th Floor, No. 37, Jihu Road, Neihu District, Taipei City	, , , ,	Production and sales of PVC raw materials and
China General Plastics Corporation - Toufen Plant	February, 1964	No. 571, Minzu Road, Toufen Township, Miaoli County	5,810,505	processed products
Taiwan VCM Corporation	January 21, 1960	12th Floor, No. 37, Jihu Road, Neihu District,	2,974,425	Manufacturing and marketing of VCM

	Date of			
Enterprise Name	Establishment	Address	Paid-in Capital	Main Business or Production Items
		Taipei City		
Taiwan VCM Corporation	November 30,	No. 1, Gongye 1st Road, Linyuan Industrial Park,		
- Linyuan Plant	1992	Kaohsiung City		
	February 25, 1989	12th Floor, No. 37, Jihu Road, Neihu District,	751,604	Warehousing and transportation of petrochemical raw
Distribution Co., Ltd.	•	Taipei City		materials
Swanson Plastics (Malaysia) Sdn.	April 10, 1989	Plot 505, Tingkat Perusahaan 4A, Kawasan	128,220	Manufacture and sales of plastic products
Bhd.		Perusahaan, Zon PerdaganganBebas, 13600 Prai,	(RM20,000,000)	
		Penang Malaysia		
CGPC America Corporation	June 21, 1988	11310 Harrel Street Mira Loma CA 91752	615,635	Marketing of PVC two- or three-time processed
			(USD20,050,000)	products
CGPC (BVI) Holding Co., Ltd.	April 10, 1987	Citco Building, Wickhams Cay, P.O. Box 662,	454,688	Reinvestment
		Road Town, Tortola, British Virgin Islands	(USD16,308,258)	
Continental General Plastics	December 02,	Yanjiang East 2nd Road, Zhongshan Torch Hi-tech		Manufacture and sale of secondary and tertiary
(Zhongshan) Co., Ltd.	1997	Industrial Development Zone, Huoju, Zhongshan	(USD20,000,000)	processed PVC products
		City,Guangdong Province		
Acme Electronics (Cayman)	June 28, 1990	Ugland House, P.O. Box 309, George Town, Grand		Corporate investments
Corp.		Cayman, Cayman Islands, British West Indies	(USD4,997,052)	
Acme Electronics (Kunshan) Co.,	July 27, 1990	No. 533, Huangpujiang North Road, Kunshan City,		Production and sales of soft ferrite cores
Ltd.		Jiangsu Province, China	(USD30,725,000)	
USI Management Consulting	March, 16, 2001	12th Floor, No. 37, Jihu Road, Neihu District,	6,714	Corporate management consulting
Corp.		Taipei City		
Swanson International Limited	March 29, 2001	Ugland House, P.O. Box 309, George Town, Grand		Trading and agency businesses
	0 1 00 1001	Cayman, Cayman Islands, British West Indies	(USD16,041,205)	
Swanson Plastics (Kunshan) Co.,	October 08, 2001	No. 289, Qingyang North Road, Kunshan City,		Production, sale and development of multifunctional
Ltd.		Jiangsu Province, China		membranes and photolysis membranes
USI International Corporation	September 20,	TrustNet Chambers, P.O.Box3444, Road Town,		Investment
T :	2002	Tortola, British Virgin Island.	(USD3,000,000)	P. I. C. I. I. I. C. (EDG)
Taita Chemical (Tianjin) Co., Ltd.	November 27,	No. 8, Hengshan Road, Chemical Industry Park,		Production and sale of expanded polystyrene (EPS)
A El (' (C 71)	2003	Development Zone, Tianjin City, China	(USD27,350,000)	
Acme Electronics (Guang-Zhou) Co., Ltd.	November 24, 2004	No. 1, Fuqian Road, Zengjiang Street, Zengcheng	389,536 (USD19,200,000)	Manufacture and sale of soft ferrite cores
Co., Ltd.	2004	District, Guangzhou City, Guangdong Province, China	(USD19,200,000)	
A.S. Holdings (UK) Limited	February 02, 2004	7/10 Chandos Street Cavendish Square London	123,849	Investment
A.S. Holdings (UK) Littlited	reditially 02, 2004	W1G 9DQ	(UK3,156,993)	investment
USI Trading (Shanghai) Co., Ltd.	March, 13, 2006	6A, No. 1358, Yan'an West Road, Shanghai City		Engage in wholesaling, commission agency, import
OSI Trading (Shanghai) Co., Etd.	iviaicii, 13, 2000	ors, 130, 1336, ran an west Road, Shanghai City		and export and related supporting businesses for
			(0502,300,000)	products including petrochemical products and related
				equipment, rubber products and electronic materials
ASK-Swanson (Kunshan) Co.,	February 17 2004	No. 528, Huangpujiang North Road, Zhoushi	279 416	Production and sales of PE release film and other
Ltd.	1 201441 5 17, 2001	Town, Kunshan City, Jiangsu Province, China	(USD9,100,000)	
APC Investment Corporation	December 20,	10F, No. 39, Jihu Road, Neihu District, Taipei City		Investment



Enterprise Name	Date of Establishment 2007	Address	Paid-in Capital	Main Business or Production Items
CGPC Polymer Corporation	May 19, 2009	12th Floor, No. 37, Jihu Road, Neihu District, Taipei City	701,707	Manufacturing and marketing of PVC resins
Swanson Technologies Corporation	October 12, 2009	12th Floor, No. 37, Jihu Road, Neihu District, Taipei City	150,001	Production, sale, and development of EVA packaging films and other high value-added plastic products
USI Optronics Corporation	October 07, 2010	12th Floor, No. 37, Jihu Road, Neihu District, Taipei City	649,017	Manufacture and sale of sapphire ingots and other related crystals
Swanson Plastics (India) Private Limited	March 08, 2011	PLOT No.2, GDDIDC. Honda, Bhuipal Sattari-403 506, Goa-India	398,488 (INR1,073,513,900)	Manufacture and sale of plastic products
Swanson Plastics (Tianjin) Co., Ltd.	May 02, 2012	No. 888, Cui Yang Road, Shuangtang Top Grade Hardware Products Industrial Park, Jinghai District, Tianjin, China	328,544 (USD10,700,000)	Manufacture and sale of plastic products
PT. Swanson Plastics Indonesia	December 27, 2013	Ngoro Industrial Park Blok D2-3 Ds. LolawangKec. Ngoro Kab. Mojokerto	801,433	Manufacture and sale of plastic products
Ever Conquest Global Limited	May 21, 2014	P.O.Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	(USD417,145,000)	Engage in investment business
INOMA Corporation	April 17, 2014	12th Floor, No. 37, Jihu Road, Neihu District, Taipei City	14,144	Engage in optical products and fire protection materials businesses
Ever Victory Global Limited	May 21, 2013	P.O. Box 957, OffshoreIncorporations Centre, Road Town, Tortola, British Virgin Islands	19,002,864 (USD618,885,000)	Engage in investment business
Dynamic Ever Investments Limited	September 03, 2013	FLAT/RM 1902, 19/F ,LEE GARDEN ONE 33 HYSAN AVENUE CAUSEWAY BAY HK	21,271,349 (USD692,765,000)	Engage in investment business
Zhangzhou Taita Chemical Co., Ltd.	June 04, 2021	No. 569, Shugang Avenue South, Gulei Town, Gulei Port Economic Development Zone, Zhangzhou City, Fujian Province	1,491,636 (USD48,580,000)	Production and sale of expanded polystyrene (EPS) derivatives
USI Green Energy Corporation	May 04, 2020	12th Floor, No. 37, Jihu Road, Neihu District, Taipei City	366,160	Engage in solar power generation business
Global Green Technology Corporation	February 11, 2022	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City	,	Environmental detection services
Zhangzhou USI Trading Co., Ltd.	March 12, 2022	No. 569, Shugang Avenue South, Gulei Town, Gulei Port Economic Development Zone, Zhangzhou City, Fujian Province	43,352 (RMB10,000,000)	Sales of chemical products
Zhangzfou Dynamic Ever property Co.,Ltd.	Auguest 29, 2023	No. 569, Shugang Avenue South, Gulei Town, Gulei Port Economic Development Zone, Zhangzhou City, Fujian Province	91,039 (RMB21,000,000)	Property management
Xiamen USI Trading Co., Ltd.	November 06, 2023	318-06 Podium Building, Block A, Taidi Haixi Center Office Building, 899 Haicang Avenue, Haicang District, Xiamen City, Fujian Province	43,352 (RMB10,000,000)	Sales of chemical products



3. Information of shareholders with corporate governance power while working in the company: None.

4. Businesses engaged by affiliated companies and their relationships:

Industry	Enterprise Name	Business relationship with other affiliates
Detugal amigal industry	Asia Polymer Corporation	Purchase of goods, sales of goods, ethylene transfer, and dispense
Petrochemical industry	Taiwan VCM Corporation	Ethylene transfer
	TTC Chemical Company, Ltd.	Purchases
Manufacture and sales of	China General Plastics Corporation	Sale
plastic products	Swanson Plastics Corporation	Purchase and sales of goods
plastic products	Swanson Technologies Corporation	Sale
	Forever Young Co., Ltd.	Sale
Trading	USI Far East (HK) Co., Ltd.	Sale
	USI Trading (Shanghai) Co., Ltd.	Sale
	Chong Loong Trading Co., Ltd.	Purchases

5. Information on the directors, supervisors and general managers of each affiliated enterprise

December 31, 2023 Unit: shares; %

Company Name or Responsible Unit	Title	Name/Assignment	Number of shares held by the person / Shareholding percentage	Number of shares held by juristic persons represented / Shareholding percentage
USI Corporation	Chairman	I-Kuei Wu (assigned by Shing Lee Enterprise (Hong Kong) Limited)	113,122/0.01	173,776,546/14.62
	Director	Ching-Shou Yu (assigned by Asia polymer Co., Ltd.)	0/0	101,355,673/8.53
	Director	Che-I Kao (assigned by Asia polymer Co., Ltd.)	0/0	101,555,075/8.55
	Director	Wu, Pei-Chi (assigned by Taita Chemical Company, Ltd.)	0/0	15,109,901/1.27
	Director	Hung-Ting Wu (assigned by Shing Lee Enterprise (Hong Kong) Limited)	50,418/0	173,776,546/14.62
	Independent Director	Chen, Chung	0/0	_
	Independent Director	Tu, Tzu-Chun	0/0	_
	Independent Director	Hai, Ying-Chun	0/0	_
	Independent Director	Chen, Sheng-Te	0/0	_
	General Manager	Wu, Pei-Chi	0/0	_
Swanson Plastics Corporation	Chairman	I-Kuei Wu (assigned by USI Corporation)	146,884/0.10	
	Vice Chairman	Tung-Yang Wu (assigned by USI Corporation)	0/0	
	Director	Pei-Chi Wu (assigned by USI Corporation)	0/0	62,616,299/40.58
	Director	Han-Tai Liu (assigned by USI Corporation)	0/0	
	Director	Wen-Hao Wu (assigned by USI Corporation)	0/0	
	Supervisors	Ya-I Huang (assigned by USIFE Investment Co., Ltd.)	44,262/0.03	10,155,875/6.58

Company Name or Responsible Unit	Title	Name/Assignment	Number of shares held by the person / Shareholding percentage	Number of shares held by juristic persons represented / Shareholding percentage
	Supervisors	Chen, Yung-Chih (assigned by USIFE Investment Co., Ltd.)	0/0	
	General Manager	Wen-Hao Wu	0/0	_
Forever Young Company	Director	Wu, I-Kuei	0/0	_
Ltd.	Director	Wu, Tung-Yang	0/0	=
	Director	Wen-Hao Wu	0/0	_
	Director	Huang, Ya-I	0/0	=
	Director	Yang, Wen-Li	0/0	_
Swanson Plastics	Director	Wu, I-Kuei	0/0	-
(Singapore) Pte. Ltd.	Director	Wu, Tung-Yang	0/0	-
	Director	Wen-Hao Wu	0/0	_
	Director	Huang, Ya-I	0/0	_
-	Director	Tan Seng Kiat	0/0	_
	General Manager	Wen-Hao Wu	0/0	_
Acme Electronics Corporation	Chairman	I-Kuei Wu (assigned by USI Corporation)	1,510,750/0.71	61 602 0 6 2 100 0 6
	Director	Shan-Ke Hsu (assigned by USI Corporation)	78,695/0.04	61,682,967/28.96
	Director	Hui-Ming Cheng (assigned by Asia polymer Co., Ltd.)	0/0	
	Director	Wu, Wen-Hao (assigned by Asia polymer Corporation)	302,245/0.14	6,801,315/3.19
	Director	Wu, Xian-Cong (Assigned by Taita Chemical Company, Ltd.)	15,462/0.01	
	Director	Chun-Hui Huang (Assigned by Taita Chemical Company, Ltd.)	0/0	4,991,556/2.34
	Independent Director	Chang, Li-Chiu	0/0	_
	Independent Director	Chen, Piao-Chun	0/0	_
	Independent Director	Lin, Shun-Tian	0/0	_
	General Manager	Wen-Hao Wu	302,245/0.14	_
Golden Amber	Director	Wen-Hao Wu	0/0	_
Enterprises Ltd.	Director	Wu, I-Kuei	0/0	_
	Director	Wu, Pei-Chi	0/0	=
	General Manager	Wen-Hao Wu	0/0	_
USIFE Investment Co., Ltd.	Chairman	I-Kuei Wu (assigned by USI Corporation)	0/0	
Z.d.	Director	Pei-Chi Wu (assigned by USI Corporation)	0/0	
	Director	Ya-I Huang (assigned by USI Corporation)	0/0	89,647,000/100
	Supervisors	Chen, Yung-Chih (assigned by USI Corporation)	0/0	
	General Manager	Huang, Ya-I	0/0	_
Taiwan United Venture Management Corporation	Chairman	I-Kuei Wu (assigned by USIFE Investment Co., Ltd.)	0/0	800,000/100
•	Director	Wen-Li Yang (assigned by USIFE Investment Co., Ltd.)	0/0	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,



Company Name or Responsible Unit	Title	Name/Assignment	Number of shares held by the person / Shareholding percentage	Number of shares held by juristic persons represented / Shareholding percentage
	Director	Ya-I Huang (assigned by USIFE	0/0	
	Director	Investment Co., Ltd.)	0/0	
	Supervisors	Chen, Yung-Chih (assigned by USIFE Investment Co., Ltd.)	0/0	
	General	II V I	0.40	
	Manager	Huang, Ya-I	0/0	_
Union Polymer International Investment	Chairman	I-Kuei Wu (assigned by USI Corporation)	0/0	
Corporation	Director	Ching-Shou Yu (assigned by USI Corporation)	0/0	
	Director	Pei-Chi Wu (assigned by USI Corporation)	0/0	918,324,656/100
	Director	Ya-I Huang (assigned by USI Corporation)	0/0	
	Supervisors	Chen, Yung-Chih (assigned by USI Corporation)	0/0	
	General Manager	Wu, I-Kuei	0/0	_
Swanlake Traders Ltd.	Director	Wu, I-Kuei	0/0	
	Director	Wu, Pei-Chi	0/0	_
	Director	Yang, Wen-Li	0/0	_
Acme Components (Malaysia) Sdn. Bhd.	Chairman	Ho Sew Kong	0/0	
(Maiaysia) Suii. Biid.	Director	Wu, I-Kuei	0/0	1
•	Director	Wen-Hao Wu	0/0	42,600,000/100
•	Director	Khor Kim Boon	0/0	-
 	Director	Vasudevan A/L Karunakaran Nair	0/0	-
	General Manager	Wen-Hao Wu	0/0	_
Acme Ferrite Products	Chairman	Ho Sew Kong	0/0	
Sdn. Bhd.	Director	Wu, I-Kuei	0/0	1
	Director	Wen-Hao Wu	0/0	9,120,000/100
	Director	Khor Kim Boon	0/0	1
	Director	Vasudevan A/L Karunakaran Nair	0/0	1
	General Manager	Wen-Hao Wu	0/0	_
Chong Loong Trading Co., Ltd.	Chairman	I-Kuei Wu (assigned by USI Corporation)	0/0	
Co., Liu.	Director	Pei-Chi Wu (assigned by USI Corporation)	0/0	6,882,666/99.96
	Director	Wu, Ming-Tsung (appointed by USI Corporation)	0/0	
	Supervisors	Chen, Yung-Chih	0/0	_
	General Manager	Wu, Pei-Chi	0/0	_
Taiwan United Venture Capital Corp.	Chairman	I-Kuei Wu (assigned by USI Corporation)	0/0	
Capital Cosp.	Director	Pei-Chi Wu(assigned by USI Corporation)	0/0	
	Director	Han-Tai Liu (assigned by USI Corporation)	0/0	14,000,000/70.00
	Director	Wen-Li Yang (assigned by USI Corporation)	0/0	
	Director	Ya-I Huang (assigned by USI Corporation)	0/0	
	Supervisors	Chen, Yung-Chih (assigned by Asia polymer Co., Ltd.)	0/0	1,665,333/8.33

Company Name or Responsible Unit	Title	Name/Assignment	Number of shares held by the person / Shareholding percentage	Number of shares held by juristic persons represented / Shareholding percentage
	General Manager	Huang, Ya-I	0/0	_
USI (Hong Kong)	Director	Wu, I-Kuei	1/0	=
Company Limited	Director	Wu, Pei-Chi	0/0	_
TTC Chemical		I-Kuei Wu (assigned by Union		
Company, Ltd.	Chairman	Polymer International Investment Corporation)	0/0	146,263,260/36.79
	Director	Ma, Yi-Kung (appointed by USIFE Investment Co., Ltd.)	0/0	1,415,368/0.36
	Director	Pei-Chi Wu (assigned by Union Polymer International Investment Corporation)	0/0	146,263,260/36.79
	Director	Ying, Pao-Lo (assigned by USIFE Investment Co., Ltd.)	32,091/0.01	1,415,368/0.36
	Director	I-Shao Ko (assigned by Taiwan Union International Investment Co., Ltd.)	0/0	8,854,995/2.23
	Independent Director	Chen, Tien-Wen	0/0	_
	Independent Director	Wei Yung-Tu	0/0	_
	Independent Director	Li, Guo-Xiang	0/0	
	General Manager	Wu, Pei-Chi	0/0	_
Taita (BVI) Holding Co.,	Director	Wu, I-Kuei	0/0	_
Ltd.	Director	Ko, I-Shao	0/0	_
	Director	Wu, Pei-Chi	0/0	_
	Director	Yang, Wen-Li	0/0	_
Taita Chemical (Zhongshan) Co., Ltd.	Chairman	Wu, Pei-Chi (Appointed by Taita (BVI) Holding Co., Ltd.)	0/0	
	Director	Chang, Te-Wei (appointed by Taita (BVI) Holding Co., Ltd.)	0/0	
	Director	Wen-Li Yang (Taita (BVI) Holding Co., Ltd.指派)	0/0	Capital Contribution
	Director	Huang Jun-Hao (appointed by Taita (BVI) Holding Co., Ltd.)	0/0	USD46,250,000/100
	Director	Chen, Yung-Chih (appointed by Taita (BVI) Holding Co., Ltd.)	0/0	
	Supervisors	Huang, Ya-I (appointed by Taita (BVI) Holding Co., Ltd.)	0/0	
	General Manager	Huang Jun-Hao	0/0	_
Asia Polymer Corporation	Chairman	I-Kuei Wu (assigned by Union Polymer International Investment Corporation)	0/0	214,245,822/36.08
	Director	Kuo-Hung Li (assigned by Union Polymer International Investment Corporation)	0/0	214,243,022/30.00
	Director	Pei-Chi Wu (assigned by USIFE Investment Co., Ltd.)	0/0	1 714 199/0 20
	Director	Wu, Hung-Chu (assigned by USIFE Investment Co., Ltd.)	0/0	1,714,180/0.29
	Director	I-Shao Ko (assigned by Taiwan Union International Investment Co., Ltd.)	0/0	14,311,014/2.41
	Independent Director	Chen, Ta-Hsiung	0/0	_
	Independent Director	Shen, Shang-Hung	0/0	_



Company Name or Responsible Unit	Title	Name/Assignment	Number of shares held by the person / Shareholding percentage	Number of shares held by juristic persons represented / Shareholding percentage
	Independent Director	Cheng, Tun-Chien	0/0	-
	Independent Director	Chen, Jian-Ping	0/0	_
	General Manager	Wu, Pei-Chi	0/0	_
APC (BVI) Holding Co.,	Director	Wu, I-Kuei	0/0	_
Ltd.	Director	Wu, Pei-Chi	0/0	_
	Director	Ko, I-Shao	0/0	_
	Director	Huang, Ya-I	0/0	_
China General Plastics Corporation	Chairman	I-Kuei Wu (assigned by Union Polymer International Investment Corporation)	0/0	145,079,236/24.97
	Vice Chairman	Han-Fu Lin (assigned by Union Polymer International Investment Corporation)	0/0	143,017,230124.71
	Director	Pei-Chi Wu (assigned by Asia polymer Co., Ltd.)	0/0	46,886,185/8.07
	Director	Liu, Han-Tai (assigned by Asia polymer Corporation)	0/0	40,860,163/6.07
	Director	Wu, Hung-To (assigned by USIFE Investment Co., Ltd.)	0/0	550,722/0.09
	Independent Director	Li, Zu-De	0/0	_
	Independent Director	Zheng, Ying-Bin	0/0	_
	Independent Director	Hsu, Cheng-Yi	0/0	_
	General Manager	Lin, Han-Fu	0/0	_
Taiwan VCM Corporation	Chairman	Lin, Han-Fu (Representative of China General Plastics Corporation)	0/0	
1.	Director	Wu, I-Kuei (Appointed by China General Plastics Corporation)	0/0	
	Director	Wang, Ping-I (Appointed by China General Plastics Corporation)	0/0	259,591,005/87.27
	Director	Li, Kuo-Hung (Appointed by China General Plastics Corporation)	0/0	
	Director	Liu, Han-Tai (Appointed by China General Plastics Corporation)	0/0	
	Director	Chen, Chin-Yuan (Appointed by Ocean Plastics Co. Ltd.)	0/0	37,062,395/12.46
	Director	Hu, Chi-Hong (Appointed by China General Plastics Corporation)	0/0	259,591,005/87.27
	Supervisors	Huang, Kuang-Che	0/0	-
	Supervisors	Huang, Ya-I	0/0	
	General Manager	Lin, Han-Fu	0/0	_
China General Terminal & Distribution Co.	Chairman	Hung-Chiang Chang (assigned by China General Plastics Corporation)	0/0	25 052 460/22 22
	Director	Lin, Han-Fu (Representative of China General Plastics Corporation)	0/0	25,053,469/33.33
	Director	Pei-Chi Wu (assigned by Asia polymer Co., Ltd.)	0/0	25.052.460/22.22
	Director	Liu, Han-Tai (assigned by Asia polymer Corporation)	0/0	25,053,469/33.33
	Director	Hu, Chi-Hong (Appointed by China General Plastics Corporation)	0/0	25,053,469/33.33

Company Name or Responsible Unit	Title	Name/Assignment	Number of shares held by the person / Shareholding percentage	Number of shares held by juristic persons represented / Shareholding percentage
	Director	Yen, Tai-Ming (assigned by Asia	0/0	
	Director	polymer Corporation)	0/0	25,053,469/33.33
	Director	I-Shao Ko (assigned by Asia polymer	0/0	.,,
		Co., Ltd.) Huang, Ya-I (assigned by Taita		
	Supervisors	Chemical Company, Ltd.)	0/0	
	Supervisors	Sheng-Chuan Wu (Assigned by Taita Chemical Company, Ltd.)	0/0	25,053,468/33.33
Swanson Plastics	Director	Wu, I-Kuei	0/0	_
(Malaysia) Sdn. Bhd.	Director	Ho Sew Kong	0/0	_
	Director	Wu, Tung-Yang	0/0	_
	Director	Wen-Hao Wu	0/0	_
	Director	Liu, Han-Tai	0/0	_
	General	Liu, Hall-Tal	0/0	
	Manager	Wen-Hao Wu	0/0	_
CGPC America	Director	Wu, I-Kuei	0/0	=
Corporation	Director	Lin, Han-Fu	0/0	_
	Director	Hu, Chi-Hong	0/0	_
	Director	Sun, Meng-Wen	0/0	_
	General Manager	Hu, Chi-Hong	0/0	_
CGPC (BVI) Holding	Director	Wu, I-Kuei	0/0	_
Co., Ltd.	Director	Lin, Han-Fu	0/0	_
	Director	Hu, Chi-Hong	0/0	_
	Director	Yang, Wen-Li	0/0	=
Continental General Plastics (Zhongshan)	Chairman	Lin, Han-Fu (Appointed by CGPC (BVI) Holding Co., Ltd.)	0/0	
Co., Ltd.	Director	Liu, Han-Tai (Appointed by CGPC (BVI) Holding Co., Ltd.)	0/0	
	Director	Yang, Wen-Li (Appointed by CGPC (BVI) Holding Co., Ltd.)	0/0	Capital
	Director	Hu, Chi-Hong (Appointed by CGPC (BVI) Holding Co., Ltd.)	0/0	ContributionUSD20,000, 000/100
	Director	Chen, Yung-Chih (Appointed by CGPC (BVI) Holding Co., Ltd.)	0/0	
	Supervisors	Huang, Ya-i(Appointed by CGPC (BVI) Holding Co., Ltd.)	0/0	
	General Manager	Lin, Han-Fu	0/0	_
Acme Electronics	Chairman	Wu, I-Kuei	0/0	
(Cayman) Corp.	Director	Wen-Hao Wu	0/0	
Acme Electronics (Kunshan) Co., Ltd.	Chairman	Wen-Hao Wu(assigned by Acme Electronics (Cayman) Corporation)	0/0	
, , , , , , , , , , , , , , , , , , , ,	Director	Wu, I-Kuei (appointed by Acme Electronics (Cayman) Corporation)	0/0	
	Director	Ya-I Huang (assigned by Acme Electronics (Cayman) Corporation)	0/0	Capital
	Director	Wu, Pei-Chi (assigned by Acme Electronics (Cayman) Corporation)	0/0	ContributionUSD30,725, 000/100
	Director	Chen, Yung-Chih (appointed by Acme Electronics (Cayman) Corporation)	0/0	
	Supervisors	Yang, Wen-Li (appointed by Acme Electronics (Cayman) Corporation)	0/0	
	General Manager	Wen-Hao Wu	0/0	_



Company Name or Responsible Unit	Title	Name/Assignment	Number of shares held by the person / Shareholding percentage	Number of shares held by juristic persons represented / Shareholding percentage
USI Management	Chairman	I-Kuei Wu	0/0	J. J
Consulting Corp.	Chairman	(assigned by USI Corporation)	0/0	
	Director	Wen-Li Yang	0/0	
		(assigned by USI Corporation) Pei-Chi Wu		671,400/100
	Director	(assigned by USI Corporation)	0/0	
	Supervisors	Ya-I Huang (assigned by USI Corporation)	0/0	
	General		0.40	
	Manager	Wu, I-Kuei	0/0	_
Swanson International	Director	Wu, I-Kuei	0/0	
Limited	Director	Wen-Hao Wu	0/0	_
	Director	Huang, Ya-I	0/0	
Swanson Plastics (Kunshan) Co., Ltd.	Chairman	Wu, Wen-Hao (appointed by Swanson International Limited)	0/0	
	Director	Wu, I-Kuei (Appointed by Swanson International Limited)	0/0	
	Director	Wu, Tung-Yang (Appointed by Swanson International Limited)	0/0	Capital ContributionUSD13,290,
	Director	Huang, Ya-I (Appointed by Swanson International Limited)	0/0	000/100
	Director	Liu, Han-Tai (Appointed by Swanson International Limited)	0/0	
	Supervisors	Chen, Yung-Chih (Appointed by Swanson International Limited)	0/0	
	General Manager	Wen-Hao Wu	0/0	_
USI International	Director	Wu, I-Kuei	0/0	_
Corporation	Director	Wu, Pei-Chi	0/0	_
•	Director	Yang, Wen-Li	0/0	=
	Director	Huang, Ya-I	0/0	_
Taita Chemical (Tianjin) Co., Ltd.	Chairman	Wu, Pei-Chi (Appointed by Taita (BVI) Holding Co., Ltd.)	0/0	
Co., Liu.	Director	Huang Jun-Hao (appointed by Taita (BVI) Holding Co., Ltd.)	0/0	Capital Contribution
	Director	Chen, Yung-Chih (appointed by Taita (BVI) Holding Co., Ltd.)	0/0	USD27,350,000/100
	Supervisors	Huang, Ya-I (appointed by Taita (BVI) Holding Co., Ltd.)	0/0	
	General Manager	Huang Jun-Hao	0/0	_
Acme Electronics (Guangzhou) Co., Ltd.	Chairman	Wen-Hao Wu (assigned by Golden Amber Enterprises Ltd.)	0/0	
(Guangzhou) Co., Ziu.	Director	Wu, I-Kuei (appointed by Golden Amber Enterprises Ltd.)	0/0	Capital
	Director	Chen, Yung-Chih (appointed by Golden Amber Enterprises Ltd.)	0/0	ContributionUSD19,200, 000/100
	Supervisors	Huang, Ya-I (appointed by Golden Amber Enterprises Ltd.)	0/0	
	General Manager	Wen-Hao Wu	0/0	_
A.S. Holdings (UK)	Director	Wu, I-Kuei	0/0	_
Limited	Director	Wu, Tung-Yang	0/0	_
	Director	Wen-Hao Wu	0/0	_
USI Trading (Shanghai) Co., Ltd.	Chairman	Wu, Pei-Chi (appointed by APC (BVI) Holding Co., Ltd.)	0/0	Capital contribution
·	Vice Chairman	Wu, Chiao-Feng (appointed by APC (BVI) Holding Co., Ltd.)	0/0	USD2,500,000/100

Company Name or Responsible Unit	Title	Name/Assignment	Number of shares held by the person / Shareholding percentage	Number of shares held by juristic persons represented / Shareholding percentage
	Director	Huang, Ya-i(Appointed by APC (BVI) Holding Co., Ltd.)	0/0	
	Director	Wu, Ming-Tsung (appointed by APC (BVI) Holding Co., Ltd.)	0/0	
	Supervisors	Yang, Wen-Li (Appointed by APC (BVI) Holding Co., Ltd.)	0/0	
	General Manager	Wu, Pei-Chi	0/0	_
ASK-Swanson (Kunshan) Co., Ltd.	Chairman	Wu, Wen-Hao (A.S. appointed by Holdings (UK) Limited)	0/0	
	Director	Wu, I-Kuei (A.S. appointed by Holdings (UK) Limited)	0/0	
	Director	Wu, Tung-Yang (A.S. appointed by Holdings (UK) Limited)	0/0	Capital contribution:
	Director	Huang, Ya-i(A.S. appointed by Holdings (UK) Limited)	0/0	USD9,100,000/100
	Director	Liu, Han-Tai (A.S. appointed by Holdings (UK) Limited)	0/0	
	Supervisors	Chen, Yung-Chih (A.S. appointed by Holdings (UK) Limited)	0/0	
	General Manager	Wen-Hao Wu	0/0	_
APC Investment Corporation	Chairman	I-Kuei Wu (assigned Asia polymer Co., Ltd.)	0/0	
•	Director	Pei-Chi Wu (assigned by Asia polymer Co., Ltd.)	0/0	20,000,000,400
	Director	Ya-I Huang (assigned by Asia polymer Co., Ltd.)	0/0	20,000,000/100
	Supervisors	Chen, Yung-Chih (assigned by Asia polymer Co., Ltd.)	0/0	
	General Manager	Huang, Ya-I	0/0	_
CGPC Polymer Corporation	Chairman	Wu, I-Kuei (Appointed by China General Plastics Corporation)	0/0	
•	Director	Lin, Han-Fu (Representative of China General Plastics Corporation)	0/0	50.150.602/100
	Director	Hu, Chi-Hong (Appointed by China General Plastics Corporation)	0/0	70,170,682/100
	Supervisors	Huang, Ya-I (Appointed by China General Plastics Corporation)	0/0	
	General Manager	Lin, Han-Fu	0/0	_
Swanson Technologies Corporation	Chairman	I-Kuei Wu (assigned by Swanson Plastics Corp.)	0/0	10.500.070/70.00
	Vice Chairman	Tung-Yang Wu (assigned by Swanson Plastics Corp.)	0/0	10,500,070/70.00
	Director	Pei-Chi Wu (assigned by Asia polymer Co., Ltd.)	0/0	2,250,015/15.00
	Director	Wu, Wen-Hao (designated by Swanson Plastics Corporation)	0/0	10,500,070/70.00
	Director	Chen, Yung-Chih (assigned by USIFE Investment Co., Ltd.)	0/0	2,250,015/15.00
	Supervisors	Huang, Ya-I	0/0	-
	General Manager	Wen-Hao Wu	0/0	_
USI Optronics Corporation	Chairman	I-Kuei Wu (assigned by USI Corporation)	61,745/0.10	22,000,000/50,05
	Vice Chairman	Tung-Yang Wu (assigned by USI Corporation)	0/0	33,000,000/50.85



Company Name or Responsible Unit	Title	Name/Assignment	Number of shares held by the person / Shareholding percentage	Number of shares held by juristic persons represented / Shareholding percentage		
	Director	Chun-Hui Huang (assigned by USI Corporation)	480,415/0.74			
	Director	Pei-Chi Wu (assigned by USI Corporation)	0/0			
	Director	Wen-Hao Wu (assigned by USI Corporation)	0/0			
	Supervisors	Ya-I Huang (assigned by USIFE Investment Co., Ltd.)	6,408/0.01	165,279/0.25		
	Supervisors	Chen, Yung-Chih (assigned by USIFE Investment Co., Ltd.)	0/0	103,279/0.23		
	General Manager	Huang, Chun-Hui	480,415/0.74	_		
Swanson Plastics (India)	Director	Wu, I-Kuei	0/0	_		
Private Limited	Director	Wen-Hao Wu	0/0	=		
	Director	Huang, Ya-I	0/0	-		
	Director	Lee Beng Joo	0/0	_		
	General Manager	Wen-Hao Wu	0/0	_		
Swanson Plastics (Tianjin) Co., Ltd.	Chairman	Wu, Wen-Hao (appointed by Swanson Plastics (Singapore) Pte. Ltd.)	0/0			
	Director	Wu, I-Kuei (Appointed by Swanson Plastics (Singapore) Pte.Ltd)	0/0			
	Director	Wu, Tung-Yang (appointed by Swanson Plastics (Singapore) Pte.Ltd)	0/0	Capital Contribution USD10,700,000/100		
	Director	Huang, Ya-I (appointed by Swanson Plastics (Singapore) Pte.Ltd)	0/0	03D10,700,000/100		
	Director	Liu, Han-Tai (appointed by Swanson Plastics (Singapore) Pte.Ltd)	0/0			
	Supervisors	Chen, Yung-Chih (appointed by Swanson Plastics (Singapore) Pte.Ltd)	0/0			
	General Manager	Wen-Hao Wu	0/0	_		
PT. Swanson Plastics	Director	Wu, I-Kuei	0/0	_		
Indonesia	Director	Wen-Hao Wu	0/0	_		
	Director	Huang, Ya-I	0/0	_		
	Supervisors	Yang, Wen-Li	0/0	_		
	General Manager	Wen-Hao Wu	0/0	_		
Ever Conquest Global	Director	Wu, I-Kuei	0/0	_		
Limited	Director	Liu, Han-Tai	0/0	_		
	Director	Wu, Pei-Chi	0/0	_		
INOMA Corporation	Chairman	Chun-Hsiung Jhou (assigned by USI Corporation)	0/0			
	Director	Che-I Kao (assigned by USI Corporation)	0/0	1,334,729/94.37		
	Director	Pei-Chi Wu (assigned by USI Corporation)	0/0			

Company Name or Responsible Unit	Title	Name/Assignment	Number of shares held by the person / Shareholding percentage	Number of shares held by juristic persons represented / Shareholding percentage
	Director	Han-Tai Liu	0/0	
	Director	(assigned by USI Corporation) Hsing-Tse Liu (assigned by USI Corporation)	0/0	
	Supervisors	Chen, Yung-Chih	0/0	_
	General Manager	Hsing-Tse Liu	0/0	_
Ever Victory Global Ltd.	Director	Wu, I-Kuei	0/0	_
	Director	Yu, Ching-Shou	0/0	_
	Director	Miao, Matthew	0/0	_
	Director	Chun-Yen Yu	0/0	-
	Director	Chen Shun-Geng	0/0	-
	Director	Chen Guo-Dong	0/0	_
	Director	Wu, Pei-Chi	0/0	-
	Director	Liu, Han-Tai	0/0	_
	Director	Yu, Wen-Tsung	0/0	_
	Director	Yang, Wen-Li	0/0	_
	Director	Wu, Ming-Tsung	0/0	_
	General Manager	Wu, I-Kuei	0/0	_
Dynamic Ever	Director	Wu, I-Kuei	0/0	-
Investments Ltd.	Director	Yu, Jing-Chang	0/0	-
	Director	Miao, Matthew	0/0	-
	Director	Chun-Yen Yu	0/0	-
	Director	Chen Shun-Geng	0/0	-
	Director	Chen Guo-Dong	0/0	_
	Director	Wu, Pei-Chi	0/0	_
	Director	Liu, Han-Tai	0/0	-
	Director	Yu, Wen-Tsung	0/0	_
	Director	Yang, Wen-Li	0/0	_
	Director	Wu, Ming-Tsung	0/0	_
	General Manager	Wu, I-Kuei	0/0	_
Zhangzhou Taita Chemical Co., Ltd.	Chairman	Wu, Pei-Chi (Appointed by Taita (BVI) Holding Co., Ltd.)	0/0	
	Director	Wen-Li Yang (Taita (BVI) Holding Co., Ltd.指派)	0/0	Capital Contribution
	Director	Chen, Yung-Chih (appointed by Taita (BVI) Holding Co., Ltd.)	0/0	USD48,580,000/100
	Supervisors	Huang, Ya-I (appointed by Taita (BVI) Holding Co., Ltd.)	0/0	
	General Manager	Huang Jun-Hao	0/0	_
USI Green Energy Corporation	Chairman	Pei-Chi Wu (assigned by USI Corporation)	0/0	
-	Director	I-Kuei Wu (assigned by USI Corporation)	0/0	36,616,004/100
	Director	Han-Tai Liu (assigned by USI Corporation)	0/0	



Company Name or Responsible Unit	Title	Name/Assignment	Number of shares held by the person / Shareholding percentage	Number of shares held by juristic persons represented / Shareholding percentage
	Supervisors	Chen, Yung-Chih (assigned by USI Corporation)	0/0	
Global Green Technology Corporation	Chairman	Tsai, Sheng-Xiong (appointed by Taiwan VCM Corporation)	0/0	
	Director	Lin, Han-Fu (appointed by Taiwan VCM Corporation)	0/0	5 200 000/100
	Director	Ye, Jun-Zhen (appointed by Taiwan VCM Corporation)	0/0	5,200,000/100
	Supervisors	Chen, Yung-Chih (appointed by Taiwan VCM Corporation)	0/0	
	General Manager	Ye, Jun-Zhen	0/0	_
Zhangzhou USI Trading Co., Ltd.	Chairman	Wu, Pei-Chi (appointed by APC (BVI) Holding Co., Ltd.)	0/0	Capital Contribution RMB 3 million/30
	Director	Wu, I-Kuei (appointed by Swanlake Traders Ltd.)	0/0	Capital Contribution RMB 7 million/70
	Director	Liu, Han-Tai (appointed by APC (BVI) Holding Co., Ltd.)	0/0	Capital Contribution RMB 3 million/30
	Director	Wu, Ming-Tsung (appointed by Swanlake Traders Ltd.)	0/0	KWID 3 IIIIIIOII/30
	Director	Huang, Ya-I (appointed by Swanlake Traders Ltd.)	0/0	Capital Contribution RMB 7 million/70
	Supervisors	Chen, Yung-Chih (appointed by Swanlake Traders Ltd.)	0/0	
	Supervisors	Yang, Wen-Li (Appointed by APC (BVI) Holding Co., Ltd.)	0/0	Capital Contribution RMB 3 million/30
	General Manager	Wu, Ming-Tsung	0/0	_
Xiamen USI Trading Co., Ltd.	Chairman	Wu, Pei-Chi (appointed by APC (BVI) Holding Co., Ltd.)	0/0	Capital Contribution RMB 3 million/30
	Director	Wu, I-Kuei (appointed by Swanlake Traders Ltd.)	0/0	Capital Contribution
	Director	Wu, Ming-Tsung (appointed by Swanlake Traders Ltd.)	0/0	RMB 7 million/70
	General Manager	Wu, Ming-Tsung	0/0	_
Zhangzhou Xuteng Property Co., Ltd.	Chairman	Wu, Pei-Chi (appointed by Dynamic Ever Investments Ltd.)	0/0	
1 2 7	Director	Huang, Ya-I (appointed by Dynamic Ever Investments Ltd.)	0/0	
	Director	Chen, Yung-Chih (appointed by Dynamic Ever Investments Ltd.)	0/0	Capital Contribution RMB 21 million
	Supervisors	Yang, Wen-Li (appointed by Dynamic Ever Investments Ltd.)	0/0	
	General Manager	Zhu Guang-Fu	0/0	

6. Overview of the operations of affiliates

December 31, 2023 Unit: NT\$ thousand

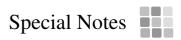
							Uni	t: NT\$ thousand
Company Name	Paid-in capital (NT\$)	Total Assets	Total Liabilities	Net value	Revenue	Net operating profit	Current Profit and Loss (After Taxes)	Earnings per share (NT\$) (after tax)
USI Corporation	11,887,635	34,269,985	9,773,893	24,496,092	15,632,151	3,468,706	1,555,097	1.45
Swanson Plastics Corporation	1,543,119	4,605,529	2,108,242	2,497,287	970,043	(143,269)	(77,152)	(0.50)
Forever Young Company Limited	1,535	77,739	38,163	39,576	24,749	1,918	1,521	30.53
Swanson Plastics (Singapore) Pte Ltd.	807,804	1,867,411	49,590	1,817,820	260,896	755	35,457	0.93
Acme Electronics Corporation	2,129,937	3,526,838	1,757,373	1,769,465	1,188,771	(112,468)	(171,224)	(0.80)
Golden Amber Enterprises Ltd.	669,072	964,662	700	963,962	0	(819)	(72,483)	(3.48)
USIFE Investment Co., Ltd.	896,470	943,554	22,027	921,527	30,600	(32,117)	(30,664)	(0.34)
Taiwan United Venture Management Corporation	8,000	21,198	6,193	15,004	5,931	(28)	165	0.21
Union Polymer International Investment Corporation	9,183,247	10,549,100	775	10,548,325	0	(1,554)	46,741	0.05
Swanlake Traders Ltd.	744,602	1,463,790	1,078	1,462,713	0	(1,430)	57,105	23.55
Acme Components(Malaysia) Sdn. Bhd.	273,109	686,845	127	686,718	504,305	(117)	17,755	0.42
Acme Ferrite Products Sdn. Bhd.	248,133	836,889	149,735	687,154	504,191	5,803	18,315	2.01
Chong Loong Trading Co., Ltd.	68,852	135,308	52,131	83,178	257,333	11,188	9,345	1.36
Taiwan United Venture Capital Corp.	200,000	136,765	230	136,535	178,240	(1,120)	(149)	(0.01)
USI Far East (HK) Co., Ltd.	62,864	77,670	13,325	64,345	159,313	(6,262)	(4,948)	(3.09)
TTC Chemical Company, Ltd.	3,975,868	8,778,117	2,130,126	6,647,991	10,576,796	(339,676)	(273,537)	(0.69)
Taita (BVI) Holding Co., Ltd.	2,755,405	3,042,616	5,248	3,037,368	0	(4,835)	(55,081)	(0.61)
Taita Chemical (Zhongshan) Co., Ltd.	1,420,106	1,862,457	112,358	1,750,099	4,633,818	(77,786)	(46,739)	-
Asia Polymer Corporation	5,937,438	14,962,710	1,623,626	13,339,084	6,541,670	908,161	116,284	0.20
APC (BVI) Holding Co., Ltd.	348,274	596,737	0	596,737	0	(163)	19,337	1.70
China General Plastics Corporation	5,810,505	13,199,726	3,618,249	9,581,477	7,768,367	94,633	341,916	0.59

Company Name	Paid-in capital (NT\$)	Total Assets	Total Liabilities	Net value	Revenue	Net operating profit	Current Profit and Loss (After Taxes)	Earnings per share (NT\$) (after tax)
Taiwan VCM Corporation	2,974,425	8,893,061	3,762,363	5,130,699	8,814,535	556,830	460,982	1.55
China General Terminal & Distribution Co.	751,604	3,294,924	2,305,009	989,915	338,133	(12,637)	(26,036)	(0.35)
Swanson Plastics (Malaysia) Sdn. Bhd.	128,220	600,971	103,176	497,795	831,212	48,374	37,974	1.87
CGPC America Corporation	615,635	418,536	202,815	215,721	662,903	(29,448)	(32,191)	(321,911.43)
CGPC (BVI) Holding CO., Ltd.	454,688	313,820	0	313,820	0	(127)	(2,467)	(0.17)
Continental General Plastics (ZhongShan) Co., Ltd.	614,100	236,980	6,422	230,558	0	(16,020)	(5,754)	-
Acme Electronics (Cayman) Corp.	187,375	1,389,967	1,151	1,388,815	0	(3,378)	(94,932)	(1.56)
Acme Electronics (Kunshan) Co., Ltd	943,411	1,123,705	445,642	678,063	799,221	(90,459)	(104,690)	-
USI Management Consulting Corp.	6,714	101,231	94,558	6,672	0	(475,345)	3,506	5.22
Swanson International Ltd.	492,545	1,402,764	0	1,402,764	0	(287)	6,512	0.31
Swanson Plastics (Kunshan) Co., Ltd.	408,069	1,067,915	205,809	862,106	1,019,863	(54,440)	(48,836)	0.00
USI International Corporation	92,115	100,468	5,225	95,243	0	(923)	(3,852)	(1.28)
Taita Chemical (Tianjin) Co., Ltd.	839,782	111,747	280,248	(168,501)	0	(22,010)	(18,581)	-
Acme Electronics (Guangzhou) Co., Ltd.	589,536	1,121,298	161,728	959,570	836,008	(99,389)	(71,856)	-
A.S. Holding (UK) Ltd	123,849	539,874	0	539,874	0	(273)	70,513	22.43
USI Trading (Shanghai) Co., Ltd.	76,763	312,987	150,499	162,488	513,432	15,563	14,541	-
ASK-Swanson (Kunshan) Co., Ltd.	279,416	623,142	85,099	538,043	369,506	31,737	80,631	0.00
CGPC Consumer Products Corporation	0	0	0	0	0	(1)	8	-
APC Investment Corporation	200,000	147,618	5,940	141,678	30,319	(4,515)	(3,968)	(0.20)
CGPC Polymer Corporation	701,707	2,411,746	1,784,785	626,961	5,034,619	(94,842)	(74,746)	(1.07)
Swanson Technologies Corporation	150,001	34,735	72,408	(37,672)	13,639	(34,530)	(35,475)	(2.36)
USI Optronics Corporation	649,017	58,175	4,653	53,522	5,641	(32,686)	(13,363)	(0.21)
Swanson Plastics (India) Private Ltd.	398,488	335,729	55,119	280,610	240,167	3,605	3,222	0.03



Company Name	Paid-in capital (NT\$)	Total Assets	Total Liabilities	Net value	Revenue	Net operating profit	Current Profit and Loss (After Taxes)	Earnings per share (NT\$) (after tax)
Swanson Plastics (Tianjin) Co., Ltd.	328,544	227,057	200,464	26,592	0	(17,784)	(25,407)	0.00
PT Swanson Plastics Indonesia	801,433	848,194	58,966	789,228	388,569	22,001	15,612	0.60
USIG (Shanghai) Co., Ltd.	0	0	0	0	0	(3,021)	172	-
Ever Conquest Global Limited	12,808,437	6,217,924	0	6,217,924	0	0	(2,331,328)	(55.89)
INOMA Corporation	14,144	11,904	216	11,688	0	(2,331)	(2,456)	(1.74)
Ever Victory Global Limited	19,002,864	9,225,347	307	9,225,040	0	(520)	(3,458,807)	(55.89)
Dynamic Ever Investments Limited	21,271,349	9,709,667	12,778	9,696,889	0	(59,160)	(4,128,406)	(59.59)
Zhangzhou Taita Chemical Co., Ltd.	1,491,636	1,359,638	41	1,359,597	0	(20,091)	17,358	-
USI Green Energy Corporation	366,160	539,973	177,249	362,725	33,517	(4,580)	(4,397)	(0.12)
Global Green Technology Corporation	52,000	61,973	8,429	53,544	15,181	1,293	1,280	0.25
Zhangzhou USI Trading Co., Ltd.	43,352	74,698	7,144	67,554	49,938	35,687	27,784	27.78
Zhangzfou Dynamic Ever property Co.,Ltd.	91,039	91,067	1	91,065	0	(98)	27	0.01
Xiamen USI Trading Co., Ltd.	43,352	43,358	10	43,347	0	(16)	(5)	(0.01)

Note: If the affiliate company is a foreign company, all the relevant figures shall be expressed in New Taiwan Dollar (NT\$) based on the exchange rates on the date of this annual report.



(II) Consolidated financial statements of affiliated companies

Statement of Declaration

For year 2023 (January 1 to December 31, 2023), affiliated businesses of the Company that shall be included in accordance with the Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises were the same as the companies that shall be included into the consolidated financial statement of the parent company and its subsidiaries in accordance with the International Financial Reporting Standards No. 10 (IFRS 10). All information to be disclosed in the consolidated financial statements of affiliated companies have already been disclosed in the consolidated financial statement of the parent company and its subsidiaries. Hence, the consolidated financial statements of affiliated companies were therefore not generated separately.

Sincerely,

Company name: USI Corporation

Person in charge: Wu, I-Kuei





March 8, 2024

- II. Private placement of securities of the most recent year up to the publication date of this report: None.
- III. Holding or disposal of company shares in the most recent fiscal year up to the publication date of this annual report:

March 31, 2024 Unit: NT\$ 1,000; Shares; %

Name of Subsidiary (Note 1)	Paid-in capital	Source of capital	Shareholding percentage of the Company	Date of acquisition or disposal	Number and amount of shares acquired	Number and amount of shares disposed	Gain and loss on investment	Number and amount of shares as of the publication date of this annual report	Pledge status	Amount of endorsements and guarantees provided to subsidiaries by the Company	Loans provided to subsidiaries by the Company
Asia Polymer Corporation	5,937,438 NT\$ thousands	Own funds	Comprehensive shareholding percentage 37.28%	N/A	-	_	_	101,355,673 shares NT\$1,626,759 thousand	No	No	No
Taita Chemical Company, Ltd.	3,975,868 NT\$ thousands	Own funds	Comprehensive shareholding percentage 37.71%	N/A	-	_	_	15,109,901 shares NT\$242,514 thousand	No	No	No

Note 1. List each subsidiary separately.

- IV.Other necessary supplementary notes to be included: None.
- V. Any Event which has a Material Impact on Shareholders' Rights and Interests or the Company's Securities as Prescribed in Subparagraph 2, Paragraph 3, Article 36 of the Securities and Exchange Act, that Have Occurred in the Most Recent Fiscal Year up to the Publication Date of this Annual Report Shall be Indicated Individually: None.



Independent Auditors' Report

To USI Corporation:

Audit Opinion

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

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

Basis for Audit Opinion

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

Key Audit Matters

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

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

The Authenticity of Specific Sales Revenue

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

For accounting policies relating to sales revenue and relevant disclosure information, please refer to Notes 4(17) and 26 of the consolidated financial statements.

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

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

Other Matters

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

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

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

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

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



Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

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

Deloitte & Touche Taipei, Taiwan Republic of China

March 8, 2024

Notice to Readers

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

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



Consolidated Balance Sheets December 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

	December 31,		December 31, 2022		
Assets	Amount	%	Amount	%	
CURRENT ASSETS Cash and cash equivalents (Notes 3, 4 and 6) Financial assets at fair value through profit or loss (FVTPL)	\$11,059,546	15	\$11,522,009	15	
- current (Notes 4, 7, 35 and 36) Financial assets at fair value through other comprehensive income	3,120,700	4	2,724,497	3	
(FVTOCI) - current (Notes 4 and 8)	40,841	_	97,183	_	
Financial assets at amortized cost - current (Notes 3, 4, 9, 35 and 36)	1,699,176	2	424,685	1	
Notes receivables, net (Notes 4, 10 and 26)	479,270	1	544,546	1	
Accounts receivable, net (Notes 4, 5, 10, 26 and 34)	5,031,335	7	7,395,035	10	
Other receivables (Notes 4, 10 and 34)	323,794	1	259,201	-	
Current tax assets (Notes 4 and 28)	13,111	-	18,802	-	
Inventories (Notes 4, 5 and 11)	6,922,989	9	7,199,654	9	
Prepayments	817,337	1	1,220,781	2	
Other current assets (Notes 4 and 14) Total current assets	49,401 29,557,500		<u>216,907</u>	41	
	<u> 29,337,300</u>	<u>40</u>	31,623,300	<u>41</u>	
NON-CURRENT ASSETS Financial assets at fair value through other comprehensive income					
(FVTOCI) -non-current (Notes 4 and 8)	2,127,088	3	2,060,835	3	
Financial assets at amortized cost - non-current (Notes 3, 4, 9 and 36)	353,024	-	350,329	-	
Investments accounted for using the equity method (Notes 4 and 13)	9,357,571	13	13,611,385	17	
Property, plant and equipment (Notes 4, 14 and 35)	26,380,393	36	25,520,104	33	
Right-of-use assets (Notes 4, 15 and 35)	2,571,037	3	1,634,654	2	
Investment properties, net (Notes 4 and 16)	587,321	1	624,562	1	
Goodwill (Notes 4 and 17)	270,211	-	270,211	-	
Other intangible assets, net (Notes 4 and 17)	50,403	-	48,274	-	
Deferred tax assets (Notes 4 and 28)	1,985,468	3	1,341,378	2	
Other non-current assets (Notes 23 and 35)	832,789	$\frac{1}{60}$	656,537 46,118,269	<u>1</u> 59	
Total non-current assets	44,515,305	00	40,118,209		
Total Assets	<u>\$74,072,805</u>	<u>100</u>	<u>\$77,741,569</u>	<u>100</u>	
Liabilities and Equity					
CURRENT LIABILITIES Short town borrowing (Notes 18 and 25)	¢ 2.056.257	5	¢ 2.400.226	2	
Short-term borrowings (Notes 18 and 35)	\$ 3,256,357	5	\$ 2,400,326 290,613	3	
Short-term notes payable (Note 18) Financial liabilities at fair value through profit or loss (FVTPL)	-	-	290,013	1	
- current (Notes 4 and 7)	2,804	_	27,839	_	
Account payables (Note 20)	3,017,667	4	3,349,040	4	
Other payables (Note 21)	2,229,339	3	2,262,374	3	
Current tax liabilities (Notes 4 and 28)	645,044	1	1,647,045	2	
Lease liability - current (Note 4 and 15)	143,820	-	102,435	-	
Current portion of long-term borrowings (Notes 18, 19 and 35)	2,283,668	3	-	-	
Refund liabilities - current (Note 21)	30,704	-	28,247	-	
Other current liabilities (Note 26)	239,932	_	667,938	1	
Total current liabilities	11,849,335	<u>16</u>	10,775,857	<u>14</u>	
NON-CURRENT LIABILITIES	2 00 4 00 0	_	7 000 22 0	0	
Bonds payable (Note 19)	3,994,990	5	5,992,228	8	
Long-term borrowings (Notes 18 and 35)	6,441,427	9	6,366,223	8	
Provision for liabilities - non-current (Notes 4, 5, 22 and 36)	136,375	2	136,375	2	
Deferred tax liabilities (Notes 4 and 28) Lease liabilities - non-current (Notes 4 and 15)	1,298,084 1,992,525	3	1,395,175 1,262,591	1	
Net defined benefit liabilities - non-current (Notes 4 and 23)	663,943	1	754,722	1	
Other non-current liabilities (Note 24)	152,226	-	133,513	-	
Total non-current liabilities	14,679,570	20	16,040,827	20	
Total Liabilities	26,528,905	<u>36</u>	26,816,684	34	
Equity attributable to owners of the Company (Notes 4, 8, 12, 23, 25 and 28)					
Share capital	11,887,635	<u>16</u>	11,887,635	<u>15</u>	
Capital surplus	476,799	1	449,960	1	
Retained Earnings					
Legal reserve	4,036,296	5	3,872,190	5	
Special reserve	375,127	-	375,127	_	
Unappropriated earnings	7,115,479	$\frac{10}{15}$	8,377,890	<u>ll</u>	
Total retained earnings	11,526,902	15	12,625,207	<u> 16</u>	
Other equity Treasury shares	(<u>161,445</u>) (475,606)	$(\frac{}{})$	8,896 (475,606)		
Total equity attributable to owners of the Company	23,254,285	$\left(\frac{1}{31}\right)$	24,496,092	$ \begin{array}{r} $	
Non-controlling interests	24,289,615	33	26,428,793	34	
Total equity	47,543,900	64	_50,924,885	66	
Total Liabilities and Equity	<u>\$74,072,805</u>	<u>100</u>	<u>\$77,741,569</u>	<u>_100</u>	

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

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

	For the Year F December 31,		For the Year E December 31,	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 26 and 34)	\$ 52,264,762	100	\$ 66,437,122	100
COST OF GOODS SOLD (Notes 4, 11, 14, 15, 17, 23, 27 and 34)	46,658,491	89	55,496,976	83
GROSS PROFIT	5,606,271	<u>11</u>	10,940,146	<u>17</u>
OPERATING EXPENSES (Notes 4, 10, 14, 15, 17, 23, 27 and 34)				
Selling and marketing expenses	2,196,355	4	3,406,260	5
Administrative expenses	1,323,095	3	1,360,037	2
Research and development expenses	468,416	1	436,993	1
Expected credit loss (gain) reversed on accounts receivable	(930)		865	
Total operating expenses	<u>3,986,936</u>	8	5,204,155	8
NET PROFIT FROM OPERATIONS	1,619,335	3	5,735,991	9
NON-OPERATING INCOME AND EXPENSES	202.205		146,400	
Interest income (Notes 4 and 27)	293,395	1	146,498	-
Other income (Notes 4, 18, 24, 27 and 34)	552,715	1	950,949	1
Other gains and losses (Notes 4, 16, 17, 27 and 38)	(10,196)	- (1)	233,549	-
Finance costs (Notes 4, 18, 19 and 27)	(269,302)	(1)	(215,420)	-
Share of loss of associates and joint ventures accounted for using the equity method (Notes 4 and 13)	(4,122,764)	(8)	(6,154,577)	(0)
Total non-operating income and expenses	$(\underline{},\underline{122,704})$ $(\underline{}3,556,152)$	(-8) (7)	$(\underline{} $ $(\underline{} $ $(\underline{} $ $(\underline{} $ $)$	$(\frac{9}{8})$
Total non-operating income and expenses	(3,330,132)	((3,039,001)	(
Net (loss) profit before income tax	(1,936,817)	(4)	696,990	1
Income tax (gain) expense (Notes 4 and 28)	(30,175)	_	758,179	1
Net loss for the year	(1,906,642)	(4)	(61,189)	
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurements of the defined benefit plan (Notes 4, 23 and 25)	(1,479)	_	247,135	_
Unrealized gain (loss) on equity instruments at FVTOCI	(1,177)		217,133	
(Notes 4 and 25)	65,609	_	(222,591)	_
Income tax relating to items that will not be reclassified	,		,,	
(Notes 4, 25 and 28)	523	_	(38,886)	-
	64,653		(14,342)	
Items that may be reclassified subsequently to profit or loss:				
Exchange differences in translating the financial statements of foreign				
operations (Notes 4 and 25)	(258,447)	-	860,412	1
Income tax relating to items that may be reclassified subsequently to				
profit or loss (Notes 4, 25 and 28)	39,553		(<u>131,480</u>)	
	(<u>218,894</u>)		728,932	1
Other comprehensive (loss) income for the period, net of income tax	(154,241_)		714,590	1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(\$ 2,060,883)	(<u>4</u>)	<u>\$ 653,401</u>	1
Net (loss) profit attributable to:				
Owners of the Company	(\$ 207,006)	(1)	\$ 1,555,097	2
Non-controlling interests	(1,699,636)	$(\underline{3})$	(1,616,286)	$(\underline{}\underline{}\underline{})$
	(\$ 1,906,642)	(<u>4</u>)	(<u>\$ 61,189</u>)	<u> </u>
Total comprehensive income attributable to:				
Owners of the Company	(\$ 381,717)	(1)	\$ 1,567,260	2
Non-controlling interests	$(\underline{1,679,166})$ $(\underline{\$2,060,883})$	$(\underline{}3)$ $(\underline{\underline{}4})$	(913,859) $653,401$	(<u>1</u>) <u>1</u>
Earnings (loss) Per Share (Note 29)				
From continuing operations	(d) 2 1 - :		φ :=	
Basic (loss) earnings per share	$(\frac{\$}{\$} 0.19)$		\$ 1.45 0 1.45	
Diluted (loss) earnings per share	$(\underline{\$} 0.19)$		<u>\$ 1.45</u>	



Consolidated Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

					Equity attri	butable to owners of	the Company						,
			Cit-11					Other ed	quity				
			Capital surplus			Retained Earnings		Exchange differences on	Unrealized gain				
			Shares of Changes in Capital Surplus			-		translating the financial statements	(loss) on financial assets			Non-controlling	
		Treasury Share	of Associates				Unappropriated	of foreign	at FVTOCI			interests	
	Ordinary Shares (Notes 4 and 25)	Transactions (Note 25)	(Notes 4, 12 and 25)	Others (Note 25)	Legal reserve (Note 25)	Special reserve (Note 25)	earnings (Notes 4, 8, 12, 23 and 25)	operations (Notes 4, 25 and 28)	(Notes 4, 8, 25 and 28)	Treasury shares (Note 25)	Total	(Notes 8, 12 and 25)	Total equity
Balance as of January 1, 2022	\$ 11,887,635	\$ 302,976	\$ 41,902	\$ 21,307	\$ 3,343,086	\$ 375,127	\$ 9,881,214	(\$ 710,973)	\$ 795,331	(\$ 475,606)	\$ 25,461,999	\$ 30,182,962	\$ 55,644,961
Distribution of earnings in 2021													
Provision for legal reserve	-	-	-	-	529,104	-	(529,104)	-	-	-	-	-	-
Cash dividends distributed to the Company	-	-	-	-	-	-	(2,615,280)	-	-	-	(2,615,280)	-	(2,615,280)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(2,804,905)	(2,804,905)
Net profit (loss) for the year ended December													
31, 2022	-	-	-	-	-	-	1,555,097	-	-	-	1,555,097	(1,616,286)	(61,189)
Other comprehensive income for the year ended													
December 31, 2022, net of income tax	<u> </u>			_			86,594	339,780	(414,211))		12,163	702,427	714,590
Total comprehensive income for the year ended													
December 31, 2022			-		-		1,641,691	339,780	(414,211))		1,567,260	(913,859)	653,401
Changes in equity of subsidiaries recognized by													
equity method	-	-	(1,955)	-	-	-	(1,662)	-	-	-	(3,617)	4,326	709
Changes in other capital surplus	-	-	-	1,405	-	-	-	-	-	-	1,405	-	1,405
Dividends distributed to subsidiaries to adjust													
capital reserve	-	84,325	-	-	-	-	-	-	-	-	84,325	-	84,325
Disposal of equity instruments measured at													
FVTOCI	-	-	-	-	-	-	1,031	-	(1,031)	-	-	-	-
Change in non-controlling interests	_		_							<u>=</u>	<u>=</u>	(39,731)	(39,731)
Balance as of December 31, 2022	11,887,635	387,301	39,947	22,712	3,872,190	375,127	8,377,890	(371,193)	380,089	(475,606)	24,496,092	26,428,793	50,924,885
Distribution of earnings in 2022													
Provision for legal reserve	-	-	-	-	164,106	-	(164,106)	-	-	-	- (922 124)	-	- (922.124.)
Cash dividends distributed to the Company	-	-	-	-	-	-	(832,134)	-	-	-	(832,134)	-	(832,134)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(722,518)	(722,518)
Net loss for the year ended December 31, 2023	-	-	-	-	-	-	(207,006)	-	-	-	(207,006)	(1,699,636)	(1,906,642)
Other comprehensive income for the year ended													
December 31, 2023, net of income tax			-	_	-		<u>725</u>	(81,193)	(94,243))		(174,711)	20,470	(154,241)
Total comprehensive income for the year ended													
December 31, 2023		_	_	_	_	_	(206,281)	(81,193)	(94,243))		(381,717)	(1,679,166)	(2,060,883)
Changes in equity of subsidiaries recognized by													
equity method	-	-	(199)	-	-	-	(54,795)	-	-	-	(54,994)	61,922	6,928
Changes in other capital surplus	-	-	-	208	-	-	-	-	-	-	208	-	208
Dividends distributed to subsidiaries to adjust													
capital reserve	-	26,830	-	-	-	-	-	-	-	-	26,830	-	26,830
Disposal of equity instruments measured at													
FVTOCI	-	-	-	-	-	-	(5,095)	-	5,095	-	-	-	-
Change in non-controlling interests	-		-			-		_	-	-		200,584	200,584
Balance as of December 31, 2023	<u>\$ 11,887,635</u>	<u>\$ 414,131</u>	<u>\$ 39,748</u>	\$ 22,920	\$ 4,036,296	\$ 375,127	\$ 7,115,479	(\$ 452,386)	\$ 290,941	(\$475,606)	\$ 23,254,285	\$ 24,289,615	<u>\$ 47,543,900</u>

Consolidated Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

		For the Year Ended December 31, 2023		the Year Ended ember 31, 2022	
CASH FLOWS FROM OPERATING ACTIVITIES	(f	1 026 917)	¢	606,000	
Net (loss) profit before tax for the year Income (expenses) items	(\$	1,936,817)	\$	696,990	
Depreciation expense		2,547,837		2,350,740	
Amortization expense		61,226		58,946	
Expected credit loss (gain) reversed on accounts receivable	(930)		865	
Net (gain) loss on financial assets and liabilities at FVTPL	(41,445)		117,767	
Finance costs Interest income	(269,302 293,395)	(215,420 146,498)	
Dividend income	(180,814)	(463,584)	
Share of loss of associates and joint ventures accounted for using the equity method		4,122,764	`	6,154,577	
Gain on disposal and scrapping of property, plant and equipment	(17,378)	(1,188)	
Intangible assets losses	,	26		-	
Disposal Right-of-use assets gain Non-financial asset impaired loss	(70,128) 133		-	
(Reversal) provision for write-downs of inventories and obsolescence losses	(20,918)		262,016	
Benefit from Lease Modifications	(61)			
Changes in operating assets and liabilities					
(Increase) decrease in financial Instruments mandatorily classified at FVTPL	(379,793)		2,924,461	
Decrease in notes receivable Decrease in accounts receivable		65,276 2,364,848		331,199 1,119,159	
(Increase) decrease in other receivables	(46,057)		262,793	
Decrease in inventories		298,620		134,495	
Decrease (Increase) in prepayments		403,444	(610,074)	
Decrease in other current assets		168,082		26,315	
Decrease in accounts payable	(331,373)	(179,958)	
Decrease in accounts payable Increase (Decrease) in refund liabilities	(68,400) 2,457	(614,894) 383)	
Decrease in net defined benefit liabilities	(89,819)	(301,437)	
(Decrease) increase in other current liabilities	(428,006)		102,676	
Cash generated from operations		6,398,681		12,440,403	
Interest received		274,859		136,229	
Interest paid	(247,973)	(215,453)	
Income tax paid Net cash generated from operating activities	(1,669,100) 4,756,467	(2,611,392) 9,749,787	
CASH FLOWS FROM INVESTING ACTIVITIES		1,730,407),/ 1 /,/0/	
Acquisition of financial assets at FVTOCI	(39,950)	(43)	
Disposal of financial assets at FVTOCI	(100,121	(28,399	
Return of capital from financial assets at FVTOCI		-		41,329	
Disposal of financial assets at amortized cost	(1,277,186)	(78,130)	
Acquisition of long-term equity investments using the equity method		-	(90,000)	
Disposal of Right-of-use assets proceeds Acquisition of property, plant and equipment	(77,540 3,293,337)	(3,232,790)	
Proceeds from disposal of property, plant and equipment	(74,982	(41,615	
Decrease (increase) in refundable deposits		17,642	(48,811)	
Acquisitions of other intangible assets	(11,425)	(10,581)	
Acquisition of land use rights	(200,271)		-	
Acquisition of investment properties	(848)	(3,714)	
(Increase) decrease in other non-current assets Dividends received	(220,651) 180,814		364,020 463,584	
Increase in deferred revenues		6,090			
Net cash used in investing activities	(4,586,479)	(2,525,122)	
CASH FLOWS FROM FINANCING ACTIVITIES					
Increase (Decrease) in short-term borrowings		586,031	(97,715)	
(Decrease) increase in short-term notes payable	(291,000)		11,000	
Repayments of bonds		- 12.002.527	(3,000,000)	
Proceeds from mid- to long-term borrowings Repayment of mid- to long-term borrowings	(13,002,537 12,392,454)	(21,407,630 19,566,743)	
Increase in guarantee deposits received	(1,111	(16,661	
Repayment of the principal portion of lease liabilities	(151,048)	(89,717)	
Increase in other non-current liabilities	`	11,512	`	22,081	
Cash dividends paid	(832,134)	(2,615,280)	
Dividends paid to non-controlling interests	(722,518)	(2,804,905)	
Change in non-controlling interests Net cash used in financing activities	(200,584 587,379)	(39,731) 6,756,719)	
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	(45,072)		653,956	
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS FOR THE YEAR	(462,463)		1,121,902	
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR (Note 3)		11,522,009		10,400,107	
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (Note 3)	<u>\$</u>	11,059,546	<u>\$</u>	11,522,009	

Financial Overview



USI CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements For the Years Ended December 31, 2023 and 2022

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

1. GENERAL INFORMATION

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

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

2. APPROVAL OF FINANCIAL STATEMENTS

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

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

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

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

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

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

- Note 1. Unless stated otherwise, the above New/Revised/Amended Standards and Interpretations are effective for annual periods beginning on or after their respective effective dates.
- Note 2. A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.
- Note 3. When applying the amendments for the first time, certain disclosure requirements are exempted. As of the date the consolidated financial statements were authorized for issue, the Group

assessed that the aforesaid standards and the amendments of the interpretations would not

have a significant impact on the Company's accompanying financial position and financial performance.

Effective Date Announced by

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

	Effective Date Affilounced by	
New/Amended/Revised Standards and Interpretations	IASB (Note 1)	
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of	Undetermined	
Assets between an Investor and Its Associate or Joint Venture"		
IFRS 17 "Insurance Contracts"	January 1, 2023	
Amendments to IFRS 17	January 1, 2023	
Amendment to IFRS 17 "Initial Application of IFRS 17 and	January 1, 2023	
IFRS 9 - Comparative Information"		
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 2)	

- Note 1. Unless stated otherwise, the above New/Revised/Amended Standards and Interpretations are effective for annual periods beginning on or after their respective effective dates.
- Note 2. Applicable for the annual reporting periods beginning on or after January 1, 2025. When applying the amendments, recognize the affected amount in retained earnings as of the initial application date. When the Group adopts a non-functional currency as the reporting currency, it will recognize the adjusted amount in the exchange differences of foreign operations under equity on the initial application date.

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

d. Reclassification of Expression

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

	Adjustr	Adjustment Amount	
Net cash used in investing activities	(\$	11,160)	
Net decrease in cash and cash equivalents	(\$	11,160)	



4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

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

b. Basis of preparation

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

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

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

Current assets include:

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

Current liabilities include:

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

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

d. Basis of consolidation

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

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company. When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

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

e. Business combination

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

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

f. Foreign currency

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

Monetary items denominated in foreign currencies are retranslated at the rates prevailing on each balance sheet date. Exchange differences on monetary items arising from

Financial Overview



settlement or translation are recognized in profit or loss in the period in which they arise.

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

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

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

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

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

g. Inventories

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

h. Investments in associates and joint ventures

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

The Group investments in associates and joint ventures are accounted for using the equity method. Under the equity method, an investment in associates and Joint ventures is initially

recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associates. In addition, changes in the Group's interests of associates are recognized according to the ownership proportion.

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

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

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

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

Profits and losses resulting from upstream transactions and transactions between associates and joint ventures are recognized in the accompanying financial statements only to the extent of interests in the associates and joint ventures that are not related to the Company.



i. Property, plant and equipment

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

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

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

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

j. Investment properties

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

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

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

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

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

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

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

k. Goodwill

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

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

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

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

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



2) Acquisition through business combination

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

3) De-recognition

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

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

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

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

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

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

n. Non-current assets available for sale

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

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

o. Financial instruments

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

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

1) Financial assets

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

a) Measurement categories

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

i. Financial assets at FVTPL

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

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



ii. Financial assets at amortized cost

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

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

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

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

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

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

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

iii. Investments in equity instruments at FVTOCI

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

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

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

b) Impairment of financial assets

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

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

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

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

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



c) De-recognition of financial assets

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

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

2) Equity instruments

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

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

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

3) Financial liabilities

a) Subsequent measurement

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

b) De-recognition of financial liabilities

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

4) Derivatives

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

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

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

p. Provisions

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

q. Revenue recognition

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

1) Revenue from the sale of goods

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

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

2) Service Revenue

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

r. Lease

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

1) The Group as lessor

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



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

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

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

2) The Group as lessee

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

The right-of-use asset is initially measured at cost (including the original measured amount of the lease liability and the lease payment paid before the lease start date), and subsequently measured at the amount after the cost less the accumulated depreciation, and the remeasured amount of the lease liability is adjusted. Except for those that meet the definition of investment property, the right-to-use assets are separately expressed on the Group balance sheets. For the recognition and measurement of right-of-use assets that meet the definition of investment property, please refer to the above (10) Accounting Policy for Investment Property.

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

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

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

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

s. Borrowing costs

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

t. Government subsidy

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

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

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

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

u. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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



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

v. Share-based payment arrangements

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

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

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

w. Income tax

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

1) Current tax

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

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

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

2) Deferred tax

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

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

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

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on t ax 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. <u>CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY</u>

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

Key Sources of Estimation and Uncertainty

a. Estimated impairment of accounts receivable

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



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

b. Inventory impairment

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

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

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

6. CASH AND CASH EQUIVALENTS

	December 31, 2023		December 31, 2022	
Cash on hand and petty cash	\$	2,718	\$	4,560
Checking accounts and demand deposits		3,110,734		3,256,485
Cash equivalents		- , - ,		-,,
Time deposits		5,353,843		6,606,811
Reserve repurchase agreements		2,222,312		0,000,011
collateralized by bonds		2,592,251		1,654,153
	<u>\$</u>	11,059,546	\$	11,522,009

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

	December 31, 2023	December 31, 2022
Time deposits	$1.05\% \sim 6.80\%$	$0.88\% \sim 4.91\%$
Reserve repurchase agreements		
collateralized by bonds	1.30%~5.50%	1.05%~4.23%

7. <u>FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT</u>

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

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

				Contract Amou	ınt
_	Currency	Maturity date		(In Thousands	s)
December 31, 2023	_				
Sell	RMB/NTD	2024.01.03-2024.02.01	RMB	71,700 /NTD	315,018
Sell	USD/MYR	2024.01.08-2024.07.11	USD	1,800 /MYR	8,281
Buy	USD/NTD	2024.01.02-2024.01.08	USD	1,400 /NTD	43,839
Buy	NTD/USD	2024.01.10-2024.02.20	NTD	92,539 /USD	3,000
Buy	JPY/USD	2024.01.26-2024.02.22	JPY	120,000 /USD	817
December 31, 2022					
Sell	RMB/NTD	2023.01.09-2023.03.30	RMB	511,100 /NTD	2,236,999
Sell	USD/MYR	2023.03.13	USD	100 /MYR	440
Sell	EUR/MYR	2023.03.17-2023.03.31	EUR	270 /MYR	1,254
Buy	NTD/USD	202301.03-2023.02.23	NTD	672,391 /USD	21,620
Buy	JPY/USD	2023.01.20-2023.02.24	JPY	120,000 /USD	862

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

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



8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	December 31, 2023		December 31, 2022	
Current				
Investments in equity instruments				
Domestic investments	_		_	
Listed (OTC) shares	<u>\$</u>	40,841	<u>\$</u>	97,183
Non anguart				
Non-current				
Investments in equity instruments				
Domestic investments				
Listed (OTC) shares	\$	1,593,383	\$	1,531,870
Unlisted shares		366,003		359,548
		1,959,386		1,891,418
Overseas investments				
Listed (OTC) shares		16,457		30,041
Unlisted shares		151,245		139,376
		167,702	·	169,417
	\$	2,127,088	\$	2,060,835

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

The Group sold investments in equity instruments as at FVTOCI for the year 2023 and 2022. The related other equity - the unrealized gain and loss of financial assets measured at FVTOCI amounted to a loss of NT\$5,095 thousand and a gain of NT\$1,031 thousand, respectively. These amounts were transferred to retained earnings.

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

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

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31, 2023		December 31, 2022	
Current		<u>.</u>		_
Pledged time deposits	\$	368,673	\$	424,685
Bank fixed-term deposits with a maturity				
over 3 months		625,694		-
Reserve repurchase agreements				
collateralized by bonds with a maturity				
over 3 months		704,809		
	<u>\$</u>	1,699,176	\$	424,685
Non-current				
Constricted bank deposits	\$	333,281	\$	330,582
Restricted time deposits		19,743		19,747
•	\$	353,024	\$	350,329
The range of interest rate				
Pledged time deposits	0.54	$-\% \sim 2.80\%$	0.19	$%\sim 2.60\%$
Bank fixed-term deposits with a				
maturity over 3 months	1.25	$6\% \sim 5.72\%$		-
Reserve repurchase agreements				
collateralized by bonds with a				
maturity over 3 months	1.50	$0\% \sim 1.61\%$		-
Restricted time deposits		5.05%		1.88%

Constricted bank deposits represent surplus funds repatriated by subsidiaries and pledged as collateral for the gas explosion incident and subjected to third-party applications for court seizure and execution. The Group filed an application in accordance the Management, Utilization and Taxation for Patriated Offshore Funds Act was approved to repatriate the funds by the Ministry of Finance in 2020 and deposited the net value after tax to foreign exchange deposit account. The deposit is limited for free utilization by laws and regulations that a three-year withdrawal is not permitted until five years after the deposit, except for financial investment or physical investments with partially free utilization by law (Please refer to Note 3). Please refer to Notes 35 and 36 for the information related to financial assets at amortized cost pledged as security.



10. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

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

a. Notes and accounts receivable

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

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

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

The Group writes off a trade receivable when there is information indicating that the debtor is experiencing severe financial difficulty and there is no realistic prospect of recovery. For

trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the due receivables. Where recoveries are made, they are recognized in profit or loss.

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

December 31, 2023

Based on the number of days past due

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

Based on credit quality

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

December 31, 2022

Based on the number of days past due

	Up to 60 Days	61~9	0 Days	Over	91 Days	Total
Gross carrying amount	\$ 4,888,004	\$	391	\$	3,624	\$ 4,892,019
Loss allowance (Lifetime ECLs)	(11,842)	(391)	(3,615)	(15,848)
Amortized cost	\$ 4,876,162	\$		\$	9	\$ 4,876,171

Based on credit quality

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

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

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

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



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

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

b. Other receivables

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

11. <u>INVENTORIES</u>

	December	31, 2023	Dece	mber 31, 2022
Finished goods	\$ 4,4	88,826	\$	4,213,873
Work in progress	5	50,565		750,562
Raw materials	1,5	30,905		1,810,162
Supplies	3	36,743		394,092
Inventory in transit		<u>15,950</u>		30,965
	\$ 6,9	22,989	<u>\$</u>	7,199,654

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

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

12. <u>SUBSIDIARY</u>

a. Subsidiaries included in the consolidated financial statements

The consolidated financial statements are prepared by the following subjects:

			Proportion of	Ownership (%)	
			December 31,	December 31,	
Investor	Name of Subsidiary	Nature of Activities	2023	2022	Remark
The Company	USI Investment Co., Ltd. (USII)	Investment business	100.0%	100.0%	
	Swanlake Traders Ltd. (Swanlake)	Trading and investment	100.0%	100.0%	
	USI (Hong Kong) Company Ltd.	Trading and investment	100.0%	100.0%	
	USI Management Consulting Corp	Providing management services	100.0%	100.0%	
	(UM)			· · · · · · · · · · · · · · · · · · ·	
	Chong Loong Trading Co., Ltd. (CLT)	Import and export trade	100.0%	100.0%	7.
	Union Polymer International Investment Corporation (UPIIC)	Investment business	100.0%	100.0%	
	INOMA Corporation (INOMA)	Optical products and fire protection materials	94.4%	94.4%	15.
	USIG (Shanghai) Co., Ltd. (USIG)	Import and distribution of various types of chemical raw materials and products		100.0%	13.
	USI Green Energy Corporation	Solar power generation business	100.0%	100.0%	
The Company	(USIGE) Taiwan United Venture Capital	Venture capital	70.0%	70.0%	
Asia Polymer Corporation	Corp. (TUVC)		8.3%	8.3%	
(APC)			·		
The Company	Swanson Plastics Corp. (SPC)	Production and sales of stretch	78.3% 40.6%	78.3% 40.6%	
The Company	Swanson reasures Corp. (SEC)	film, embossed film and	40.0 %	40.0%	
Asia Polymer Corporation		industrial use multi-layer wrap	8.0%	8.0%	
USIFE Investment Co., Ltd.			6.6%	6.4%	1.
			55.2%	55.0%	
The Company	Acme Electronics Corporation (ACME)	Production and sales of manganese-zinc soft ferrite powder	29.0%	26.9%	
China General Plastics Corporation		powder	1.7%	1.7%	
USIFE Investment Co., Ltd.			9.5%	9.3%	
Asia Polymer Corporation			3.2%	3.3%	
Taita Chemical Company, Ltd.			2.3%	2.4%	
APC Investment Corporation			1.5%	1.0%	
			<u>47.2%</u>	44.6%	8. and 16.
The Company	USI Optronics Corporation (USIO)	Manufacturing and marketing of sapphire crystal	50.9%	50.9%	10.
Acme Electronics Corporation			34.0%	34.0%	
Asia Polymer Corporation			9.2%	9.2%	
USIFE Investment Co., Ltd.			94.3%	94.3%	
Acme Electronics Corporation	ACME Electronics (Cayman)	Reinvestment business	60.1%	51.3%	
Constitution To do so I Ad	Corp. (ACME (Cayman))		10.00	22.10/	2
Swanlake Traders Ltd. APC (BVI) Holding Co., Ltd.			18.9% 13.6%	23.1% 16.6%	2.
TAITA (BVI) Holding Co., Ltd.			4.4%	5.4%	
			97.0%	96.4%	9.
Acme Electronics Corporation	Golden Amber Enterprises Limited		100.0%	100.0%	
ACME Electronics (Cayman) Corp.	Acme Electronics (Kunshan) Co., Ltd. ("ACME (KS)")	Manufacturing and sales of manganese-zinc soft ferrite core	100.0%	100.0%	
	ACME Components (Malaysia) Sdn.Bhd.	Reinvestment business	100.0%	100.0%	
Golden Amber Enterprises Limited	Acme Electronics (Guang-Zhou) Co., Ltd.	Manufacturing and sales of manganese-zinc soft ferrite core	100.0%	100.0%	
Union Polymer International Investment Corporation	Asia Polymer Corporation (APC)	Production and sales of low- density polyethylene, medium- density polyethylene, ethylene vinyl acetate and importing and marketing of linear low-density polyethylene and high-density	36.1%	36.1%	
China General Terminal &		polyethylene	0.9%	0.9%	
Distribution Corporation USIFE Investment Co., Ltd.			0.3%	0.3%	
Taiwan VCM Corporation					1.0
1\			37.3%	<u>37.3%</u>	16.

(Continued)

(Continued)

			Proportion of O	wnershin (%)	
				December 31,	
Investor	Name of Subsidiary APC (BVI) Holding Co., Ltd.	Nature of Activities Reinvestment business	2023	2022 100.0%	Remark
Asia Polymer Corporation	(APC (BVI))				
Asia Polymer Corporation APC (BVI) Holding Co., Ltd.	USI International Corporation	Reinvestment business	70.0% 30.0%	70.0% 30.0%	
Asia Polymer Corporation	APC Investment Corporation	Investment business	100.0% 100.0%	100.0% 100.0%	
APC (BVI) Holding Co., Ltd.	(APCIC) 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	100.0%	100.0%	
Union Polymer International Investment Corporation	Taita Chemical Company, Limited (TTC)	and export services Production and sales of polystyrene, acrylonitrile, butadiene, ABS resin, SAN resin, glass wool insulation products and plastic materials	36.8%	36.8%	
China General Terminal & Distribution Corporation		products and plastic materials	0.6%	0.6%	
USIFE Investment Co., Ltd.			0.4%	0.4%	16
Taita Chemical Company, Ltd.	TAITA (BVI) Holding Co, Ltd.	Reinvestment business	37.8% 100.0%	37.8% 100.0%	16.
TAITA (BVI) Holding Co, Ltd.	(TAITA (BVI)) Taita Chemical (Zhong Shan) Co.,	Production and sales of	100.0%	100.0%	
	Ltd. (TTC (ZS)) Taita Chemical (Tianjin) Co., Ltd.	polystyrene derivatives Production and sales of	100.0%	100.0%	4.
	(TTC (TJ)) Zhangzhou Taita Chemical	polystyrene derivatives Production and sales of	100.0%	100.0%	3.
Swanlake Traders Ltd.	Company, Limited (TTCZZ) Zhangzhou USI Trading Co., Ltd.	polystyrene derivatives Sales of chemical products	70.0%	70.0%	
APC (BVI) Holding Co., Ltd.	(GUL)		30.0%	30.0%	_
Swanlake Traders Ltd.	Xiamen USI Trading Co., Ltd.	Sales of chemical products	100.0% 70.0%	100.0%	5.
APC (BVI) Holding Co., Ltd.	(XUL)		30.0%		11
Union Polymer International Investment Corporation	China General Plastics Corporation (CGPC)	Production and sales of plastic cloths, plastic skins, plastic tubes, plastic pellets, plastic powder and other related products	<u>100.0%</u> 25.0%	25.0%	11.
Asia Polymer Corporation		•	8.0%	8.0%	
Taita Chemical Company, Ltd. China General Terminal & Distribution Corporation USIFE Investment Co., Ltd.			2.0% 0.5% 0.1%	2.0% 0.5% 0.1%	
			35.6%	35.6%	16.
China General Plastics Corporation	Taiwan VCM Corporation (TVCM)	Manufacturing and marketing of vinyl chloride monomer and related petrochemical products	<u>87.3%</u>	<u>87.3%</u>	
	CGPC (BVI) Holding Co., Ltd. CGPC America Corporation	Reinvestment business Marketing of PVC two- or three-	100.0% 100.0%	100.0% 100.0%	
	CGPC Polymer Corporation	time processed products Manufacture and marketing of	100.0%	100.0%	
Taiwan VCM Corporation	(CGPCPOL) Global Green Technology	PVC powder Environmental detection services	100.0%	100.0%	6.
CGPC (BVI) Holding Co., Ltd.	Corporation (GGT) China General Plastics	Manufacturing and marketing of	100.0%	100.0%	
, , ,	(Zhongshan) Co., Ltd. (CGPC ZhongShan)	PVC film and third-time processed products			
	CGPC Consumer Products Corporation CGPC (CP)	Manufacturing and sales of PVC film and third-time processed products		100.0%	10.
China General Plastics Corporation	China General Terminal & Distribution Corporation (CGTD)	Warehousing petrochemical raw materials	33.3%	33.3%	
Taita Chemical Company, Ltd. Asia Polymer Corporation	(0012)		33.3% 33.4%	33.3% 33.4%	
USIFE Investment Co., Ltd.	Taiwan United Venture	Business management consulting	100.0% 100.0%	100.0% 100.0%	
ACME Components (Malaysia)	Management Corp. (TUVM) ACME Ferrite Products Sdn.Bhd	Manufacturing and marketing of	100.0%	100.0%	
Sdn.Bhd. Swanson Plastics Corporation	(ACME Ferrite) Forever Young Company Ltd.	soft ferrite core Trading and agency businesses	100.0%	100.0%	
	Swanson Plastics (Singapore) Pte., Ltd.	Production and marketing of plastic products	100.0%	100.0%	
	Swanson International Ltd.	Import and export trade	100.0%	100.0%	

(Continued)

(Continued)

			Proportion of	Ownership (%)	
			December 31,	December 31,	
Investor	Name of Subsidiary	Nature of Activities	2023	2022	Remark
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%	
,			100.0%	100.0%	
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.			15.0%	15.0%	
			100.0%	100.0%	
Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	Production and marketing of plastic products	100.0%	100.0%	
	Swanson Plastics (India) Private Limited	Production and marketing of plastic products	100.0%	100.0%	
	Swanson Plastics (Tianjin) Co., Ltd.	Production, sales and development of multi- functional film and light- solution film	100.0%	100.0%	
Swanson International Ltd.	A.S. Holdings (UK) Limited Swanson Plastics (Kunshan) Co., Ltd.	Reinvestment business Production, sales and development of multi- functional film and light- solution film	100.0% 100.0%	100.0% 100.0%	
A.S. Holdings (UK) Limited	ASK-Swanson (Kunshan) Co., Ltd.	Production and sales of PE release film and other release products	100.0%	100.0%	
The Company	Ever Conquest Global Limited (ECGL)	Investment business	59.1%	59.1%	
Asia Polymer Corporation	•		40.9% 100.0%	40.9% 100.0%	14.
Ever Conquest Global Limited	Ever Victory Global Limited (EVGL)	Investment business	67.4%	67.4%	14. and 16.
Ever Victory Global Limited (EVGL)	Dynamic Ever Investments Limited (DEIL)	Investment business	85.0%	85.0%	14.
Dynamic Ever Investments Ltd. (DEIL)	Zhangzhou Dynamic Ever Property Co., Ltd.	Property Management	100.0%		12.

Proportion of Ownership (%)

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



- 4) The management of TTC decided to suspend the main production of expanded polystyrene (EPS) by TTC (TJ) from April 2019 due to the assessment of the demand reduction of its subsidiary TTC (TJ) in the local market. Please refer to Note 14 for relevant explanation.
- 5) In order to sell the products produced by Gulei, the Company and APC resolved on August 13, 2020 and August 12, 2020, respectively, to establish a joint venture company, GUL in Fujian Province, China. The company completed registration on March 12, 2022 and completed the capital verification on June 1, 2022, the capital was invested by Swanlake and APC (BVI) on May 20, 2022 in the amount of RMB7,000 thousand and RMB3,000 thousand, respectively.
- 6) In order to plan for future pollution remediation, testing and other related businesses and public works/public institution projects to be conducted by an independent company, TVCM invested in GGT as a single corporate shareholder and acquired 100% of the shares for NT\$50,000 thousand. The case was approved by the competent authority for registration on February 11, 2022, with a registered capital of NT\$168,880 thousand.
- 7) The Company acquired 0.1% equity from the external shareholders of CLT in October 2022 based on the medium- and long-term investment strategy, at an acquisition price of NT\$23 thousand.
- 8) On June 14, 2022, the board of directors of ACME resolved to issue 3,000 thousand new shares at NT\$10 each for cash. The aforementioned cash capital increase was approved and reported by the FSC on July 22, 2022, with an issue price of NT\$20 per share and a capital increase base date on January 16, 2023. The Group participated in the cash capital increase of 18,702 thousand shares of ACME with an amount of NT\$374,033 thousand, and its shareholding increased from 44.6% to 47.2% after the cash capital increase. As these transactions did not change the Group's control over the subsidiary, it is deemed as an equity transaction. Differences generated from the aforementioned equity transaction were adjusted to decrease in capital surplus of NT\$1,736 thousand and retained earnings of NT\$54,215 thousand, respectively.
- 9) In April 2023, the board of directors of ACME (Cayman) resolved to increase a cash capital of US\$9,000 thousand, which was fully subscribed by ACME. After the Group participated in the cash capital increase, its shareholding increased from 96.4% to 97.0%. As these transactions did not change the Group's control over the subsidiary, it is deemed as an equity transaction. Differences generated from the aforementioned equity transaction were adjusted to increase in capital surplus of NT\$947 thousand and a decrease in retained earnings of NT\$580 thousand.

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



Proportion of Ownership and Voting Rights Held by Non-controlling Interests

Name of Subsidiary	December 31, 2023	December 31, 2022
CGPC	64.4%	64.4%
TTC	62.2%	62.2%
ACME	52.8%	55.4%
APC	62.7%	62.7%
EVGL	32.6%	32.6%

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

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

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

CGPC and CGPC's subsidiaries

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

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Revenue	\$ 13,707,305	\$ 17,637,479
Net Profit (loss) for the year	\$ 393,674	(\$ 337,717)
Other comprehensive profit or loss	(36,534)	107,290
Total comprehensive income	<u>\$ 357,140</u>	(\$ 230,427)
Net profit (loss) attributable to:		
Owners of the Company Non-controlling interests of	\$ 117,107	(\$ 126,811)
CGPC Non-controlling interests of	224,809	(243,436)
CGPC's subsidiaries	51,758	32,530
	\$ 393,674	$(\underline{\$} 337,717)$
Total comprehensive income attributable to: Owners of the Company	\$ 74,284	(\$ 152,656)
Non-controlling interests of	Ψ / τ,20τ	(ψ 132,030)
CGPC Non-controlling interests of	231,306	(113,477)
CGPC's subsidiaries	51,550	35,706
	\$ 357,140	(\$ 230,427)
Cash flow Operating activities Investing activities Financing activities Effects of exchange rate	\$ 1,020,900 (2,072,272) 976,680	\$ 816,378 (1,528,615) 766,423
changes Net cash (outflow) inflow	$\frac{1,333}{(\$73,359)}$	2,068 \$ 56,254
Dividends paid to non-controlling	(<u>\$ 73,359</u>)	<u>\$ 30,234</u>
interests	<u>\$ 114,611</u>	<u>\$ 955,096</u>
TTC and TTC's subsidiaries	December 31, 2023	December 31, 2022
Current assets	\$ 5,515,323	\$ 6,006,957
Non-current assets	3,376,030	3,233,919
Current liabilities	(1,920,663)	(1,357,962)
Non-current liabilities	(322,699)	(676,700)
Equity	\$ 6,647,991	\$ 7,206,214
Equity attributable to: Owners of the Company	\$ 2,506,282	\$ 2,735,691
Non-controlling interests of	· -,0 < 0,-0=	-,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
TTC	4,141,709 \$ 6,647,991	4,470,523 \$ 7,206,214



Revenue Net (loss) profit for the year Other comprehensive profit or loss Total comprehensive income	For the Year Ended December 31, 2023 \$15,205,462 (\$273,537) (87,995) (\$361,532)	For the Year Ended December 31, 2022 \$18,083,799 \$412,078 (110,476) \$301,602
Net (loss) profit attributable to: Owners of the Company Non-controlling interests of TTC	$(\$ 100,314)$ $(\underbrace{173,223}_{\$ 273,537})$	\$ 151,122 260,956 \$ 412,078
Total comprehensive income attributable to: Owners of the Company Non-controlling interests of TTC	$(\$ 148,855)$ $(\underline{212,677})$ $(\$ 361,532)$	\$ 81,881 219,721 \$ 301,602
Cash flow Operating activities Investing activities Financing activities Effects of exchange rate changes Net cash (outflow) inflow	(\$ 243,159) (356,068) 173,123 (24,655) (\$ 450,759)	\$ 1,102,890 (100,351) (958,558) $\frac{19,824}{\$ 63,805}$
Dividends paid to non-controlling interests	<u>\$ 125,890</u>	<u>\$ 479,581</u>
ACME and ACME's subsidiaries Current assets Non-current assets Current liabilities Non-current liabilities Equity	December 31, 2023 \$ 1,953,313	December 31, 2022 \$ 2,355,001 2,423,891 (1,182,908) (1,607,905) \$ 1,988,079
Equity attributable to: Owners of the Company Non-controlling interests of ACME Non-controlling interests of ACME's subsidiaries	\$ 838,172 931,293 555,114 \$ 2,324,579	\$ 618,955 758,748 610,376 \$ 1,988,079

Revenue Net (loss) profit for the year Other comprehensive profit or loss Total comprehensive income Net (loss) profit attributable to: Owners of the Company Non-controlling interests of ACME Non-controlling interests of	For the Year Ended December 31, 2023 \$\frac{\$ 2,551,746}{(\$ 211,917)} \text{(49,386)} \text{(\$ 261,303)} \text{(\$ 80,340)} \text{(} 90,884)	For the Year Ended December 31, 2022 \$ 3,057,217 \$ 14,717
ACME's subsidiaries	$(\frac{40,693}{\$211,917})$	$(\frac{1,631}{\$})$
Total comprehensive income attributable to:		
Owners of the Company Non-controlling interests of	(\$ 95,965)	\$ 17,990
ACME Non-controlling interests of	(108,558)	22,533
ACME's subsidiaries	$(\underline{56,780})$ $(\underline{\$261,303})$	10,234 \$ 50,757
Cash flow		
Operating activities Investing activities	\$ 398,343 (495,289)	(\$ 80,491) (617,331)
Financing activities	(495,289) 91,437	496,647
Effects of exchange rate	71,107	1,50,017
changes	(27,987)	14,557
Net cash Outflows	(<u>\$ 33,496</u>)	(\$ 186,618)
APC and APC's subsidiaries		
	December 31, 2023	December 31, 2022
Current assets	\$ 3,335,197	\$ 3,793,083
Non-current assets	11,676,492	12,596,986
Current liabilities Non-current liabilities	(1,028,661) (643,944)	(1,550,109)
Equity	\$ 13,339,084	(<u>623,002</u>) \$ 14,216,958
-quitj	<u>Ψ 10,007,00T</u>	<u>Ψ 1 1,210,730</u>
Equity attributable to:		
Owners of the Company	\$ 5,000,933	\$ 5,425,629
Non-controlling interests of APC	8,338,151 \$13,339,084	8,791,329 \$14,216,958



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

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Net loss for the year	(\$ 4,078,070)	(\$ 6,151,453)
Other comprehensive profit or loss	(<u>393,554</u>)	474,956
Total comprehensive income	(<u>\$ 4,471,624</u>)	(<u>\$ 5,676,497</u>)
Loss attributable to:		
Owners of the Company Non-controlling interests of	(\$ 2,331,329)	(\$ 3,522,648)
EVGL	(1,127,479)	(1,703,625)
Non-controlling interests of EVGL's subsidiaries	(619,262)	(925,180)
	(\$ 4,078,070)	$(\frac{\$ \ 6,151,453}{})$
Total comprehensive income attributable to:		
Owners of the Company	(\$ 2,665,376)	(\$ 3,241,389)
Non-controlling interests of EVGL	(1,166,195)	(1,567,603)
Non-controlling interests of	(1,100,193)	(1,307,003)
EVGL's subsidiaries	(640,053)	(867,505)
D v OL 5 substitution	$(\frac{$4,471,624})$	$(\frac{567,363}{5,676,497})$
Cash flow		
Operating activities	\$ 38,957	(\$ 1,059)
Investing activities	(81,243)	- -
Effects of exchange rate		
changes	1,490	134,548
Net cash (outflow) inflow	(<u>\$ 40,796</u>)	<u>\$ 133,489</u>

13. <u>INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD</u>

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

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

a. Associates that are individually material - Gulei



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

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

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

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

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

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

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

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

	December 31, 2023	December 31, 2022
Cash	\$ 8,256,575	\$ 8,680,668
Current assets	\$ 19,052,475	\$ 23,308,566
Non-current assets	96,541,823	103,732,189
Current liabilities	(36,894,817)	(37,477,886)
Non-current liabilities	$(\underline{60,163,983})$	$(\underline{62,507,943})$
Equity	18,535,498	27,054,926
Proportion of the Group's ownership	50%	50%
Equity attributable to the Group	<u>\$ 9,267,749</u>	<u>\$ 13,527,463</u>
	.	h 10 707 100
Carrying amount	<u>\$ 9,267,749</u>	<u>\$ 13,527,463</u>
	For the Year Ended	For the Year Ended
	December 31, 2023	December 31, 2022
Revenue	\$ 70,475,299	\$ 55,455,545
Net loss for the period/total		
comprehensive loss	(<u>\$ 8,237,326</u>)	(<u>\$ 12,296,998</u>)

b. Summarized information of associates that is not individually material

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

The Company's board of directors approved the establishment of Chem Union Renewable Energy Corporation (CURE), a joint venture with Chang Chun Petrochemical Co., Ltd. and Chimei Corporation on November 3, 2022. CURE will purchase offshore wind power in an integrated manner to achieve the Group's carbon neutrality plan. In December 2022, the Company invested NT\$10,000 thousand in CURE. On April 13, 2023, the Company



completed the registration of the establishment of CURE with a registered capital of NT\$30,000 thousand and the Company holds 33.3% of the shares of CURE.

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

For the Year Ended December 31, 2023

The Group's share of:

Net loss for the year (\$ 4,101)

For the Year Ended December 31, 2022

(\$ 6,078)

Construction in

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

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

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

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

TVCM, resolved in 2019 to build the second phase of the Intercontinental Petrochemical Oil Products Center. As of December 31, 2023, the Group has paid a total of NT\$2.543,171 thousand for the project.

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

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

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

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

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

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

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



15. <u>LEASE ARRANGEMENTS</u>

a. Right-of-use assets

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

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

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

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

b. Lease liabilities

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

Range of discount rate for lease liabilities was as follows:

	December 31, 2023	December 31, 2022
Leasehold land	$0.83\% \sim 9.25\%$	$0.83\% \sim 9.25\%$
Buildings	$0.83\% \sim 8.00\%$	$0.83\% \sim 4.75\%$
Machinery and Equipment	$1.11\% \sim 1.93\%$	1.11%
Transportation equipment	$1.06\% \sim 1.25\%$	$1.06\% \sim 1.25\%$

c. Material lease-in activities and terms

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

d. Other lease information

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

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

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



16. <u>INVESTMENT PROPERTIES</u>

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

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

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

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

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

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

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

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

The fair values of investment properties as of December 31, 2023 and 2022 were as follows:

	December 31, 2023	December 31, 2022		
Fair Value	\$ 1,458,539	\$ 1,555,675		

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



17. GOODWILL AND OTHER INTANGIBLE ASSETS

	December 31, 2023		December 31, 202		
Goodwill a.	\$	270,211	\$	270,211	
Other intangible assets b.					
Technology royalties and patent right	\$	-	\$	533	
Computer software		21,002		15,082	
Field project		29,001		30,658	
Plant design fee		400		2,001	
-	\$	50,403	\$	48,274	

a. Goodwill

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

b. Other intangible assets

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

(Continued)

(Continued)

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

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

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

18. <u>BORROWINGS</u>

a. Short-term borrowings

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

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

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



c. Long-term borrowings

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

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

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

According to the loan contracts of part of subsidiaries, the current ratio, bank loan ratio, debt ratio, and interest protection multiples should not be less than the specified percentage. The subsidiaries should provide improvements to the bank if the requirements were not met. As of December 31, 2023, the subsidiaries did not violate any of the financial ratio requirements stated above.

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

19. BONDS PAYABLE

	December 31, 2023	December 31, 2022
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 Domestic unsecured bonds A 110-1 -	\$ 2,000,000	\$ 2,000,000
issuance on June 23 2021, 5 years,		
total amount NT\$1,000,000 thousand,		
coupon rate 0.63%, bullet repayment,		
repaid NT\$500,000 thousand in the 4th		
and 5th years respectively from the issuance date	1 000 000	1 000 000
Domestic unsecured bonds B 110-1-	1,000,000	1,000,000
issuance on June 23 2021, 7 years,		
total amount NT\$1,000,000 thousand,		
coupon rate 0.73%, bullet repayment,		
repaid NT\$500,000 thousand in the 6th		
and 7th years respectively from the issuance date	1,000,000	1,000,000
Domestic unsecured bonds A 110-2 -	1,000,000	1,000,000
issuance on October 26, 2021, 5 years,		
total amount NT\$700,000 thousand,		
coupon rate 0.63%, repaid		
NT\$350,000 thousand in the 4th and		
5th years respectively from the issuance date	700,000	700,000
Domestic unsecured bonds B 110-2 -	700,000	700,000
issuance on October 26, 2021, 7 years,		
total amount NT\$1,300,000 thousand,		
coupon rate 0.77%, repaid		
NT\$650,000 thousand in the 6th and		
7th years respectively from the issuance date	1,300,000	1,300,000
issuance date	6,000,000	6,000,000
Discounts on bonds payable	(<u>5,296</u>)	(<u>7,772</u>)
	5,994,704	5,992,228
Less: Maturity within one year	1,999,714	<u>+ 5 002 229</u>
	<u>\$ 3,994,990</u>	\$ 5,992,228

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

In October 2017, the Company applied for the first issuance of unsecured ordinary corporate bonds issued in 2017 with the amount of NT\$2,000,000 thousand in order to reimburse the bank loans, and the unsecured ordinary corporate bonds with a 5-year maturity, due for repayment, were all issued in October 2017. The Company repaid due in October 2022.



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

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

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

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

20. ACCOUNTS PAYABLE

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

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

21. OTHER LIABILITIES

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

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

22. PROVISIONS

	December 31, 2023	December 31, 2022
Non-current		
Litigation provision	\$ 136,375	\$ 136,375

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

23. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

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

b. Defined benefit plans

Within the Group, the company and subsidiaries with the pension mechanism under the "Labor Standards Act" are considered as defined benefit plans under where it is paid based on average salary of 6 months prior to the approved retirement day and seniority. The Company allocates retirement benefits at 9% of employees' total monthly salaries (increased to 12% from



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

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

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

According to the Financial Statement Account, the summary follows:

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

Defined benefit plans - net variations as follows:

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

(Continued)

(Continued)

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

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

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

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

	December 31, 2023	December 31, 2022
Discount rate	$1.00\% \sim 1.25\%$	$1.125\% \sim 1.50\%$
Expected rates of salary increase	$2.25\% \sim 3.25\%$	$2.25\% \sim 3.25\%$



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

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

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.

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

24. GOVERNMENT SUBSIDY

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

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

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

25. EQUITY

a. Share capital

	December 31, 2023	December 31, 2022
Number of shares authorized (in thousands)	1,342,602	1,342,602
Share capital authorized	<u>\$ 13,426,024</u>	<u>\$ 13,426,024</u>
Number of shares issued and fully paid		
(in thousands)	1,188,763	1,188,763
Share capital issued	<u>\$ 11,887,635</u>	<u>\$ 11,887,635</u>

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

b. Capital surplus

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

c. Retained earnings and dividends policy

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

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



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

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

		Appropriation	on of Earnings		Dividends Per Share (NT\$)			NT\$)
	For t	he Year Ended	For	the Year Ended	For the	e Year Ended	For the	e Year Ended
	Dece	mber 31, 2022	Dece	ember 31, 2021	Decen	nber 31, 2022	Decem	ber 31, 2021
Legal reserve	\$	164,106	\$	529,104				
Cash dividends		832,134		2,615,280	\$	0.7	\$	2.2
	\$	996,240	\$	3,144,384				

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

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

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

d. Other equity

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

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

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

e.

	For the Year Ended	For the Year Ended
	December 31, 2023	December 31, 2022
Balance at January 1	\$ 380,089	\$ 795,331
Recognized during the period		
Unrealized gains (losses)		
Equity instruments	(94,333)	(414,342)
Related income tax	90	131
Cumulative unrealized gain (loss) of		
equity instruments transferred to		
retained earnings due to disposals	5,095	(1,031)
Balance at December 31	<u>\$ 290,941</u>	<u>\$ 380,089</u>
Non-controlling interests		
Tron controlling interests		
	For the Year Ended	For the Year Ended
	December 31, 2023	December 31, 2022
Balance at January 1	\$ 26,428,793	\$ 30,182,962
Cash dividends distributed by	(500 510)	(2004005)
subsidiaries	(722,518)	(2,804,905)
Net loss for the current year	(1,699,636)	(1,616,286)
Other comprehensive income (loss)		
for the year		
Exchange differences on translating the financial		
statements of foreign		
operations	(156,306)	434,553
Income tax relating to exchange	(130,300)	757,555
difference on translating		
foreign operations	18,605	(45,401)
Unrealized gain (loss) on		(15,115-)
financial assets at FVTOCI	159,942	191,751
Income tax relating to	,	,
unrealized gain on financial		
assets at FVTOCI	189	273
Remeasurements of defined		
benefit plan	(2,542)	141,117
Remeasurements of defined		
benefit plan Related income		
tax	582	(19,866)
Adjustments relating to changes		
accounted for using the equity	Z4 000	
method	61,922	4,326
Change in non-controlling interests	200,584 \$ 24,280,615	(39,731)
Balance at December 31	<u>\$ 24,289,615</u>	<u>\$ 26,428,793</u>



f. Treasury shares

	Number of Shares at			Number of Shares at
	January 1	Increase	Decrease	December 31
	(In Thousands	During the	During the	(In Thousands
Purpose of Buy-Back	of Shares)	Year Ended	Year Ended	of Shares)
For the Year Ended December 31,				
<u>2023</u>				
Transfer from investment shares to				
treasury shares held by subsidiaries				
under equity method	<u>116,466</u>			<u>116,466</u>
For the Year Ended December 31,				
<u>2022</u>				
Transfer from investment shares to				
treasury shares held by subsidiaries				
under equity method	<u>116,466</u>			<u>116,466</u>

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

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

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

The Company's shares held by APC and TTC were carried as unrealized gain (loss) on financial assets at FVTOCI and valued at the closing price of December 31, 2023 and 2022. The carrying amounts of investments accounted for using the equity method and unrealized the gain on financial assets at FVTOCI were NT\$281,399 thousand and NT\$371,473 thousand, respectively.

26. <u>REVENUE</u>

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

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

a. Contract balances

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

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

27. PROFIT (LOSS) FOR THE PERIOD

Net loss includes the following:

a. Interest income

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

b. Other income

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

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	Income from aroute (Notes 19 and	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
	Income from grants (Notes 18 and 24)	\$ 44,882	\$ 9,034
	Income from management services (Note 34) Others	39,807 <u>48,446</u> \$ 552,715	36,052 46,538 \$ 950,949
c.	Other gains and losses		
		For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
	Gain on disposal of property, plant and equipment Disposal Right-of-use assets gain Foreign exchange gain - net	\$ 17,378 70,128 26,492	\$ 1,188 - 463,721
	Gain on financial assets at FVTPL - net	72,091	7,354
	Loss on financial liabilities at FVTPL - net Depreciation expense Other gains and losses	(30,646) (46,244) (119,395) (\$ 10,196)	$ \begin{array}{c} (& 125,121) \\ (& 47,768) \\ (& 65,825) \\ \hline \$ & 233,549 \end{array} $
d.	Finance costs		
	Interest on bank loans Interest on bonds payable Other interest expense Interest on lease liabilities Less: Capitalized interest (presented under construction in progress)	For the Year Ended December 31, 2023 \$ 184,053	For the Year Ended December 31, 2022 \$ 101,186 71,119 33,517 12,820 (3,222)
	Information about capitalized interest is as	\$ 269,302	<u>\$ 215,420</u>
	information about capitalized interest is as	For the Year Ended December 31, 2023	For the Year Ended December 31,2022
	Capitalized interest Capitalization rate	$\begin{array}{c} $	$\begin{array}{c} $

e. Depreciation and amortization

		For the Year Ended	For the Year Ended
		December 31, 2023	December 31, 2022
	Property, plant and equipment	\$ 2,340,360	\$ 2,216,195
	Right-of-use assets	167,234	91,564
	Investment properties	40,243	42,981
	Intangible assets	8,980	6,379
	Others	52,246	52,567
		\$ 2,609,063	\$ 2,409,686
	Summary of depreciation by function		
	Operating costs	\$ 2,336,028	\$ 2,139,908
	Operating expenses	165,565	163,064
	Other gains and losses	46,244	47,768
	cure game and resease	\$ 2,547,837	\$ 2,350,740
	An analysis of amortization by function		
	Operating costs	\$ 51,694	\$ 48,589
	Selling and marketing expenses	2	-
	Administrative expenses	7,472	7,441
	Research and development		
	expenses	2,058	2,916
	-	<u>\$ 61,226</u>	\$ 58,946
f.	Employee benefits expense		
		For the Year Ended	For the Year Ended
		December 31, 2023	December 31, 2022
	Post-employment benefits (Note 23)	,	
	Defined contribution plans	\$ 166,668	\$ 162,562
	Defined benefit plans	25,911	26,221
	1	192,579	188,783
	Other employee benefits	4,379,386	4,529,104
	Total employee benefits expenses	\$ 4,571,965	\$ 4,717,887
	An analysis of employee benefits expense by function		
	Operating costs	\$ 3,112,465	\$ 3,244,992
	Operating expenses	1,459,500	1,472,895
		<u>\$ 4,571,965</u>	\$ 4,717,887

g. Employees' compensation and remuneration of directors

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

For the year ended December 31, 2023, due to the company's net loss, employees' compensation and remuneration of directors were not estimated.

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



Accrual rate

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

Amount

	For the Year Ended	
	December 31, 2022	
Employees' compensation	\$	19,543
Remuneration of Directors	\$	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 employees' compensation and remuneration of directors paid and the amounts the recognition the consolidated financial statements for the years ended December 31, 2022 and 2021.

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

h. Foreign exchange gain (loss)

	For the Year Ended December 31, 2023		For the Year Ended December 31, 2022	
Gross foreign exchange gains	\$	412,130	\$	941,076
Foreign exchange losses	(385,638)	(477,35 <u>5</u>)
Net profit	\$	26,492	\$	463,721

28. <u>INCOME TAX</u>

a. Income tax recognized in profit or loss

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

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

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

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

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

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

b. Income tax recognized in other comprehensive income

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



c. Current income tax assets and liabilities

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

d. Deferred tax assets and liabilities

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

For the Year Ended December 31, 2023

	Balance at January 1	Amounts recognized in profit or loss	Amounts recognized in other comprehensive income	Foreign currency exchange differences	Balance at December 31
Deferred tax asset					
Temporary difference					
Defined benefit					
retirement plan	\$ 152,825	(\$ 13,662)	\$ 275	\$ -	\$ 139,438
Investments					
accounted for					
using the equity method	782,025	450,611	432		1,233,068
Allowance for	762,023	450,011	432	-	1,233,006
inventory					
valuation and					
obsolescence					
losses	101,792	(10,469)	_	(39)	91,284
Allowance for loss	13,165	(7,943)	-	(76)	5,146
Unrealized Sales					
profits	19,303	(7,338)	-	-	11,965
Payable for annual					
leave	28,765	161	-	-	28,926
Others	88,872	27,458	25,338	(435)	141,233
	1,186,747	438,818	26,045	(550)	1,651,060
Loss offsets	154,631	180,660	<u> </u>	(883)	334,408
	<u>\$ 1,341,378</u>	<u>\$ 619,478</u>	<u>\$ 26,045</u>	(<u>\$ 1,433</u>)	<u>\$ 1,985,468</u>
Deferred tax liabilities Temporary difference Investments accounted for					
using the equity					
method	\$ 496,695	(\$ 72,052)	(\$ 13,784)	\$ -	\$ 410,859
Depreciation due to	φ 490,093	(\$ 72,032)	(ψ 15,764)	φ -	Ψ 410,039
fiscal and taxation					
differences over					
the amortization					
period	43,990	11,106	-	(1,035)	54,061
Land revaluation					
surplus	800,993	-	-	-	800,993
Others	53,497	(21,061)	(247)	(18)	32,171
	<u>\$ 1,395,175</u>	(\$ 82,007)	(<u>\$ 14,031</u>)	(<u>\$ 1,053</u>)	<u>\$1,298,084</u>

For the Year Ended December 31, 2022

	Balance at January 1	Amounts recognized in profit or loss	Amounts recognized in other comprehensive income	Foreign currency exchange differences	Balance at December 31
Deferred tax asset					
Temporary difference					
Defined benefit retirement					
plan	\$ 214,228	(\$ 22,371)	(\$ 39,032)	\$ -	\$ 152,825
Investments accounted for					
using the equity method	87,265	703,065	(8,305)	-	782,025
Allowance for inventory					
valuation and					
obsolescence losses	49,246	52,354	-	192	101,792
Allowance for loss	11,253	1,847	-	65	13,165
Unrealized Sales profits	23,338	(4,035)	-	-	19,303
Payable for annual leave	27,758	1,007	-	-	28,765
Others	212,520	(29,861)	(94,561)	<u>774</u>	88,872
	625,608	702,006	(141,898)	1,031	1,186,747
Loss offsets	25,960	128,682	<u> </u>	(11)	154,631
	\$ 651,568	\$ 830,688	(\$ 141,898)	\$ 1,020	\$ 1,341,378
			·		
Deferred tax liabilities					
Temporary difference					
Investments accounted for					
using the equity method	\$ 553,186	(\$ 85,105)	\$ 28,614	\$ -	\$ 496,695
Depreciation due to fiscal	,,	()			, , , , , , ,
and taxation differences					
over the amortization					
period	50,312	(7,148)	_	826	43,990
Land revaluation surplus	800,993	-,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	_	-	800,993
Others	13,431	40,205	(146)	7	53,497
	\$ 1,417,922	(\$ 52,048)	\$ 28,468	\$ 833	\$ 1,395,175
	 	(<u>= 02,010</u>)	- 20,.00	- 000	- 1,0/0,1/0

e. Items not recognized as deferred tax assets

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

f. Unused loss offset information

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



g. Income tax assessments

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

29. EARNINGS (LOSS) PER SHARE

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

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

Net (loss) profit for the year

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Net (loss) income attributable to owners of the Company (used to calculate the Net (loss) profit income from basic and diluted earnings per share)	(\$ 207,006)	<u>\$ 1,555,097</u>
Share Unit: thousands of shares		
	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Weighted average number of ordinary shares used in the computation of basic (loss) earnings per share	1,072,298	1,072,298
Effect of potentially dilutive ordinary shares: Employees' compensation Weighted average number of ordinary shares		1,285
used in the computation of diluted (loss) earnings per share	1,072,298	1,073,583

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

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

30. SHARE-BASED PAYMENT ARRANGEMENTS

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

	For the Year Ended December 31, 2			
		Weigh	ted average	
		Exer	cise Price	
Employee share options	Unit	(NT\$)	
Exercisable at the beginning of the year	133	\$	10.8	
Expired during the current year	(133)		10.8	
Exercisable at the end of the year	-		_	

31. CASH FLOW INFORMATION

a. Non-cash transactions

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

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

b. Changes in liabilities arising from financing activities

				Non-cash Changes			
	January 1, 2023	Cash flow	New Leases	Amortization of Finance Costs	Changes in Foreign Currency Exchange Rates	Others	December 31, 2023
Short-term borrowings	\$2,400,326	\$ 586,031	\$ -	\$ -	\$ -	\$ 270,000	\$3,256,357
Short-term bills payable Bonds payable (including	290,613	(291,000)	-	-	-	387	-
those due within 1 year) Long-term borrowings (including those due	5,992,228	-	-	2,476	-	-	5,994,704
within 1 year)	6,366,223	610,083	-	19,075	-	(270,000)	6,725,381
Guarantee deposits received Lease liabilities (including	46,189	1,111	-	-	-	-	47,300
those due within 1 year)	1,365,026	(151,048)	900,318	41,107	399	(19,457)	2,136,345
Other non-current liabilities	87,324 \$16,547,929	17,602 \$ 772,779	\$ 900,318	\$ 62,658	\$ 399	(\$ 19.070)	104,926 \$18,265,013
	<u> </u>	Ψ 112,112	<u>Ψ 700,510</u>	Ψ 02,000	<u> </u>	(<u># 15,070</u>)	\$10,200,010
				Non-cash Changes		-	
	January 1,			Amortization of Finance	Changes in Foreign Currency Exchange	-	December 31,
	2022	Cash flow	New Leases	Amortization of Finance Costs	Changes in Foreign Currency Exchange Rates	Others	2022
Short-term borrowings Short-term bills payable		Cash flow (\$ 97,715) 11,000		Amortization of Finance	Changes in Foreign Currency Exchange	Others (22)	
Short-term bills payable Bonds payable (including those due within 1 year) Long-term borrowings	\$2,498,041	(\$ 97,715)	New Leases	Amortization of Finance Costs	Changes in Foreign Currency Exchange Rates	\$ -	2022 \$2,400,326
Short-term bills payable Bonds payable (including those due within 1 year)	2022 \$2,498,041 279,635	(\$ 97,715) 11,000	New Leases	Amortization of Finance Costs	Changes in Foreign Currency Exchange Rates	\$ -	\$2,400,326 290,613
Short-term bills payable Bonds payable (including those due within 1 year) Long-term borrowings (including those due within 1 year) Guarantee deposits received	2022 \$2,498,041 279,635 8,988,972	(\$ 97,715) 11,000 (3,000,000)	New Leases	Amortization of Finance Costs \$	Changes in Foreign Currency Exchange Rates	\$ -	\$2022 \$2,400,326 290,613 5,992,228
Short-term bills payable Bonds payable (including those due within 1 year) Long-term borrowings (including those due within 1 year) Guarantee deposits received Lease liabilities (including	2022 \$2,498,041 279,635 8,988,972 4,513,240 29,528	(\$ 97,715) 11,000 (3,000,000) 1,840,887 16,661	New Leases \$	Amortization of Finance Costs \$	Changes in Foreign Currency Exchange Rates	\$ - (22)	2022 \$2,400,326 290,613 5,992,228 6,366,223 46,189
Short-term bills payable Bonds payable (including those due within 1 year) Long-term borrowings (including those due within 1 year) Guarantee deposits received	2022 \$2,498,041 279,635 8,988,972 4,513,240 29,528 460,567	(\$ 97,715) 11,000 (3,000,000) 1,840,887 16,661 (89,717)	New Leases	Amortization of Finance Costs \$	Changes in Foreign Currency Exchange Rates	\$ -	2022 \$2,400,326 290,613 5,992,228 6,366,223 46,189 1,365,026
Short-term bills payable Bonds payable (including those due within 1 year) Long-term borrowings (including those due within 1 year) Guarantee deposits received Lease liabilities (including those due within 1 year)	2022 \$2,498,041 279,635 8,988,972 4,513,240 29,528	(\$ 97,715) 11,000 (3,000,000) 1,840,887 16,661	New Leases \$	Amortization of Finance Costs \$	Changes in Foreign Currency Exchange Rates	\$ - (22) - (12,820)	2022 \$2,400,326 290,613 5,992,228 6,366,223 46,189



32. CAPITAL MANAGEMENT

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

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

33. FINANCIAL INSTRUMENTS

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

December 31, 2023

		Fair Value				
	Carrying Amount	Level 1	Level 2	Level 3	Total	
Financial liabilities Financial liabilities at amortized cost - Domestic corporate bonds	<u>\$ 5,994,704</u>	<u>\$</u>	\$ 5,939,899	<u>\$</u>	\$ 5,939,899	
December 31, 2022						
			Fair	Value		
	Carrying Amount	Level 1	Level 2	Level 3	Total	
<u>Financial liabilities</u> Financial liabilities at amortized cost	-					
- Domestic corporate bonds	\$ 5,992,228	<u>\$</u>	\$ 5,950,888	<u>\$</u>	\$ 5,950,888	

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.

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

1) Fair value hierarchy

December 31, 2023

	Level 1		L	evel 2	Level 3		Total	
Financial assets at FVTPL				<u>.</u>				
Derivatives	\$	-	\$	5,061	\$	-	\$	5,061
Domestic listed (OTC)								
shares	47	8,329		-		-		478,329
Fund beneficiary certificates	2,36	5,052		-		-	2,	365,052
Beneficiary securities	27	2,258		_				272,258
Total	\$3,11	5,638	\$	5,061	\$	_	\$3.	120,700

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI Investments in equity instruments - Domestic listed (OTC)				
shares - Domestic unlisted shares	\$1,634,224	\$ -	\$ -	\$1,634,224
and emerging market shares	-	-	366,003	366,003
Foreign listed (OTC) sharesOverseas unlisted equity	16,457	-	-	16,457
investments			151,245	151,245
Total	<u>\$1,650,681</u>	<u>\$</u>	<u>\$ 517,248</u>	<u>\$2,167,929</u>
Financial liabilities at FVTPL Derivatives	<u>\$</u>	<u>\$ 2,804</u>	<u>\$</u>	<u>\$ 2,804</u>
<u>December 31, 2022</u>				
	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL Derivatives	\$ -	\$ 2,121	\$ -	\$ 2,121
Domestic listed (OTC)	·	-,	7	,
shares	228,677	-	-	228,677
Fund beneficiary certificates Beneficiary securities	2,259,780 233,828	-	-	2,259,780 233,828
Foreign listed stocks	91	<u>-</u> _	<u>-</u> _	91
Total	<u>\$2,722,376</u>	<u>\$ 2,121</u>	<u>\$</u>	<u>\$2,724,497</u>
Financial assets at FVTOCI Investments in equity instruments - Domestic listed (OTC)				
shares - Domestic unlisted shares	\$1,629,053	\$ -	\$ -	\$1,629,053
and emerging market shares	-	-	359,548	359,548
Foreign listed (OTC) sharesOverseas unlisted equity	30,041	-	=	30,041
investments	<u>-</u>	<u>-</u>	139,376	139,376
Total	<u>\$1,659,094</u>	<u>\$</u>	<u>\$ 498,924</u>	<u>\$2,158,018</u>
Financial liabilities at FVTPL	Φ.	Φ 27.020	Φ.	Φ 27.020
Derivatives	<u>\$ -</u>	<u>\$ 27,839</u>	<u>\$ -</u>	<u>\$ 27,839</u>

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



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

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

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

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

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

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

b. Categories of financial instruments

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

c. Financial Risk Management Objectives and Policies

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

1) Market risk

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



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

a) Foreign currency risk

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

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

Sensitivity analysis

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

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

b) Interest rate risk

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

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

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

Sensitivity analysis

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

c) Other price risks

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

Sensitivity analysis

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



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

2) Credit risk

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

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

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

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

3) Liquidity risk

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

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

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

December 31, 2023

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

Additional information about the maturity analysis for lease liabilities:

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

December 31, 2022

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

Additional information about the maturity analysis for lease liabilities:

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

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

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

<u>December 31, 2023</u>

		emand or Less an 1 Month	1-	3 Months	3 n	nonths to 1 year
Gross settled						
Foreign exchange forward						
contracts						
- Inflows	\$	359,565	\$	48,048	\$	29,478
- Outflows	(355,655)	(141,335)		30,705
	\$	3,910	(\$	93,287)	(\$	1,227)



December 31, 2022

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

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:

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

34. RELATED PARTY TRANSACTIONS

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

a. Name of the related party and their relationship

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

b. Other operating income (classified as sales revenue)

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

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

c. Purchase (classified as cost of goods sold)

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

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

d. Donation (classified as administrative expenses)

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

e. Management service income (classified as other revenue)

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

f. Rental income (classified as other income)

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

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

g. Accounts receivable, net

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

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

h. Other receivables

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



i. Compensation of key management personnel

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

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

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

35. COLLATERALIZED ASSETS

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

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

36. <u>SIGNIFICANT CONTINGENT LIABILITY AND UNRECOGNIZED CONTRACTUAL</u> <u>COMMITMENTS</u>

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

On February 12, 2016, CGTD entered into an agreement with the Kaohsiung City Government to provide the Kaohsiung City Government with a pledge right set of a bank

deposit certificate of NT\$231,585 thousand (including interests) as the guarantee for the loss caused by the gas explosion. Kaohsiung City Government has also filed civil lawsuits against LCY, CGTD and CPC Corporation. Taiwan Power Company applied for provisional attachment against CGTD's property on August 27 and November 26, 2015.

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

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

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

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

Financial Overview



City Government, LCY and CGTD is 4:3:3 in most judgments. The total amount of compensation that CGTD, LCY and the other defendants should pay is around NT\$401,979 thousand. (In particular, CGTD was exempted from paying NT\$6,194 thousand according to the court's judgment.) For the civil cases that have been sentenced but not settled, CGTD has filed an appeal and has started the second trial procedure one after another. The remaining cases are still pending in the Court of First Instance (the amount claimed is approximately NT\$1,882,829 thousand). CGTD and its insurance company signed a settlement agreement, covering the proportion of the liability for negligence determined in the first-instance judgment, the estimated amount of the settlement with the victims and the severely injured, and the amount of compensation in civil cases (including cases that have been settled); after the maximum insurance claims is deducted, the estimated amount that should be borne by CGTD and has been recognized is NT\$136,375 thousand. However, the actual amount of the aforementioned relevant settlements and compensation will not be confirmed until the proportion of the liabilities that should be borne by CGTD is determined in the civil case judgment in the future.

37. SIGNIFICANT CONTRACTS

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

b. Key operation contracts

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

38. <u>SIGNIFICANT FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN</u> <u>CURRENCIES</u>

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

Unit: Foreign and Functional Currencies in Thousands

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

Financial Overview



December 31 2022

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

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

39. <u>SEPARATELY DISCLOSED ITEMS</u>

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

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



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

40. SEGMENT INFORMATION

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

a. Profit or Loss of Reporting Segment

						For the Ye	ear En	ded December 31	2023	3				
			(GPC and CGPC's		TC and TTC's	AC	ME and ACME's		C and APC's				
	_	USI		subsidiaries		subsidiaries		subsidiaries	S	ubsidiaries		Others		Total
Segment revenue	:	\$ 11,449,372	5	3 13,707,305	\$	15,205,462	\$	2,551,746	\$	6,717,128	\$	4,385,730	\$	54,016,743
Interest income		20,176		31,052		45,090		13,766		21,737		161,574		293,395
Finance costs	(58,644)	(69,539)	(19,850)	(45,779)	(9,112)	(74,364)	(277,288)
Depreciation and														
amortization	(659,347)	(771,196)	(215,407)	(282,271)	(319,462)	(394,465)	(2,642,148)
Impairment losses		-		-		-		-		-	(133)	(133)
Pre-tax (loss) gain of														
reporting segment	(259,671)		466,524	(346,012)	(249,465)		151,132	(4,078,249)	(4,315,741)
Income tax gain (expenses)														
of reporting segment		52,665	(72,850)		72,475		37,548	(34,848)	(24,815)		30,175
Net gain (loss) of reporting														
segment	(207,006)		393,674	(273,537)	(211,917)		116,284	(4,103,064)	(4,285,566)
						For the Ve	ar End	led December 31.	2022					
			C	GPC and CGPC's	T	TC and TTC's		ME and ACME's		C and APC's				
		USI	-	subsidiaries	_	subsidiaries	710	subsidiaries		ubsidiaries		Others		Total
Segment revenue	\$	15,632,151	¢	17,637,479		18,083,799	\$	3,057,217	\$	9,815,332	S	4,842,592	•	69,068,570
Interest income	φ	16,538	Ф	10.127	Ф	42,437	Ф	7,964	Þ	11.475	Φ	57,998	Ф	146,539
Finance costs	(76,146)	(26,810)	(6,835)	(34,399)	(10,311)	(66,032)	(220,533)
Depreciation and	(70,140)	(20,010)	(0,055)	(54,577)	(10,511)	(00,032)	(220,333)
amortization	(640,340)	(715,454)	(208,628)	(25,074)	(305,207)	(551,686)	(2,446,389)
Pre-tax profit of reporting	(010,510)	(, 15, 15 1)	,	200,020)	(25,07.7	(303,207)	(331,000)	,	2, 110,507)
segment		1,931,735	(517,183)		544,374		53.072		1.817.771	(5,604,317)	(1,774,548)
Income tax expenses of		1,751,755	(517,105)		2.1,57.		55,572		1,017,771	(5,001,517)	,	1,771,510)
reporting segment	(376,638)		179,466	(132,296)	(38,355)	(370,402)	(19,954)	(758,179)
Net profit of reporting	,	, ,		,		,,		, ,	,	, /	`	. ,,		, ,
segment		1,555,097	(337,717)		412,078		14,717		1,447,369	(5,624,271)	(2,532,727)

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

1) Segment revenue and results

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

2) Other significant items reconciliation

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

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

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

c. Revenue from principal products

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

d. Regional information

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

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

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

e. Information on main customers

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

Acme Electronics Corporation

FINANCING PROVIDED TO OTHERS

For the Year Ended December 31, 2023

Table 1

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

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

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

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

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

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

Swanson Plastics Corporation

FINANCING PROVIDED TO OTHERS

For the Year Ended December 31, 2023

Table 1-1

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

- Note 1. The limits of financing provided to others based on the total amount of funds lending to others and the limits of individual objects set by the companies.
- Note 2. The nature of financing is provided as follows:
 - (1) Business relationship is coded "1."
 - (2) Short-term financing is coded "2."
- Note 3. The calculation was based on the spot exchange rate of December 31, 2023.
- Note 4. All the transactions were written off when preparing the consolidated financial statements.

China General Plastics Corporation

FINANCING PROVIDED TO OTHERS

For the Year Ended December 31, 2023

Table 1-2

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

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

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

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

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

USI CORPORATION AND SUBSIDIARIES ENDORSEMENTS/GUARANTEES PROVIDED

For the Year Ended December 31, 2023

Table 2

		Endorse	e/Guarantee						Ratio of					
No.	Endorsement and guarantee Company Name	Company Name	Relationship	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	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	Damark
0	USI Corporation	-	Subsidiary which	\$ 11,627,143	\$ 2,600,000	\$ -	\$ -	\$	-	\$ 13,952,571	Yes	No	No	
		International Investment Corporation	directly held more than 50% of ordinary shares											
0	USI Corporation		Subsidiary which	11,627,143	1,300,000	1,300,000	150,000		5.59	13,952,571	Yes	No	No	
		Corporation	directly held more than 50% of ordinary shares											
0	USI Corporation	Chong Loong Trading Co., Ltd.	Subsidiary which directly held more than 50% of ordinary shares	11,627,143	323,525 (US\$ 5,000 thousand) (NT\$170,000 thousand)	-	-		-	13,952,571	Yes	No	No	

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

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

Acme Electronics Corporation

ENDORSEMENTS/GUARANTEES PROVIDED

For the Year Ended December 31, 2023

Table 2-1

		Endorse	e/Guarantee						Ratio of				Endomont/	
No.	Endorsement and guarantee Company Name	Company Name	Relationship	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	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	Damark
0		Acme Electronics	Subsidiary of ACME	\$ 2,654,198	\$ 778,716	\$ 365,950 (US\$5,000 thousand)	\$ 151,732 (BMD35,000 thousand)	\$ -	20.68	\$ 3,538,930	No	No	Yes	
	Corporation	(Kunshan) Co., Ltd.	(Cayman)			(RMB 49,000 thousand)								
		Acme Electronics	Subsidiary of GAEL	2,654,198	64,850	-	-	-	-	3,538,930	No	No	Yes	
		(Guang-Zhou) Co., Ltd.			(US\$2,000 thousand)									
		ACME Electronics	Subsidiary of ACME	2,654,198	314,200 (US\$ 10,000 thousand)	-	-	-	-	3,538,930	No	No	No	
1	ACME Components	(Cayman) Corp. ACME Ferrite	Subsidiary of ACME	480,703	115,597	112,731	64,271		16.42	549,375	No	No	No	1
1	(Malaysia)	Products Sdn.	(MA)	460,703	(MYR17.584 thousand)	1	(MYR10.025 thousand)	=	10.42	349,373	INO	NO	INO	
	Sdn.Bhd.	Bhd.	(IVIA)		(martin,es) (mousuma)	(IIIIII)	(mritio,o25 thousand)							

- Note 1. The rate was calculated by the equity of ACME as of December 31, 2023.
- Note 2. The maximum amount of total endorsement/guarantee shall not exceed 200% of the equity attributable to owners of ACME. The maximum amount of endorsement/guarantee for an individual entity shall not exceed 150% of the equity attributable to owners of ACME. The maximum amount of endorsement/guarantee was calculated based on the equity of the endorser guarantor as of December 31, 2023. The total amount of ACME (MA)'s external endorsement/guarantee shall not exceed 80% of its net worth; the limit of ACME (MA)'s endorsement/guarantee for a single company shall not exceed 70% of its net worth. The maximum amount of endorsement/guarantee was calculated based on the equity of the endorser guarantor as of December 31, 2023.
- Note 3. The calculation was based on the spot exchange rate of December 31, 2023.

Swanson Plastics Corporation

ENDORSEMENTS/GUARANTEES PROVIDED

For the Year Ended December 31, 2023

Table 2-2

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

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

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

China General Plastics Corporation

ENDORSEMENTS/GUARANTEES PROVIDED

For the Year Ended December 31, 2023

Table 2-3

		Endorsee/	Guarantee						Ratio of				E. 4	
No.	Endorsement and guarantee Company Name	Company Name	Relationship	Limits on Endorsement/ Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/Guarantee d During the Year	Outstanding Endorsement/ Guarantee at the End of the Year	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%) (Note 1)	Aggregate	Parent for	Endorsement/ Guarantee Made by Subsidiaries for Parent	Endorsement/ Guarantee Made for Companies in Mainland China	Remark
0	China General Plastics Corporation	CGPC Polymer Corporation	Subsidiary	\$ 5,748,886	\$ 1,361,717	\$ 1,061,717	\$ 400,307	\$ -	11.08	\$9,581,477	No	No	No	

- Note 1. The ratio was calculated by the equity of CGPC as of December 31, 2023.
- Note 2. The total amount of guarantee that may be provided by CGPC shall not exceed 100% of the net worth of shareholders' equity stated on the latest financial statements. The amount of guarantee that may be provided to any individual entity shall not exceed 60% of the net worth of shareholders' equity stated on the latest financial statements.

Taita Chemical Company, Ltd.

ENDORSEMENTS/GUARANTEES PROVIDED

For the Year Ended December 31, 2023

Table 2-4

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

- Note 1. The calculation was based on the spot exchange rate of December 31, 2023.
- Note 2. The total amount of guarantee that may be provided by TTC shall not exceed 150% of TTC's net worth stated on its latest financial statements; the total amount of guarantee provided by TTC to any individual entity shall not exceed 100% of TTC's net worth stated on the latest financial statements; the total amount of guarantee provided Latest Financial Statements and its subsidiaries to any individual entity shall not exceed 150% of TTC's net worth stated on the latest financial statements.



USI CORPORATION AND SUBSIDIARIES MARKETABLE SECURITIES HELD

December 31, 2023

Table 3

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

					End of the			
Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	Remark
USI Corporation	Shares							
	CTCI Corporation	_	Financial assets at FVTOCI -	15,130,656	\$ 637,757	1.89	\$ 637,757	
			non-current	12 122 102	120.040	11.00	120.040	
	KHL IB Venture Capital Co., Ltd.	_	"	13,132,193	120,948	11.90	120,948	
	AU Optronics Corporation	_	"	6,811,204	123,624	0.09	123,624	
	PELL Bio-Med Technology Co. Ltd.	_	"	235,000	19,975	0.44	19,975	
	UPC Technology Corporation	_	Financial assets at FVTPL - current	290,000	4,408	0.02	4,408	
	Taiwan Cement Corporation	_	"	2,000,000	69,700	0.03	69,700	
	Hon Hai Precision Industry Co., Ltd.	_	"	100,000	10,450	-	10,450	
	China Steel Corporation	_	"	350,000	9,450	-	9,450	
	Teratech Corporation	_	Financial assets at FVTPL - non- current	110,000	-	0.65	-	Note 2
	Fund beneficiary certificates							
	Hua Nan Phoenix Money Market Fund	_	Financial assets at FVTPL - current	1,503,362	25,143	-	25,143	
	Capital Money Market Fund	_	"	11,526,061	191,182	-	191,182	
	Taishin 1699 Money Market Fund	_	"	7,262,234	101,254	-	101,254	
	Jih Sun Money Market Fund	_	"	10,284,152	156,879	-	156,879	
	SinoPac TWD Money Market Fund	_	"	14,778,813	211,352	-	211,352	
	Beneficiary securities Cathay No. 1 Real Estate Investment Trust	_	Financial assets at FVTPL - current	4,054,000	68,837	-	68,837	

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

					End of the	Year		
Holding Company Name	Type and Name of Mankatahla Cappuities	Relationship with the	Financial Statement Account			Percentage of		Damanla
Holding Company Name	Type and Name of Marketable Securities	Holding Company	Financial Statement Account	Unit/Share	Carrying Amount	Ownership (%)	Fair Value	Remark
	China Steel Corporation	_	Financial assets at FVTPL - current	175,000	\$ 4,725	-	\$ 4,725	
	Hon Hai Precision Industry Co., Ltd.	_	"	50,000	5,225	-	5,225	
	Acme Electronics Corporation	Same chairman	"	500,000	12,550	0.23	12,550	
	Fund beneficiary certificates							
	Yuanta De-Li Money Market Fund	_	Financial assets at FVTPL - current	3,707,988 3,440,659	62,167	-	62,167	
	Fuh Hwa Money Market	_	"		50,882	-	50,882	
	Cathay Taiwan Money Market Fund	_	"	5,044,200	64,378	-	64,378	
Taiwan United Venture	Shares							
Capital Corp.	Innovation & Infinity Global Corp.	_	Financial assets at FVTPL - non- current	720,804	-	0.73	-	Note 2
	Teratech Corporation	_	"	90,000	-	0.58	-	Note 2
	Leadwell Cnc Machines Mfg., Corp.	_	Financial assets at FVTOCI - non-current	419,753	15,611	0.68	15,611	
	Digimax Inc.	_	"	518,898	-	1.18	-	Note 2
	Hexawave Inc.	_	"	109,109	546	0.27	546	
	Uranus Chemicals Co., Ltd.	_	"	15,351	320	0.03	320	
	Neuro Sky, Inc. Preferred Stock A	_	"	10,000,000	_	1.42	-	Note 2
	Neuro Sky, Inc. Preferred Stock B	_	<i>"</i>	12,595,523	-	1.78	-	Note 2
	Neuro Sky, Inc. Preferred Stock C	_	"	4,532,823	-	0.64	-	Note 2
	Fund beneficiary certificates Cathay Taiwan Money Market Fund	_	Financial assets at FVTPL -	2,721,146	34,729	-	34,729	
			current					
Taiwan United Venture	Fund beneficiary certificates Fuh Hwa Money Market		Financial assets at FVTPL -	91,730	1,357		1,357	
Management Corporation	run riwa Money Market	_	current	91,730	1,337	-	1,337	
INOMA Corporation	Fund beneficiary certificates Taishin 1699 Money Market Fund	_	Financial assets at FVTPL - current	186,139	2,595	-	2,595	

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

- Note 1. All securities in the table include stocks, bonds, beneficiary certificates and the securities derived from the items above which are regulated by IFRS 9 "Financial Instruments."
- Note 2. The amount is already recognized as impairment losses.
- Note 3. Please refer to Tables 7 and 8 for detailed information on subsidiaries and associates.



China General Plastics Corporation

MARKETABLE SECURITIES HELD

December 31, 2023

Table 3-1

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

					End of the	Year		
Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	Remark
China General Plastics	Beneficiary securities							
Corporation	Cathay No. 1 Real Estate Investment Trust	_	Financial assets at FVTPL - current	3,964,000	\$ 67,309	-	\$ 67,309	Note 1
	Fund beneficiary certificates CTBC Hwa-win Money Market Fund	_	Financial assets at FVTPL -	2,651,301	30,000	-	30,000	Note 1
	KGI Money Market	_	current	2,521,602	30,000	_	30,000	Note 1
	Prudential Financial Money Market	_	"	1,845,166	30,000	_	30,000	Note 1
	Hua Nan Phoenix Money Market Fund	_	"	1,793,765	30,000	-	30,000	Note 1
	UPAMC James Bond Money Market Fund	_	n,	583,216	10,000	-	10,000	Note 1
	Taiwan Cooperative Bank Money Market Fund	_	"	960,227	30,000	-	10,000	Note 1
	Shares							
	Taiwan Cement Corporation	_	Financial assets at FVTPL - current	2,000,000	69,700	0.03	69,700	Note 1
	Hon Hai Precision Industry Co., Ltd.	_	"	100,000	10,450	-	10,450	Note 1
	China Steel Corporation	—	"	350,000	9,450	-	9,450	Note 1
	Shares KHL IB Venture Capital Co., Ltd.	_	Financial assets at FVTOCI - non- current	6,566,096	60,474	5.95	60,474	Note 1
Taiwan VCM Corporation	Fund beneficiary certificates							
- The state of the	SinoPac TWD Money Market Fund	_	Financial assets at FVTPL - current	10,792,282	154,340	-	154,340	Note 1
	Hua Nan Phoenix Money Market Fund	_	"	5,994,413	100,254	-	100.254	Note 1
	Taishin 1699 Money Market Fund	_	"	6,787,013	94,628	-	94,628	Note 1
	Capital Money Market Fund	_	"	3,018,394	50,066	-	50,066	Note 1
	Jih Sun Money Market Fund	_	"	1,967,394	30,012	-	30,012	Note 1

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

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

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

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

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

Taita Chemical Company, Ltd.

MARKETABLE SECURITIES HELD

December 31, 2023

Table 3-2

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

- Note 1. The fair value was based on the Taiwan Stock Exchange closing price on the last trading day of December 2023.
- Note 2. The fair value is evaluated by the asset method, and is determined by referring to the most recent net worth of the investee company and its observable financial and operating status.
- Note 3. As of December 31, 2023, the fair value of equity investment was evaluated by TTC as 0.
- Note 4. Please refer to Tables 7-4 and 8-4 for detailed information on subsidiaries and associates.

Asia Polymer Corporation

MARKETABLE SECURITIES HELD

December 31, 2023

Table 3-3

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

					End of the	e Year		
Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	Remark
Asia Polymer	Shares							
Corporation	Harbinger Venture Capital Corp.	_	Financial assets at FVTOCI - non-current	2,377	\$ 14	1.20	\$ 14	
	KHL IB Venture Capital Co., Ltd.	_	<i>"</i>	13,132,193	120,948	11.90	120,948	
	PELL Bio-Med Technology Co. Ltd.	_	<i>"</i>	235,000	19,975	0.44	19,975	
	USI Corporation	Ultimate parent company	<i>"</i>	101,355,673	2,001,775	8.53	2,001,775	
	CTCI Corporation	_	<i>''</i>	14,446,107	608,903	1.80	608,903	
	AU Optronics Corporation	_	<i>"</i>	7,694,812	139,661	0.10	139,661	
	Wafer Works Corporation	_	Financial assets at FVTOCI - current	518,668	22,458	0.10	22,458	
	Taiwan Cement Corporation	_	Financial assets at FVTPL - current	2,0000,000	69,700	0.03	69,700	
	Hon Hai Precision Industry Co., Ltd.	_	"	100,000	10,450	-	10,450	
	China Steel Corporation	_	"	350,000	9,450	_	9,450	
	UPC Technology Corporation	_	"	293,000	4,454	0.02	4,454	
	Beneficiary securities Cathay No. 1 Real Estate Investment Trust	_	"	4,053,,000	68,820	-	68,820	
	Fund beneficiary certificates			2.052.546	60.212		(0.212	
	Jih Sun Money Market Fund	_	"	3,953,746	60,312	-	60,312	
	Taishin 1699 Money Market Fund	_	"	18,260,735	254,600	-	254,600	
	Capital Money Market Fund			2,897,690	48,064	-	48,064	
	CITIC Huaying Money Market Fund SinoPac TWD Money Market Fund	_	"	1,771,181 11,202,715	20,041 160,210	-	20,041 160,210	

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

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

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

China General Terminal & Distribution Corporation

MARKETABLE SECURITIES HELD

December 31, 2023

Table 3-4

					End of the	Year		
Holding Company	Type and Name of Marketable	Relationship with the	Financial Statement Account			Percentage of		Remark
Name	Securities	Holding Company	Tillahetai Statement / teesant	Unit/Share	Carrying Amount	Ownership	Fair Value	Kemark
CI. C. 1	01					(%)		
	Shares							
Terminal &	Asia Polymer Corporation		Financial assets at FVTOCI -	5,290,482	\$ 123,797	0.89	\$ 123,797	Note 1
Distribution		Equity Method for	non-current					
Corporation		CGTD						
	China General Plastics	//	"	2,940,788	65,580	0.51	65,580	Note 1
	Corporation			, ,	,		,	
	Taita Chemical Company, Ltd.	//	"	2,278,217	37,477	0.57	37,477	Note 1
	China Steel Corporation	_	Financial assets at FVTPL -	499,552	13,488	-	13,488	Note 2
	-		current					
	Fund beneficiary certificates							
	Taishin 1699 Money Market Fund	_	Financial assets at FVTPL -	1,405,621	20,225	-	20,225	
			current	. ,	,		,	

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

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



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

For the Year Ended December 31, 2023

Table 4

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

D /C 11	Type and Name of	Financial Statement	Count	Daladia, 11	Beginnir	ng (Note)	Acqui	sition		Disp	osal		End of the	Year (Note)
Buyer/Seller	Marketable Securities	Account	Counterparty	Relationship	Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
USI Corporation	Shares Acme Electronics Corporation	Investments accounted for using the equity	_	Subsidiary	61,682,967	\$ 898,361	12,432,234	\$ 248,645	-	-	\$ -	\$ -	74,115,201	\$ 1,147,006
	Taiwan Cement Corporation	method Financial assets at FVTPL - current	_	_	-	-	2,000,000	67,866	-	-	-	-	2,000,000	67,866
	Fund beneficiary certificates						10.525.005	170.000	10 (7 (00 (1=0=45	470.000			
	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	_	_	-	-	10,656,986	170,000	10,656,986	170,765	170,000	765	-	-
	Hua Nan Phoenix Money Market Fund	"	_	-	-	-	9,634,916	160,000	8,131,554	135,122	135,000	122	1,503,362	25,000
	Yuanta De-Li Money Market Fund	"	_	_	10,265,239	170,000	7,837,289	130,000	18,102,528	300,950	300,000	950	-	-
	Capital Money Market Fund	"	_	_	-	-	11,526,061	190,000	-	-	-	-	11,526,061	190,000
	Jih Sun Money Market Fund	"	_	_	-	-	10,284,152	156,000	-	-	-	-	10,284,152	156,000
	Taishin Ta-Chong Money Market Fund	"	_	-	-	-	13,839,873	200,000	13,839,873	200,693	200,000	693	-	-
	SinoPac TWD Money Market Fund	"	_	-	3,540,976	50,000	19,713,464	280,000	8,475,627	120,069	120,000	69	14,778,813	210,000
	CTBC Hwa-win Money Market Fund	"	_	-	-	-	8,887,318	100,000	8,887,318	100,113	100,000	113	-	-
	Taishin 1699 Money Market Fund	"	_	_	12,357,362	170,000	11,608,020	160,000	16,703,148	231,090	230,000	1,090	7,262,234	100,000
	Shares													
Co., Ltd.	Acme Electronics Corporation	Investments accounted for using the equity	_	Associate	19,780,230	167,099	3,355,988	67,120	-	-	-	-	23,136,218	234,219
	Taiwan Cement Corporation	method Financial assets at FVTPL - current	_	-	-	-	1,000,000	33,931	-	-	-	-	1,000,000	33,931
	Fund beneficiary certificates Yuanta De-Li Money Market Fund	Financial assets at FVTPL - current	_	-	4,907,988	80,284	-	-	1,200,000	19,904	19,630	274	3,707,988	60,654
USI Optronics Corporation	Fund beneficiary certificates Jih Sun Money	Financial assets at			229 974	5 000			229 974	5 110	5 000	110		
	Market Fund Taishin Ta-Chong	FVTPL - current	_	_	338,874 417,233	5,000 6,000	138,179	2,000	338,874 555,412	5,110 8,085	5,000 8,000	110 85	-	-
	Money Market Fund Taishin 1699 Money Market Fund	"	_	-	887,541	12,000	-	-	110,943	1,533	1,500	33	776,598	10,500
	Market Fund													

Buyer/Seller		Financial Statement	Counterparty	Relationship	Beginnin	ig (Note)	Acqui	sition		Disp	osal		End of the	Year (Note)
Buyer/Seller	Marketable Securities	Account	Counterparty	Relationship	Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
Union Polymer International	Fund beneficiary certificates													
Investment Corporation	Taishin Ta-Chong Money Market Fund	Financial assets at FVTPL - current	=	_	-	\$ -	6,911,997	\$ 100,000	6,911,997	\$ 100,032	\$ 100,000	\$ 32	-	\$ -
	Taishin 1699 Money Market Fund	"	_	_	726,718	10,000	2,168,319	30,000	2,250,958	31,156	31,100	56	644,079	8,900
Chong Loong Trading Co., Ltd.	Fund beneficiary certificates Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	_	-	-	-	5,114,388	82,000	3,372,891	54,066	54,000	66	1,741,498	28,000
China General Terminal & Distribution Corporation	Fund beneficiary certificates Taishin 1699 Money Market Fund	Financial assets at FVTPL - current	_	_	-	-	1,450,621	20,000	-	-	-	-	1,450,621	20,000
INOMA Corporation	Fund beneficiary certificates Taishin 1699 Money Market Fund	Financial assets at FVTPL - current	_	-	230,813	3,100	-	-	44,674	618	600	18	186,139	2,500

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

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



China General Plastics Corporation

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

For the Year Ended December 31, 2023

Table 4-1

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

Buyer/Seller	Type and Name of	Financial Statement	Counterparty	Relationship	Beginnir	ig (Note)	Acqui	sition			osal		End of the	Year (Note)
	Marketable Securities	Account	Counterparty	Keiauonsnip	Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
China General Plastics Corporation	Shares Acme Electronics Corporation	Investments accounted for using the equity method	_	Associate	3,566,526	\$ 54,497	390,507	\$ 7,820	-	\$ -	\$ -	\$ -	3,957,033	\$ 62,307
	Taiwan Cement Corporation	Financial assets at FVTPL - current	_	_	-	-	2,000,000	67,865	-	-	-	-	2,000,000	67,865
	Fund beneficiary certificates													
	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	_	_	-	-	9,991,880	160,000	9,991,880	160,064	160,000	64	-	-
	Hua Nan Phoenix Money Market Fund	"	_	_	-	-	18,861,293	313,000	17,067,528	283,246	283,000	246	1,793,765	30,000
	Yuanta De-Li Money Market Fund	//	_	_	3,019,311	50,000	6,029,036	100,000	9,048,347	150,104	150,000	104	-	-
	Capital Money Market Fund	"	_	_		-	7,888,079	130,000	7,888,079	130,055	130,000	55	-	-
	Jih Sun Money Market Fund Taishin Ta-Chong	"	_	_	7,974,063	120,000	3,297,892 6,920,176	50,000 100,000	11,271,955 6,920,176	170,246 100,028	170,000 100,000	246 28	-	-
	Money Market Fund	"					0,520,170	100,000	0,720,170	100,020	100,000	20		
	SinoPac TWD Money Market Fund	"	_	-	-	-	14,091,991	200,000	14,091,991	200,138	200,000	138	-	-
	CTBC Hwa-win Money Market Fund	"	_	_	4,475,635	50,000	11,550,282	130,000	13,374,616	150,082	150,000	82	2,651,301	30,000
	Taishin 1699 Money Market Fund	"	_	_	9,445,668	130,000	9,059,935	125,000	18,505,603	255,575	255,000	575	-	-
Taiwan VCM Corporation	Fund beneficiary certificates													
	Fubon Chi-Hsiang Money Market	Financial assets at FVTPL - current	_	_	-	-	31,264,720	500,000	29,401,065	470,561	470,000	561	1,863,655	30,000
	Fund Hua Nan Phoenix Money Market	"	_	-	2,119,619	35,000	22,881,593	380,000	19,006,799	315,541	315,000	541	5,994,413	100,000
	Fund Yuanta De-Li Money Market Fund	"	_	_	6,037,918	100,000	3,010,452	50,000	9,048,370	150,166	150,000	166	-	-
	Capital Money Market Fund	"	_	_	-	-	15,134,948	250,000	12,116,554	200,193	200,000	193	3,018,394	50,000
	Jih Sun Money Market Fund Taishin Ta-Chong	"	_	_	8,593,337	123,800	8,549,648 6,896,340	130,000 100,000	6,582,254 15,489,677	100,141	100,000 223,800	141 434	1,967,394	30,000
	Money Market Fund	"	_	_	0,35,35/	125,800	0,090,340	100,000	13,409,0//	224,234	225,800	434		
	SinoPac TWD Money Market	"	_	_	-	-	28,431,994	404,000	17,639,712	251,432	250,000	1,432	10,792,282	154,000
	Fund CTBC Hwa-win Money Market	"	_	_	-	-	21,330,619	240,000	21,330,619	240,246	240,000	246	-	-
	Fund Taishin 1699 Money Market Fund	"	_	_	8,735,968	120,000	19,528,079	270,000	21,477,034	297,534	296,000	1,534	6,787,013	94,000

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

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

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

Taita Chemical Company, Ltd.

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

For the Year Ended December 31, 2023

Table 4-2

Buyer/Seller	Type and Name of	Financial Statement	Counterparty	Relationship		ng (Note)		Acqui	sition		Disp			End of the	Year (Note)
•	Marketable Securities	Account	Counterparty	Relationship	Unit/Share	Amou	ınt	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
Taita Chemical Company, Ltd.	Shares Acme Electronics Corporation	Financial assets at FVTPL - current	_	Associate	4,991,556	\$ 7	76,353	546,537	\$ 10,931	-	\$ -	\$ -	\$ -	5,538,093	\$ 87,284
	Taiwan Cement Corporation	Investments accounted for using the equity method	_	-	-		-	2,000,000	67,868	-	-	-	-	2,000,000	67,868
	Money Market Fund Hua Nan Phoenix	Financial assets at FVTPL - current	_	_	1,816,596	3	- 80,000	3,121,196 5,723,053	50,000 95,000	3,121,196 7,539,649	50,020 125,064	50,000 125,000	20	-	-
	Money Market Fund Yuanta De-Li Money Market Fund Capital Money Market	"	_ _	_ _	3,018,303	5	50,000	9,341,669	- 154,000	3,018,303 9,341,669	50,077 154,117	50,000 154,000	77	-	-
	Fund Taishin Ta-Chong Money Market Fund	"	_	_	3,465,868	5	50,000	-	-	3,465,868	50,087	50,000	87	-	-
	SinoPac TWD Money Market Fund Taishin 1699 Money Market Fund	"	_	_	6,539,203	9	90,000	4,215,733 6,526,342	90,000	4,215,733 13,065,545	60,082 180,303	60,000 180,000	303	-	-

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

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

Asia Polymer Corporation

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

For the Year Ended December 31, 2023

Table 4-3

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

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

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



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

For the Year Ended December 31, 2023

Table 5

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

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

Acme Electronics Corporation

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

For the Year Ended December 31, 2023

Table 5-1

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

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

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

Swanson Plastics Corporation

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

For the Year Ended December 31, 2023

Table 5-2

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

					Transac	tion De	etails		Abnormal	Transaction	Notes/Accor	unts Receivabl	le (Payable)		
Buyer/Seller	Counterparty	Relationship	Purchase (Sale)	1	Amount	Pur (S	to Total chase ales) %)	Credit Terms	Unit Price	Credit Terms	Ending Bala	nnce	Ratio to Tot Accounts F (Payabl	eceivable	Remark
Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	Subsidiary	Purchase	\$	191,218		78	90 days	No significant difference		Accounts receivable - related parties	(\$28,624)	(88)	Note
Forever Young Company Limited	Swanson Plastics (Kunshan) Co., Ltd.	Have the same ultimate parent company	Sale	(338,837)	(43)	90 days	//	"	Accounts receivables - related parties	8,818		30	Note
	Swanson Plastics (Malaysia) Sdn. Bhd.	Have the same ultimate parent company	Sale	(259,996)	(33)	90 days	"	"	Accounts receivables - related parties	3,796		13	Note
	USI Corporation	Ultimate parent company	Purchase		150,651		20	75 days	//	"	Accounts receivable - related parties	(5,217)	(14)	Note
Swanson Plastics (Kunshan) Co., Ltd.	Forever Young Company Limited	Have the same ultimate parent company	Purchase		338,837		34	90 days	//	//	Accounts receivable - related parties	(8,818)	(5)	Note
	ASK-Swanson (Kunshan) Co., Ltd.	Have the same ultimate parent company	Sale	(163,799)	(16)	60 days	//	"	Accounts receivables - related parties	34,641		13	Note
Swanson Plastics (Malaysia) Sdn. Bhd.	Forever Yong Company Limited	Have the same ultimate parent company	Purchase		259,996		41	90 days	"	"	Accounts receivable - related parties	(3,796)	(8)	Note
	Swanson Plastics (Singapore) Pte., Ltd.	Parent company	Sale	(191,218)	(23)	90 days	"	"	Accounts receivables - related parties	28,264		22	Note
ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Kunshan) Co., Ltd.	Have the same ultimate parent company	Purchase		163,799		57	60 days	"	"	Accounts receivable - related parties	(34,641)		74)	Note

China General Plastics Corporation

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

For the Year Ended December 31, 2023

Table 5-3

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

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

Asia Polymer Corporation

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

For the Year Ended December 31, 2023

Table 5-4

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

			Transaction Details						Abnormal Transaction		Notes/Accounts Receivable (Payable)			
Buyer/Seller	Counterparty	Relationship	Purchase (Sale)		Amount	P	io to Total Purchase (Sales) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance		Ratio to Total Notes or Accounts Receivable (Payable) (%)	Remark
J	USI Corporation	Ultimate parent	Sale	(\$	813,245)	(12.43)	60 days	_	_	Accounts receivables –	\$98,763	19.49	Note
Corporation		company							difference	difference	related parties			
	USI Trading (Shanghai)	Subsidiary	Sale	(336,955)	(5.15)	90 days	//	//	Accounts receivables –	102,062	20.15	Note
	Co., Ltd.										related parties			
	USI Corporation	Ultimate parent company	Purchase		201,867		5.28	30 days	"	//	Accounts receivable – related parties	(17,007)	(9.27)	Note
	Fujian Gulei	Associate	Purchase		651,304		17.05	Letter of Credit	//	//	_		_	_
	Petrochemical Co., Ltd.													
USI Trading (Shanghai) Co., Ltd.	USI Corporation	Ultimate parent company	Purchase		119,853		23.91	30 days	"	"	Accounts receivable - related parties	(31,650)	(23.31)	Note

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

December 31, 2023

Table 6

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

- Note 1. It is assessed that no allowance for impairment loss is needed.
- Note 2. The subsequent period refers to the period from January 1 to March 8, 2024.
- Note 3. All the transactions were written off when preparing the consolidated financial statements.

Acme Electronics Corporation

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

December 31, 2023

Table 6-1

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

- Note 1. It is assessed that no allowance for impairment loss is needed.
- Note 2. The subsequent period refers to the period from January 1 to March 5, 2024.
- Note 3. All the transactions were written off when preparing the consolidated financial statements.

Swanson Plastics Corporation

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

December 31, 2023

Table 6-2

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

- Note 1. It is assessed that no allowance for impairment loss is needed.
- Note 2. The subsequent period refers to the period from January 1 to March 8, 2024.
- Note 3. All the transactions were written off when preparing the consolidated financial statements.

China General Plastics Corporation

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

December 31, 2023

Table 6-3

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

					Turnover	Ove	rdue	Amounts Received	
Company Name	Counterparty	Relationship	Financial Statement Account and Ending	Balance	Rate		Actions	in Subsequent	Allowance for
Company Name	Counterparty	Kelationship	(Note 3)		(%)	Amount	Taken	Period	Impairment Loss
					(/0)		Taken	(Note 2)	
China General Plastics	CGPC America Corporation	Subsidiary	Accounts receivables - related parties \$	158,345	3.01	\$ -	_	\$ 74,657	Note 1
Corporation									
Taiwan VCM Corporation	China General Plastics	Parent company	Accounts receivables - related parties	646,641	5.64	-	_	646,641	Note 1
_	Corporation		_						
	CGPC Polymer Corporation	Fellow company	Accounts receivables - related parties	1,051,436	4.63	-	_	729,940	Note 1
	,								

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

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

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

Taita Chemical Company, Ltd.

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

December 31, 2023

Table 6-4

						Turnover	Ove	erdue	Amounts Received		
Company Name	Counterparty	Relationship	Financial Stateme	ent Acco (Note	unt and Ending Balance e 3)	Rate (%)	Amount	Actions Taken	in Subsequent Period (Note 2)	Allowar Impairme	
Taita Chemical Company, Ltd.	Taita Chemical (Tianjin) Co., Ltd.	Subsidiary	Other receivables	\$ (US\$9	280,281 0,128 thousand) (Note 1)	-	\$ 280,281	Continuous Collection	\$ -	\$	-

- Note 1. The other receivables of Taita Chemical Co., Ltd. are from selling raw materials to Taita Chemical (Tianjin) Co., Ltd., and transferred to other receivables since it had exceeded the normal credit term by a certain period.
- Note 2. There was no amount received as of March 7, 2024.
- Note 3. All the transactions were written off when preparing the consolidated financial statements.

Asia Polymer Corporation

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

December 31, 2023

Table 6-5

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

- Note 1. It is assessed that no allowance for impairment loss is needed.
- Note 2. The subsequent period refers to the period from January 1 to March 7, 2024.
- Note 3. All the transactions were written off when preparing the consolidated financial statements.

USI CORPORATION AND SUBSIDIARIES INFORMATION ON INVESTEES

For the Year Ended December 31, 2023

Table 7

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

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

(Continued)

(Continued)

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

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

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

Acme Electronics Corporation

INFORMATION ON INVESTEES

For the Year Ended December 31, 2023

Table 7-1

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

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

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

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

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

Swanson Plastics Corporation

INFORMATION ON INVESTEES

For the Year Ended December 31, 2023

Table 7-2

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

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

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

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

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

China General Plastics Corporation

INFORMATION ON INVESTEES

For the Year Ended December 31, 2023

Table 7-3

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

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

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

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

Taita Chemical Company, Ltd.

INFORMATION ON INVESTEES

For the Year Ended December 31, 2023

Table 7-4

			Main Businesses and	Original Inves	tment Amount	Н	lold at End of	Period	Net Income (Loss) of		Remark
Investor	Investee	Location	Products	Ending balance of the	Ending balance of the	Number of Shares	Percentage	Carrying Amount	Investee	Share of Profit (Loss)	(Note 1)
			Troducts	current period	previous period		(%)		mvestee		
Taita Chemical	TAITA (BVI) Holding Co., Ltd.	British Virgin	Reinvestment	\$ 2,755,405	\$ 2,755,405	89,738,000	100.00	\$ 3,037,367	(\$ 55,081)	(\$ 55,081)	Subsidiary
Company, Ltd.		Islands		(US\$89,738 thousand)	(US\$89,738 thousand)			(US\$98,921 thousand)	(US\$ -1,756 thousand)	(US\$ -1,756 thousand)	
	China General Plastics	Taipei City	Production and marketing	65,365	65,365	11,516,174	1.98	189,901	(341,916)	6,777	Investee accounted
	Corporation		of PVC tape and other								for equity the
			plastic products								equity method
	China General Terminal &	Taipei City	Warehousing of	41,082	41,082	25,053,468	33.33	329,972	(26,036)	(8,679)	Investee accounted
	Distribution Corporation		petrochemical raw								for equity the
			materials								equity method
	Acme Electronics Corporation	Taipei City	Production and sales of	55,702	44,771	4,991,556	2.34	41,468	(171,224)	(4,013)	Investee accounted
			manganese-zinc soft								for equity the
			ferrite powder								equity method
TAITA (BVI) Holding	ACME Electronics (Cayman)	British Cayman	Reinvestment	52,200	52,200	2,695,619	4.42	61,348	(94,932)	-	Investee accounted
Co., Ltd.	Corp.	Islands		(US\$1,700 thousand)	(US\$1,700 thousand)			(US\$1,998 thousand)	(US\$ -3,046 thousand)		for equity the
											equity method

- Note 1. The calculation is based on the financial statements of the investee company during the same period which have been audited by CPAs.
- Note 2. All the transactions were written off when preparing the consolidated financial statements.
- Note 3. Please refer to Table 8-4 for relevant information on mainland investee companies.

Asia Polymer Corporation

INFORMATION ON INVESTEES

For the Year Ended December 31, 2023

Table 7-5

				Original Inves	tment Amount	Holo	d at the end o	f the Year	Net Income (Loss) of	Recognized	
Investor	Investee	Location	Main Businesses and Products	End of the This Year	Ending balance of the prior year	Number of Shares	Percentage (%)	Carrying Amount	Investee	Investment Gain (Loss) of the Year	Remark
Asia Polymer	APC (BVI) Holding Co., Ltd.	British Virgin	Reinvestment business	\$ 422,955	\$ 422,955	11,342,594	100.00	\$ 596,737	\$ 19,337	\$ 19,337	Subsidiary
Corporation		Islands		(US\$ 13,775 thousand)	(US\$ 13,775 thousand)						
	APC Investment Corporation		Investment business	200,000	200,000	20,000,000	100.00	141,678		(3,968)	Subsidiary
	USI International Corp.	British Virgin	Reinvestment business	64,481	64,481 (US\$2,100 thousand)	2,100,000	70.00	66,669	(3,852)	(2,696)	Subsidiary
	China General Plastics	Islands Taipei City	Production and sales of plastic cloths,	(US\$2,100 thousand) 247,412	247,412	46,886,185	8.07	773,150	341,916	27,590	Investments accounted for
	Corporation	Taiper City	plastic skins, plastic tubes, plastic pellets, plastic powder and other related products	247,412	247,412	40,000,103	8.07	773,130	341,910	21,390	using the equity method
	China General Terminal & Distribution Corporation	Taipei City	Petrochemical materials storage and transportation operations	41,082	41,082	25,053,469	33.33	329,972	(26,036)	(8,679)	Investments accounted for using the equity method
	Swanson Plastics Corporation	Taipei City	Production and sales of stretch films and industrial use multi-layer films	75,242	75,242	12,266,779	7.95	198,518	(77,152)	(6,133)	Investments accounted for using the equity method
	Acme Electronics Corporation	Taipei City	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	76,241	61,348	6,801,315	3.19	56,503	(171,224)	(5,468)	Investments accounted for using the equity method
	Taiwan United Venture Capital Corp.	Taipei City	Investments in high-tech undertakings	38,636	52,791	1,665,333	8.33	11,369	(149)	(12)	Investments accounted for using the equity method
	USI Optronics Corporation	Taipei City	Manufacturing and marketing of sapphire single crystal	59,725	59,725	5,972,464	9.20	4,925	(13,363)	(1,230)	Investments accounted for using the equity method
	Ever Conquest Global Ltd.	British Virgin Islands	Reinvestment business	5,234,435 (US\$170,475 thousand)	5,234,435 (US\$170,475 thousand)	170,475,000	40.87	2,541,084	(2,331,328)	(952,746)	Investments accounted for using the equity method
APC (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.		Reinvestment business	161,045 (US\$5,245 thousand)	161,045 (US\$5,245 thousand)	8,316,450	13.63	189,269	(94,932)	-	APC (BVI) Holding Co., Ltd. Investments accounted for using the
	USI International Corp.	British Virgin Islands	Reinvestment business	27,634 (US\$ 900 thousand)	27,634 (US\$ 900 thousand)	900,000	30.00	28,574	(3,852)	-	equity method APC (BVI) Holding Co., Ltd. Investments accounted for using the
APC Investment Corporation	Acme Electronics Corporation	n Taipei City	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	39,523	14,889	3,116,262	1.46	25,888	(171,224)	-	equity method APC Investment Corporation Investments accounted for using the equity
	Swanson Technologies Corporation	Taipei City	Planting agriculture, marketing, research and development of agricultural products, production, sale, and development of EVA packaging films and other high value-added plastic	22,500	22,500	2,250,015	15.00	(5,651)	(35,475)	-	method APC Investment Corporation Investments accounted for using the equity method
Ever Conquest Global Ltd.	Ever Victory Global Limited	British Virgin Islands	products Reinvestment business	12,808,437 (US\$417,145 thousand)	12,808,437 (US\$417,145 thousand)	417,145,000	67.40	6,217,923 (US\$202,505 thousand)	(3,458,807) (US\$ -111,368 thousand)	-	Ever Conquest Global Ltd. Investments accounted for using the equity method
Ever Victory Global Limited	Dynamic Ever Investments Ltd.	Hong Kong	Reinvestment business	18,080,639 (US\$588,850 thousand)	18,080,639 (US\$588,850 thousand)	588,850,000	85.00	8,242,352 (US\$268,437 thousand)	(4,128,406) (US\$ -132,920 thousand)	-	Ever Victory Global Limited Investees accounted for using the equity method

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

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

INFORMATION ON INVESTMENTS IN MAINLAND CHINA

For the Year Ended December 31, 2023

Table 8

				Accur	nulated Outward	Inv	estment Flows fo	r the Pe	riod (Note 7)	Aggre	mulated Outward			Ownership					
Investee Company	Main Businesses and Products	Paid-in Capital (Note 7)		Investr	emittance for nent from Taiwan e beginning of the Period (Note 7)		Outflow		Inflow	R Invest	emittance for ment from Taiwan the End of Period (Note 7)	Net I	ncome (Loss) of Investee (Note 8)	of Direct or Indirect Investment (%)		ment Gain (Loss) otes 6, 8 and 9)	the	ing Amount as of End of Period otes 6, 7 and 8)	Accumulated Repatriation of Investment Income as of the End of Period
Acme Electronics	Manufacturing and sales	\$ 943,411	Note 1	\$	86,512	\$	-	\$	-	\$	86,512	(\$	104,690)	18.93	(\$	21,097)	\$	128,375	\$ -
(Kunshan) Co.,	of manganese-zinc soft	$(US\$\ \ 30{,}725\ thousand)$		(US\$	2,818 thousand)					(US\$	2,818 thousand)	(US\$	-3,362 thousand)		(US\$	-678 thousand)	(US\$	4,181 thousand)	
Ltd.	ferrite core																		
Zhangzhou USI	Import and distribution of	43,352	Note 1		31,828		-		-		31,828		27,784	70.00		19,449		47,288	-
Trading Co., Ltd.	various types of	$(RMB10,\!000thous and)$		(US\$	1,037 thousand)					(US\$	1,037 thousand)	(US\$	866 thousand)		(US\$	606 thousand)	(US\$	1,540 thousand)	
	chemical raw materials																		
	and products																		
	Import and distribution of	43,352	Note 1		-		30,518		-		30,518	(5)	70.00	(3)		30,343	-
Co.,Ltd.	various types of	(RMB 10,000 thousand)				(US\$	974 thousand)			(US\$	974 thousand)	(US\$	-155)		(US\$	-109)	(US\$	988 thousand)	
	chemical raw materials																		
	and products																		
	Property Management	91,039	Note 2		-		31,514		-		31,514		27	33.88		9		30,852	-
Ever Property Co.,		(RMB 21,000 thousand)				(US\$	977 thousand)			(US\$	977 thousand)	(US\$	839)		(US\$	284)	(US\$	1,005 thousand)	
Ltd.		450 505			450 505						450505		1=0			1=0			
USIG (Shanghai)	Import and distribution of	153,525	Note 3	(7700	153,525		-		-		153,525	/TTG0	172	-	(TTG0	172		-	-
Co., Ltd.	various types of	(US\$ 5,000 thousand)		(US\$	5,000 thousand)					(US\$	5,000 thousand)	(US\$	5 thousand)		(US\$	5 thousand)			
	chemical raw materials																		
E C 1 .	and products	40 270 707	N		7.014.540						7.014.540	,	0.227.202.	16.04	,	1 205 245)		2 120 701	
Fujian Gulei	Crude oil processing and	40,379,787	Note 4	(11000	7,014,549		-		-	(TICC)	7,014,549	(1100.4	8,237,293)	16.94	(1100	1,395,345)	/ T T C C 1	3,139,781	=
Petrochemical Co.,	petroleum products	(RMB 9,314,400		(08\$2	28,450 thousand)					(0.55)	228,450 thousand)	(US\$-2	205,208 thousand)		(05\$ -	44,924 thousand)	(0551	02,256 thousand)	
Ltd.	manufacturing	thousand)																	

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

- Note 1. The Company reinvested in China-based companies via Swanlake Traders Ltd. (100%) by wiring transfer funds to other areas.
- Note 2. To reinvest 67.40% Ever Victory Global Ltd. ("EVGL") via 59.13% Ever Conquest Global Limited ("ECGL") in the third region, as well as reinvest 85.00% Dynamic Ever Investments Limited ("DEIL"), to indirectly invest 100% in Zhangzhou Dynamic Ever Property Co., Ltd.
- Note 3. As a mainland company with direct 100% investment, USIG (Shanghai) Co., Ltd. resolved to liquidate on August 8, 2023, completed dissolution and liquidation procedures on December 1, 2023, and repatriated the investment funds on January 16, 2024.
- Note 4. To reinvest 67.40% Ever Victory Global Ltd. ("EVGL") via 59.13% Ever Conquest Global Limited ("ECGL") in the third region, as well as reinvest 85.00% Dynamic Ever Investments Limited ("DEIL"), to indirectly invest 50% in Fujian Gulei Petrochemical Co., Ltd.
- Note 5. As the Company has obtained the certificate of being qualified for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11251003100 on February 7, 2023, the upper limit on investment in mainland China is not applicable.
- Note 6. Except for the investment in Fujian Gulei Petrochemical Co., Ltd., the recognized investment gain (loss) and carrying amount in the period have been fully written off when preparing the consolidated financial statements.
- Note 7. The calculation was based on the spot exchange rate of December 31, 2023.
- Note 8. Except for the Fujian Gulei Petrochemical Co., Ltd., whose numbers were based on the review of KPMG Huazhen Certified Public Accountants and used the accounting principles to adjust and recognize like the parent company, the others were based on its financial statements reviewed by the Certified Public Accountants of its ROC company.
- Note 9. The amount is calculated based on the average exchange rate from January 1 to December 31, 2023.
- Note 10. Accumulated outward of investment to Mainland China from Taiwan and the investment amounts authorized by the Investment Commission, MOEA at the end of the current period amounted to US\$245,213 thousand and US\$319,448 thousand.

Acme Electronics Corporation

INFORMATION ON INVESTMENTS IN MAINLAND CHINA

For the Year Ended December 31, 2023

Table 8-1

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

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$931,713 (US\$ 30,344 thousand)	\$1,124,816 (US\$ 36,633 thousand)	\$ -
(Notes 2 and Note 6)	(Notes 2 and Note 6)	(Note 1)

- Note 1. As ACME has obtained the certificate of qualification for operating headquarters issued by the Investment Development Bureau, MOEA No. 09704604680 on August 29, 2008, the upper limit on investment is not applicable.
- Note 2. It includes the capital increase transferred from a surplus of Acme Electronics (Kunshan) Co., Ltd., and ACME increased the amount of USD\$6,289 thousand at its ownership percentage.
- Note 3. The investment gain (loss) recognized for the year was calculated on the basis of financial statements audited by CPAs of the parent company of ACME.
- Note 4. The calculation was based on the exchange rate of the original investment.
- Note 5. The amount is calculated based on the average exchange rate from January 1 to December 31, 2023.
- Note 6. The calculation was based on the spot exchange rate of December 31, 2023.
- Note 7. The carrying amount and the recognized investment gain (loss) for the period have been fully written off when preparing the consolidated financial statements.

Swanson Plastics Corporation

INFORMATION ON INVESTMENTS IN MAINLAND CHINA

For the Year Ended December 31, 2023

Table 8-2

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

Accumulated Outward Remittance of	Investment Amounts Authorized by Investment	Upper Limit on the Amount of Investment
Investment to Mainland China from Taiwan at	Commission, MOEA	Stipulated by Investment Commission, MOEA
the End of the Current Period	(Note 1)	
\$ 588,131	\$1,006,687	\$ -
\$ 300,131	(US\$ 32,786 thousand)	(Note 2)

- Note 1. The paid-in capital and the investment amount approved by the Industrial Development Bureau, MOEA were calculated using the spot exchange rate on December 31, 2023.
- Note 2. As SPC had obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11251024920 on May 31, 2023, the upper limit on investment is not applicable.
- Note 3. All the transactions were written off when preparing the consolidated financial statements.
- Note 4. The amount is calculated based on the average exchange rate from January 1 to December 31, 2023.
- Note 5. The calculation was based on the spot exchange rate of December 31, 2023.
- Note 6. Swanson International Ltd received a cash dividend of US\$2,327 thousand from its reinvestment company API-Swanson (Kunshan) Co., Ltd. in 2021, which has been remitted to Swanson Plastics Corporation.
- Note 7. Swanson International Ltd received a cash dividend of US\$1,600 thousand from its reinvestment company Swanson Plastics (Kunshan) Co., Ltd. in 2022, which has been remitted to Swanson Plastics Corporation.
- Note 8. Swanson International Ltd received a cash dividend of US\$2,771 thousand from its reinvestment company API-Swanson (Kunshan) Co., Ltd., for the year ended December 31, 2023, US\$2,715 of which has been remitted to Swanson Plastics Corporation.
- Note 9. Swanson International Ltd received a cash dividend of US\$4,298 thousand from its reinvestment company Swanson Plastics (Kunshan) Co., Ltd for the year end of December 31, 2023, which has been remitted to Swanson Plastics Corporation.
- Note 10. Calculated at the spot exchange rate at remittance.

China General Plastics Corporation

INFORMATION ON INVESTMENTS IN MAINLAND CHINA

For the Year Ended December 31, 2023

Table 8-3

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

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

- Note 1. The calculation was based on the spot exchange rate of December 31, 2023.
- Note 2. As the Company had obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11251035580 on September 6, 2023, the upper limit on investment is not applicable.
- Note 3. QuanZhou Continental General Plastics Co., Ltd. ("CGPC (QZ)") and Union (Zhong Shan) Co., Ltd. ("Union (ZS)") completed dissolution procedures, and CGPC (BVI) retrieved the residual assets. The shares of Continental General Plastics (SanHe) Co., Ltd. ("CGPC (SH)") were fully sold, and CGPC (BVI) retrieved the residual assets. However, the amount of capital has not been wired back to Taiwan. The accumulated amount includes the investment amount of CGPC (QZ) of US\$684 thousand, the investment amount of Union (ZS) of US\$898 thousand, and the investment amount of CGPC (SH) of US\$4,000 thousand.
- Note 4. CGPC Consumer Products Corporation (CGPC Consumer Products) completed the liquidation and dissolution process on July 17, 2023, and repatriated the remaining liquidation funds to CGPC(BVI), which were then remitted to Taiwan.
- Note 5. Transactions were written off when Preparing the consolidated financial statements; The investment Gain (loss) recognized for the year was calculated on the basis of financial statements audited and approved by CPAs of the parent company Taiwan.

Taita Chemical Company, Ltd.

INFORMATION ON INVESTMENTS IN MAINLAND CHINA

For the Year Ended December 31, 2023

Table 8-4

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

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

- Note 1. Taita Zhongshan increased capital from surplus of US\$3,250 thousand in 2007.
- Note 2. Taita Tianjin increased capital from surplus of US\$1,350 thousand in 2012.
- Note 3. ZTC has registered for establishment in 2021, and TAITA (BVI) injected capital of ZTC amounted to US\$48,580 thousand on March 8, 2022.
- Note 4. It includes the capital increase transferred from surplus by TAITA (ZS) of US\$ 3,250 thousand, capital increase transferred from surplus by ACME (KS) of US\$802 thousand and capital injection from TAITA (BVI) to ZTC of US\$50,000 thousand.
- Note 5. As TTC has obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11120416710 on June 8, 2022, the upper limit on investment in Mainland China is not applicable.
- Note 6. The calculation is based on the financial statements of the investee company during the same period which have been audited by CPAs.
- Note 7. All the transactions were written off when preparing the consolidated financial statements.
- Note 8. TTC management has decided to suspend the production of TAITA (TJ) from April 2019, and please refer to Note 12 to the Consolidated Financial Statements Description.

Asia Polymer Corporation

INFORMATION ON INVESTMENTS IN MAINLAND CHINA

For the Year Ended December 31, 2023

Table 8-5

				Accumulated Outflow of	Inflow or Outflow of the	Investment for the year			Ownership of			A1-4- 4
Investee Company	Main Businesses and Products	Paid-in Capital (Note 4)	Method of Investment (Note 1)	Investment from Taiwan as of the beginning of the Year	Outflow	Inflow	Accumulated Outflow of Investment from Taiwan as of the end of the Year	Gain (Loss) of Investee for the year (Note 3)	Direct or Indirect Investment (%)	Recognized Investment Gain (Loss) of the Year (Note 3)	Carrying Amount as of the End of the Year (Note 4)	Accumulated Repatriation of Investment Income as of the end of year
Acme Electronics (Kunshan)	0	\$ 943,411	(2)	\$ 128,266	\$ -	\$ -	\$ 128,266	B (\$ 104,690)	13.63	(\$ 15,186)	\$ 92,407	\$ -
Co., Ltd.	marketing of manganese-zinc ferritecore	(US\$ 30,725 thousand)	ACME Electronics (Cayman) Corp.	(US\$ 4,177 thousand)	-	-	(US\$ 4,177 thousand)					
USI Trading (Shanghai) Co.,	Sales of chemical	76,763	(2)	93,208	-	-	93,208	B 14,541	100.00	14,541	162,488	-
Ltd.	products and equipment, etc.	(US\$ 2,500 thousand)	APC (BVI) Holding Co., Ltd.	(US\$ 3,036 thousand)	-	-	(US\$ 3,036 thousand)					
Fujian Gulei Petrochemical	Crude oil processing and		(2)	4,847,794	-	-	4,847,794	A (8,237,293)	11.71	(964,327)	2,183,588	-
Co., Ltd.	petroleum products manufacturing	(RMB 9,314,400 thousand)	Dynamic Ever Investments Ltd., (Note 2)	(US\$ 157,883 thousand)	-	-	(US\$ 157,883 thousand)					
Zhangzhou USI Trading Co.,	Sales of chemical	43,352	(2)	13,006	-	-	13,006	A 27,784	30.00	8,335	20,266	-
Ltd.	products	(RMB 10,000 thousand)	APC (BVI) Holding Co., Ltd.	(RMB 3,000 thousand)	-	-	(RMB 3,000 thousand)					
Xiamen USI Trading	Sales of chemical	43,352	(2)	-	13,006	-	13,006	A (5)	30.00	(1)	13,004	-
Co.,Ltd.	products	(RMB 10,000 thousand)	APC (BVI) Holding Co.,	-	(RMB 3,000 thousand)	-	(RMB 3,000 thousand)					
Zhangzhou Dynamic Ever Property Co., Ltd.	Property Management	91,039	Ltd. (2)	-	21,316	-	21,316	A 27	23.41	6	21,322	-
		(RMB 21,000 thousand)	Dynamic Ever Investments Ltd., (Note 2)	-	(RMB 4,917 thousand)	-	(RMB 4,917 thousand)					

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

- Note 1. Methods of Investment can be divided into three categories as follows:
 - (1)Direct investments in mainland companies.
 - (2) Reinvestments in mainland companies through a holding company registered in a third region (please specify the holding company).
 - (3)Others.
- Note 2. To reinvest 67.40% Ever Victory Global Ltd. ("EVGL") via 40.87% Ever Conquest Global Ltd. ("EVGL") in the third region, as well as reinvest 85.00% Dynamic Ever Investments Ltd. ("DEIL"), to indirectly invest 50% in Fujian Gulei Petrochemical Co., Ltd.
- Note 3. In the investment income (loss) recognized for the period:
 - (1) If there is no investment gain (loss) during the preparation, it shall be noted.
 - (2) If the basis for the recognition of investment gain (loss) is classified into the following three categories, it shall be noted as follows:
 - A. Financial statements audited by international accounting firms in partnership with CPA firms in the Republic of China.
 - B. Financial statements audited by CPAs of the parent company in Taiwan.
 - C. Others.
- Note 4. The calculation was based on the spot exchange rate of December 31, 2023.
- Note 5. APC invested in Silicon Technology Investment (Cayman) Corp. (STIC) and Solargiga Energy Holdings Ltd. through APC (BVI) Holding Co., Ltd. to indirectly invest in companies in mainland China.
- Note 6. As APC has obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11120425760 on August 23, 2022, the upper limit on investment is not applicable.
- Note 7. Except for the investment in Fujian Gulei Petrochemical Co., Ltd., the recognized investment gain (loss) and carrying amount in the period have been fully written off when preparing the consolidated financial statements.



INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS

For the Year Ended December 31, 2023

Table 9

(In Thousands of New Taiwan Dollars)

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

(Continued)

(Continued)

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



(Continued)

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

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

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

Note 2. Investment types are as follows:

- 1. The parent company to its subsidiary.
- 2. The subsidiary to the parent company.
- 3. Between subsidiaries.
- Note 3. All the transactions were written off when preparing the consolidated financial statements.
- Note 4. The ratio of transactions related to total sales revenue or assets is calculated as follows: a. Assets or liabilities: The ratio was calculated based on the ending balance of total consolidated assets; and b. Income or loss:

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

INFORMATION ON MAJOR SHAREHOLDERS

December 31, 2023

Table 10

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

- Note 1. The table discloses shareholding information of shareholders whose shareholding percentage is more than 5%. The share capital reported in the Company's consolidated financial statements and the actual number shares that have completed the dematerialized registration and delivery may be different due to the difference in the basis of calculation.
- Note 2. In the event where the shareholders deliver its equity to trust, the information is disclosed in the form of individual trust accounts opened by the trustee. As for the shareholders declaring insider equity holdings of more than 10% of the shares in accordance with the Securities and Exchange Act, their shareholdings include the shares held by themselves plus the shares delivered to trust while retaining the right to determine the utilization. For information on insider equity declarations, please refer to the Market Observatory Post System.



Independent Auditors' Report

To USI Corporation:

Audit Opinion

We have audited the Parent Company Only Balance Sheets of USI Corporation (USI) as of the years ended December 31, 2023 and 2022, and the Parent Company Only Statements of Comprehensive Income, Parent Company Only Statements of Changes in Equity, Parent Company Only Statements of Cash Flows and Notes to the Parent Company Only Financial Statements (including the Summary of Significant Accounting Policies) for the period from January 1 to December 31 of 2023 and 2022.

The accountant opinions are that the preparations of significant issues of the Parent Company Only Financial Statements are made in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. They fairly present the accompanying financial conditions as of December 31 of 2023 and 2022 of USI Corporation and the accompanying financial performance and accompanying cash flows for the months from January 1 to December 31 of 2023 and of 2022.

Basis for Audit Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance for USI in our audit of the Parent Company Only Financial Statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the 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 Company's Parent Company Only Financial Statements for the year ended December 31, 2023 is as follows.

The Authenticity of Specific Sales Revenue

In 2023, USI Corporation's sales revenue from solar thin-film products to specific customers accounted for 29.83% of its individual sales revenue. Given the greater challenge in acquiring information from international markets in contrast to domestic ones, and the substantial influence of accurately recognizing sales revenue from specific customers on both the net revenue and financial performance of USI Corporation, this issue has been designated as a key audit concern for the present fiscal year.

For accounting policies relating to sales revenue and relevant disclosure information, please refer to Notes 4(12) and 23 to the Parent Company Only 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.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the Parent Company Only Financial Statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers, and such internal control as the management determines is necessary to enable the preparation of the Parent Company Only Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Parent Company Only Financial Statements, the management is responsible for assessing the Company'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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements Section of Our Report.

Auditors' objectives for the audit of the Parent Company Only Financial Statements are to obtain reasonable assurance about whether the Parent Company Only Financial Statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards in the Republic of China will always detect a material misstatement when it exists. Misrepresentation may result from fraud or error. If,

Financial Overview



individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Parent Company Only Financial Reports.

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

- 1. Identify and assess the risks of material misstatement of the Parent Company Only 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 Company'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 Company'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 Parent Company Only 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 Company to cease to continue as a going concern.
- 5. Evaluate the overall presentation, structure and content of the Parent Company Only Financial Statements (including the related notes) and whether the Parent Company Only 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 Company to express an opinion on the Parent Company Only Financial Statements. We are responsible for the direction, supervision and performance of the Company 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 Parent Company Only Financial Statements of the Company for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Deloitte & Touche

Taipei, Taiwan

Republic of China

March 8, 2024

Notice to Readers

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

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



Parent Company Only Balance Sheets December 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

	December 31, 2023		December 31,	2022
Assets	Amount	%	Amount	%
CURRENT ASSETS Cash and cash equivalents (Notes 3, 4 and 6) Financial assets at fair value through profit or loss (FVTPL) -	\$ 1,889,021	6	\$ 1,318,585	4
current (Notes 4 and 7)	852,542	3	533,166	2
Financial assets at amortized cost - current (Notes 3, 4, 9 and 31)	160,955	-	61,104	-
Notes receivable, net (Notes 4 and 10)	48,776	-	88,808	-
Accounts receivable, net (Notes 4 and 10) Accounts receivable, related parties (Notes 4, 10 and 30)	670,023 67,912	2	2,267,755 118,818	7
Other receivables (Notes 4 and 10)	35,664	-	48,153	-
Other receivables, related parties (Notes 4, 10, 12 and 30)	591,078	2	422,770	1
Inventories (Notes 4 and 11)	1,262,040	4	1,413,526	4
Prepayments	<u>220,408</u>	1	208,866	1
Total current assets	5,798,419	<u>18</u>	6,481,551	<u>19</u>
NON-CURRENT ASSETS Financial assets at fair value through other comprehensive income (FVTOCI) -non-current (Notes 4 and 8)	902,304	3	870,662	3
Investments accounted for using the equity method (Notes 4, 5 and				
12)	18,116,918	57	19,855,669	58
Property, plant and equipment (Notes 4 and 13)	5,951,994 742	19	6,331,437	19
Right-of-use assets (Notes 4 and 14) Investment properties, net (Notes 4, 15 and 30)	133,521	-	5,191 134,914	-
Intangible assets, net (Notes 4 and 16)	956	_	666	-
Deferred tax assets (Notes 4 and 25)	727,734	2	444,382	1
Other non-current assets (Note 31)	134,993	1	145,513	
Total non-current assets	25,969,162	<u>82</u>	27,788,434	<u>81</u>
Total Assets	\$31,767,581	<u>100</u>	<u>\$34,269,985</u>	<u>100</u>
Liabilities and Equity CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss (FVTPL) -				
current (Notes 4 and 7)	\$ -	-	\$ 13,769	-
Accounts payable (Note 19)	1,062,391	4	985,157	3
Accounts payable, related parties (Notes 19 and 30)	107,310	-	304,917	1
Other payables (Note 20) Other payables, related parties (Notes 20 and 30)	331,050	I	459,138 24,563	1
Current tax liabilities (Notes 4 and 25)	17,458 267,582	- 1	826,833	2
Lease liabilities - current (Notes 4 and 14)	28,578	-	32,249	-
Current portion of long-term borrowings (Note 18)	1,999,714	6	-	-
Other current liabilities (Notes 23 and 30)	29,733		149,749	1
Total current liabilities	3,843,816	<u>12</u>	2,796,375	8
NON-CURRENT LIABILITIES				
Bonds payable (Note 18)	3,994,990	13	5,992,228	18
Long-term borrowings (Note 17)	467,506	2	729,703	2
Deferred tax liabilities (Notes 4 and 25)	62,920	-	59,355	-
Lease liabilities - non-current (Notes 4 and 14) Net defined benefit liabilities - non-current (Notes 4 and 21)	56,528 71,078	-	85,188 94,352	- 1
Other non-current liabilities (Note 17)	16,458	-	16,692	1 -
Total non-current liabilities	4,669,480	15	6,977,518	21
Total Liabilities	8,513,296	27_	9,773,893	29
Equity (Notes 4, 8, 12, 21, 22 and 25)				
Share capital	11,887,635	<u>37</u>	11,887,635	<u>35</u>
Capital surplus	476,799	2	449,960	1
Retained Earnings				
Legal reserve	4,036,296	13	3,872,190	11
Special reserve Unappropriated earnings	375,127 	1 <u>22</u>	375,127 8,377,890	1 25
Total retained earnings	11,526,902	$\frac{22}{36}$	12,625,207	$\frac{23}{37}$
Other equity	$(\frac{161,445}{161,445})$	$(\frac{1}{1})$	8,896	$ \begin{array}{r} \underline{25} \\ 37 \\ \phantom{00000000000000000000000000000000000$
Treasury shares	(475,606)	$(\underline{1})$	(475,606)	$(\underline{}\underline{})$
Total equity	23,254,285	<u>73</u>	24,496,092	<u>71</u>
Total Liabilities and Equity	<u>\$31,767,581</u>	<u>100</u>	<u>\$34,269,985</u>	<u>100</u>

Parent Company Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

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

	For the Year E December 31,		For the Year Ended December 31, 2022		
	Amount	%	Amount	%	
OPERATING REVENUE (Notes 4, 23 and 30)	\$ 11,449,372	100	\$ 15,632,151	100	
COST OF GOODS SOLD (Notes 4, 11, 13, 16, 21, 24 and 30)	9,820,042	<u>86</u>	11,437,888	73	
GROSS PROFIT	1,629,330	14	4,194,263	27	
The unrealized profits with the subsidiaries (Notes 4 and 30)	(1,103)	-	(1,505)	-	
The realized profits with the subsidiaries (Notes 4 and 30)	1,505		1,175		
The realized gross profit	1,629,732	14	4,193,933	27	
OPERATING EXPENSES (Notes 4, 13, 14, 16, 21, 24 and 30) Selling and marketing expenses Administrative expenses	231,700 224,879	2 2	325,268 249,089	2 2	
Research and development expenses Total operating expenses	144,359 600,938	<u>1</u> <u>5</u>	150,870 725,227	<u>1</u> <u>5</u>	
NET PROFIT FROM OPERATIONS	1,028,794	9	3,468,706	22	
NON-OPERATING INCOME AND EXPENSES Interest income (Notes 4, 24 and 30) Other income (Notes 4, 8, 24 and 30) Other gains and losses (Notes 4, 15, 24 and 30) Finance costs (Notes 4, 14, 17, 18 and 24)	20,176 217,054 (42,625) (58,644)	2 - (1)	16,538 168,587 (29,622) (73,666)	- 1 - (1)	
Share of profit or loss of subsidiaries, associates and joint ventures accounted for using equity method (Notes 4 and 12) Total non-operating income and expenses Net (loss) profit before income tax	(<u>1,424,426</u>) (<u>1,288,465</u>) (<u>259,671</u>)	(<u>12</u>) (<u>11</u>) (<u>2</u>)	(<u>1,618,808</u>) (<u>1,536,971</u>) 1,931,735	(<u>10</u>) (<u>10</u>) 12	
Income tax (gain) expense (Notes 4 and 25)	(52,665)		376,638	2	
Net (loss) profit for the year	(207,006)	(2)	1,555,097	10	
OTHER COMPREHENSIVE INCOME (LOSS) Items that will not be reclassified subsequently to profit or loss: Remeasurements of the defined benefit plan (Notes 4 and 21) Unrealized gain (loss) on the equity instruments at FVTOCI (Notes 4 and 22) Share of profit or loss of other comprehensive income of subsidiaries accounted for using the equity method (Notes 4 and 22) Income tax relating to items that will not be reclassified (Notes 4, 22 and 25)	1,178 11,667 (106,127) (236) (93,518)	(1) (1) (1)	41,282 (34,862) (325,781) (8,256) (327,617)	(2) (<u>2</u>)	
Items that may be reclassified subsequently to profit or loss: Exchange differences on translating the financial statements of foreign operations (Notes 4 and 22) Share of profit or loss of other comprehensive income of subsidiaries accounted for using the	(44,266)	-	294,953	2	
equity method (Notes 4 and 22) Income tax relating to items that may be reclassified (Notes 4, 22 and 25)	$ \begin{array}{r} (& 45,780) \\ & 8,853 \\ (& 81,193) \end{array} $	- - - - 1	103,818 (<u>58,991</u>) 339,780		
Other comprehensive income for the period, net of income tax TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	$(\underline{174,711})$ $(\$ 381,717)$	$(\underline{}1)$	12,163 \$ 1,567,260	10	
	(<u>\$\pi\$01,/1/</u>)	(<u>φ 1,307,200</u>	<u> 10</u>	
EARNINGS (LOSS) PER SHARE (Note 26) Basic (loss) earnings per share Dilution (loss) earnings per share	$(\frac{\$}{\$} \frac{0.19}{0.19})$		\$ 1.45 \$ 1.45		



Parent Company Statements of Changes in Equity For the years ended December 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

			~					Other	equity		
			Capital surplus			Retained Earnings		Exchange differences on			
	Ordinary Shares (Notes 4 and 22)	Treasury Share Transactions (Note 22)	Shares of Changes in Capital Surplus of Associates (Notes 4 and 22)	Others (Note 22)	Legal reserve (Note 22)	Special reserve (Note 22)	Unappropriated Earnings (Notes 4, 8, 12, 21, 22 and 25)	translating the financial statements of foreign operations (Notes 4, 22 and 25)	Unrealized gain (loss) on financial assets at FVTOCI (Notes 4, 8 and 22)	Treasury shares (Notes 4 and 22)	Total equity
Balance as of January 1, 2022	\$ 11,887,635	\$ 302,976	\$ 41,902	\$ 21,307	\$ 3,343,086	\$ 375,127	\$ 9,881,214	(\$ 710,973)	\$ 795,331	(\$ 475,606)	\$ 25,461,999
Distribution of earnings in 2021 Provision for legal reserve Cash dividends distributed by the Company	- -	-	- -	- -	529,104	- -	(529,104) (2,615,280)	-	- -	-	(2,615,280)
Net profit for the year ended December 31, 2022	-	-	-	-	-	-	1,555,097	-	-	-	1,555,097
Other comprehensive income for the year ended December 31, 2022, net of income tax	-		-	<u> </u>	-		86,594	339,780	(414,211)	_	12,163
Total comprehensive income for the year ended December 31,2022	<u>=</u>		-	-	_		1,641,691	339,780	(414,211)	-	1,567,260
Changes in equity of subsidiaries recognized by equity method	-	-	(1,955)	-	-	-	(1,662)	-	-	-	(3,617)
Changes in other capital surplus	-	-	-	1,405	-	-	-	-	-	-	1,405
Dividends distributed to subsidiaries to adjust capital reserve	-	84,325	-	-	-	-	-	-	-	-	84,325
Disposal of equity instruments measured at FVTOCI	<u>-</u>			_		_	1,031		(1,031)	_	_
Balance as of December 31, 2022	11,887,635	387,301	39,947	22,712	3,872,190	375,127	8,377,890	(371,193)	380,089	(475,606)	24,496,092
Distribution of earnings in 2022 Provision for legal reserve Cash dividends distributed by the Company	-	-	-	-	164,106	- -	(164,106) (832,134)	- -	-	-	(832,134)
Net loss for the year ended December 31, 2023	-	-	-	-	-	-	(207,006)	-	-	-	(207,006)
Other comprehensive income for the year ended December 31, 2023, net of income tax	-	-	-	-	-	_	725	(81,193)	(94,243)	-	(174,711)
Total comprehensive income for the year ended December 31, 2023		_		<u> </u>	-	<u>-</u>	(206,281)	(81,193)	(94,243)	<u>-</u>	(381,717)
Changes in equity of subsidiaries recognized by equity method	-	-	(199)	-	-	-	(54,795)	-	-	-	(54,994)
Changes in other capital surplus	-	-	-	208	-	-	-	-	-	-	208
Dividends distributed to subsidiaries to adjust capital reserve	-	26,830	-	-	-	-	-	-	-	-	26,830
Disposal of equity instruments measured at FVTOCI					<u>-</u> _		(5,095_)		5,095	=	
Balance as of December 31, 2023	<u>\$ 11,887,635</u>	<u>\$ 414,131</u>	<u>\$ 39,748</u>	<u>\$ 22,920</u>	<u>\$ 4,036,296</u>	<u>\$ 375,127</u>	<u>\$ 7,115,479</u>	(\$ 452,386)	<u>\$ 290,941</u>	(\$ 475,606)	<u>\$ 23,254,285</u>

Parent Company Only Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

	(III THOU	sailes of New Tarwaii Dollars)
	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) profit before tax for the year	(\$ 259,671)	\$ 1,931,735
Income (expenses) items	(51.040	(25, 995
Depreciation expense	651,242	625,885
Amortization expense	8,105	14,455
Net (gain) loss on the financial assets and liabilities at FVTPL Finance costs	(17,124)	61,309
Interest income	58,644 (20,176)	73,666 (16,538)
Dividend income	(35,893)	(65,750)
Share of profit or loss of subsidiaries, associates and joint ventures accounted for using equity	(33,673)	(05,750)
method	1,424,426	1,618,808
Disposal and scrapping of property, plant and equipment (gain) loss	(700)	12,921
Loss on disposal of investments accounted for using equity method	13,850	-
Provision for write-downs of inventories and obsolescence losses	21,735	31,749
The unrealized profits with the subsidiaries	1,103	1,505
The realized profits with the subsidiaries	(1,505)	(1,175)
Changes in operating assets and liabilities	, ,	, ,
(Increase) decrease in financial assets mandatorily classified at FVTPL	(316,021)	2,012,683
Decrease in notes receivable	40,032	30,571
Decrease (increase) in accounts receivable	1,597,732	(303,648)
Decrease (increase) in accounts receivable, related parties	50,906	(12,350)
Decrease in other receivables	12,894	58,529
(Increase) decrease in other receivables, related parties	(38,870)	46,083
Decrease (increase) in inventories	129,751	(192,884)
Decrease (increase) in prepayments	1,775	(4,471)
Increase (decrease) in accounts payable	77,234	(34,621)
Decrease in accounts payable, related parties decrease	(197,607)	(89,532)
Decrease in accounts payable	(107,193)	(43,147)
(Decrease) increase in other payables, related parties	(7,105)	8,368
Decrease in other current liabilities	(120,016)	(40,202)
Decrease in net defined benefit liabilities	(22,096)	(37,043)
Cash generated from operations	2,945,452	5,686,906
Interest received	19,771	16,274
Interest paid	(53,940)	(90,186)
Income tax paid	$(\underline{777,756})$	(739,262)
Net cash generated from operating activities	2,133,527	4,873,732
CASH FLOWS FROM INVESTING ACTIVITIES	(10.075)	
Acquisition of financial assets at FVTOCI Return of capital from financial assets at FVTOCI	(19,975)	17,028
(Acquisition) disposal of financial assets at amortized cost	(99,851)	45
Acquisition of associate accounted for using the equity method (Note 12)	(10,000)	(90,000)
Acquisition of associate accounted for using the equity method (Note 12) Acquisition of property, plant and equipment	(287,319)	(440,031)
Proceeds from disposal of property, plant and equipment	394	3,644
Increase in refundable deposits	(5,350)	(18,704)
Acquisitions of intangible assets	(791)	(750)
Other receivables - related parties decrease	-	125,000
Increase in other non-current assets	(5,051)	(19,525)
Dividends received	409,643	693,035
Net cash (outflow) inflow from investing activities	(18,300)	269,742
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of bonds	-	(3,000,000)
Proceeds from mid- to long-term borrowings	35,575	794,412
Repayment of mid- to long-term borrowings	(300,000)	(100,000)
Increase in guarantee deposits received	632	78
Repayment of the principal portion of lease liabilities	(32,239)	(31,426)
Increase in other non-current liabilities	425	5,588
Cash dividends paid	(832,134)	(2,615,280)
Acquisition of the share of subsidiaries (Note 12)	(536,050)	(23)
Investees using equity method Return of the equity	119,000	_
Net cash used in financing activities	(1,544,791)	(4,946,651_)
NET INCREASE IN CASH AND CASH EQUIVALENTS FOR THE YEAR	570,436	196,823
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR (Note 3)	1,318,585	1,121,762
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (Note 3)	<u>\$ 1,889,021</u>	<u>\$ 1,318,585</u>

Notes to the Parent Company Financial Statements

For the Years Ended December 31, 2023 and 2022

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

1. GENERAL INFORMATION

USI Corporation (the "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 accompanying financial statements of the Company and its subsidiaries, collectively referred to as the "Company", are presented in the Company's functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

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

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

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

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

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

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

- Note 1. Unless stated otherwise, the above New/Revised/Amended Standards and Interpretations are effective for annual periods beginning on or after their respective effective dates.
- Note 2. A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.
- Note 3. When applying the amendments for the first time, certain disclosure requirements are exempted.

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

Effective Data American delay

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

New/Amended/Revised Standards and Interpretations	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 Amendment to IFRS 17 "Initial Application of IFRS 17 and	January 1, 2023 January 1, 2023
IFRS 9 - Comparative Information" Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 2)
2 ,	• ' '

- Note 1. Unless stated otherwise, the above New/Revised/Amended Standards and Interpretations are effective for annual periods beginning on or after their respective effective dates.
- Note 2. Applicable for the annual reporting periods beginning on or after January 1, 2025. When applying the amendments, recognize the affected amount in retained earnings as of the initial application date. When the Company adopts a non-functional currency as the reporting currency, it will recognize the adjusted amount in the exchange differences of foreign operations under equity on the initial application date.

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

d. Reclassification of Expression

The management of the company asserts that the limitations imposed on the utilization of funds repatriated under the "Regulations on the Management and Use of Overseas Funds Repatriated and Taxed" for significant investments and financial endeavors have not altered the essence of the deposit. They maintain the right to request these funds immediately upon receipt. Hence, it is deemed more appropriate to classify the special account deposit as cash and cash equivalents. Consequently, there have been changes in the presentation of both the individual balance sheet and the individual cash flow statement in 2023. As of December 31, 2023 and 2022, and January 1, 2022, the carrying amounts of financial assets measured at amortized cost reclassified as cash and cash equivalents were NT\$6,751 thousand, NT\$15,244 thousand, and NT\$12,968 thousand, respectively. The impact on cash flow items for the year 2022 is as follows:

	Adjustment Amou	
Net cash inflow from investing activities	\$	2,276
Net increase in cash and cash equivalents	<u>\$</u>	2,276

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

These accompanying financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

b. Basis of preparation

The accompanying financial statements have been prepared on the historical cost basis except for financial instruments that 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.

When preparing the individual financial statements, the Company used the equity method to account for its investments in subsidiaries. In order for the amounts of the net profit for the year, other comprehensive income/equity for the year and total equity in the accompanying financial statements to be the same with the amounts attributable to the owners of the Company in its financial statements, adjustments arising from the differences in accounting treatments were made for "investments accounted for using the equity method", "the recognized share of profit or loss of subsidiaries by using the equity method" and other equity items.

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

Current assets include:

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

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the balance sheet date; and

3) Liabilities for which the Company does not have an unconditional right to defer settlement for at least 12 months after the balance sheet date.

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

d. Foreign Currency

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

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

Non-monetary items 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 accompanying financial statements, the assets and liabilities of the Company's foreign operations (including subsidiaries in other countries that use currencies different from the functional currency of the Company) are translated into the presentation currency, the New Taiwan dollar. Income and expense items are translated at the average exchange rates on the balance sheet date. The resulting currency translation differences are recognized in other comprehensive income.

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 related to the foreign operations will be classified as profit and loss.

But 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 incorporated into the calculation of equity transactions 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.

e. Inventories

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

f. Investment in subsidiaries

The Company uses the equity method to account for its investments in subsidiaries.

A subsidiary is an entity that is controlled by the Company.

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

Changes in the Company's ownership interest in a subsidiary that do not result in the Company losing control of the subsidiary are equity transactions. As for any differences between the carrying amount of the investment and the fair value of the consideration paid or received, the Company recognizes them directly as equity.

When the Company's shares of losses of a subsidiary equal or exceed its equity in that subsidiary (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 Company's net investment in the subsidiary), the Company continues recognizing its losses according to the ownership proportion.

When the acquisition cost exceeds the net fair value of the Company's identifiable assets and liabilities of the subsidiary on the acquisition date, the exceeding amount is classified as goodwill, which is included in the carrying value of the investment and is not amortized; when the net fair value of the Company's net fair value of the subsidiary exceeds the acquisition cost, the exceeding amount is classified as current income.

When the Company assesses its investment for any impairment, it considers cash generating units on the entire financial statements and compares the carrying amount with the estimated recoverable amount. If the recoverable amount of the investment subsequently increases, the Company recognizes the reversal of the impairment loss as gain; however, the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized after deducting the amortization had no impairment loss been recognized. The impairment loss attributable to goodwill shall not be reversed in subsequent periods.

When the Company loses control over a subsidiary, it measures the investment retained in the former subsidiary at its fair value on the date when control is lost. The difference between the fair value of the retained investment plus any disposal proceeds and the carrying amount of the previous investment on the date when the control is lost is recognized as a profit or loss for the current period. Besides, the Company accounts for all amounts previously recognized in other comprehensive income related to that subsidiary on the same basis as would be required if the Company had directly disposed of the related assets or liabilities.

The unrealized profits or losses resulting from downstream transactions between the Company and the subsidiaries are eliminated in the accompanying financial statements. Profits and losses resulting from upstream transactions and transactions between subsidiaries are recognized in the accompanying financial statements only to the extent of interests in the subsidiaries of parties that are not related to the Company.

g. Property, plant and equipment

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

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, depreciation of property, plant and equipment is recognized using the straight-line basis during useful life. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in estimates accounted for on a prospective basis.

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

h. Investment properties

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

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

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

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

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

i. Intangible assets

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

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

j. Impairment of property, plant and equipment, right-of-use asset, investment property and intangible assets

On each balance sheet date, the Company 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 Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Shared assets are allocated to the smallest group of cash-generating units on a reasonable and consistent basis of allocation.

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

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

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

k. Financial instruments

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

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

1) Financial assets

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

a) Measurement categories

Financial assets held by the Company are classified into the following categories: financial assets measured at fair value through profit and loss, financial assets

measured at amortized cost, investment in equity instruments measured at fair value through other comprehensive profits and losses.

Financial assets at FVTPL

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

Financial assets at FVTPL are measured at fair value, with the generated dividends and interest recognized in other income and interest income respectively, and with the profits or losses arising from re-measurement are recognized in other profits and losses. Please refer to Note 29 for the method of determining the fair value.

ii. Financial assets at amortized cost

The Company'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, sell-back bonds and refundable deposits) are measured at amortized cost, which equals the gross carrying amount determined by the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

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



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

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

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

Investments in equity instruments at FVTOCI

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

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

Dividends on these investments using equity instruments at other FVTOCI are recognized in profit or loss when the Company'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 Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including account receivables) on each balance sheet date.

The Company always recognizes lifetime expected credit losses for amount receivables as losses allowance. For other financial assets, the Group evaluates if there has been a significant increase in credit risk since initial recognition. If the credit risk on the financial asset has not increased significantly, the Company recognizes the loss allowance for that financial asset at an amount equal to 12month 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 the purpose of internal credit risk management, the Company determines, in the following situations, that the default of financial assets have occurred without considering the collateral held by it:

- i. Internal or external information shows that the debtor is unlikely to pay its creditors.
- ii. After overdue for more than 90 days, unless there is reasonable and corroborative information showing that it will be more appropriate to postpone the default criteria.

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

c) De-recognition of financial assets

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

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

2) Equity instruments

Debt and equity instruments issued by the Company 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 Company are recognized at the proceeds received less the cost of direct issuance.

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

3) Financial liabilities

a) Subsequent measurement

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

Financial liabilities measured at fair value through profit and loss are financial liabilities held for trading. Related profits or losses are recognized in other profits and losses. Please refer to Note 29 for the method of determining the fair value.

b) De-recognition of financial liabilities

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

4) Derivatives

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

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

1. Revenue recognition

The Company identifies contracts with the customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

Revenue from the sale of goods mainly comes from sales of polyethylene plastic pellets and related plastic products. When the goods are delivered to customer, the customer has full discretion to set the price and use of the goods, and has the main responsibility for resale, and bears the risks of obsolescence. The Company recognizes revenue and accounts receivable concurrently.

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

m. Lease

At the inception of a contract, the Company assesses whether the contract is a lease.

1) The Company 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 Company subleases the right-of-use asset, it uses the right-of-use asset (not the underlying asset) to determine the classification of sublease. However, if the main lease is a short-term lease for which the Company 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.

2) The Company as lessee

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

The right-of-use asset is initially measured at cost (including the original measured amount of the lease liability and the lease payment paid before the lease start date), and subsequently measured at the amount after the cost less the accumulated depreciation, and the remeasured amount of the lease liability is adjusted. Except for those that meet the definition of investment property, the right-to-use assets are separately expressed on the accompanying balance sheets. For the recognition and measurement of right-of-use assets that meet the definition of investment property, please refer to the above (8) Accounting Policy for Investment Property.

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

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments, in-substance fixed payments. 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 leading to a change in future lease payments, the Company remeasures 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 accompanying balance sheets.

n. 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.

o. Government subsidy

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

Government subsidies related to income are recognized in profit and loss on a systematic basis during the period when the relevant costs that they intend to compensate are recognized as expenses by the Company.

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

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

p. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

Defined benefit costs (including service cost, net interest and re-measurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost and net interest on the net defined benefit liability (asset) are recognized as employee benefits expense in the period they occur. Remeasurement (comprising actuarial gains and losses, and the return on plan assets excluding interest) is recognized in other comprehensive income in the period in which it occurs. 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.

q. Income tax

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

1) Current tax

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

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

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

2) Deferred tax

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

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

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, except where the Company 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 t ax 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 Company 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. <u>CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY</u>

In the application of the Company'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.

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.

6. CASH AND CASH EQUIVALENTS

	December 31, 2023	December 31, 2022
Cash on hand and petty cash	\$ 490	\$ 490
Checking accounts and demand deposits	130,438	140,364
Cash equivalents		
Time deposits	574,810	887,810
Reserve repurchase agreements		
collateralized by bonds	1,183,283	<u>289,921</u>
	<u>\$ 1,889,021</u>	<u>\$1,318,585</u>

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

	December 31, 2023	December 31, 2022
Time deposits	$1.40\% \sim 5.25\%$	$0.95\% \sim 4.05\%$
Reserve repurchase agreements		
collateralized by bonds	1.51%~1.57 %	$1.15\% \sim 1.38\%$

7. <u>FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT</u>

	December 31, 2023	December 31, 2022
Financial assets mandatorily at FVTPL		
Derivative financial assets (not under		
hedge accounting)		
- Foreign exchange forward		
contracts	\$ 3,887	<u>\$ 1,206</u>
Non-derivative financial assets		
- Domestic listed (OTC) shares	94,008	61,362
- Fund beneficiary certificates	685,810	410,211
- Beneficiary securities	68,837	60,387
Subtotal	848,655	531,960
	<u>\$ 852,542</u>	<u>\$ 533,166</u>
Financial liabilities held for trading Derivative financial assets (not under		
hedge accounting)		
- Foreign exchange forward		
contracts	<u>\$ -</u>	<u>\$ 13,769</u>

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

	Currency	Maturity date	Contract Amount (In Thousands)
<u>December 31, 2023</u> Selling Foreign Exchange Forward Contracts	RMB/NTD	113.01.12-113.02.01	RMB 56,600 /NTD 248,682
December 31, 2022 Selling Foreign Exchange Forward Contracts	RMB/NTD	112.01.09-112.03.30	RMB 409,600 /NTD 1,792,385

The Company 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 Company did not apply hedge accounting treatments for derivative contracts.

8. FINANCIAL ASSETS AT FVTOCI - NON-CURRENT

	December 31, 2023	December 31, 2022
Investments in equity instruments at FVTOCI		
Domestic investments		
Listed (OTC) shares	\$ 761,381	\$ 735,386
Unlisted shares	140,923	135,276
	<u>\$ 902,304</u>	<u>\$ 870,662</u>

The Company invested the domestic listed shares and over-the-counter shares and unlisted shares 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 they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Company's strategy of holding these investments for long-term purposes.

For the years ended December 31, 2022, due to the reduction of capital and refund of shares by the invested company, the Company shall recover NT\$17,028 thousand according to the proportion of shares held, respectively.

The Company recognized dividend income of NT\$34,137 thousand and NT\$53,603 thousand, respectively, for the years ended December 31, 2023 and 2022.

9. FINANCIAL ASSETS MEASURED AT AMORTIZED COST - CURRENT

	December 31, 2023	December 31, 2022
Pledged time deposits	\$ 61,777	\$ 61,104
Reserve repurchase agreements		
collateralized by bonds with a		
maturity over 3 months	<u>99,178</u>	
	<u>\$ 160,955</u>	<u>\$ 61,104</u>
The range of interest rate		
Pledged time deposits	$1.405\% \sim 1.530\%$	$0.77\% \sim 1.28\%$
Reserve repurchase agreements		
collateralized by bonds with a		
maturity over 3 months	1.61%	-

The trading partners of the Company's pledged time deposits and selling back bonds are financial institutions with good credit ratings. After assessing that the time deposits have low credit risk, no allowance for loss is recognized.

Please refer to Note 31 for the information related to financial assets at amortized cost pledged as security.

10. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	December 31, 2023	December 31, 2022
Notes receivable (a) Operating	<u>\$ 48,776</u>	\$ 88,808
Accounts receivable (a) Measured at amortized cost		
Gross carrying amount	\$ 672,674	\$ 2,270,406
Less: allowance for loss	$(\frac{2,651}{$670,023})$	$(\frac{2,651}{\$2,267,755})$
Accounts receivable - related party (1)	<u>\$ 070,023</u>	<u>\$\pi_2,201,133}</u>
Operating (Note 30)	<u>\$ 67,912</u>	<u>\$ 118,818</u>
	December 31, 2023	December 31, 2022
Other receivables (b)	Ф 22.000	Φ 47.000
Tax refund receivable	\$ 33,800	\$ 45,990
Interest receivable	1,578	1,173 602
Lent material fees receivable Others	206	
Others	286 \$ 35,664	$\frac{388}{\$ 48,153}$
Other receivables - related party (Note 30)	\$ 591,078	<u>\$ 422,770</u>

a. Notes and accounts receivable

The average credit period of sales of goods was 10 to 90 days.

In order to minimize credit risk, the management of the Company 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 Company 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 periodically. In addition, the Company reviews the recoverable amount of each trade debt at the end of the balance sheet date to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Company's credit risk is significantly reduced.

The Company recognizes the loss allowance of accounts receivable based on expected credit losses during the reporting period. ECLs over the life period are calculated using a reserve matrix, which takes into account the customer's past default record and current financial condition, industry economic situation and industry outlook.

The Company writes off a trade receivable when there is information indicating that the debtor is experiencing severe financial difficulty and there is no realistic prospect of



recovery. For trade receivables that have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivables which are due. Where recoveries are made, they are recognized as profit or loss.

The following table details the loss allowance of notes receivable and accounts receivable (including related parties) based on the Company's allowance matrix:

December 31, 2023

Based on the number of days past due

	Up	to 60 Days	61~90	Days	Over 9	1 Days		Total
Gross carrying amount	\$	789,362	\$	-	\$	-	\$	789,362
Loss allowance (Lifetime ECLs)	(<u>2,651</u>)		<u> </u>			(2,651)
Amortized cost	\$	786,711	\$	<u> </u>	\$	<u>-</u>	\$	786,711

December 31, 2022

Based on the number of days past due

	Up to 60 Days	61~90 Days	Over 91 Days	Total
Gross carrying amount	\$ 2,478,032	\$ -	\$ -	\$ 2,478,032
Loss allowance (Lifetime ECLs)	(2,651)		<u>=</u>	(2,651)
Amortized cost	<u>\$ 2,475,381</u>	<u>\$</u>	<u>\$ -</u>	<u>\$ 2,475,381</u>

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

The allowance for loss recognized on the Company's notes and accounts receivable for the years ended December 31, 2023 and 2022 was not changed:

	For the Year Ended	For the Year Ended
	December 31, 2023	December 31, 2022
Balance between the start of the end	\$ 2,651	\$ 2,651

b. Other receivables

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

11. <u>INVENTORIES</u>

	December 31, 2023	December 31, 2022	
Finished goods	\$ 957,223	\$ 991,447	
Work in progress	37,918	54,696	
Raw materials	96,783	175,945	
Supplies	<u> 170,116</u>	191,438	
	\$ 1,262,040	<u>\$ 1,413,526</u>	

The costs of inventories recognized as the cost of goods sold for the years ended December 31, 2023 and 2022 were NT\$9,820,042 thousand and NT\$11,437,888 thousand, respectively.

The net realizable value of inventory write-downs included in the cost of goods sold for the years ended December 31, 2023 and 2022 were NT\$21,735 thousand and NT\$31,749 thousand, respectively.

12. <u>INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD</u>

	Decem	nber 31, 2023	Decemb	per 31, 2022
Investment in subsidiaries	\$18,027,096		\$ 19,771,747	
Investments in associates		89,822	83,922	
	\$ 18	3,116,918	\$ 19.3	855,669
		-,		
a. Investment in subsidiaries				
	December :	31, 2023	December 31, 2022	
		Ownership		Ownership
		Equity and		Equity and
	Carrying	Voting	Carrying	Voting
	Amount	Rights %	Amount	Rights %
over-the-counter (OTC) company				
Acme Electronics Corporation				
(ACME)	<u>\$ 497,097</u>	29.0	\$ 355,454	26.9
Non listed company		1000	0.50.50	1000
USIFE Investment Co., Ltd.	919,983	100.0	956,056	100.0
Swanlake Traders Ltd.				
(Swanlake)	1,449,066	100.0	1,400,416	100.0
USI (Hong Kong) Company Ltd.	64,345	100.0	69,411	100.0
USI Management Consulting		1000		1000
Corp.	6,672	100.0	3,212	100.0
Chong Loong Trading Co., Ltd.	02.145	100.0	72 00 7	100.0
(CLT)	83,147	100.0	73,805	100.0
Union Polymer International	0.704.951	100.0	10 200 072	100.0
Investment Corporation	9,794,851	100.0	10,289,873	100.0
Taiwan United Venture Capital Corp.(TUVC)	95,574	70.0	185,908	70.0
Swanson Plastics Corp. (SPC)	1,008,366	40.6	1,045,181	40.6
INOMA Corporation (INOMA)	11,030	94.4	13,347	94.4
Ever Conquest Global Limited	11,030	74.4	13,547	74.4
(ECGL)	3,676,840	59.1	5,102,760	59.1
USI Optronics Corporation	27,214	50.9	34,009	50.9
USIG (Shanghai) Co., Ltd.	27,214	30.7	54,007	30.7
(USIG)	_	_	130,756	100.0
USI Green Energy Corporation			2 - 7 0	
(USIGE)	392,911	100.0	111,559	100.0
,	17,529,999		19,416,293	
	\$18,027,096		\$19,771,747	

Financial Overview



The Company's shareholdings in ACME and SPC are 29.0% and 40.6%, respectively. Considering the absolute voting rights, relative size and distribution compared to those held by other shareholders, the Company has the substantial ability to dominate ACME and SPC. Therefore, they are listed as subsidiaries. As for the statements of subsidiaries held indirectly by the Company, refer to Note 34, Tables 7 and 8.

By using the equity method to account for its investments in the over-the-counter (OTC) company, the fair value based on the closing price for the years ended December 31, 2023 and 2022 was NT\$1,548,242 thousand and NT\$1,179,555 thousand, respectively.

Under the equity method, the Company's share of the profit or loss and other comprehensive income of the subsidiaries for the years ended December 31, 2023 and 2022 was recognized based on the financial reports of each subsidiary audited by accountants during the same period.

The board of directors of TTC decided on December 3, 2020 to invest RMB 314,000 thousand through TAITA (BVI) Holding Co, Ltd. to establish Zhangzhou Taita <u>Chemical Company, Limited</u>. The company completed the establishment registration on June 28, 2021 TAITA (BVI) has injected capital of RMB 306,950 thousand on March 8, 2022.

The Company acquired 0.1% equity (1,904 Shares) from the external shareholders of CLT in October 2022 based on the medium- and long-term investment strategy, at an acquisition price of NT\$23 thousand.

In order to sell the products produced by Fujian Gulei Petrochemical Co., Ltd. (Gulei) and Asia Polymer Corporation (APC), the board resolved on August 13, 2020 and August 12, 2020, respectively, to establish a joint venture company, Zhangzhou USI Trading Co., Ltd. in Fujian Province, China. The company completed registration on March 12, 2022 and the capital was invested by Swanlake and APC (BVI) Holding Co., Ltd. (APC (BVI)) on June 1, 2022 in the amount of RMB7,000 thousand and RMB3,000 thousand, respectively.

On June 14, 2022, the Board of Directors of ACME resolved to issue 3,000 thousand new shares at NT\$10 each for cash. The aforementioned cash capital increase was approved and reported by the FSC on July 22, 2022, with an issue price of NT\$20 per share and a capital increase base date on January 16, 2023. The company participated in the cash capital increase of 12,432 thousand shares of ACME with an amount of NT\$248,644 thousand, and its shareholding increased from 26.9% to 29.0% after the cash capital increase.

USIGE issued 28,741 thousand ordinary shares through cash capital increase by resolution of the board of directors on May 22, 2023 which was subscribed by the Company in full, with an amount of NT\$287,406 thousand. The paid-up capital after the capital increase was NT\$366.160 thousand.

Due to consideration of the fund utilization, TUVC passed the resolution of the extraordinary shareholders' meeting on June 28, 2023 to cash reduction and return the equity, cancel the issued shares of 17,000 thousand shares. The capital reduction ratio was 45.95%, and the base date for it was August 22, 2023. After the capital reduction, the paidin share capital of TUVC was NT\$200,000 thousand. The company received capital of NT\$119,000 thousand through the redemption of shares based on its percentage of ownership.

According to the sale, the products produced by Gulei, Co., The Board of Directors of our company resolved on August 13, 2023, to establish a Xiamen joint venture company, Xiamen USI Trading Co., Ltd. in Fujian Province, China. The company completed registration on November 6, 2023, and established a capital of RMB10,000 thousand, and completed the capital verification on December 21, 2023, and the capital was invested by Swanlakeand APC (BVI) on December 14, 2023 in the amount of RMB7,000 thousand and 3,000 thousand, respectively.

On November 7, 2023, the Company's board of directors approved the investment by Dynamic Ever Investments Limited to establish Zhangzhou Dynamic Ever Property Co., Ltd. The registration for the establishment was completed on August 29, 2023, with a registered capital of RMB21,000 thousand. DEIL completed its capital injection on September 27, 2023, and the verification of capital was completed on October 19, 2023.

To improve the financial structure and activate the company's capital utilization, INOMA Corporation passed the resolution of the extraordinary shareholders' meeting on November 30, 2023 to reduce capital with the aim to cover losses of NT\$83,806 thousand, cancel the issued shares of 8,381 thousand shares. The capital reduction ratio was 85.56%, and the base date for it was December 6, 2023. After the capital reduction, the paid-in share capital of INOMA Corporation was NT\$14,144 thousand. INOMA Corporation resolved to undergo liquidation on March 7, 2024. As of the date of approval of these individual financial statements, the liquidation process of INOMA Corporation has not been completed.

Because of the under achievement of the expected target, the board of directors resolved to dissolve and liquidate USIG on August 8, 2023, and finalized its dissolution and liquidation procedures on December 1, 2023.

The company recognized a loss of NT\$13,850 thousand on disposal of investments accounted for using the equity method due to the aforementioned transaction. Additionally, on January 16, 2024, the company received a distribution of NT\$129,438 thousand from the remaining assets of the liquidation (recorded as other receivables - related parties).

As of December 31, 2023, the Group 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 Ever Victory Global



b. Investments in associates

	December 31, 2023		December 31		1, 2022	
	Carrying		C	arrying		
		mount	%	Α	Amount	<u>%</u>
Investments in associates that are not individually material						
Delmind Inc. (Delmind)	\$	79,987	30.0	\$	83,922	30.0
Chem Union Renewable Energy Corporation (CURE)	\$	9,835 89,822	33.3	\$	83,922	-

The Company considered the need for transformation of the petrochemical industry in the future, and in line with the trend of energy saving, carbon reduction, and sustainable development, it established a joint venture with Delmind Inc. (Delmind) with Delta Electronics, Inc. through integration and connection knowledge and technology of both parties. It invests in assisting petrochemical and continuous process industries to develop and promote digital transformation, so as to improve industrial efficiency and continue to strengthen the industrial value of green and intelligent production. In April 2022, the Company invested NT\$90,000 thousand to acquire 30% of the share, as 9,000 thousand shares of DataWise, and the shares in the 2023 and 2022 fiscal years were net losses of NT\$3,935 thousand and NT\$6,078 thousand, respectively

The Company's board of directors approved the establishment of Chem Union Renewable Energy Corporation (CURE), a joint venture with Chang Chun Petrochemical Co., Ltd. and Chimei Corporation on November 3, 2022. CURE will purchase offshore wind power in an integrated manner to achieve the Group's carbon neutrality plan. In December 2022, the Company invested NT\$10,000 thousand in CURE. On April 13, 2023, the Company completed the formation registration of the establishment of CURE with an established capital of NT\$30,000 thousand and the Company holds 33.3% of the shares of CURE, the share in the year 2023 brings 165 thousand net loss.

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

	Freehold Land	Land improvements	Buildings and Improvements	Machinery and Equipment	Transportation equipment	Other equipment	Construction in progress and equipment under installation	Total
Costs Balance as of January 1, 2023 Addition Disposal Internal transfer Balance as of December 31, 2023	\$ 521,451 - (<u>26,292</u>) \$ 495,159	\$ 130,873 - - - - - - - - - - - - - - - - - - -	\$ 1,682,475 - - - \$ 1,682,475	\$ 9,145,776 4,237 (36,742) 233,083 \$ 9,346,354	\$ 29,067 (1,610)	\$ 183,012 (1,225) 2,117 <u>\$ 183,904</u>	\$ 802,714 252,066 - (<u>228,403</u>) <u>\$ 826,377</u>	\$12,495,368 256,303 (39,577) (15,963) \$12,696,131
Accumulated depreciation Balance as of January 1, 2023 Depreciation expense Disposal Balance as of December 31, 2023	\$ - - - \$ -	\$ 109,474 3,340 <u></u>	\$ 509,061 46,393 \$ 555,454	\$ 5,357,575 562,464 (<u>36,159</u>) <u>\$ 5,883,880</u>	\$ 19,169 2,535 (1,610) \$ 20,094	\$ 168,652 4,468 (1,225) \$ 171,895	\$ - - - \$ -	\$ 6,163,931 619,200 (38,994) <u>\$ 6,744,137</u>
Net amount as of December 31, 2023	\$ 495,159	<u>\$ 18,741</u>	<u>\$ 1,127,021</u>	\$ 3,462,474	\$ 10,213	\$ 12,009	\$ 826,377	\$ 5,951,994
Costs Balance as of January 1, 2022 Addition Disposal Internal transfer Balance as of December 31, 2022	\$ 495,159 - - 26,292 \$ 521,451	\$ 112,594 - - - - - - - - - - - - - - - - - - -	\$ 1,585,969 - - - 96,506 <u>\$ 1,682,475</u>	\$ 8,886,336 - (26,931) <u>286,371</u> <u>\$ 9,145,776</u>	\$ 28,982 - (9,606) - 9,691 \$ 29,067	\$ 173,667 (2,681) <u>12,026</u> <u>\$ 183,012</u>	\$ 833,096 418,902 (13,375) (435,909) \$ 802,714	\$12,115,803 418,902 (52,593) 13,256 \$12,495,368
Accumulated depreciation Balance as of January 1, 2022 Depreciation expense Disposal Balance as of December 31, 2022	\$ - - - <u>\$</u> -	\$ 107,769 1,705 \$ 109,474	\$ 465,625 43,436 \$ 509,061	\$ 4,835,938 544,849 (23,212) \$ 5,357,575	\$ 26,929 1,486 (<u>9,246</u>) <u>\$ 19,169</u>	\$ 168,513 2,820 (<u>2,681</u>) <u>\$ 168,652</u>	\$ - - - \$ -	\$ 5,604,774 594,296 (<u>35,139</u>) <u>\$ 6,163,931</u>
Net amount as of December 31, 2022	\$ 521,451	\$ 21,399	\$ 1,173,414	\$ 3,788,201	\$ 9,898	\$ 14,360	\$ 802,714	\$ 6,331,437

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

The Company did not make any impairment assessment for the years ended December 31, 2023 and 2022 since there were no signs of impairment.

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

Freehold Land - land improvements	7-10 Years
Buildings and Improvements	3-55 Years
Machinery and Equipment	2-15 Years
Transportation equipment	5-7 Years
Other equipment	3-5 Years

For the related capitalized interest, please refer to Note 24 (4) finance cost.

14. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31, 2023	December 31, 2022
Carrying amount of right-of-use assets Buildings	<u>\$ 742</u>	\$ 5,191

	For the Year Ended	For the Year Ended
	December 31, 2023	December 31, 2022
Depreciation expense of right-of-use assets		
Buildings	<u>\$ 4,449</u>	<u>\$ 4,450</u>

The Company leased the office in Taipei and then subleased it to other companies with the way of operating leasing. The related right-of-use assets are accounted for as investment properties (please refer to Note 15). 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.

b. Lease liabilities

	December 31, 2023	December 31, 2022
Carrying amount of lease liabilities		
Current	<u>\$ 28,578</u>	<u>\$ 32,249</u>
Non-current	<u>\$ 56,528</u>	<u>\$ 85,188</u>

Range of discount rate for lease liabilities was as follows:

	December 31, 2023	December 31, 2022
Buildings	$1.16\% \sim 1.76\%$	$1.16\% \sim 1.76\%$

c. Material lease-in activities and terms

The Company leases the buildings for using as the offices and research center. The leases terms are 4 to 7 years. When the leases terms expire, the Company has the leasehold option to part of the office's lease.

d. Other lease information

Lease arrangements under operating leases for leasing out of investment properties are set out in Note 15. Other information of the Company as lessee is as follows:

	For the Year Ended	For the Year Ended
	December 31, 2023	December 31, 2022
Expenses relating to short-term leases	<u>\$ 7,915</u>	<u>\$ 6,442</u>
Expenses relating to low-value asset leases	<u>\$ 95</u>	\$ 99
Total cash (outflow) for leases	(<u>\$ 41,445</u>)	(<u>\$ 39,507</u>)

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

15. <u>INVESTMENT PROPERTIES</u>

Completed investment properties		December 31, 2	023 <u>Dece</u>	mber 31, 2022
Land		\$ 26,292	9	5 -
Buildings		27,377		28,340
Right-of-use assets		79,852	_	106,574
		\$ 133,521	9	134,914
			Right-of-use	
_	Land	Buildings	assets	Total
Costs				
Balance as of January 1, 2023	\$ -	\$ 69,805	\$ 210,995	\$ 280,800
Disposal	-	-	(114)	(114)
Internal transfer	26,292			26,292
Balance as of December 31, 2023	\$ 26,292	<u>\$ 69,805</u>	<u>\$ 210,881</u>	<u>\$ 306,978</u>
Accumulated depreciation				
Balance as of January 1, 2023	\$ -	\$ 41,465	\$ 104,421	\$ 145,886
Depreciation expense	_	963	26,630	27,593
Disposal	_	_	(22)	(22)
Balance as of December 31, 2023	\$ -	\$ 42,428	\$ 131,029	<u>\$ 173,457</u>
Net amount as of December 31,				
2023	\$ 26,292	\$ 27,377	\$ 79,852	\$ 133,521
2023	<u>Ψ 20,292</u>	Ψ <u>Ψ1,911</u>	<u> </u>	<u>\$\psi\$ 155,521</u>
Costs				
Balance as of January 1, 2022	\$ -	\$ 69,805	\$ 208,655	\$ 278,460
Addition		<u> </u>	2,340	2,340
Balance as of December 31, 2022	<u>\$ -</u>	<u>\$ 69,805</u>	<u>\$ 210,995</u>	<u>\$ 280,800</u>
Accumulated depreciation				
Balance as of January 1, 2022	\$ -	\$ 40,502	\$ 78,245	\$ 118,747
Depreciation expense	_	963	26,176	27,139
Balance as of December 31, 2022	\$ -	\$ 41,465	\$ 104,421	\$ 145,886
Net amount as of December 31,				
2022	\$	\$ 28,340	\$ 106,574	\$ 134,91 <u>4</u>
2022	<u>\$ -</u>	<u>ψ 20,340</u>	<u>ψ 100,374</u>	<u>Ψ 134,714</u>

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.

The Company leases the investments properties with the way of operating leasing and the total future leases payments which it will receive are as follows:

	December 31, 2023	December 31, 2022
Year 1	\$ 14,292	\$ 24,178
Year 2	6,116	14,308
Year 3		6,116
	<u>\$ 20,408</u>	<u>\$ 44,602</u>

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

Buildings	5-50 years
Right-of-use assets	4-8 years

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

The fair values of investment properties as of December 31, 2023 and 2022 were as follows:

	December 31, 2023	December 31, 2022
Fair Value	\$ 366,912	\$ 428,534

16. <u>INTANGIBLE ASSETS</u>

	Decembe	er 31, 2023	Decembe	er 31, 2022
Computer software	\$	956	\$	666
Technology royalties and patent right		<u>-</u>		<u>-</u>
	\$	956	\$	666

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	royalties and patent right	Computer software	Total
Costs			
Balance as of January 1, 2023	\$ 174,850	\$ 1,285	\$ 176,135
Addition	<u>-</u>	<u>791</u>	<u>791</u>
Balance as of December 31,			
2023	<u>\$ 174,850</u>	<u>\$ 2,076</u>	<u>\$ 176,926</u>

(Continued)

(Continued)

	Technology royalties and patent right	Computer software	Total
Accumulated amortization and impairment			
Balance as of January 1, 2023 Amortization expense	\$ 174,850	\$ 619 501	\$ 175,469 501
Balance as of December 31, 2023	\$ 174,850	\$ 1,120	\$ 175,970
Net amount as of December 31,	<u>\$ 17 1,000</u>	<u> </u>	<u>\$ 176,576</u>
2023	<u>\$</u>	<u>\$ 956</u>	<u>\$ 956</u>
Costs Balance as of January 1, 2022 Addition Balance as of December 31,	\$ 174,850 	\$ 535 750	\$ 175,385 <u>750</u>
2022	<u>\$ 174,850</u>	<u>\$ 1,285</u>	<u>\$ 176,135</u>
Accumulated amortization and impairment			
Balance as of January 1, 2022	\$ 174,850	\$ 495	\$ 175,345
Amortization expense Balance as of December 31,	_	<u> 124</u>	124
2022	<u>\$ 174,850</u>	<u>\$ 619</u>	<u>\$ 175,469</u>
Net amount as of December 31, 2022	<u>\$ -</u>	<u>\$ 666</u>	<u>\$ 666</u>

Except for the recognition of amortization expense, no impairment assessment was performed periodically as there was no indication of impairment on the Company's intangible assets for the years ended December 31, 2023 and 2022.

The above-mentioned intangible assets with limited service life are amortized on a straight-line basis over their estimated useful lives as follows:

Technology royalties and patent right	3-7 years
Computer software	3 years

17. BORROWINGS

Long-term borrowings

	December 31, 2023	December 31, 2022
<u>Unsecured borrowings</u> Credit borrowings	<u>\$ 467,506</u>	\$ 729,703
The range of interest rate Credit borrowings	1.05%~1.09%	0.93%~1.41%



The Company entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contracts will be effective up to October 2026 with a total credit limit of NT\$4,100,000 thousand, which is used cyclically during the validity period. As of December 31, 2023, the company has not used its credit limit.

According to the part loan contracts of the financial report of the Company, the current ratio, bank loan ratio, debt ratio, and interest protection multiples should not be less than the specified percentage. The Company should provide improvements to the bank if the requirements were not met. As of December 31, 2023, the Company did not violate the requirements.

The Company has acquired a special low-interest bank loan line of NT\$1,204,800 thousand in accordance with the "Action Plan for Accelerated Investment by Domestic Corporations" in 2021 and has used NT\$470,800 thousand as of December 31, 2023, recognized and measured the loan at market interest rate. The difference between the market interest rate and the actual preferential repayment rate is treated as a government subsidy.

18. Bonds payable

	December 31, 2023	December 31, 2022
Domestic unsecured bonds 108-1 -		
issuance on April 26, 2019, 5 years,		
total amount NT\$2,000,000 thousand,		
coupon rate 0.98%, bullet repayment	\$ 2,000,000	\$ 2,000,000
Domestic unsecured bonds A 110-1 -		
issuance on June 23 2021, 5 years,		
total amount NT\$1,000,000 thousand,		
coupon rate 0.63%, bullet repayment,		
repaid NT\$500,000 thousand in the 4th		
and 5th years respectively from the		
issuance date	1,000,000	1,000,000
Domestic unsecured bonds B 110-1-		
issuance on June 23 2021, 7 years,		
total amount NT\$1,000,000 thousand,		
coupon rate 0.73%, bullet repayment,		
repaid NT\$500,000 thousand in the 6th		
and 7th years respectively from the		
issuance date	1,000,000	1,000,000

(Continued)

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

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

In October 2017, the Company applied for the first issuance of unsecured ordinary corporate bonds issued in 2017 with the amount of NT\$2,000,000 thousand in order to reimburse the bank loans, and the unsecured ordinary corporate bonds with a 5-year maturity, due for repayment, were all issued in October 2017. The Company repaid due in October 2022.

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

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

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

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

19. ACCOUNTS PAYABLE

	December 31, 2023	December 31, 2022
Accounts payable		
Operating	<u>\$ 1,062,391</u>	\$ 985,157
Accounts payable, related parties (Notes 30)		
Operating	<u>\$ 107,310</u>	<u>\$ 304,917</u>

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

20. OTHER PAYABLES

	December 31, 2023	December 31, 2022
Non-related party		·
Payables for salaries and bonuses	\$141,147	\$240,324
Payables for utilities	71,469	66,105
Payable for annual leave	23,499	23,290
Payables for interests	23,077	23,077
Payables for purchases of equipment	14,674	35,361
Payables for fares	13,159	22,007
Others	44,025	48,974
	<u>\$331,050</u>	<u>\$459,138</u>
Related party (Note 30)	<u>\$ 17,458</u>	<u>\$ 24,563</u>

21. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The company adopted a pension plan under the "Labor Pension Act" of ROC (the "LPA"), which is a defined contribution plan. Based on the LPA, the Company makes monthly contributions to employees' individual pension accounts in Bureau of Labor Insurance at 6% of monthly salaries and wages.

b. Defined benefit plans

The Company with the pension mechanism under the "Labor Standards Act" is considered a defined benefit plan under government administration. where it is paid based on average salary of 6 months prior to the approved retirement day and seniority. The Company contributes an amount 9% (from November 10, 2016, the contribution rate raises to 12%) of salaries paid each month to their respective pension funds, which are administered by the Labor Pension Fund Supervisory Committee and deposited in the names of the Committee in the Bank of Taiwan. Entities are required to contribute the difference in one appropriation to the Funds before the end of next March when the balance of the Funds is insufficient to pay employees who will meet the retirement eligibility criteria within next year. The plan assets are held in a commingled fund which is operated and managed by the government's designated authorities; as such, the Company does not have any right to intervene in the investments of the funds.

The amounts included in the accompanying balance sheets arising from the Company's obligation in respect of its defined benefit plans were as follows:

	Decemb	er 31, 2023	December 31, 2022
Present value of funded defined benefi	t	_	
obligation	*	95,175)	(\$ 439,292)
Fair value of plan assets		24,097	344,940
Net defined benefit liabilities - non-cur		<u>71,078</u>)	(<u>\$ 94,352</u>)
Change in net defined benefits liabilitie	es - non-current w	ere as follows:	
	Present value of funded defined benefit obligation	Fair value of plan assets	Net Defined Benefit Liabilities
January 1, 2022	(\$ 530,808)	\$ 358,131	(\$ 172,677)
Current service cost	(3,256)	-	(3,256)
Interest (expense) revenue	(2,237)	1,415	(822)
Amounts recognized in profit or loss	(5,493)	1,415	(4,078)
Re-measurement on the net defined			
benefit liability			
Return on plan assets (excluding			
amounts included in net interest)	-	29,421	29,421
Actuarial gains recognized from			
changes in financial			
assumptions	22,337	-	22,337
Actuarial losses recognized from			
experience adjustments	(10,476)		(<u>10,476</u>)
Amounts recognized in other	11.061	20. 421	41.202
comprehensive income	11,861	<u>29,421</u>	41,282
Contributions from employer	-	40,855	40,855
Benefits paid	84,882	(84,882	
Payment for provisions	<u>266</u>	<u> </u>	<u>266</u>
December 31, 2022	(\$ 439,292)	<u>\$ 344,940</u>	(\$ 94,352)



(Continued)

	Present value of funded defined benefit obligation	Fair value of plan assets	Net Defined Benefit Liabilities
January 1, 2023	(\$ 439,292)	\$ 344,940	(\$ 94,352)
Current service cost	(2,566)	-	(2,566)
Interest (expense) revenue	(4,644)	3,558	(<u>1,086</u>)
Amounts recognized in profit or loss	(7,210)	3,558	(3,652)
Re-measurement on the net defined			
benefit liability			
Return on plan assets (excluding			
amounts included in net interest)	-	3,830	3,830
Actuarial losses recognized from			
experience adjustments	(2,652)		(2,652)
Amounts recognized in other			
comprehensive income	(2,652)	3,830	1,178
Contributions from employer	-	25,666	25,666
Benefits paid	53,897	(53,897)	-
Payment for provisions	82	<u>-</u>	82
December 31, 2023	(\$ 395,175)	\$ 324,097	(\$\frac{\$71,078}{})

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

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

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

	December 31, 2023	December 31, 2022
Discount rate	1.25%	1.25%
Expected rates of salary increase	2.25%	2.25%

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

	December 31, 2023	December 31, 2022	
Discount rate			
Increase 0.25%	(\$ 6,181)	(\$ 7,023)	
Decrease 0.25%	<u>\$ 6,358</u>	<u>\$ 7,229</u>	
Expected rates of salary increase			
Increase 0.25%	<u>\$ 6,181</u>	<u>\$ 7,029</u>	
Decrease 0.25%	(\$ 6,040)	(\$ 6,864)	

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.

	December 31, 2023	December 31, 2022
The expected contributions to the plan for the next year The average duration of the defined	<u>\$ 13,456</u>	\$ 14,787
benefit obligation	6.7 years	7.1 years
22. <u>EQUITY</u>		
	December 31, 2023	December 31, 2022
Chara conital	\$ 11 QQ7 625	¢ 11 007 625

December 31,	December 31,
2023	2022
\$ 11,887,635	\$ 11,887,635
476,799	449,960
11,526,902	12,625,207
(161,445)	8,896
(<u>475,606</u>)	(<u>475,606</u>)
<u>\$ 23,254,285</u>	<u>\$ 24,496,092</u>
	2023 \$ 11,887,635 476,799 11,526,902 (161,445) (475,606)

a. Share capital

	December 31, 2023	December 31, 2022
Number of shares authorized (in thousands)	1,342,602	1,342,602
Share capital authorized	<u>\$13,426,024</u>	<u>\$13,426,024</u>
Number of shares issued and fully paid (in		
thousands)	1,188,763	1,188,763
Share capital issued	<u>\$11,887,635</u>	<u>\$11,887,635</u>

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

b. Capital surplus

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

c. Retained earnings and dividends policy

In accordance with the dividends policy as set forth in the Company's Articles of Incorporation, where there is a profit in a fiscal year, the profit after tax shall be first utilized for offsetting losses of previous years, setting aside as a legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of employees' compensation and remuneration of directors after the amendment, please refer to employees' compensation and remuneration of directors in Note 24(g).

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

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

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

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

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

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

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

d. Other equity

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

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022	
Balance at January 1	(\$ 371,193)	(\$ 710,973)	
Recognized during the period			
Exchange differences on			
translating the financial			
statements of foreign			
operations	(56,122)	294,953	
Related income tax of the profits			
and losses on translating the			
financial statements of			
foreign operations	8,853	(58,991)	
Share from subsidiaries for			
using the equity method	(45,780)	103,818	
Reclassification Adjustment			
Disposal Shares from			
subsidiaries accounted for			
using the equity method	<u>11,856</u>		
Balance at December 31	(<u>\$ 452,386</u>)	(<u>\$ 371,193</u>)	

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

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Balance at January 1	\$ 380,089	\$ 795,331
Recognized during the period		
Unrealized gains (losses)		
Equity instruments	11,667	(34,862)
Share from subsidiaries for	,	, ,
using the equity method	(105,910)	(379,349)
Cumulative unrealized gain (loss) of		, ,
equity instruments transferred to		
retained earnings due to disposals		
Share from subsidiaries for		
using the equity method	5,095	(1,031)
Balance at December 31	\$ 290,941	\$ 380,089

e. Treasury shares

	Number of Shares at January 1 (In Thousands of	Increase During the	Decrease During the	Number of Shares at December 31 (In Thousands of
Purpose of Buy-Back	Shares)	Year Ended	Year Ended	Shares)
For the Year Ended				
<u>December 31, 2023</u>				
Transfer from investment				
shares to treasury shares				
held by subsidiaries				
under equity method	<u>116,466</u>			<u>116,466</u>
For the Year Ended				
<u>December 31, 2022</u>				
Transfer from investment				
shares to treasury shares				
held by subsidiaries				
under equity method	116,466			116,466

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	Market Price
December 31, 2023	_		
APC	101,356	\$ 1,377,381	\$ 2,001,775
TTC	15,110	81,875	298,421
		\$ 1,459,256	\$ 2,300,196
December 31, 2022			
APC	101,356	\$ 1,377,381	\$ 2,239,960
TTC	15,110	81,875	333,929
		<u>\$ 1,459,256</u>	<u>\$ 2,573,889</u>

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

The Company's shares held by APC and TTC were carried as unrealized gain (loss) on financial assets at FVTOCI and valued at the closing price of December 31, 2023 and 2022. The carrying amounts of investments accounted for using the equity method and unrealized the gain on financial assets at FVTOCI were NT\$281,399 thousand and NT\$371,473 thousand, respectively.

23. REVENUE

	For the Year Ended	For the Year Ended
	December 31, 2023	December 31, 2022
Revenue from the sale of goods For the Year Ended		
Plastic Raw Materials	<u>\$ 11,449,372</u>	<u>\$ 15,632,151</u>

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

a. Contract balances

	December 31, 2023	December 31, 2022	January 1, 2022
Notes and accounts receivable (including related parties) (Note 10 and 30)	<u>\$ 786,711</u>	<u>\$ 2,475,381</u>	<u>\$ 2,189,954</u>
Contract liabilities (presented in other current liabilities) Merchandise sales	<u>\$ 23,983</u>	<u>\$ 144,066</u>	<u>\$ 184,368</u>

b. Please refer to Statement 18 for revenue breakdown list.

24. NET (LOSS) PROFIT FOR THE YEAR

Net (loss) profit for the year includes the following:

a. Interest income

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Bank deposits	\$ 12,440	\$ 8,757
Financial assets at FVTPL	1,548	1,237
Reserve repurchase agreements		
collateralized by bonds	6,073	2,437
Others	<u> </u>	4,107
	<u>\$ 20,176</u>	<u>\$ 16,538</u>

b. Other income

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Settlement income	\$ 84,030	\$ 489
Rental income	51,793	51,414
Dividend income	35,893	65,750
Income from management services		
(Note 30)	35,702	35,863
Others	9,636	<u>15,071</u>
	<u>\$217,054</u>	<u>\$168,587</u>

c. Other gains and losses

	For the Year Ended	For the Year Ended
	December 31, 2023	December 31, 2022
Gain on disposal of property, plant		
and equipment (Loss)—net	\$ 700	(\$ 12,921)
Foreign exchange gain - net	1,926	91,746
(Loss) gain on financial assets at		
FVTPL - net	33,644	(11,397)
Loss on financial liabilities at FVTPL		
- net	(16,520)	(49,912)
Disposal investments loss accounted		
for using the equity method	(13,850)	-
Depreciation expense of investment		
properties (Note 15)	(27,593)	(27,139)
Other expenses	(<u>20,932</u>)	(<u>19,999</u>)
	(\$42,625)	(<u>\$ 29,622</u>)

d. Finance costs

	For the Year Ended	For the Year Ended
	December 31, 2023	December 31, 2022
Interest on bonds payable	\$ 50,096	\$ 71,119
Interest on bank loans	8,646	3,441
Other interest expense	228	46
Interest on lease liabilities	1,196	1,540
Less: Capitalized interest (presented		
under construction in progress)	(1,522)	$(\underline{2,480})$
	<u>\$ 58,644</u>	<u>\$ 73,666</u>

Information about capitalized interest is as follows:

	For the Year Ended	For the Year Ended
	December 31, 2023	December 31, 2022
Capitalized interest	\$ 1,522	\$ 2,480
Capitalization rate	0.8358%	0.8358%~1.1570%

e. Depreciation and amortization

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Property, plant and equipment	\$ 619,200	\$ 594,296
Right-of-use assets	4,449	4,450
Investment properties	27,593	27,139
Intangible assets	501	124
Others	7,604	14,331
	<u>\$ 659,347</u>	<u>\$ 640,340</u>

(Continued)

	Summary of depreciation by function	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
	Operating costs	\$ 585,524	\$ 575,244
	Operating expenses	38,125	23,502
	Other gains and losses	<u>27,593</u>	27,139
		<u>\$ 651,242</u>	<u>\$ 625,885</u>
	An analysis of amortization by function		
	Operating costs	\$ 7,604	\$ 14,331
	Administrative expenses	501	<u> 124</u>
		<u>\$ 8,105</u>	<u>\$ 14,455</u>
f.	Employee benefits expense	For the Year Ended	For the Year Ended
		December 31, 2023	December 31, 2022
	Post-employment benefits (Note 21)		
	Defined contribution plans	\$ 20,277	\$ 19,783
	Defined benefit plans	3,652	4,078
		23,929	23,861
	Other employee benefits	610,653	738,175
	Total employee benefits expenses	<u>\$ 634,582</u>	<u>\$ 762,036</u>
	An analysis of employee benefits expense by function		
	Operating costs	\$ 496,132	\$ 583,534
	Operating expenses	138,450	178,502
		<u>\$ 634,582</u>	<u>\$ 762,036</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.

In 2023, due to the company's net loss, employees' compensation and remuneration of directors were not estimated.

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

Accrual rate

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

Amount

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

If there is a change in the amounts after the annual accompanying financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate and recognized in the next year.

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

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

h. Gain or loss on foreign currency exchange

	For the Year Ended	For the Year Ended
	December 31, 2023	December 31, 2022
Gross foreign exchange gains	\$ 14,153	\$216,717
Foreign exchange losses	$(\underline{12,227})$	(<u>124,971</u>)
Net profit	<u>\$ 1,926</u>	<u>\$ 91,746</u>

25. INCOME TAX

a. Income tax recognized in profit or loss

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

	For the Year Ended	For the Year Ended
	December 31, 2023	December 31, 2022
Current tax		
In respect of the current year	\$214,988	\$699,635
Surtax on undistributed earnings	21,974	107,333
Adjustments for previous years	(<u>18,457</u>)	$(\underline{20,100})$
	218,505	786,868
Deferred tax		
In respect of the current year	(271,170)	(410,159)
Adjustments for previous years	_ _	(<u>71</u>)
	$(\underline{271,170})$	(<u>410,230</u>)
Income tax (Gain) expense		
recognized in profit or loss	(<u>\$ 52,665</u>)	<u>\$376,638</u>

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

	For the Year Ended December 31, 2023		For the Year Ended December 31, 2022	
Net (loss) profit before tax for the year	(<u>\$</u>	<u>259,671</u>)	\$	<u>1,931,735</u>
Income tax (Gain) expense of net (loss) profit before tax calculated at				
statutory tax rate (20%)	(\$	51,934)	\$	386,347
Non-deductible expenses loss in tax	·			
returns		932		689
Tax-exempt income	(8,775)	(21,167)
Financial asset evaluation (Gain) loss	(351)		13,776
The share of profits and losses of				
domestic subsidiaries accounted for				
using the equity method		19,634	(90,253)
The invested company's capital				
reduction and liquidation loss	(15,878)		-
Surtax on undistributed earnings		21,974		107,333
Adjustments of current income tax				
expenses for prior year	(18,457)	(20,171)
Others		<u>190</u>		<u>84</u>
Income tax (Gain) expense recognized				
in profit or loss	(<u>\$</u>	<u>52,665</u>)	<u>\$</u>	376,638
To a sure Assessment and the sales of the sa				

b. Income tax recognized in other comprehensive income

c.

		For the Year Ended December 31, 2023		Year Ended ber 31, 2022
Deferred tax				
In respect of the current year				
 Translation of foreign operations 	\$	10,816	(\$	58,991)
 Remeasurements of defined benefit plan 	(236)	(8,256)
Reclassification Adjustment				
 Disposal subsidiaries accounted for using the equity method 	(1,963)		<u>-</u>
Income tax gain(expense) recognized in other comprehensive income	<u>\$</u>	8,617	(<u>\$</u>	67,247)
Current income tax assets and liabilities				
	December	31, 2023	Decem	ber 31, 2022
Current income tax liabilities				
Income tax payable	<u>\$267</u>	<u>,582</u>	<u>\$8</u>	<u>826,833</u>

d. Deferred tax assets and liabilities

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

For the Year Ended December 31, 2023

	Balance at January 1	Amounts recognized in profit or loss	Amounts recognized in other comprehensive income	Balance at December 31
Deferred tax asset				
Temporary difference Allowance for inventory valuation and obsolescence				
losses	\$ 18,225	\$ 4,347	\$ -	\$ 22,572
Defined benefit retirement plan	17,156	-	(236)	16,920
Payable for annual leave	4,658	42	-	4,700
Unrealized sales profits	11,724	(7,849)	-	3,875
Impairment loss on financial assets measured at FVTPL Amortization of intangible assets due to fiscal and taxation	6,095	-	-	6,095
difference over amortization period Amortization of depreciation due to fiscal and taxation	1,298	(1,120)	-	178
difference over amortization period	785	-	-	785
Unrealized evaluation Loss of financial assets measured at fair value through profit and loss Exchange differences on translating the financial	2,513	(2,513)	-	-
statements of foreign operations The share of profits of foreign	17,247	-	8,853	26,100
subsidiaries recognized by using equity method Unrealized exchange Loss Profit-making enterprises	364,681	263,801 2,984	-	628,482 2,984
recognized controlled foreign enterprises	<u>-</u> <u>\$ 444,382</u>	15,043 \$ 274,735	<u>-</u> \$ 8,617	15,043 \$ 727,734
Deferred tax liabilities Temporary difference Pension expenditures due to fiscal and taxation difference Unrealized exchange gains	\$ 14,144 1,631	\$ 4,419 (1,631)	\$ -	\$ 18,563
Land revaluation surplus Unrealized evaluation Gain of financial assets measured at	43,580	-	-	43,580
FVTPL	\$ 59,355	<u>777</u> \$ 3,565	<u>-</u>	777 \$ 62,920

For the Year Ended December 31, 2022

			Amounts recognized in	
		Amounts	other	
	Balance at	recognized in	comprehensive	Balance at
	January 1	profit or loss	income	December 31
Deferred tax asset				
Temporary difference				
Allowance for inventory valuation and obsolescence				
losses	\$ 11,875	\$ 6,350	\$ -	\$ 18,225
Defined benefit retirement plan	25,412	-	(8,256)	17,156
Payable for annual leave	4,870	(212)	-	4,658
Unrealized sales profits	14,872	(3,148)	_	11,724
Impairment loss on financial	- 1,	(-,)		,
assets measured at FVTPL	6,095	-	-	6,095
Amortization of intangible assets				
due to fiscal and taxation				
difference over amortization	2 440	(1.142)		1 200
period Amortization of depreciation due	2,440	(1,142)	-	1,298
to fiscal and taxation				
difference over amortization				
period	785	-	-	785
Unrealized evaluation gains or				
losses of financial assets				
measured at FVTPL	226	2,287	-	2,513
Exchange differences on				
translating the financial				
statements of foreign operations	76,238		(58,991)	17,247
The share of profits of foreign	70,236	-	(36,991)	17,247
subsidiaries recognized by				
using equity method	-	364,681	-	364,681
5 1 7	\$ 142,813	\$ 368,816	$(\sqrt{\$ 67,247})$	\$ 444,382
		<u></u>	·	
Deferred tax liabilities				
Temporary difference				
Pension expenditures due to	A 6 70 7	4 7 400	Φ.	* * * * * * * * * * * * * * * * * * *
fiscal and taxation difference	\$ 6,735	\$ 7,409	\$ -	\$ 14,144
The share of profits of foreign				
subsidiaries recognized by using equity method	49,334	(49,334)	_	_
Unrealized exchange gains	1,120	511	_	1,631
Land revaluation surplus	43,580	J11 -	-	43,580
Land 10 raisanton surprus	\$ 100,769	$(\frac{1}{\$} 41,414)$	-	\$ 59,355
	ψ 100,707	$(\underline{\Psi} \underline{\neg 1}, \underline{\neg 1}\underline{\neg})$	Ψ -	<u>Ψ 27,222</u>

e. Income tax assessments

The Company's income tax returns through 2021 have been assessed by the tax authorities.

26. EARNINGS (LOSS) PER SHARE

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

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

Net (loss) profit for the year

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Net profit (loss) attributable to owners of the Company used to calculate the net profit from basic and diluted (loss) earnings per share	(<u>\$ 207,006</u>)	<u>\$ 1,555,097</u>
Share		Unit: thousands of shares
	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Weighted average number of ordinary shares used in the computation of basic (loss) earnings per share	1,072,298	1,072,298
Effect of potentially dilutive ordinary shares:		
Employees' compensation	<u>-</u> _	1,285
Weighted average number of ordinary shares used in the computation of diluted (loss) earnings per share	1,072,298	1,073,583

If the Company offered to settle compensation paid to employees in cash or shares, the Company assumed the entire amount of the compensation 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, if the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

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

27. CASH FLOW INFORMATION

a. Non-cash transactions

Non-cash transactions In the years 2023 and 2022, the Company entered into the following non-cash investing and financing activities:

- 1) As of December 31, 2023 and 2022, the amounts of payables for purchases of equipment were NT\$14,674 thousand and NT\$35,361 thousand, respectively.
- 2) As of December 31, 2023 and 2022, the amounts of payables for dividends declared but not issued were NT\$11,337 thousand and NT\$6,748 thousand, respectively.

b. Changes in liabilities arising from financing activities

			Non-cas	h Changes		
	January 1, 2023	Cash flow	New Leases	Amortization of Finance Costs	Others	December 31, 2023
Bonds payable (including those due within 1 year) Long-term borrowings	\$ 5,992,228	\$ -	\$ -	\$ 2,476	\$ -	\$ 5,994,704
(including those due within 1 year) Guarantee deposits received Lease liabilities (including	729,703 6,715	(264,425) 632	-	2,228		467,506 7,347
those due within 1 year)	117,437	(32,239)	24	1,196	(1,312)	85,106
Other non-current liabilities	6,104	425	<u>-</u>	<u>=</u>	` <u> </u>	6,529
	\$ 6,852,187	(<u>\$ 295,607</u>)	<u>\$ 24</u>	\$ 5,900	(<u>\$ 1,312</u>)	\$ 6,561,192
			Non-cas	h Changes		
	January 1, 2022	Cash flow	New Leases	Amortization of Finance Costs	Others	December 31, 2022
Bonds payable (including those due within 1 year) Long-term borrowings (including those due	\$ 8,988,972	(\$ 3,000,000)	\$ -	\$ 3,256	\$ -	\$ 5,992,228
within 1 year)	34,310	694,412	-	981	-	729,703
Guarantee deposits received Lease liabilities (including	6,637	78	-	-	-	6,715
those due within 1 year)	146,523	(31,426)	2,340	1,540	(1,540)	117,437
Other non-current liabilities	516	5,588		-		6,104
	<u>\$ 9,176,958</u>	(<u>\$ 2,331,348</u>)	\$ 2,340	<u>\$ 5,777</u>	(<u>\$ 1,540</u>)	\$ 6,852,187

28. CAPITAL MANAGEMENT

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

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

Key management personnel of the Company 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 Company may adjust the amount of dividends paid to shareholders, and the amount of new debt issued or existing debt redeemed.

29. FINANCIAL INSTRUMENTS

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

December 31, 2023

		Fair Value				
	Carrying Amount	Level 1	Level 2	Level 3	Total	
Financial liabilities Financial liabilities at amortized cost - Domestic corporate bonds	<u>\$ 5,994,704</u>	<u>\$ -</u>	\$ 5,939,899	<u>\$ -</u>	\$ 5,939,899	
<u>December 31, 2022</u>						
			Fair '	Value		
	Carrying Amount	Level 1	Level 2	Level 3	Total	
Financial liabilities						
Financial liabilities at amortized cost - Domestic corporate bonds	\$ 5,992,228	\$ -	\$ 5,950,888	\$ -	\$ 5,950,888	

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

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

Fair value hierarchy

December 31, 2023

<u>December 31, 2023</u>				
	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivatives	\$ -	\$ 3,887	\$ -	\$ 3,887
Domestic listed (OTC) shares	94,008	-	-	94,008
Fund beneficiary certificates	685,810	-	-	685,810
Beneficiary securities	68,837			68,837
	<u>\$ 848,655</u>	\$ 3,887	<u>\$</u>	<u>\$ 852,542</u>
Financial assets at FVTOCI				
Investments in equity instruments				
- Domestic listed (OTC) shares	\$ 761,381	\$ -	\$ -	\$ 761,381
- Domestic unlisted shares and				
emerging market shares	<u> </u>	-	140,923	140,923
	\$ 761,381	<u>\$</u>	<u>\$ 140,923</u>	<u>\$ 902,304</u>
<u>December 31, 2022</u>				
	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivatives	\$ -	\$ 1,206	\$ -	\$ 1,206
Domestic listed (OTC) shares	61,362	-	-	61,362
Fund beneficiary certificates	410,211	-	-	410,211
Beneficiary securities	60,387	<u> </u>		60,387
	\$ 531,960	<u>\$ 1,206</u>	<u>\$ -</u>	<u>\$ 533,166</u>
Financial assets at FVTOCI				
Investments in equity instruments				
- Domestic listed (OTC) shares	\$ 735,386	\$ -	\$ -	\$ 735,386
- Domestic unlisted shares and				
emerging market shares			135,276	135,276
	<u>\$ 735,386</u>	<u>\$</u>	<u>\$ 135,276</u>	<u>\$ 870,662</u>
Financial liabilities at FVTPL				

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

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

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Financial assets at FVTOCI		
Balance at January 1	\$ 135,276	\$ 164,720
Purchase	19,975	-
Recognized in other comprehensive income (included in unrealized gain (loss) on financial assets at FVTOCI)	(14,328)	(29,444)
Balance at December 31	<u>\$ 140,923</u>	<u>\$ 135,276</u>

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

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

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

The Company 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 Company keeps the results close to the market state and reviews such results periodically to ensure that they are reasonable. The fair values of domestic and foreign unlisted equity securities were determined using the asset-based approach. In this approach, the fair value is determined by the latest net value of the investee company and the financial and business conditions of its observable company. If the discount for the lack of marketability decreases, the fair value of investments will increase. When the discount for lack of marketability increases/decreases by 10%, the fair value would have decreased/increased by NT\$14,092 thousand and NT\$13,528 thousand, respectively for the year ended December 31, 2023 and 2022.

c. Categories of financial instruments

	December 31, 2023	December 31, 2022
Financial assets		
Financial assets at FVTPL		
Financial assets mandatorily classified at FVTPL	\$ 852,542	\$ 533,166
Financial assets measured at amortized cost (Note 1)	3,429,629	4,280,003
Financial assets at FVTOCI – investments in equity instruments	902,304	870,662
Refundable deposits	73,631	68,281
Financial liabilities		
Financial assets at FVTPL		
Held for trading	-	13,769
Financial liabilities measured at amortized cost (Note 2)	7,813,438	8,226,813
Guarantee deposits received	7,347	6,715

- Note 1. Balance is the financial assets measured at amortized cost, including cash and equivalent cash, pledged time deposit, back bonds with a maturity date exceeding 3 months, notes receivable and amounts receivable (including related parties), other receivables (including related parties, excluding tax refund receivable).
- Note 2. Balance is the financial liabilities measured at amortized cost, including long-term loans, amounts receivable (including related parties and excluding advanced compensations and taxes), other receivables (including related parties) and bonds payable.

d. Financial Risk Management Objectives and Policies

The Company's conduct of risk controlling and hedging strategy is influenced by the operational environment. The Company 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 Company'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 Company's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

The Company had conducted foreign currency sales and purchases, which exposed the Company 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 Company 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 Company's policies approved by the board of directors. Compliance with policies and exposure limits was reviewed by internal auditors on a continuous basis. The Company 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 Company as of the balance sheet date, please refer to Note 33. For the carrying amount of derivatives exposed to exchange rate risk, please refer to Note 7.

Sensitivity analysis

The sensitivity analysis of foreign currency risk mainly focuses on the computation of foreign currency monetary items at the end of the financial reporting period (U.S. dollar and RMB denominated items). When the functional currency of the entities of the Company relative to the USD and RMB appreciates/depreciates by 3%, the Company's Net loss before tax for the years ended December 31, 2023 and 2022 would have decreased/increased by NT\$19,594 thousand and NT\$69,867 thousand respectively.

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

b) Interest rate risk

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

The carrying amounts of the Company's financial assets and financial liabilities with exposure to interest rates on the balance sheet date were as follows:

	December 31, 2023	December 31, 2022
Fair value interest rate risk		
- Financial assets	\$ 1,946,320	\$ 1,281,054
- Financial liabilities	6,079,810	6,109,665
Cash flow interest rate risk		
- Financial assets	119,844	120,410
- Financial liabilities	467,506	729,703

Sensitivity analysis

Regarding the sensitivity analysis of interest risk, the Company'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 company's net losses before tax for the year 2023 would have increased/decreased by NT\$1,738 thousand; the net profit before tax for the year 2022 would have decreased/increased by NT\$3,046 thousand.

c) Other price risks

The Company was exposed to equity price risk through its investments in domestic listed (OTC) shares, fund beneficiary certificates and other investments. The Company manages this exposure by maintaining a portfolio of investments with different risks. In addition, the Company 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, since the fund beneficiary certificates held by the Company are mainly money market funds and its risk of price fluctuations is very low, they are not included in sensitivity analysis.

If the equity price had increased/decreased by 5%, the net losses before tax for the year 2023 would have increased/decreased by NT\$ 8,142 thousand, as a result of the changes in the fair value of financial assets at FVTPL (excluding fund beneficiary certificates); the net profit before tax for the year 2022 would have increased/decreased by NT\$6,087 thousand. as a result of the changes in the fair value of financial assets at FVTPL (excluding fund beneficiary certificates); The pre-tax other comprehensive income for the years 2023 and 2022 would have increased/decreased by NT\$45,115 thousand and NT\$43,533 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 Parent Company. As of the balance sheet date, the Company's maximum exposure to credit risk, which would cause a financial loss to the Company due to the failure of the counterparty to discharge its obligation, could be equal to the total of the following:

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

The Company adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit ratings of its counterparties are continuously monitored. In addition, the financial guarantee provided by the Company is customs duties and endorsement guarantee for the loan of the subsidiary. As of December 31, 2023 and 2022, the amounts for endorsement guarantee are NT\$1,300,000 thousand and NT\$4,223,550 thousand. Based on the expectation of the balance sheet, the subsidiaries are in good operation, hence, it is unlikely that the Company will have to pay endorsement guarantee amounts due to the subsidiaries' breach of contract.

The counterparties of the Company's accounts receivables included numerous clients distributed over a variety of areas and were not centered on a single client or location. Furthermore, the Company continuously assesses the financial condition of its clients, and then the Company's credit risk was limited. On the balance sheet date, the Company'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 Company operations and mitigate the effects of the Company'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 Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods based on the probable earliest dates on which the Company can be required to pay. The table has been drawn up based on the undiscounted cash flows of financial liabilities including interests and cash flows of principals.

86,723

751,159

4,946,004

5,783,886

December 31, 2023

	Weighted Average Interest Rate (%)	On Demand or Less than 1 Year	1-5 Years	More than 5 years
Non-derivative financial				
<u>liabilities</u>				
Non-interest bearing				
liabilities		\$ 1,351,228	\$ -	\$ -
Lease liabilities	1.16~1.76	29,408	57,212	-
Floating interest rate				
liabilities	1.05~1.09	5,043	475,710	-
Fixed interest rate liabilities	0.63~0.98	2,034,553	4,067,447	
		\$ 3,420,232	<u>\$ 4,600,369</u>	<u>\$ -</u>
December 31, 2022				
	Weighted			
	Average	On Demand or		
	Interest Rate	Less than 1		More than 5
	(%)	Year	1-5 Years	years
Non-derivative financial <u>liabilities</u>				
Non-interest bearing				
liabilities		\$ 1,504,880	\$ -	\$ -

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

1.16~1.76

0.93~1.41

0.63~0.98

Liquidity and interest rate risk tables for derivative financial liabilities 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.

33,452

8,549

47,620 1,594,501

December 31, 2023

Lease liabilities

Floating interest rate liabilities

Fixed interest rate liabilities

<u>December 31, 2023</u>	On Demand or Less than 1 Month	1-3 Months	3 months to 1 year
Gross settled Foreign exchange forward contracts - Inflows - Outflows	\$ 231,108 (\(\frac{228,033}{3,075}\)	\$ 17,574 (\(\frac{17,341}{\\$}\)\)\(\frac{233}{\}\)	\$ - <u>-</u> \$ -
<u>December 31, 2022</u>	On Demand or Less than 1 Month	1-3 Months	3 months to 1
Gross settled Foreign exchange forward contracts - Inflows - Outflows	\$ 610,367 (<u>611,137</u>) (\$ 770)	\$1,182,018 (<u>1,194,937</u>) (\$ 12,919)	\$ - - \$ -

c) Financing facilities

The Company 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:

	December 31, 2023	December 31, 2022
Bank loan facilities		
- Amount unused	\$ 11,213,144	<u>\$ 11,680,712</u>

30. RELATED PARTY TRANSACTIONS

Besides information disclosed elsewhere in other notes, details of transactions between the Company and related parties are disclosed as follows.

a. Name of the related party and their relationship

	Relationship with the
Name of the related party	Parent Company
Swanson Plastics Corp. (SPC)	Subsidiary
Acme Electronics Corporation (ACME)	Subsidiary
Chong Loong Trading Co., Ltd. (CLT)	Subsidiary
Union Polymer International Investment Corporation	
(UPIIC)	Subsidiary
USI (Hong Kong) Company Limited (USI (Hong	
Kong))	Subsidiary
USI Management Consulting Corp (UM)	Subsidiary
Forever Young Company Limited (Forever Young)	Subsidiary
Swanson Plastics (Kunshan) SPC	Subsidiary
Swanson Plastics (Malaysia) Sdn. Bhd.	Subsidiary
Swanson Technologies Corporation	Subsidiary
Taiwan United Venture Management Corp. (TUVM)	Subsidiary
China General Plastics Corporation (CGPC)	Subsidiary
Taita Chemical Company, Limited (TTC)	Subsidiary
Asia Polymer Corporation (APC)	Subsidiary
Taiwan VCM Corporation (TVCM)	Subsidiary
CGPC Polymer Corporation	Subsidiary
China General Terminal & Distribution Corporation (CGTD)	Subsidiary
INOMA Corporation	Subsidiary
USIG (Shanghai) Co., Ltd. (USIG)	Subsidiary
USI Trading (Shanghai) Co., Ltd. (USI Trading	Subsidiary
(Shanghai))	•
USI Optronics Corporation	Subsidiary

	Relationship with the
Name of the related party	Parent Company
Dynamic Ever Limited (DEIL)	Subsidiary
USI Green Energy Corporation (USIGE)	Subsidiary
USI Educational Foundation (USIF)	Other related parties
Delmind Inc. (Delmind)	Associate
Fujian Gulei Petrochemical Co., Ltd. (Gulei)	Joint ventures

b. Sale

	For the Year Ended	For the Year Ended
Related Party Category/Name	December 31, 2023	December 31, 2022
Subsidiary	\$ 466,041	\$ 737,799

As of the end of 2023 and 2022, the deferred unrealized gross profit to subsidiaries is NT\$1,103 thousand and NT\$1,505 respectively.

Sales from related parties had no material difference from those of general purchase transactions.

c. Purchase

	For the Year Ended	For the Year Ended
Related Party Category/Name	December 31, 2023	December 31, 2022
Subsidiary		
APC	\$ 813,447	\$ 1,436,927
Others	82,402	91,307
	895,849	1,528,234
Joint ventures		
Gulei	730,951	669,088
	<u>\$ 1,626,800</u>	<u>\$ 2,197,322</u>

Purchases from related parties had no material difference from those of general purchase transactions.

d. Allotment of ethylene outside

	For the Year Ended	For the Year Ended
Related Party Category/Name	December 31, 2023	December 31, 2022
Subsidiary		
TVCM	\$ 368,150	\$ 158,204
APC	353,812	262,209
	\$ 721,962	\$ 420,413

e. Allotment of ethylene inside

	For the Year Ended	For the Year Ended
Related Party Category/Name	December 31, 2023	December 31, 2022
Subsidiary		
TVCM	\$ 11,287	\$ 62,143
APC	_	42,176
	<u>\$ 11,287</u>	<u>\$ 104,319</u>

f. Rental income (classified as other income)

	For the Year Ended	For the Year Ended
Related Party Category/Name	December 31, 2023	December 31, 2022
Subsidiary		
SPC	\$ 7,518	\$ 7,540
TTC	5,082	5,250
CGPC	4,819	4,895
ACME	3,194	3,068
APC	2,408	2,505
TVCM	1,652	1,802
UM	1,450	1,043
CGTD	1,404	1,515
Others	1,466	1,034
	28,993	28,652
Associate		
Delmind	318	251
	<u>\$ 29,311</u>	<u>\$ 28,903</u>

The Company leases the office buildings to the associates and related parties and the rental income is received monthly according to the contract. The associates and related parties have no rights of first refusal at the end of the lease terms.

g. Management service income (classified as other revenue)

For the Year Ended	For the Year Ended
December 31, 2023	December 31, 2022
\$ 12,044	\$ 14,722
9,255	9,631
8,500	7,171
4,225	3,710
1,678	629
<u>\$ 35,702</u>	<u>\$ 35,863</u>
	\$ 12,044 9,255 8,500 4,225 1,678

Financial Overview



In response to management needs and integrating the corporate resources, the Company signed a resource support contract with UM, a subsidiary, in July 2002. UM would coordinate resources and services of the Group's common service department. The fees are calculated and charged based on the contract.

In response to management needs, the Company signed a management service contract with DEIL in May 2015, and the Company would provide the service of management consultation. The fees are calculated and charged based on the contract.

h. Management service fees - investment (classified as other gains and losses)

	For the Year Ended	For the Year Ended
Related Party Category/Name	December 31, 2023	December 31, 2022
Subsidiary		
TUVM	<u>\$ 243</u>	<u>\$ 177</u>

 Management service fees - management (classified as administrative expenses and research and development expenses)

	For the Year Ended	For the Year Ended	
Related Party Category/Name	December 31, 2023	December 31, 2022	
Subsidiary			
UM	\$ 149,998	\$ 161,606	
Others	8,057	6,583	
	<u>\$ 158,055</u>	<u>\$ 168,189</u>	

j. Rent expenses (classified as operating expenses)

	For the Year Ended	For the Year Ended December 31, 2022	
Related Party Category/Name	December 31, 2023		
Subsidiary			
APC	\$ 2,995	\$ 3,015	
TTC	_	306	
	<u>\$ 2,995</u>	<u>\$ 3,321</u>	

Based on the rental contract between the Company and the related parties, the rents refer to the market rents of the neighboring building and are calculated based on the square feet and service proportion. The rental income was paid monthly according to the contract.

k. Commissions expense (classified as selling and marketing expenses)

	For the Year Ended	For the Year Ended	
Related Party Category/Name	December 31, 2023	December 31, 2022	
Subsidiary			
USI Trading (Shanghai)	<u>\$ 425</u>	<u>\$ 248</u>	

1. Storage tank operation expense (classified as cost of goods sold)

	For the Year Ended	For the Year Ended	
Related Party Category/Name	December 31, 2023	December 31, 2022	
Subsidiary			
CGTD	<u>\$ 57,990</u>	<u>\$ 33,680</u>	

m. Processing costs (classified as cost of goods sold)

Related Party Category/Name	December 31, 2023	December 31, 2022
Subsidiary SPC	\$ 9,727	<u>\$ 14,815</u>

n. Donation (classified as administrative expenses)

	For the Year Ended	For the Year Ended
Related Party Category/Name	December 31, 2023	December 31, 2022
Other related parties		
USI Education Foundation	<u>\$ 5,000</u>	<u>\$ 5,000</u>

o. Other (classified as operating expenses, and other gain and loss)

	For the Year Ended	For the Year Ended
Related Party Category/Name	December 31, 2023	December 31, 2022
Subsidiary	<u>\$ 446</u>	(\$ 182)

p. Revenue from selling raw materials (classified as other revenues)

	For the Year Ended	For the Year Ended	
Related Party Category/Name	December 31, 2023	December 31, 2022	
Subsidiary			
APC	\$ 201,867	\$ 252,526	
Others	2,308	500	
	<u>\$ 204,175</u>	<u>\$ 253,026</u>	

q. Revenue from survey fee of importing ethylene (classified as other revenues)

For the Year Ended		For the Year Ended		
Related Party Category/Name	December 31, 2023		December 31, 2022	
Subsidiary			'-	
CGTD	\$	976	\$	792
Others		20		20
	\$	996	<u>\$</u>	812

r. Gains on disposals of property, plant and equipment (classified as other gain and loss)

	For the Year E	nded	For the Year Ended		
Related Party Category/Name	December 31,	2023	Decembe	er 31, 2022	
Subsidiary			_		
USI (Hong Kong)	\$ 889	9	\$	889	

The Hong Kong branch of the Company sold property, plant and equipment to USI (Hong Kong) in August 2005 for NT\$18,049 thousand (HKD 4,180 thousand). As of the end of 2023 and 2022, the unrealized gain is NT\$1,479 thousand and NT\$2,368 thousand, respectively, which have been deferred and are reversed and recognized based on the equipment's estimated useful life.

s. Accounts receivable

Related Party Category/Name	December 31, 2023		December 31, 2022		
Subsidiary					
USI Trading (Shanghai)	\$	31,651	\$	30,630	
Swanson Kunshan					
Corporation, Ltd.		15,737		-	
SPC		7,230		8,977	
Forever Young		5,217		69,238	
USI (Hong Kong)		4,618		9,955	
Swanson Malaysia Sdn. Bhd.		3,434		-	
Others		25		18	
	\$	67,912	\$	118,818	

No collateral has been received for the accounts receivable outstanding from related parties. No allowance for losses was provided for the accounts receivable for the years ended 2023 and 2022.

t. Other receivables

Related Party Category/Name	December 31, 2023	December 31, 2022			
Subsidiary					
APC	\$ 235,113	\$ 185,661			
TVCM	216,415	222,544			
USIG (Note 12)	129,438	-			
Others	10,112	14,565			
	<u>\$ 591,078</u>	<u>\$ 422,770</u>			

u. Accounts payable

Related Party Category/Name	December 31, 2023	December 31, 2022
Subsidiary	· · · · · · · · · · · · · · · · · · ·	
APC	\$ 97,256	\$ 184,404
SPC	5,854	10,161
TTC	4,200	
	107,310	194,565
Joint ventures		
Gulei	_	110,352
	<u>\$ 107,310</u>	\$ 304,917

No collateral has been received for the accounts payable outstanding from related parties.

v. Other payables

Related Party Category/Name	December 31, 2023	December 31, 2022
Subsidiary		
CGTD	\$ 9,642	\$ 4,763
UM	4,559	12,480
TTC	1,511	1,035
TVCM	1,044	2,193
APC	255	1,261
SPC	-	2,722
Others	447	109
	<u>\$ 17,458</u>	<u>\$ 24,563</u>

w. Other unearned revenue (classified as other current liabilities)

Related Party Category/Name	December 31, 2023	December 31, 2022			
Subsidiary					
SPC	<u>\$ 284</u>	<u>\$ 284</u>			

x. Loans to related parties (classified as other receivables)

<u>Interest income</u>

	For the Year Ended	For the Year Ended
Related Party Category/Name	December 31, 2023	December 31, 2022
Subsidiary		
USIGE	<u>\$</u>	<u>\$ 41</u>

In 2021, the Company's funds loaned to USIGE were unsecured loans at interest rates similar to market rates. The loans were recovered in 2022.

y. Endorsement and Guarantees (customs and bank loans)

Related Party Category/Name	December 31, 2023	December 31, 2022		
Subsidiary				
USIGE	\$ 1,300,000	\$ 1,300,000		
UPIIC	-	2,600,000		
CLTC	_	323,550		
	<u>\$ 1,300,000</u>	\$4,223,550		

z. Compensation of key management personnel

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

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Short-term employee benefits	\$ 42,884	\$ 47,802
Retirement benefits	<u>738</u>	810
	<u>\$ 43,622</u>	<u>\$ 48,612</u>

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

31. COLLATERALIZED ASSETS

The following assets of the Company were provided as guarantees for the purchase payment and outward documentary bill:

	December 31, 2023	December 31, 2022
Time deposits		
 classified as financial assets measured at amortized cost - current 	\$ 61,777	\$ 61,104
 Classified as other non-current assets 	<u>27,272</u> \$ 89,049	<u>26,975</u> \$ 88,079

32. <u>SIGNIFICANT CONTINGENT LIABILITY AND UNRECOGNIZED CONTRACTUAL COMMITMENTS</u>

- a. As of December 31, 2023 and 2022, the Company's unused letter of credit amounted to NT\$1,779,980 thousand and NT\$1,186,389 thousand, respectively. The margins of endorsement of the related parties amounted to NT\$1,300,000 thousand and NT\$4,223,550 thousand, respectively. Please refer to notes 29 and 30.
- b. Regarding the Company's associate, China General Terminal & Distribution Corporation ("CGTD"), who was commissioned to operate the propylene pipeline of LCY Chemical Corp. ("LCY") resulting in a gas explosion on July 31, 2014, the appeal was dismissed by the Supreme Court on September 15, 2021, and all three employees of CGTD were innocent.

On February 12, 2016, CGTD entered into an agreement with the Kaohsiung City Government to provide the Kaohsiung City Government with a pledge right set of a bank deposit certificate of NT\$231,585 thousand (including interests) as the guarantee for the loss caused by the gas explosion. Kaohsiung City Government has also filed civil lawsuits against CGTD, LCY and CPC Corporation, Taiwan. Taiwan Power Company applied for provisional attachment against CGTD's property on August 27 and November 26, 2015.

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

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

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

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



starting from June 22, 2018. The proportion of fault liability of the Kaohsiung City Government, LCY and CGTD is 4:3:3 in most judgments. The total amount of compensation that CGTD, LCY and the other defendants should pay is around NT\$401,979 thousand. (In particular, CGTD was exempted from paying NT\$6,194 thousand according to the court's judgment.) For the civil cases that have been sentenced but not settled, CGTD has filed an appeal and has started the second trial procedure one after another. The remaining cases are still pending in the Court of First Instance (the amount claimed is approximately NT\$1,882,829 thousand). CGTD and its insurance company signed a settlement agreement, covering the proportion of the liability for negligence determined in the first-instance judgment, the estimated amount of the settlement with the victims and the severely injured, and the amount of compensation in civil cases (including cases that have been settled); after the maximum insurance claims is deducted, the estimated amount that should be borne by CGTD and has been recognized is NT\$136,375 thousand. However, the actual amount of the aforementioned relevant settlements and compensation will not be confirmed until the proportion of the liabilities that should be borne by CGTD is determined in the civil case judgment in the future.

33. <u>SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES</u> The following represents the aggregated values of foreign currencies other than the functional currencies of the company, and the disclosed exchange rates refer to the rates at which these foreign currencies were translated into their respective functional currencies. Significant financial assets and liabilities denominated in foreign currencies follows:

Unit: Foreign and Functional Currencies in Thousands

	December 31, 2023								
	Foreign	Exchange	Carrying						
	Currency	Rate	Amount						
Foreign currency assets									
Monetary items									
USD	\$ 28,20	30.71	\$ 866,118						
RMB	72,05	4.34	312,388						
Non-monetary items									
Joint ventures accounted for									
USD	167,38	30.71	5,139,552						
Hong Kong dollars	16,37	3.93	64,345						
Derivatives									
Sell RMB	56,60	00 4.34	3,887						
Foreign currency liabilities									
Monetary items									
USD	17,11	8 30.71	525,364						
Non-monetary items	,		,						
Derivatives									
Sell RMB	1	5 4.34	63						

	December 31, 2022									
	Fo	reign	Exc	hange		Carrying				
	Cur	rency	F	Rate		Amount				
Foreign currency assets										
Monetary items										
USD	\$	34,051		30.71	\$	1,045,717				
RMB	4	145,984		4.41		1,966,522				
Non-monetary items										
Joint ventures accounted for										
USD	2	212,205		30.71		6,516,822				
Hong Kong dollars		17,626		3.94		69,412				
RMB		29,654		4.41		130,756				
Derivatives										
Sell RMB		61,200		4.41		1,206				
Foreign currency liabilities										
Monetary items										
USD		22,252	•	30.71		683,350				
Non-monetary items										
Derivatives										
Sell RMB	3	348,400		4.41		13,769				

1 21 2022

The net realized and unrealized foreign exchange gain or loss of the Company for the years ended December 31, 2023 and 2022, were NT\$1,926 thousand (gain) and NT\$91,746 thousand (loss), respectively. Due to the wide variety of foreign currency transactions and functional currencies of the Company's entities, thus the exchange gains were not disclosed by currency of significant impact.

34. <u>SEPARATELY DISCLOSED ITEMS</u>

- a. Information on significant transactions and b. reinvestment business
- 1) Financing provided to others. (Table 1)
- 2) Endorsements/guarantees provided. (Table 2)
- 3) Marketable securities held (excluding investment in subsidiaries, associates and joint ventures). (Table 3)
- 4) Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital. (Table 4)
- 5) Acquisitions of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital. (None)
- 6) Disposals of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital. (None)
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 5)

- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 6)
- 9) Trading in derivative instruments:

As of the end of the year 2023, the related information of the Company and the subsidiaries that applied the forward exchange transaction is as follows:

	Currency	Maturity date	Contr	Contract Amount (In Thousands)		
December 31, 2023						
Selling Foreign Exchange	RMB/NTD	113.01.03-113.02.01	RMB	71,700 /NTD	315,018	
Forward Contracts						
Selling Foreign Exchange	USD/ MYR	113.01.08-113.07.11	USD	1,800 /MYR	8,281	
Forward Contracts						
Buy	USD/NTD	113.01.02-113.01.08	USD	1,400 /NTD	43,839	
Buy	NTD/USD	113.01.10-113.02.20	NTD	92,539 /USD	3,000	
Buy	JPN/USD	113.01.26-113.02.22	JPY	120,000 /USD	816	

- 10) Information on investees. (Table 7)
- c. Information on investments in mainland China
 - 1) Information on the investee company in mainland China, including the company names, major business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, current profit and loss and recognized investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China. (Table 8)
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: Tables 5 and 6.
 - 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 6.
 - c) The amount of property transactions and the amount of the resultant gains or losses: None.
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: Table 2.
 - e) The highest balance during the period, the end of period balance, the interest rate range, and total current period interest with respect to the financing of funds: Table 1.
 - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services: None.
- d. Information on major shareholders: Name, number of shares held, and shareholding percentage of shareholders with shareholding percentage exceeding 5%. (Table 9)

Acme Electronics Corporation

FINANCING PROVIDED TO OTHERS

For the Year Ended December 31, 2023

Table 1

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

No.	Lender	Borrower	Financial Statement Account	Related Party (Yes/No)	Van*	Balance at December 31 (Notes 3 and 4)		The range of interest rate (%)				Allowance for Impairment Loss	Coll Item	ateral Value	Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)	g Remark
1	Acme Electronics (Guang-Zhou) Co., Ltd.	Acme Electronics (Kunshan) Co., Ltd	Other receivables -	Yes	\$ 176,040 (RMB40,000 thousand)	\$ 173,048 (RMB40,000 thousand)	\$ 104,045	3.45	2	\$ -	Business turnover	\$ -	_	_	\$ 383,828	\$ 383,828	

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

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

(1)Business relationship is coded "1."

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

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

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

Swanson Plastics Corporation

FINANCING PROVIDED TO OTHERS

For the Year Ended December 31, 2023

Table 1-1

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

- Note 1. The limits of financing provided to others based on the total amount of funds lending to others and the limits of individual objects set by the companies.
- Note 2. The nature of financing is provided as follows:
 - (1)Business relationship is coded "1."
 - (2)Short-term financing is coded "2."
- Note 3. The calculation was based on the spot exchange rate of December 31, 2023.
- Note 4. All the transactions were written off when preparing the consolidated financial statements.

China General Plastics Corporation

FINANCING PROVIDED TO OTHERS

For the Year Ended December 31, 2023

Table 1-2

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

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

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

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

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

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

USI CORPORATION AND INVESTEE COMPANIES ENDORSEMENTS/GUARANTEES PROVIDED

For the Year Ended December 31, 2023

Table 2

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

		Endorsee/C	Guarantee						Ratio of				P 1 ./	
No.	Endorsement and guarantee Company Name	Company Name	Relationship	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	Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 1)	Endorsement/ Guarantee Made by Parent for Subsidiaries	Guarantee Made by	Endorsement/ Guarantee Made for Companies in Mainland China	Remark
0	USI Corporation	Union Polymer International Investment Corporation	Subsidiary which directly held more than 50% of ordinary shares	\$ 11,627,143	\$ 2,600,000	\$ -	\$ -	\$ -	-	\$ 13,952,571	Yes	No	No	
0	USI Corporation	USI Green Energy Corporation	Subsidiary which directly held more than 50% of ordinary shares	11,627,143	1,300,000	1,300,000	150,000	-	5.59	13,952,571	Yes	No	No	
0	USI Corporation	Chong Loong Trading Co., Ltd.	Subsidiary which directly held more than 50% of ordinary shares	11,627,143	323,525 (US\$5,000 thousand) (NT\$170,000 thousand)		-	-	-	13,952,571	Yes	No	No	

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

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

Acme Electronics Corporation

ENDORSEMENTS/GUARANTEES PROVIDED

For the Year Ended December 31, 2023

Table 2-1

		Endorsee	/Guarantee						Ratio of					
No.	Endorsement and guarantee Company Name	Company Name	Relationship	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	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 for Companies in Mainland China	Remark
0	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd	Subsidiary of ACME (Cayman)	\$ 2,654,198	\$ 778,716 (US\$ 18,500 thousand)	\$ 365,950 (US\$5,000 thousand)	\$ 151,732 (RMD35,000 thousand)	\$ -	20.68	\$ 3,538,930	No	No	Yes	
					(RMB49,000 thousand)	(RMB 49,000 thousand)								1
		Acme Electronics (Guang-Zhou) Co.,	Subsidiary of GAEL	2,654,198	64,850	-	-	-	-	3,538,930	No	No	Yes	
		Ltd.	`		(US\$2,000 thousand)									1
		ACME Electronics	Subsidiary of ACME	2,654,198	314,200	-	-	-	-	3,538,930	No	No	No	1
		(Cayman) Corp.			(US\$ 10,000 thousand)									
1	ACME Components	ACME Ferrite	Subsidiary of ACME	480,703	115,597	112,731	64,271	-	16.42	549,375	No	No	No	ł
	(Malaysia) Sdn.Bhd.	Products Sdn. Bhd.	. (MA)		(MYR17,584 thousand)	(MYR17,584 thousand)	(MYR10,025 thousand)							1

- Note 1. The rate was calculated by the equity of ACME as of December 31, 2023.
- Note 2. The maximum amount of total Endorsement/
- Note 3. Guarantee shall not exceed 200% of the equity attributable to owners of ACME. The maximum amount of Endorsement/
- Note 4. Guarantee for an individual entity shall not exceed 150% of the equity attributable to owners of ACME. The maximum amount of Endorsement/
- Note 5. Guarantee was calculated based on the equity of the endorser guarantor as of December 31, 2023. The total amount of ACME (MA)'s external Endorsement/
- Note 6. Guarantee shall not exceed 80% of its net worth; the limit of ACME (MA)'s Endorsement/
- Note 7. Guarantee for a single company shall not exceed 70% of its net worth. The maximum amount of Endorsement/
- Note 8. Guarantee was calculated based on the equity of the endorser guarantor as of December 31, 2023.
- Note 9. The calculation was based on the spot exchange rate of December 31, 2023.

Swanson Plastics Corporation

ENDORSEMENTS/GUARANTEES PROVIDED

For the Year Ended December 31, 2023

Table 2-2

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

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

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

China General Plastics Corporation

ENDORSEMENTS/GUARANTEES PROVIDED

For the Year Ended December 31, 2023

Table 2-3

		Endorsee/	Guarantee Guarantee						Ratio of					
No.	Endorsement and guarantee Company Name	Company Name	Relationship	Limits on Endorsement/ Guarantee Made for Each Party (Note 2)	Endorsed/	Outstanding Endorsement/ Guarantee at the End of the Year	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	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
0	China General Plastics Corporation	CGPC Polymer Corporation	Subsidiary	\$ 5,748,886	\$ 1,361,717	\$ 1,061,717	\$ 400,307	\$ -	11.08	\$ 9,581,477	No	No	No	

- Note 1. The ratio was calculated by the equity of CGPC as of December 31, 2023.
- Note 2. The total amount of guarantee that may be provided by CGPC shall not exceed 100% of the net worth of shareholders' equity stated on the latest financial statements. The amount of guarantee that may be provided to any individual entity shall not exceed 60% of the net worth of shareholders' equity stated on the latest financial statements.

Taita Chemical Company, Ltd.

ENDORSEMENTS/GUARANTEES PROVIDED

For the Year Ended December 31, 2023

Table 2-4

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

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

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

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

USI CORPORATION AND INVESTEE COMPANIES MARKETABLE SECURITIES HELD

December 31, 2023

Table 3

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

	True and Name of Madvetchie	Dalatianahin with tha			December 3	31, 2023		
Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value \$ 637,757 120,948 123,624 19,975 4,408 69,700 10,450 9,450	Remark
USI Corporation	Shares CTCI Corporation	_	Financial assets at FVTOCI - non-current	15,130,656	\$ 637,757	1.89	\$ 637,757	
	KHL IB Venture Capital Co., Ltd.	_	"	13,132,193	120,948	11.90	120,948	
	AU Optronics Corporation	_	"	6,811,204	123,624	0.09	123,624	
	PELL Bio-Med Technology Co. Ltd.	_	"	235,000	19,975	0.44	19,975	
	UPC Technology Corporation	_	Financial assets at FVTPL - current	290,000	4,408	0.02	4,408	
	Taiwan Cement Corporation	_	"	2,000,000	69,700	0.03	69,700	
	Hon Hai Precision Industry Co., Ltd.	_	"	100,000	10,450	-	10,450	
	China Steel Corporation	_	"	350,000	9,450	-	9,450	
	Teratech Corporation	_	Financial assets at FVTPL - non- current	110,000	-	0.65	-	Note 2
	Fund beneficiary certificates Hua Nan Phoenix Money Market Fund	_	Financial assets at FVTPL - current	1,503,362	25,143	-	25,143	
	Capital Money Market Fund	_	"	11,526,061	191,182	-	191,182	
	Taishin 1699 Money Market Fund	_	"	7,262,234	101,254	-	101,254	
	Jih Sun Money Market Fund	_	"	10,284,152	156,879	-	156,879	
	SinoPac TWD Money Market Fund	_	"	14,778,813	211,352	-	211,352	
	Beneficiary securities Cathay No. 1 Real Estate Investment Trust	_	Financial assets at FVTPL - current	4,054,000	68,837	-	68,837	

	T 137 (37.1.11)	TO 1 22 12 23 3			December	31, 2023		
Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	Remark
Union Polymer	Shares							
International Investment	Asia Polymer Corporation	Investments accounted for	Financial assets at FVTOCI -	22,182,486	\$ 519,070	3.74	\$ 519,070	
Corporation		using the equity method	non-current					
	China General Plastics	//	//	4,469,307	99,666	0.77	99,666	
	Corporation Toite Chemical Comment Ltd	_		456.052	7.505	0.11	7.505	
	Taita Chemical Company, Ltd.	//	//	456,253	7,505	0.11	7,505	
	Fund beneficiary certificates							
	Taishin 1699 Money Market Fund	_	Financial assets at FVTPL -	644,079	8,980	_	8,980	
			current	,	,		,	
Swanlake Traders Ltd.	Sala ayara Ira		Einemaial assets at EVTOCI	1 150 000		1.05		Note 2
	Sohoware Inc.	_	Financial assets at FVTOCI - non-current	1,150,000	-	1.05	-	Note 2
	TGF Linux Communications Inc.	_	non-current	300,000	_	2.14	_	Note 2
	Neurosky Inc. Preferred Stock D	_	//	2,397,364	_	0.70	_	Note 2
	1.001.001.5 11.001.100.001.2		,,	2,0 > 7,0 0 .		0.70		1,000 2
USIFE Investment Co., Ltd.	Shares							
	AU Optronics Corporation	_	Financial assets at FVTOCI -	1,012,849	18,383	0.01	18,383	
			current					
	AU Optronics Corporation	_	Financial assets at FVTOCI -	1,012,849	18,383	0.01	18,383	
	Wafan Wanka Camanatian		non-current	1 500 422	65.055	0.28	65.055	
	Wafer Works Corporation	_	//	1,502,433	65,055	0.28	65,055	
	Solargiga Energy Holdings Limited	_	//	11,876,111	7,046	0.37	7,046	
	Dah Chung Bills Finance Corp.	_	//	482,757	7,188	0.10	7,188	
	Swanson Plastics Corporation	Same chairman	"	10,155,875	139,643	6.58	139,643	
	USI Optronics Corporation	//	"	165,279	116	0.25	116	
	Digimax Inc.	_	//	23,234	_	0.05	-	
	Silicon Technology Investment	_	"	911,849	67,222	1.77	67,222	
	(Cayman) Corp.			,	,		,	
	Taiwan Cement Corporation	_	Financial assets at FVTPL -	1,000,000	34,850	0.01	34,850	
			current					
	China General Plastics	Same chairman	//	550,722	12,281	0.09	12,281	
	Corporation			1 714 100	40 110	0.20	40 110	
	Asia Polymer Corporation	// 	"	1,714,180	40,112	0.29	40,112	
	Taita Chemical Company, Ltd.	//	"	1,415,368	23,283	0.36	23,283	
	UPC Technology Corporation	_	//	127,000	1,930	0.01	1,930	

Holding Company Name	Type and Name of Marketable	Dalationship with the			December 3	31, 2023		
Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	Remark
	China Steel Corporation	_	Financial assets at FVTPL - current	175,000	\$ 4,725	-	\$ 4,725	
	Hon Hai Precision Industry Co., Ltd.	_	"	50,000	5,225	-	5,225	
	Acme Electronics Corporation	Same chairman	"	500,000	12,550	0.23	12,550	
	Fund beneficiary certificates							
	Yuanta De-Li Money Market Fund	_	Financial assets at FVTPL - current	3,707,988 3,440,659	62,167	-	62,167	
	Fuh Hwa Money Market	_	"		50,882	-	50,882	
	Cathay Taiwan Money Market Fund	_	"	5,044,200	64,378	-	64,378	
Taiwan United Venture	Shares							
Capital Corp.	Innovation & Infinity Global Corp.	_	Financial assets at FVTPL - non- current	720,804	-	0.73	-	Note 2
	Teratech Corporation	_	"	90,000	-	0.58	-	Note 2
	Leadwell Cnc Machines Mfg.,	_	Financial assets at FVTOCI -	419,753	15,611	0.68	15,611	
	Corp.		non-current					
	Digimax Inc.	_	"	518,898	-	1.18	-	Note 2
	Hexawave Inc.	_	"	109,109	546	0.27	546	
	Uranus Chemicals Co., Ltd.	_	"	15,351	320	0.03	320	
	Neuro Sky, Inc. Preferred Stock A	_	"	10,000,000	-	1.42	-	Note 2
	Neuro Sky, Inc. Preferred Stock B	_	"	12,595,523	-	1.78	-	Note 2
	Neuro Sky, Inc. Preferred Stock C	_	"	4,532,823	-	0.64	-	Note 2
	Fund beneficiary certificates Cathay Taiwan Money Market Fund	_	Financial assets at FVTPL - current	2,721,146	34,729	-	34,729	
Taiwan United Venture Management Corporation	Fund beneficiary certificates Fuh Hwa Money Market	_	Financial assets at FVTPL - current	91,730	1,357	-	1,357	
INOMA Corporation	Fund beneficiary certificates Taishin 1699 Money Market Fund	_	Financial assets at FVTPL - current	186,139	2,595	-	2,595	

	The last CM 1 and	District of the			December 3	31, 2023		
Holding Company Na	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	Remark
USI Optronics Corpora	ation Fund beneficiary certificates							
	Taishin 1699 Money Market Fund	_	Financial assets at FVTPL - current	776,598	\$ 10,828	-	\$ 10,828	
Chong Loong Co., Ltd	I. Fund beneficiary certificates Fubon Chi-Hsiang Money Market Fund	_	Financial assets at FVTPL - current	1,741,498	28,044	-	28,044	
USI Green Energy Corporation	Fund beneficiary certificates Fubon Chi-Hsiang Money Market Fund	_	Financial assets at FVTPL - current	2,374,323	38,235	-	38,235	

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

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

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

China General Plastics Corporation MARKETABLE SECURITIES HELD December 31, 2023

December :

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

	<u>a</u>	D 1 (* 1) *(1 (1			December :	31, 2023		
Holding Company Name	Securities	Relationship with the Holding Company	Financial Statement Account	Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	Remark
China General Plastics Corporation	Beneficiary securities Cathay No. 1 Real Estate Investment Trust	_	Financial assets at FVTPL - current	3,964,000	\$ 67,309	-	\$ 67,309	Note 1
	Fund beneficiary certificates CTBC Hwa-win Money Market Fund	_	Financial assets at FVTPL - current	2,651,301	30,000	-	30,000	Note 1
	KGI Money Market	_	"	2,521,602	30,000	_	30,000	Note 1
	Prudential Financial Money Market	_	"	1,845,166	30,000	-	30,000	Note 1
	Hua Nan Phoenix Money Market Fund	_	"	1,793,765	30,000	-	30,000	Note 1
	UPAMC James Bond Money Market Fund	_	"	583,216	10,000	-	10,000	Note 1
	Taiwan Cooperative Bank Money Market Fund	_	"	960,227	30,000	-	10,000	Note 1
	Shares							
	Taiwan Cement Corporation	_	Financial assets at FVTPL - current	2,000,000	69,700	0.03	69,700	Note 1
	Hon Hai Precision Industry Co., Ltd.	_	"	100,000	10,450	-	10,450	Note 1
	China Steel Corporation	_	"	350,000	9,450	-	9,450	Note 1
	Shares							
	KHL IB Venture Capital Co., Ltd.	_	Financial assets at FVTOCI - non-current	6,566,096	60,474	5.95	60,474	Note 1
Taiwan VCM Corporation	Fund beneficiary certificates							
Turwan veni corporation	SinoPac TWD Money Market Fund	_	Financial assets at FVTPL - current	10,792,282	154,340	-	154,340	Note 1
	Hua Nan Phoenix Money Market Fund	_	"	5,994,413	100,254	-	100.254	Note 1
	Taishin 1699 Money Market Fund	_	"	6,787,013	94,628	-	94,628	Note 1
	Capital Money Market Fund	_	"	3,018,394	50,066	-	50,066	Note 1
	Jih Sun Money Market Fund	_	"	1,967,394	30,012	-	30,012	Note 1

(Continued)

Table 3-1

(Continued)

					December :	31, 2023		
Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	Remark
	Shin Kong Chi-Shin Money- Market Fund	_	Financial assets at FVTPL - current	1,887,208	\$ 30,011	-	\$ 30,011	Note 1
	Fubon Chi-Hsiang Money Market Fund	_	"	1,863,655	30,011	-	30,011	Note 1
	Shares							
	Asia Polymer Corporation	With the same main shareholders as CGPC	Financial assets at FVTOCI - non-current	130,244	3,047	0.02	3,047	Note 1
CGPC Polymer Corporation	Fund beneficiary certificates							
	SinoPac TWD Money Market Fund	_	Financial assets at FVTPL - current	7,007,081	100,208	-	100,208	Note 1
	Shin Kong Chi-Shin Money- Market Fund	_	"	2,201,438	35,009	-	35,009	Note 1
	Fubon Chi-Hsiang Money Market Fund	_	"	1,243,588	20,026	-	20,026	Note 1
CGPC (BVI) Holding	Shares							
Co., Ltd.	Teratech Corporation	_	Financial assets at FVTPL - non- current	112,000	-	0.67	-	Notes 1 and 3
	SOHOware, Inc preferred shares	_	"	100,000	-	-	-	Notes 1, 2 and 3

- Note 1. No guarantees, pledged loans, or other restrictions on the use of the contract were provided.
- Note 2. The preferred shares are not used in the calculation of the shareholding ratio.
- Note 3. As of December 31, 2023, the fair value of CGPC's equity investment in the company was evaluated as 0.
- Note 4. For information about investments in subsidiaries and associates, please refer to Tables 7-3 and 8-3.

Taita Chemical Company, Ltd.

MARKETABLE SECURITIES HELD

December 31, 2023

Table 3-2

					December 3	1, 2023		
Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	Remark
Taita Chemical Company, Ltd	d. Shares					(, 0)		
	USI Corporation	Ultimate parent company	Financial assets at FVTOCI - non-current	15,109,901	\$ 298,421	1.27	\$ 298,421	Note 1
	Harbinger Venture Capital Corp.	_	"	990	6	0.50	6	Note 2
	Taiwan Cement Corporation	_	Financial assets at FVTPL -	2,000,000	69,700	0.03	69,700	Note 1
			current					
	UPC Technology Corporation	_	"	282,000	4,286	0.02	4,286	Note 1
	China Steel Corporation	_	"	350,000	9,450	-	9,450	Note 1
	Hon Hai Precision Industry Co., Ltd.	_	"	100,000	10,450	-	10,450	Note 1
	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust	_	Financial assets at FVTPL - current	3,963,000	67,292	-	67,292	Note 1
TAITA (BVI) Holding Co.,	Shares							
Ltd	Budworth Investment Ltd.	_	Financial assets at FVTOCI - non-current	20,219	-	2.22	-	Note 3
	Teratech Corporation	_	Financial assets at FVTPL - non- current	112,000	-	0.74	-	Note 3
	Sohoware — Inc Preferred Shares	_	"	100,000	-	-	-	Note 3

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

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

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

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

Asia Polymer Corporation

MARKETABLE SECURITIES HELD

December 31, 2023

Table 3-3

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

	Type and Name of Marketable Securities				December	31, 2023		
Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	Remark
Asia Polymer	Shares							
Corporation	Harbinger Venture Capital Corp.	_	Financial assets at FVTOCI -	2,377	\$ 14	1.20	\$ 14	
			non-current					
	KHL IB Venture Capital Co., Ltd.	_	"	13,132,193	120,948	11.90	120,948	
	PELL Bio-Med Technology Co. Ltd.	_	"	235,000	19,975	0.44	19,975	
	USI Corporation	Ultimate parent company	"	101,355,673	2,001,775	8.53	2,001,775	
	CTCI Corporation	_	"	14,446,107	608,903	1.80	608,903	
	AU Optronics Corporation	_	"	7,694,812	139,661	0.10	139,661	
	Wafer Works Corporation	_	Financial assets at FVTOCI -	518,668	22,458	0.10	22,458	
	Taiwan Cement Corporation	_	current Financial assets at FVTPL - current	2,0000,000	69,700	0.03	69,700	
	Hon Hai Precision Industry Co., Ltd.	_	"	100,000	10,450	_	10,450	
	China Steel Corporation	_	"	350,000	9,450	-	9,450	
	UPC Technology Corporation	_	"	293,000	4,454	0.02	4,454	
Ber	Beneficiary securities Cathay No. 1 Real Estate Investment Trust	_	"	4,053,000	68,820	-	68,820	
	Fund beneficiary certificates							
	Jih Sun Money Market Fund	_	"	3,953,746	60,312	-	60,312	
	Taishin 1699 Money Market Fund	_	"	18,260,735	254,600	-	254,600	
	Capital Money Market Fund	_	"	2,897,690	48,064	-	48,064	
	CITIC Huaying Money Market Fund	_	"	1,771,181	20,041	-	20,041	
	SinoPac TWD Money Market Fund	_	"	11,202,715	160,210	-	160,210	

(Continued)

(Continued)

	Relation				December	31, 2023		
Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Share/unit	Carrying Amount	Percentage of Ownership (%)	Fair Value	Remark
APC (BVI)	Shares							
Holding Co.,	Budworth Investment Ltd.	_	Financial assets at FVTOCI -	40,467	\$ 2	4.45	\$ 2	
Ltd.			non-current					
	Silicon Technology Investment (Cayman) Corp Preferred Shares		"	1,139,776	84,022	2.21	84,022	
	Neurosky Inc Preferred Stock D	_	"	2,397,364	-	0.37	-	Note 1
	Solargiga Energy Holdings Ltd.	_	"	15,863,333	9,411	0.48	9,411	
	Teratech Corporation	_	"	112,000	-	0.67	-	Note 1
	TGF Linux Communication, Inc Preferred Shares	_	Financial assets at FVTPL - non-current	300,000	-	-	-	Note 1
	Sohoware Inc Preferred Shares	_	"	450,000	-	-	-	Note 1
	Boldworks, Inc Preferred Shares	_	"	689,266	-	-	-	Note 1
APC Investment	Shares							
Corporation	USI Corporation	Ultimate parent company	Financial assets at FVTPL - current	44,808	885	-	885	
	UPC Technology Corporation	_	"	116,000	1,763	0.01	1,763	
	China Steel Corporation	_	<i>"</i>	175,000	4,725	-	4,725	
	Taiwan Cement Corporation	_	<i>"</i>	1,000,000	34,850	0.01	34,850	
	Hon Hai Precision Industry Co., Ltd.	_	"	50,000	5,225	-	5,225	
	Fund beneficiary certificates							
	Cathay Taiwan Money Market Fund	_	Financial assets at FVTPL - current	2,274,563	29,030	-	29,030	

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

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



China General Terminal & Distribution Corporation

MARKETABLE SECURITIES HELD

December 31, 2023

Table 3-4

	T IN CM 1 (11	D 1 (1 1 1 1 1 1 1			December	31, 2023		
Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	Remark
China General Terminal & Distribution Corporation	Shares Asia Polymer Corporation	Investee Companies Using Equity Method for CGTD	Financial assets at FVTOCI - non-current	5,290,482	\$ 123,797	0.89	\$ 123,797	Note 1
	China General Plastics Corporation	"	"	2,940,788	65,580	0.51	65,580	Note 1
	Taita Chemical Company, Ltd.	"	"	2,278,217	37,477	0.57	37,477	Note 1
	China Steel Corporation	_	Financial assets at FVTPL - current	499,552	13,488	-	13,488	Note 2
	Fund beneficiary certificates Taishin 1699 Money Market Fund	_	Financial assets at FVTPL - current	1,405,621	20,225	-	20,225	

- Note 1. No guarantees, pledged loans, or other restrictions on the use of the contract were provided.
- Note 2. A total of 257,000 shares were provided to Taiwan Water Corporation as a provisional attachment.

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

For the Year Ended December 31, 2023

Table 4

Buyer/Seller	Type and Name of Financial Counterparty Relationsh			Dalationahir	Beginnin	g (Note)	Acquisition		Disposal				End of the	Year (Note)
buyer/seller		Statement Account	Counterparty	Relationship	Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
USI Corporation	Shares Acme Electronics Corporation	Investments accounted for using the equity	_	Subsidiary	61,682,967	\$ 898,361	12,432,234	\$ 248,645	-	-	\$ -	\$ -	74,115,201	\$ 1,147,006
	Taiwan Cement Corporation	method Financial assets at FVTPL - current	_	_	-	-	2,000,000	67,866	-	-	-	-	2,000,000	67,866
	Fund beneficiary certificates Fubon Chi-Hsiang Money Market Fund Hua Nan Phoenix	Financial assets at FVTPL - current	_	_	-	-	10,656,986 9,634,916	170,000 160,000	10,656,986 8,131,554	170,765 135,122	170,000 135,000	765 122	1,503,362	25,000
	Money Market Fund Yuanta De-Li Money		_	_	10,265,239	170,000	7,837,289	130,000	18,102,528	300,950	300,000	950	-	-
	Market Fund Capital Money	"	_	_	-	-	11,526,061	190,000	-	-	-	-	11,526,061	190,000
	Market Fund Jih Sun Money Market Fund	"	_	_	-	-	10,284,152	156,000	-	-	-	-	10,284,152	156,000
	Taishin Ta-Chong Money Market Fund	"	_	_	-	-	13,839,873	200,000	13,839,873	200,693	200,000	693	-	-
	SinoPac TWD Money Market Fund	"	_	_	3,540,976	50,000	19,713,464	280,000	8,475,627	120,069	120,000	69	14,778,813	210,000
	CTBC Hwa-win Money Market Fund		_	_	12 257 262	170,000	8,887,318	100,000	8,887,318	100,113	100,000	113	7 262 224	100,000
	Taishin 1699 Money Market Fund	"	_	_	12,357,362	170,000	11,608,020	160,000	16,703,148	231,090	230,000	1,090	7,262,234	100,000
USIFE Investment Co., Ltd.	Shares Acme Electronics Corporation	Investments accounted for using the equity method	_	Associate	19,780,230	167,099	3,355,988	67,120	-	-	-	-	23,136,218	234,219
	Taiwan Cement Corporation	Financial assets at FVTPL - current	_	_	-	-	1,000,000	33,931	-	-	-	-	1,000,000	33,931
	Fund beneficiary certificates Yuanta De-Li Money Market Fund	Financial assets at FVTPL - current	_	_	4,907,988	80,284	-	-	1,200,000	19,904	19,630	274	3,707,988	60,654
USI Optronics Corporation	Fund beneficiary certificates													
Corporation		Financial assets at FVTPL - current	_	_	338,874	5,000	-	-	338,874	5,110	5,000	110	-	-
	Taishin Ta-Chong Money Market Fund	"	_	_	417,233	6,000	138,179	2,000	555,412	8,085	8,000	85	-	-
	Taishin 1699 Money Market Fund	"	_	_	887,541	12,000	-	-	110,943	1,533	1,500	33	776,598	10,500

Buyer/Seller	Type and Name of	Financial	Counterparty Relationship	Beginnin	ng (Note)	Acqui	sition		Disp	osal		End of the	Year (Note)
Buyer/Seller	Marketable Securities	Statement Account	Counterparty Kerationship	Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
Union Polymer International Investment Corporation	Fund beneficiary certificates Taishin Ta-Chong Money Market Fund	Financial assets at FVTPL - current		-	\$ -	6,911,997	\$ 100,000	, ,	\$ 100,032	\$ 100,000	\$ 32	-	\$ -
	Taishin 1699 Money Market Fund	"		726,718	10,000	2,168,319	30,000	2,250,958	31,156	31,100	56	644,079	8,900
Chong Loong Trading Co., Ltd.	Fund beneficiary certificates Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current		-	-	5,114,388	82,000	3,372,891	54,066	54,000	66	1,741,498	28,000
China General Terminal & Distribution Corporation	Fund beneficiary certificates Taishin 1699 Money Market Fund	Financial assets at FVTPL - current		-	-	1,450,621	20,000	-	-	-	-	1,450,621	20,000
INOMA Corporation	Fund beneficiary certificates Taishin 1699 Money Market Fund	Financial assets at FVTPL - current		230,813	3,100	-	-	44,674	618	600	18	186,139	2,500

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

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

China General Plastics Corporation

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

For the Year Ended December 31, 2023

Table 4-1

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

D (G.1)	Buyer/Seller Type and Name of Marketable				Beginnii	ng (Note)	Acqu	isition		Disp	oosal		End of the	Year (Note)
Buyer/Seller	Securities	Financial Statement Account	Counterparty	Relationship	Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
China General Plasti														
Corporation	Acme Electronics Corporation	Investments accounted for using the equity	_	Associate	3,566,526	\$ 54,497	390,507	\$ 7,820	-	\$ -	\$ -	\$ -	3,957,033	\$ 62,307
	Taiwan Cement Corporation	method Financial assets at FVTPL - current	_	_	-	-	2,000,000	67,865	-	-	-	-	2,000,000	67,865
	Fund beneficiary certificates													
	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	_	_	-	-	9,991,880	160,000	9,991,880	160,064	160,000	64	-	-
	Hua Nan Phoenix Money Market Fund	"	_	_	-	-	18,861,293	313,000	17,067,528	283,246	283,000	246	1,793,765	30,000
	Yuanta De-Li Money Market Fund	"	_	_	3,019,311	50,000	6,029,036	100,000	9,048,347	150,104	150,000	104	-	-
	Capital Money Market	n,	_	_	-	-	7,888,079	130,000	7,888,079	130,055	130,000	55	-	-
	Fund Jih Sun Money Market	"	_	_	7,974,063	120,000	3,297,892	50,000	11,271,955	170,246	170,000	246	-	-
	Fund Taishin Ta-Chong Money	, "	_	_	-	-	6,920,176	100,000	6,920,176	100,028	100,000	28	-	-
	Market Fund SinoPac TWD Money	"	_	_	-	-	14,091,991	200,000	14,091,991	200,138	200,000	138	-	-
	Market Fund CTBC Hwa-win Money	"	_	_	4,475,635	50,000	11,550,282	130,000	13,374,616	150,082	150,000	82	2,651,301	30,000
	Market Fund Taishin 1699 Money	"	_	_	9,445,668	130,000	9,059,935	125,000	18,505,603	255,575	255,000	575	-	-
	Market Fund				, ,	,		ŕ	, ,	,	,			
Taiwan VCM	Fund beneficiary certificates													
Corporation	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	_	_	-	-	31,264,720	500,000	29,401,065	470,561	470,000	561	1,863,655	30,000
	Hua Nan Phoenix Money Market Fund		_	_	2,119,619	35,000	22,881,593	380,000	19,006,799	315,541	315,000	541	5,994,413	100,000
	Yuanta De-Li Money Market Fund	"	_	_	6,037,918	100,000	3,010,452	50,000	9,048,370	150,166	150,000	166	-	-
	Capital Money Market	"	_	_	-	-	15,134,948	250,000	12,116,554	200,193	200,000	193	3,018,394	50,000
	Fund Jih Sun Money Market	"	_	_	-	-	8,549,648	130,000	6,582,254	100,141	100,000	141	1,967,394	30,000
	Fund Taishin Ta-Chong Money	"	_	_	8,593,337	123,800	6,896,340	100,000	15,489,677	224,234	223,800	434		
	Market Fund SinoPac TWD Money	"	_	_	-	_	28,431,994	404,000	17,639,712	251,432	250,000	1,432	10,792,282	154,000
	Market Fund CTBC Hwa-win Money	"	_	_	-	_	21,330,619	240,000	21,330,619	240,246	240,000	246	-	_
	Market Fund Taishin 1699 Money	"	_	_	8,735,968	120,000	19,528,079	270,000	21,477,034	297,534	296,000	1,534	6,787,013	94,000
	Market Fund	"			0,733,700	120,000	17,520,019	270,000	21,177,034	271,33 1	270,000	1,554	0,707,013	74,000

(Continued)

(Continued)

Buyer/Seller	Type and Name of Marketable	Financial Statement Account	Counterparty	Relationship	Beginnir	ng (Note)	Acqui	sition		Disp	osal		End of the	Year (Note)	-
Buyen/Sener	Securities	Tillanciai Statement Account	Counterparty	Relationship	Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amour	nt
CGPC Polymer	Fund beneficiary certificates														
Corporation	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	_	_	-	\$ -	3,862,564	\$ 62,000	2,618,976	\$ 42,034	\$ 42,000	\$ 34	1,243,588	\$ 20.	0,000
	Hua Nan Phoenix Money Market Fund	"	_	_	-	-	6,002,924	100,000	6,002,924	100,092	100,000	92	-		-
	Yuanta De-Li Money Market Fund	"	_	_	1,811,091	30,000	-	-	1,811,091	30,053	30,000	53	-		-
	Capital Money Market Fund	"	-	-	-	-	9,311,739	154,000	9,311,739	154,252	154,000	252	-		-
	Taishin Ta-Chong Money Market Fund	"	_	_	-	-	19,716,800	285,000	19,716,800	285,125	285,000	125	-		-
	SinoPac TWD Money Market Fund	"	_	_	-	-	29,715,575	423,000	22,708,494	323,258	323,000	258	7,007,081	100	0,000
	Taishin 1699 Money Market Fund	n,	_	_	-	-	3,605,111	50,000	3,605,111	50,021	50,000	21	-		-

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

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

Taita Chemical Company, Ltd.

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

For the Year Ended December 31, 2023

Table 4-2

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

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

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

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

Asia Polymer Corporation

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

For the Year Ended December 31, 2023

Table 4-3

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

Buyer/Seller	Type and Name of Financial Statement Counterparty Relations Account Counterparty Relations		Palationship	Beginnin	ng (Note)		isition		Disp			End of the	Year (Note)	
	Marketable Securities	Account	Counterparty	Kelationship	Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
Asia Polymer	Shares													
Corporation	Acme Electronics	Financial assets at	_	Associate	6,801,315	\$ 104,951	744,692	\$ 14,894	-	\$ -	\$ -	\$ -	7,546,007	\$ 119,845
	Corporation	FVTPL - current												
	Taiwan Cement	Investments accounted	_	_	-	-	2,000,000	67,866	-	-	-	-	2,000,000	67,866
	Corporation	for using the equity method												
	Fund beneficiary													
	certificates													
	Fubon Chi-Hsiang	Financial assets at	_	_	-	-	9,102,494	145,000	9,102,494	145,818	145,000	818	-	-
	Money Market Fund	FVTPL - current												
	Hua Nan Phoenix	"	_	_	605,752	10,000	3,011,323	50,000	3,617,075	60,196	60,000	196	-	-
	Money Market													
	Fund													
	Yuanta De-Li Money	<i>y</i>	_	_	-	-	3,016,264	50,000	3,016,264	50,207	50,000	207	-	-
	Market Fund													
	Capital Money	"	_	_	-	-	7,448,119	123,000	4,550,429	75,448	75,000	448	2,897,690	48,000
	Market Fund				0.21=2.15	4.40.000	0.004.004	127.000	12 (00 171	20111	207.000		2 0 5 2 5 4 5	60.000
	Jih Sun Money Market Fund	"	_	_	9,317,246	140,000	8,236,971	125,000	13,600,471	206,116	205,000	1,116	3,953,746	60,000
	Taishin Ta-Chong	"	_	_	4,519,224	65,000	12,448,775	180,000	16,967,999	246,070	245,000	1,070		
	Money Market	"	_	_	4,319,224	05,000	12,446,773	180,000	10,907,999	240,070	243,000	1,070	-	-
	Fund													
	SinoPac TWD	,,	_	_	7,101,315	100,000	4,101,400	58,000	_	_	_	_	11,202,715	158,000
	Money Market	"			7,101,313	100,000	1,101,100	30,000					11,202,713	150,000
	Fund													
	CTBC Hwa-win	"	_	_	-	-	7,099,541	80,000	5,328,360	60,068	60,000	68	1,771,181	20,000
	Money Market									·				
	Fund													
	Taishin 1699 Money	"	_	_	726,470	10,000	17,534,265	242,000	-	-	-	-	18,260,735	252,000
	Market Fund													
APC Investment	Shares													
Corporation	Acme Electronics Corporation	Financial assets at FVTPL - current	_	Associate	3,116,262	29,533	1,231,714	24,634	-	-	-	-	4,347,976	54,167
	Taiwan Cement	Investments accounted	_	_	-	-	1,000,000	33,932	-	-	-	-	1,000,000	33,932
	Corporation	for using the equity method											•	•

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

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

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

For the Year Ended December 31, 2023

Table 5

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

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

Acme Electronics Corporation

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

For the Year Ended December 31, 2023

Table 5-1

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

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

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

Swanson Plastics Corporation

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

For the Year Ended December 31, 2023

Table 5-2

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

					Transaction	n Details		Abnormal	Transaction	Notes/Accounts Receiv	able (I	Payable)		
Buyer/Seller	Counterparty	Relationship	Purchase (Sale)	1	Amount	Ratio to Total Purchase (Sales) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance			Ratio to Total Notes or Accounts Receivable (Payable) (%)	Remark
Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	Subsidiary	Purchase	\$	191,218	78	90 days	No significant difference	No significant difference	Accounts receivable - related parties	(\$	28,624)	(88)	Note
Forever Young Company Limited	Swanson Plastics (Kunshan) Co., Ltd.	Have the same ultimate parent company	Sale	(338,837)	(43)	90 days	"	"	Accounts receivables - related parties		8,818	30	Note
	Swanson Plastics (Malaysia) Sdn. Bhd.	Have the same ultimate parent company	Sale	(259,996)	(33)	90 days	"	"	Accounts receivables - related parties		3,796	13	Note
	USI Corporation	Ultimate parent company	Purchase		150,651	20	75 days	"	"	Accounts payable - related party	(5,217)	(14)	Note
Swanson Plastics (Kunshan) Co., Ltd.	Forever Young Company Limited	Have the same ultimate parent company	Purchase		338,837	34	90 days	"	"	Accounts payable - related party	(8,818)	(5)	Note
	ASK-Swanson (Kunshan) Co., Ltd.	Have the same ultimate parent company	Sale	(163,799)	(16)	60 days	"	"	Accounts receivables - related parties		34,641	13	Note
Swanson Plastics (Malaysia) Sdn. Bhd.	Forever Yong Company Limited	Have the same ultimate parent company	Purchase		259,996	41	90 days	"	"	Accounts payable - related party	(3,796)	(8)	Note
	Swanson Plastics (Singapore) Pte., Ltd.	Parent company	Sale	(191,218)	(23)	90 days	"	"	Accounts receivables - related parties		28,264	22	Note
ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Kunshan) Co., Ltd.	Have the same ultimate parent company	Purchase		163,799	57	60 days	"	"	Accounts payable - related party	(34,641)	(74)	Note

China General Plastics Corporation

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

For the Year Ended December 31, 2023

Table 5-3

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

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

Asia Polymer Corporation

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

For the Year Ended December 31, 2023

Table 5-4

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

				Transact	ion Details		Normal	Transaction and Transaction ee and Reason	Notes/Accounts Recei	vable (Payable)	
Buyer/Seller	Counterparty	Relationship	Purchase (Sale)	Amount	Ratio to Total Purchase (Sales) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	Ratio to To Notes/Acco Receivab (Payable OF Percent (%)	nnts Remark
Asia Polymer Corporation	uSI Corporation	Ultimate parent company	Sale	(\$ 813,245)	(12.43)	60 days	No significant difference	No significant difference	Accounts receivables - related parties	\$ 98,763 19.49	Note
	USI Trading (Shanghai) Co., Ltd.	Subsidiary	Sale	(336,955)	(5.15)	90 days	"	"	Accounts receivables - related parties	102,062 20.15	Note
	USI Corporation	Ultimate parent company	Purchase	201,867	5.28	30 days	"	"	Accounts receivable - related parties	(17,007) (9.27	Note
	Fujian Gulei Petrochemical Co., Ltd.	Associate	Purchase	651,304	17.05	Letter of Credit	"	"		-	_
USI Trading (Shanghai) Co., Ltd.	USI Corporation	Ultimate parent company	Purchase	119,854	23.91	30 days	"	"	Accounts receivable - related parties	(31,650) (23.31	Note



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

December 31, 2023

Table 6

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

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

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

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

Acme Electronics Corporation

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

December 31, 2023

Table 6-1

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance (Note 3)	Turnover Rate (%)	Ove	rdue	Amounts R Subsequer (Not	nt Period	Allowance for Impairment Loss
					Amount	Actions Taken			
Acme Electronics (Guang-Zhou) Co., Ltd.	Acme Electronics (Kunshan) Co., Ltd.	Subsidiary of GAEL	Other receivables - related parties \$ 104,317	-	\$ 90	_	\$	90	Note 1

- Note 1. It is assessed that no allowance for impairment loss is needed.
- Note 2. The subsequent period refers to the period from January 1 to March 5, 2024.
- Note 3. All the transactions were written off when preparing the consolidated financial statements.



Swanson Plastics Corporation

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

December 31, 2023

Table 6-2

			Financial Statement Account and Ending Balance	Turnover	Overd	ue	Amounts Received in	Allowance for
Company Name	Counterparty	Relationship	(Note 3)	Rate (%)	Amount	Actions Taken	Subsequent Period (Note 2)	Impairment Loss
ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	Have the same ultimate parent company	Other receivables - related parties \$ 191,496	-	\$ -	_	\$ -	Note 1
			(RMB 44,172 thousand)				

- Note 1. It is assessed that no allowance for impairment loss is needed.
- Note 2. The subsequent period refers to the period from January 1 to March 8, 2024.
- Note 3. All the transactions were written off when preparing the consolidated financial statements.

China General Plastics Corporation

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

December 31, 2023

Table 6-3

			F: 110	E !' D 1	T D. (Ove	rdue	Amounts Received in	Allowance for
Company Name	Counterparty	Relationship	Financial Statement Account and (Note 3)	Ending Balance	Turnover Rate (%)	Amount	Actions Taken	Subsequent Period (Note 2)	Impairment Loss
China General Plastics Corporation	CGPC America Corporation	Subsidiary	Accounts receivables - related parties	\$ 158,345	3.01	\$ -	_	\$ 74,657	Note 1
Taiwan VCM Corporation	China General Plastics Corporation	Parent company	Accounts receivables - related parties	646,641	5.64	-	_	646,641	Note 1
	CGPC Polymer Corporation	Fellow company	Accounts receivables - related parties	1,051,436	4.63	-	_	729,940	Note 1

- Note 1. It is assessed that no allowance for impairment loss is needed.
- Note 2. The subsequent period refers to the period from January 1 to February 23, 2024.
- Note 3. All the transactions were written off when preparing the consolidated financial statements.



Taita Chemical Company, Ltd.

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

December 31, 2023

Table 6-4

			T. 110			0,	verdue	Amounts Received i	n		
Company Name	Counterparty	Relationship	Financial Statemen	nt Account and Ending Balance (Note 3)	Turnover Rate (%)	Amount	Actions Taken	Subsequent Period (Note 2)		Allowand Impairmen	
Taita Chemical Company, Ltd.	Taita Chemical (Tianjin) Co., Ltd.	Subsidiary	Other receivables	\$ 280,281 (US\$ 9,128 thousand) (Note 1)	-	\$ 280,281	Continuous Collection	\$ -		\$	-

- Note 1. The other receivables of Taita Chemical Co., Ltd. are from selling raw materials to Taita Chemical (Tianjin) Co., Ltd., and transferred to other receivables since it had exceeded the normal credit term by a certain period.
- Note 2. There was no amount received as of March 7, 2024.
- Note 3. All the transactions were written off when preparing the consolidated financial statements.

Asia Polymer Corporation

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

December 31, 2023

Table 6-5

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

- Note 1. It is assessed that no allowance for impairment loss is needed.
- Note 2. The subsequent period refers to the period from January 1 to March 7, 2024.
- Note 3. All the transactions were written off when preparing the consolidated financial statements.

USI CORPORATION AND INVESTEE COMPANIES INFORMATION ON INVESTEES

For the Year Ended December 31, 2023

Table 7

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

				Original	Investment Amount		A	as of December 3	1, 2023	Gain (Los	ss) of Investee	Recognized Investment	
Investor	Investee	Location	Main Businesses and Products	End of the This Ye	ar Ending balan		Number of Shares	Percentage (%)	Carrying Amount		he year	Gain (Loss) of the Year	Remark
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	\$ 550,0	\$ \$	550,000	89,647,000	100.00	\$ 919,98	3 (\$	30,664)	(\$ 30,664)	Subsidiary
	Swanlake Traders Ltd.	Citco Building, Wickhamo Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands	Trading and investment	728,4	39	728,439	30,000,000	100.00	1,449,06	6	57,105	57,105	Subsidiary
	USI (Hong Kong) Company Ltd.	6/F., Caltex House, 258 Hennessy Road, Hong Kong	Trading and investment	63,4	82	63,482	159,999	100.00	64,34	5 (4,948)	(4,948)	Subsidiary
	Union Polymer International Investment Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Investment (focused on "production and service industry")	3,490,2	255 3,	,490,255	918,324,656	100.00	9,794,85	1	46,741	19,911	Subsidiary
	Taiwan United Venture Capital Corp.	10F., No. 37, Jihu Rd., Taipei City	Venture capital (focused on "high technology industry")	296,8	600	471,800	14,000,000	70.00	95,57	4 (149)	(104)	Subsidiary
	Chong Loong Trading Co., Ltd.	Taipei City 114, Taiwan (ROC)	Import and export trade	28,3		28,323	6,882,666	99.96	83,14		9,345	9,342	Subsidiary
	Swanson Plastics Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Production and sales of stretch film, embossed film and industrial-use multilayer wrap	171,2	110	171,210	62,616,299	40.58	1,008,36	6 (77,152)	(31,306)	Subsidiary
	Acme Electronics Corporation	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and sales of manganese-zinc soft ferrite powder	470,1	58	221,513	61,682,967	28.96	497,09	7 (171,224)	(49,856)	Subsidiary
	INOMA Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)		250,3	54	250,354	1,334,728	94.37	11,03	0 (2,456)	(2,317)	Subsidiary
	USI Management Consulting Corp.	1 2 /	Providing management services	1,0	000	1,000	671,400	100.00	6,67	2	3,506	3,506	Subsidiary
	Ever Conquest Global Limited		Investment	7,645,9	7,	,645,980	246,670,000	59.13	3,676,84	0 (2,331,328)	(1,378,582)	Subsidiary
	USI Optronics Corporation USI Green Energy Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC) 12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	sapphire single crystal	330,0 357,5		330,000 70,100	33,000,000 36,616,004	50.85 100.00	27,21 392,91		13,363) 4,397)		Subsidiary Subsidiary Associate
	Chem Union Renewable Energy Corporation		Energy Technology Services	10,0	000	-	1,000,000	33.33	9,83	5 (496)	(165)	rissociate
	Delmind Inc.	Xinglong Rd., Taoyuan Dist., Taoyuan City	Manufacturing of machinery and equipment	90,0	000	90,000	9,000,000	30.00	79,98	7 (13,118)	(3,935)	Associate
Ever Conquest Global Limited	l Ever Victory Global Limited	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110	Investment business	12,808,4 (US\$ 417,1 thousand		,808,437 417,145	417,145,000	67.40	6,217,92 (US\$ 202,50 thousand		3,458,807) -111,368		Sub-subsidiary Corporation
Ever Victory Global Limited	Dynamic Ever Investments Limited		Investment business	18,080,6 (US\$ 588,8 thousand	18.	588,850	588,850,000	85.00	8,242,35 (US\$ 268,34 thousand	2 (4,128,406) -131,920		Sub-subsidiary Corporation
Union Polymer International Investment Corporation	Taita Chemical Company, Ltd.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Production and sales of polystyrene, propylene, butadiene, ABS resin, SAN resin, glass wool insulation products and plastic materials	1,749,2	/	,749,212	145,807,007	36.67	2,651,01	·	273,537)		Sub-subsidiary Corporation
	Asia Polymer Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Production and sales of low-density polyethylene, medium-density polyethylene, ethylene vinyl acetate and importing and marketing of linear low-density polyethylene and high-density polyethylene	1,965,4	1.	,965,437	192,063,336	32.25	4,814,38	0	116,284		Sub-subsidiary Corporation
	China General Plastics Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Production and sales of plastic cloths, plastic skins, plastic tubes, plastic pellets, plastic powder and other related products	1,320,0	1,	,320,045	140,609,929	24.20	2,448,32	2	341,916		Sub-subsidiary Corporation

(Continued)

(Continued)

				Original Inv	estment Amount	A	s of December 3	1, 2023	Gain (Loss) of Investee	Recognized Investment	
Investor	Investee	Location	Main Businesses and Products	End of the This Year	Ending balance of the prior year	Number of Shares	Percentage (%)	Carrying Amount	for the year	Gain (Loss) of the Year	Remark
USIFE Investment	Acme Electronics	8F., No. 39, Jihu Rd., Neihu Dist.,	Production and sales of	\$ 222,752	\$ 155,632	19,780,230	9.29	\$ 173,798	(\$ 171,224)		Subsidiary
Co., Ltd.	Corporation	Taipei City 114, Taiwan (R.O.C.)	manganese-zinc soft ferrite powder								
	Swanson Technologies Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Planting agriculture, marketing, research and development of agricultural products, production, sale, and development of EVA packaging films and other high value-added plastic products	22,500	22,500	2,250,015	15.00	(5,651)	(35,475)		Sub-subsidiary Corporation
	Taiwan United Venture Management Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)		8,000	8,000	800,000	100.00	15,004	165		Sub-subsidiary Corporation
Swanlake Traders Ltd	d. ACME Electronics (Cayman) Corp.	Ugland House P.O. Box 309 George Town, Grand Cayman, Cayman Islands	Corporate investments	263,716 (US\$ 8,589 thousand	263,716 (US\$ 8,589 thousand)	11,553,462	18.93	262,938 (US\$ 8,563 thousand)	(94,932) (US\$-3,046 thousand)		Sub-subsidiary Corporation

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

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



Acme Electronics Corporation

INFORMATION ON INVESTEES

For the Year Ended December 31, 2023

Table 7-1

				Original Investmen	nt Amount (Note 2)		As of December 3	31, 2023	G : G . A		
Investor	Investee	Location	Main Businesses and Products	Ending balance of the current period	Ending balance of the prior year	Number of Shares	Percentage (%)	Carrying Amount (Note 2)	Gain (Loss) of Investee for the year	Recognized Investment Gain (Loss) of the Year	Remark
Acme Electronics Corporation	ACME Electronics (Cayman) Corp.	Ugland House P.O. Box 309 George Town, Grand Cayman, Cayman Islands	Corporate investments	\$ 880,420	\$ 605,182	36,675,541	60.10	\$ 843,264	(\$ 94,932) (US\$-3,046 thousand)	(\$ 33,582) (US\$-1,063 thousand)	Note 1
	Golden Amber Enterprises Limited	CITCO Building, Wickhams Cay Road Town, Tortola, British Virgin Islands	Corporate investments	669,072	669,072	20,800,000	100.00	958,218	(72,483)	(67,927)	Note 1
	USI Optronics Corporation	12F, No. 37, Jihu Road, Neihu District, Taipei City	Manufacturing and marketing of sapphire single crystal	646,200	646,200	22,064,224	34.00	18,196	(13,363)	(4,543)	
ACME Electronics (Cayman) Corp.	ACME Components (Malaysia) Sdn. Bhd.	Plot 15, Jalan Industri 6 Kawasan Perindustrian Jelapang II(ZPB) Jelapang 30020 Ipoh, Perak, Malaysia.		365,113 (US\$11,891 thousand)	365,113 (US\$ 11,891 thousand)	42,600,000	100.00	695,722 (US\$ 22,660 thousand)	17,755 (MYR 2,704 thousand)		Note 1
ACME Components (Malaysia) Sdn. Bhd.	ACME Ferrite Products Sdn. Bhd.	Plot 15, Jalan Industri 6 Kawasan Perindustrian Jelapang II(ZPB) Jelapang 30020 Ipoh, Perak, Malaysia.	Manufacturing and sales of manganese- zinc soft ferrite core	243,387 (MYR37,964 thousand)	243,387 (MYR37,964 thousand)	9,120,000	100.00	687,154 (MYR107,184 thousand)	18,315 (MYR 2,790 thousand)		Note 1

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

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

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

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

Swanson Plastics Corporation

INFORMATION ON INVESTEES

For the Year Ended December 31, 2023

Table 7-2

				Original Invest	ment Amount	As o	of December 31, 2	2023	Gain (Loss) of	Recognized Investment	
Investor	Investee	Location	Main Businesses and Products	End of the This Year (Note 2)	Ending balance of the prior year (Note 2)	Number of Shares	Percentage (%)	Carrying Amount (Note 2)	Investee for the year (Note 3)	Gain (Loss) of the Year (Note 3)	Remark
Swanson Plastics Corporation	Swanson Plastics (Singapore) Pte. Ltd.	2 Venture Drive Vision Exchange #12-10 Singapore 608526	Production and marketing of plastic products	\$ 808,506	\$ 808,506	36,862,980	100.00	\$ 1,817,820	\$ 35,457	\$ 35,457	
	Forever Young Company Limited	Flemming House, Wickhams Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands. VG1110	Trading and agency businesses	1,297	1,297	50,000	100.00	39,576	1,521	1,521	
	Swanson International Ltd.	Ugland House, P.O.Box 309 George Town, Grand Cayman, Cayman Islands, British West Indies	Investment	499,996	499,996	16,041,205	100.00	1,402,764	6,512	6,512	
	Swanson Technologies Corporation	12F, No. 37, Jihu Road, Neihu District, Taipei City	Planting agriculture, marketing, research and development of agricultural products, production, sale, and development of EVA packaging films and other high value-added plastic products	245,000	245,000	10,500,070	70.00	(26,371)	(35,475)	(24,833)	
	PT. Swanson Plastics Indonesia	Ngoro Industrial Park Blok D2- 3 Ds. Lolawang Kec. Ngoro Kab. Mojokerto	Manufacturing and marketing of plastic products	7,979	7,979	261,010	1.00	7,892	15,612	156	
	Swanson Plastics (India) Private Ltd.	Phase II, Plot No.2, GIDC, Bhuipal Honda, Sattari, Goa (India) 403 530,	Manufacturing and marketing of plastic products	0.007	0.007	1	-	0.007	3,222	-	
Swanson Plastics (Singapore) Pte. Ltd	Swanson Plastics (Malaysia) Sdn. Bhd.	Plot 505, Tingkat Perusahaan 4A, Kawasan Perusahaan Perai, Zon Perdagangan Bebas, 13600 Perai, Seberang Perai, Malaysia	Manufacturing and marketing of plastic products	202,450 (US\$6,593 thousand)	202,450 (US\$ 6,593 thousand)	20,000,000	100.00	497,795 (US\$16,212 thousand)	37,974 (US\$1,219 thousand)		
	Swanson Plastics (India) Private Ltd.	Phase II, Plot No.2, GIDC, Bhuipal Honda, Sattari, Goa (India) 403 530,	Manufacturing and marketing of plastic products	506,966 (US\$16,511 thousand)	506,966 (US\$16,511 thousand)	107,351,389	100.00	280,610 (US\$ 9,139 thousand)	3,222 (INR 8,541 thousand)		
	PT. Swanson Plastics Indonesia	Ngoro Industrial Park Blok D2- 3 Ds. Lolawang Kec. Ngoro Kab. Mojokerto	Manufacturing and marketing of plastic products	793,418 (US\$25,840 thousand)	793,418 (US\$25,840 thousand)	25,840,033	99.00	781,336 (US\$25,447 thousand)	15,612 (IDR7,639,532 thousand		
Swanson International Ltd.	A.S. Holdings (UK) Limited	5TH Floor 7-10 Chandos Street London W1G 9DQ		217,824 (US\$7,094 thousand)	217,824 (US\$ 7,094 thousand)	3,156,993	100.00	539,874 (US\$17,583 thousand)	70,513 (US\$ 2,263 thousand)		

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

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

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

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

China General Plastics Corporation

INFORMATION ON INVESTEES

For the Year Ended December 31, 2023

Table 7-3

			Main Businesses and	Original Inves	tment Amount	l I	As of December 31	, 2023	Investee Gain/Loss of	Share of Profit (Loss) for	
Investor	Investee	Location	Products	Ending balance of the current period	Ending balance of the previous period	Number of Shares	Percentage (%)	Carrying Amount	Period Period	the recognized period	Remark
China General Plastics Corporation	Taiwan VCM Corporation	No. 1, Gongye 1st Rd., Linyuan Dist., Kaohsiung City 832, Taiwan (R.O.C.)	Manufacturing and sales of VCM	\$ 2,933,648	\$ 2,933,648	259,591,005	87.27	\$ 4,430,430	\$ 460,982	\$ 354,966	Subsidiary
	CGPC Polymer Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Manufacturing and marketing of PVC resins	800,000	800,000	70,170,682	100.00	626,961	(74,746)	(74,746)	Subsidiary
	CGPC (BVI) Holding Co., Ltd.	Citco Building, Wickhams Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands	Reinvestment	1,059,344	1,073,906	14,808,258	100.00	313,820	(2,467)	(2,467)	Subsidiary
	China General Terminal & Distribution Corporation	No. 1, Jianji St., Qianzhen Dist., Kaohsiung City 806, Taiwan (R.O.C.)	Warehousing and transportation of petrochemical raw materials	41,106	41,106	25,053,469	33.33	329,972	(26,036)	(8,679)	Associate accounted for using the equity method
	CGPC America Corporation	4 Latitude Way, Suite 108 Corona, CA 92881,U.S.A	Marketing of PVC two- or three-time processed products	648,931	648,931	100	100.00	168,219	(32,191)	(32,191)	Subsidiary
	Acme Electronics Corporation	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores	(Note 1)	33,995	3,566,526	1.67	29,629	(171,224)	(2,867)	Associate accounted for using the equity method
Taiwan VCM Corporation	Global Green Technology Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Environmental detection services	50,000	50,000	5,200,000	100.00	53,544	1,280	-	Subsidiary

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

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

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

Taita Chemical Company, Ltd.

INFORMATION ON INVESTEES

For the Year Ended December 31, 2023

Table 7-4

			Main Businesses and	Original Inves	tment Amount	As	s of December	31, 2023			Remark
Investor	Investee	Location	Products	Ending balance of the current period	Ending balance of the previous period	Number of Shares	Percentage (%)	Carrying Amount	Net Income (Loss) of Investee Sha	are of Profit (Loss)	(Note 1)
Taita Chemical Company, Ltd.	TAITA (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment	\$ 2,755,405 (US\$89,738 thousand)	\$ 2,755,405 (US\$89,738 thousand)	89,738,000	100.00	\$ 3,037,367 (US\$98,921 thousand)	(\$ 55,081) (\$ (US\$ -1,756 thousand) (US\$	55,081) -1,756 thousand)	Subsidiary
	China General Plastics Corporation	Taipei City	Production and marketing of PVC tape and other plastic products	65,365	65,365	11,516,174	1.98	189,901	(341,916)	6,777	Investee accounted for equity the equity method
	China General Terminal & Distribution Corporation	Taipei City	Warehousing of petrochemical raw materials	41,082	41,082	25,053,468	33.33	329,972	(26,036)	8,679)	Investee accounted for equity the equity method
	Acme Electronics Corporation	Taipei City	Production and sales of manganese-zinc soft ferrite powder	55,702	44,771	4,991,556	2.34	41,468	(171,224) (4,013)	Investee accounted for equity the equity method
TAITA (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment	52,200 (US\$1,700 thousand)	52,200 (US\$1,700 thousand)	2,695,619	4.42	61,348 (US\$1,998 thousand)	(94,932) (US\$ -3,046 thousand)	-	Investee accounted for equity the equity method

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

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

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



Asia Polymer Corporation

INFORMATION ON INVESTEES

For the Year Ended December 31, 2023

Table 7-5

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

				Original Inves	tment Amount	A	s of December	31, 2023	N. I. G. N.	D 17	
Investor	Investee	Location	Main Businesses and Products	End of the This Year	Ending balance of the prior	Number of Shares	Percentage	Carrying Amount	Net Income (Loss) of Investee	Recognized Investment Gain (Loss) of the Year	Remark
Asia Polymer	APC (BVI) Holding	British Virgin	Reinvestment business	\$ 422,955	year \$ 422,955	11,342,594	100.00	\$ 596,737	\$ 19,337	\$ 19,337	Subsidiary
Corporation	Co., Ltd.	Islands		(US\$ 13,775 thousand)	(US\$ 13,775 thousand)	11,6 .2,65 .	100.00	ψ ε>0,7ε7	13,007	Ψ 15,007	Justiniary
	APC Investment Corporation	Taipei City	Investment business	200,000	200,000	20,000,000	100.00	141,678	(3,968)	(3,968)	Subsidiary
	USI International Corp.	British Virgin Islands	Reinvestment business	64,481 (US\$ 2,100 thousand)	64,481 (US\$ 2,100 thousand)	2,100,000	70.00	66,669	(3,852)	(2,696)	Subsidiary
	China General Plastics Corporation	Taipei City	Production and sales of plastic cloths, plastic skins, plastic tubes, plastic pellets, plastic powder and other related products	247,412	247,412	46,886,185	8.07	773,150	341,916	27,590	Investments accounted for using the equity method
	China General Terminal & Distribution Corporation	Taipei City	Petrochemical materials storage and transportation operations	41,082	41,082	25,053,469	33.33	329,972	(26,036)	(8,679)	Investments accounted for using the equity method
	Swanson Plastics Corporation	Taipei City	Production and sales of stretch films and industrial use multi- layer films	75,242	75,242	12,266,779	7.95	198,518	(77,152)	(6,133)	Investments accounted for using the equity method
	Acme Electronics Corporation	Taipei City	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	76,241	61,348	6,801,315	3.19	56,503	(171,224)	(5,468)	Investments accounted for using the equity method
	Taiwan United Venture Capital Corp.	Taipei City	Investments in high-tech undertakings	38,636	52,791	1,665,333	8.33	11,369	(149)	(12)	Investments accounted for using the equity method
	USI Optronics Corporation	Taipei City	Manufacturing and marketing of sapphire single crystal	59,725	59,725	5,972,464	9.20	4,925	(13,363)	(1,230)	Investments accounted for using the equity method
	Ever Conquest Global Ltd.	British Virgin Islands	Reinvestment business	5,234,435 (US\$170,475 thousand)	5,234,435 (US\$170,475 thousand)	170,475,000	40.87	2,541,084	(2,331,328)	(952,746)	Investments accounted for using the equity method
APC (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment business	161,045 (US\$ 5,245 thousand)	161,045 (US\$ 5,245 thousand)	8,316,450	13.63	189,269	(94,932)	-	APC (BVI) Holding Co., Ltd. Investments accounted for using the equity method
	USI International Corp.	British Virgin Islands	Reinvestment business	27,634 (US\$ 900 thousand)	27,634 (US\$ 900 thousand)	900,000	30.00	28,574	(3,852)	-	APC (BVI) Holding Co., Ltd. Investments accounted for using the equity method
APC Investment Corporation	Acme Electronics Corporation	Taipei City	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	39,523	14,889	3,116,262	1.46	25,888	(171,224)	-	APC Investment Corporation Investments accounted for using the equity method
	Swanson Technologies Corporation	Taipei City	Planting agriculture, marketing, research and development of agricultural products, production, sale, and development of EVA packaging films and other high valueadded plastic products	22,500	22,500	2,250,015	15.00	(5,651)	(35,475)	-	APC Investment Corporation Investments accounted for using the equity method
Ever Conquest Global Ltd.	Ever Victory Global Limited	British Virgin Islands	Reinvestment business	12,808,437 (US\$417,145 thousand)	12,808,437 (US\$417,145 thousand)	417,145,000	67.40	6,217,923 (US\$202,505 thousand)	(3,458,807) (US\$ -111,368 thousand)	-	Ever Conquest Global Ltd. Investments accounted for using the equity method
Ever Victory Global Limited	Dynamic Ever Investments Ltd.	Hong Kong	Reinvestment business	18,080,639 (US\$588,850 thousand)	18,080,639 (US\$588,850 thousand)	588,850,000	85.00	8,242,352 (US\$268,437 thousand)	(4,128,406) (US\$-132,920 thousand)	-	Ever Victory Global Limited Investees accounted for using the equity method

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

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

USI CORPORATION AND INVESTEE COMPANIES INFORMATION ON INVESTMENTS IN MAINLAND CHINA

For the Year Ended December 31, 2023

Table 8

				Starting balance of the	Inv	vestment Flows fo	r the Pe	eriod (Note 5)	End	ng balance of the			Owners of the				
Invested by Mainland China Company Name	Main Businesses and Products	Paid-in Capital (Note 5)	Method of Investment	current period Outflow from Taiwan accumulated Investment Amount (Note 5)	,	Outflow		Inflow	Acci	current period nmulated Outflow from Taiwan estment Amount (Note 5)	Gain (Investee Loss) for the Period (Note 7)	Company Direct or Indirect investment OF Percentage of Ownership (%)	F (1	of Profit (Loss) for for the Period Notes 6 and 8)	Carrying Amount as of the Investment as of the End of the Period (Notes 5 and 6)	Accumulated Repatriation of Investment Income as of the End of the Period
Acme Electronics	Manufacturing and sales	\$ 943,411	Note 1	\$ 86,512	\$	-	\$	_	\$	86,512	(\$	104,690)	18.93	(\$	21,097)	\$ 128,375	\$ -
(Kunshan) Co., Ltd.	of manganese-zinc soft ferrite core	(US\$ 30,725 thousand)		(US\$ 2,818 thousand)					(US\$	2,818 thousand)	(US\$	-3,362 thousand)		(US\$	-678 thousand)	(US\$ 4,181 thousand)	
Zhangzhou USI	Import and distribution of	43,352	Note 1	31,828		-		-		31,828		27,784	70.00		19,449	47,288	-
Trading Co., Ltd.	various types of chemical raw materials and products	(RMB 10,000 thousand)		(US\$ 1,037 thousand)					(US\$	1,037 thousand)	(US\$	866 thousand)		(US\$	606 thousand)	(US\$ 1,540 thousand)	
· ·	Import and distribution of	43,352	Note 1	-		30,518		-		30,518	(5)	70.00	(3)	30,343	-
Co., Ltd.	various types of chemical raw materials and products	(RMB 10,000 thousand)	,		(US\$	974 thousand)			(US\$	974 thousand)	(US\$	-155)		(US\$	-109)	(US\$ 988 thousand)	
	Property Management	91,039	Note 3	-		31,514		-		31,514		27	33.88		9	30,852	-
Ever Property Co., Ltd.		(RMB 21,000 thousand)			(US\$	977 thousand)			(US\$	977 thousand)	(US\$	839)		(US\$	284)	(US\$ 1,005 thousand)	
USIG (Shanghai)	Import and distribution of	153,525	Note 2	153,525		-		-		153,525		172	100.00		172	-	-
Co., Ltd. (Note 10)	various types of chemical raw materials and products	(US\$ 5,000 thousand)		(US\$ 5,000 thousand)					(US\$	5,000 thousand)	(US\$	5 thousand)		(US\$	5 thousand)		
Fujian Gulei	Crude oil processing and	40,379,787	Note 3	7,014,549		-		-		7,014,549	(8,237,293)	16.94	(1,395,345)	3,139,781	-
Petrochemical Co., Ltd.	petroleum products manufacturing	(RMB 9,314,400 thousand)		(US\$228,450 thousand)					(US\$	228,450 thousand)	(US\$-	265,208 thousand)		(US\$ -	44,924 thousand)	(US\$ 102,256 thousand)	

f Investment to Mainland China of the Current Period (Notes 5 and 8)	Investment Amour	nts Authorized by Investment MOEA (Notes 5 and 8)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA				
\$ 7,529,263	\$	9,808,660	\$ (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. To reinvest 67.40% Ever Victory Global Ltd. ("EVGL") via 59.13% Ever Conquest Global Limited ("ECGL") in the third region, as well as reinvest 85.00% Dynamic Ever Investments Limited ("DEIL"), to indirectly invest 50% in Fujian Gulei Petrochemical Co., Ltd., Zhangzhou Dynamic Ever Property Co., Ltd. is a subsidiary of Xuteng Investment Co., Ltd., which holds 10% of the shares
- Note 4. As the Company has obtained the certificate of being qualified for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11251003100 on February 7, 2023, the upper limit on investment in mainland China is not applicable.
- Note 5. Except for the investment in Fujian Gulei Petrochemical Co., Ltd., the recognized investment gain (loss) and carrying amount in the period have been fully written off when preparing the consolidated financial statements.
- Note 6. The calculation was based on the spot exchange rate of December $31,\,2023.$
- Note 7. Except for the Fujian Gulei Petrochemical Co., Ltd., whose numbers were based on the review of KPMG Huazhen Certified Public Accountants and used the accounting principles to adjust and recognize like the parent company, the others were based on its financial statements reviewed by the Certified Public Accountants of its ROC company.
- Note 8. The amount is calculated based on the average exchange rate from January 1 to December 31, 2023.
- Note 9. Accumulated outward of investment to Mainland China from Taiwan and the investment amounts authorized by the Investment Commission, MOEA at the end of the current period amounted to US\$245,213 thousand and US\$319,448 thousand.
- Note 10. USIG (Shanghai) Co., Ltd. resolved to liquidate on December 1, 2023, and repatriated the investment funds on January 16, 2024.

Acme Electronics Corporation

INFORMATION ON INVESTMENTS IN MAINLAND CHINA

For the Year Ended December 31, 2023

Table 8-1

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

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$931,713 (US\$ 30,344 thousand)	\$1,124,816 (US\$ 36,633 thousand)	\$ -
(Notes 2 and Note 6)	(Notes 2 and Note 6)	(Note 1)

- Note 1. As ACME has obtained the certificate of qualification for operating headquarters issued by the Investment Development Bureau, MOEA No. 09704604680 on August 29, 2008, the upper limit on investment is not applicable.
- Note 2. It includes the capital increase transferred from a surplus of Acme Electronics (Kunshan) Co., Ltd., and ACME increased the amount of USD\$6,289 thousand at its ownership percentage.
- Note 3. The investment gain (loss) recognized for the year was calculated on the basis of financial statements audited by CPAs of the parent company of ACME.
- Note 4. The calculation was based on the exchange rate of the original investment.
- Note 5. The amount is calculated based on the average exchange rate from January 1 to December 31, 2023.
- Note 6. The calculation was based on the spot exchange rate of December 31, 2023.
- Note 7. The carrying amount and the recognized investment gain (loss) for the period have been fully written off when preparing the consolidated financial statements.

Swanson Plastics Corporation

INFORMATION ON INVESTMENTS IN MAINLAND CHINA

For the Year Ended December 31, 2023

Table 8-2

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

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

- Note 1. The paid-in capital and the investment amount approved by the Industrial Development Bureau, MOEA were calculated using the spot exchange rate on December 31, 2023.
- Note 2. As SPC had obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11251024920 on May 31, 2023, the upper limit on investment is not applicable.
- Note 3. All the transactions were written off when preparing the consolidated financial statements.
- Note 4. The amount is calculated based on the average exchange rate from January 1 to December 31, 2023.
- Note 5. The calculation was based on the spot exchange rate of December 31, 2023.
- Note 6. Swanson International Ltd received a cash dividend of US\$2,327 thousand from its reinvestment company API-Swanson (Kunshan) Co., Ltd. in 2021, which has been remitted to Swanson Plastics Corporation.
- Note 7. Swanson International Ltd received a cash dividend of US\$1,600 thousand from its reinvestment company Swanson Plastics (Kunshan) Co., Ltd. in 2022, which has been remitted to Swanson Plastics Corporation.
- Note 8. Swanson International Ltd received a cash dividend of US\$2,771 thousand from its reinvestment company API-Swanson (Kunshan) Co., Ltd. for the year ended December 31, 2023, US\$2,715 of which has been remitted to Swanson Plastics Corporation.
- Note 9. Swanson International Ltd received a cash dividend of US\$4,298 thousand from its reinvestment company Swanson Plastics (Kunshan) Co., Ltd. in 2023, which has been remitted to Swanson Plastics Corporation.
- Note 10. Calculated at the spot exchange rate at remittance.

China General Plastics Corporation

INFORMATION ON INVESTMENTS IN MAINLAND CHINA

For the Year Ended December 31, 2023

Table 8-3

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outflow for Investment from Taiwan as of the Beginning of the Year (Note 1)	Inflow or Outflow of Outflow	of the Investment for the year Inflow	Accumulated Outflow of Investment from Taiwan as of the end of the Year	Investee Gain/Loss of Period (Note 5)	Ownership of Direct or Indirect Investment		Carrying Amount as the end of the Year (Notes 1 and 5)	Accumulated Repatriation of Investment Income as of the end of year
China General Plastics (ZhongShan) Co.,	Manufacturing and sales of PVC film and	\$ 614,100 (US\$20.000 thousand)	Indirect investment via CGPC (BVI)	\$ 614,100 (US\$20,000 thousand)	\$ -	\$ -	\$ 614,100 (US\$ 20,000 thousand)	(\$ 5,754) (US\$ -174 thousand)		(\$ 5,754) (US\$ -174 thousand)		\$ -
Ltd.	third-time processed products		Holding Co., Ltd.	` ' '				((+	(+ 1 ,	
CGPC Consumer	Manufacturing and sales	-	Indirect investment	46,058	-	14,562	31,496	8	100.00	8	-	-
Products Corporation	of PVC film and	(US\$ - thousand)	via CGPC (BVI)	(US\$1,500 thousand)		(US\$467 thousand)	(US\$ 1,033 thousand)	(US\$ - thousand)		(US\$ - thousand)	(US\$ - thousand)	
(Note 4)	third-time processed		Holding Co., Ltd.									
	products											

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

- Note 1. The calculation was based on the spot exchange rate of December 31, 2023.
- Note 2. As the Company had obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11251035580 on September 6, 2023, the upper limit on investment is not applicable.
- Note 3. QuanZhou Continental General Plastics Co., Ltd. ("CGPC (QZ)") and Union (Zhong Shan) Co., Ltd. ("Union (ZS)") completed dissolution procedures, and CGPC (BVI) retrieved the residual assets. The shares of Continental General Plastics (SanHe) Co., Ltd. ("CGPC (SH)") were fully sold, and CGPC (BVI) retrieved the residual assets. However, the amount of capital has not been wired back to Taiwan. The accumulated amount includes the investment amount of CGPC (QZ) of US\$684 thousand, the investment amount of US\$4,000 thousand.
- Note 4. CGPC Consumer Products Corporation (CGPC Consumer Products) completed the liquidation and dissolution process on July 17, 2023, and repatriated the remaining liquidation funds to CGPC(BVI), which were then remitted to Taiwan.
- Note 5. Transactions were written off when Preparing the consolidated financial statements; The investment Gain (loss) recognized for the year was calculated on the basis of financial statements audited and approved by CPAs of the parent company Taiwan.

Taita Chemical Company, Ltd.

INFORMATION ON INVESTMENTS IN MAINLAND CHINA

For the Year Ended December 31, 2023

Table 8-4

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

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA		
\$2,160,220	\$3,863,221	\$ -		
(US\$ 70,354 thousand)	(US\$ 125,817 thousand) (Note 4)	(Note 5)		

- Note 1. Taita Zhongshan increased capital from surplus of US\$3,250 thousand in 2007.
- Note 2. Taita Tianjin increased capital from surplus of US\$1,350 thousand in 2012.
- Note 3. ZTC has registered for establishment in 2021, and TAITA (BVI) injected capital of ZTC amounted to US\$48,580 thousand on March 8, 2022.
- Note 4. It includes the capital increase transferred from surplus by TAITA (ZS) of US\$ 3,250 thousand, capital increase transferred from surplus by ACME (KS) of US\$802 thousand and capital injection from TAITA (BVI) to ZTC of US\$50,000 thousand.
- Note 5. As TTC has obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11120416710 on June 8, 2022, the upper limit on investment in Mainland China is not applicable.
- Note 6. The calculation is based on the financial statements of the investee company during the same period which have been audited by CPAs.
- Note 7. All the transactions were written off when preparing the consolidated financial statements.
- Note 8. TTC management has decided to suspend the production of TAITA (TJ) from April 2019, and please refer to Note 12 to the Consolidated Financial Statements Description.

Asia Polymer Corporation

INFORMATION ON INVESTMENTS IN MAINLAND CHINA

For the Year Ended December 31, 2023

Table 8-5

	Main Businesses and	Paid-in Capital	Method of	Accumulated Outflow of Investment from Taiwan		e Investment for the year		Gain (Loss) of Investee		Recognized Investment	Carrying Amount as of	Accumulated Repatriation of
Investee Company	Products	(Note 4)	Investment (Note 1)	as of the beginning of the Year	Outflow	Inflow	Investment from Taiwan as of the end of the Year	for the year (Note 3)	Indirect Investment (%)	Gain (Loss) of the Year (Note 3)	the End of the Year (Note 4)	Investment Income as of the end of year
Acme Electronics (Kunshan) Co., Ltd.	Manufacturing and marketing of manganese-zinc ferritecore	\$ 943,411 (US\$ 30,725 thousand)	(2) ACME Electronics (Cayman) Corp.	()	\$ -	\$ -	\$ 128,266 (US\$ 4,177 thousand)	B (\$ 104,690)	13.63	(\$ 15,186)	\$ 92,407	\$ -
USI Trading (Shanghai) Co., Ltd.	Sales of chemical products and equipment, etc.	76,763 (US\$ 2,500 thousand)	(2) APC (BVI) Holding Co., Ltd.	93,208 (US\$ 3,036 thousand)	-	-	93,208 (US\$ 3,036 thousand)	B 14,541	100.00	14,541	162,488	-
Fujian Gulei Petrochemical Co., Ltd.	Crude oil processing and petroleum products manufacturing	40,379,787 (RMB9,314,400 thousand)	(2) Dynamic Ever Investments Ltd.,(Note 2)	4,847,794 (US\$ 157,883 thousand)		-	4,847,794 (US\$ 157,883 thousand)	A (8,237,293)	11.71	(964,327)	2,183,588	-
Zhangzhou USI Trading Co., Ltd.	, Sales of chemical products	43,352 (RMB 10,000 thousand)	(2)	13,006 (RMB 3,000 thousand)		-	13,006 (RMB 3,000 thousand)	A 27,784	30.00	8,335	20,266	-
Xiamen USI Trading Co.,Ltd.	Sales of chemical products	43,352 (RMB 10,000 thousand)	(2)	-	13,006 (RMB 3,000 thousand)	-	13,006 (RMB 3,000 thousand)	A (5)	30.00	(1)	13,004	-
Zhangzhou Dynamic Ever Property Co., Ltd.	Property Management	91,039	(2)	-	21,316	-	21,316	A 27	23.41	6	21,322	-
		(RMB 21,000 thousand)	Dynamic Ever Investments Ltd.,(Note 2)	-	(RMB 4,917 thousand)	-	(RMB 4,917 thousand)					

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$ 5,264,471(Note 5)	\$ 7,011,045	\$ -
(US\$ 171,453 thousand)	(US\$ 228,336 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. To reinvest 67.40% Ever Victory Global Ltd. ("EVGL") via 40.87% Ever Conquest Global Ltd ("ECGL") in the third region, as well as reinvest 85.00% Dynamic Ever Investments Ltd. ("DEIL"), to indirectly invest 50% in Fujian Gulei Petrochemical Co., Ltd.
- Note 3. In the investment income (loss) recognized for the period:
 - (1)If there is no investment gain (loss) during the preparation, it shall be noted.
 - (2)If the basis for the recognition of investment gain (loss) is classified into the following three categories, it shall be noted as follows:
 - A. Financial statements audited by international accounting firms in partnership with CPA firms in the Republic of China.
 - B. Financial statements audited by CPAs of the parent company in Taiwan.
 - C. Others.
- Note 4. The calculation was based on the spot exchange rate of December 31, 2023.
- Note 5. APC invested in Silicon Technology Investment (Cayman) Corp. (STIC) and Solargiga Energy Holdings Ltd. through APC (BVI) Holding Co., Ltd. to indirectly invest in companies in mainland China.
- Note 6. As APC has obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11120425760 on August 23, 2022, the upper limit on investment is not applicable.
- Note 7. Except for the investment in Fujian Gulei Petrochemical Co., Ltd., the recognized investment gain (loss) and carrying amount in the period have been fully written off when preparing the consolidated financial statements.

USI CORPORATION

INFORMATION ON MAJOR SHAREHOLDERS

December 31, 2023

Table 9

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

- Note 1. The table discloses shareholding information of shareholders whose shareholding percentage is more than 5%. The share capital reported in the Company's consolidated financial statements and the actual number shares that have completed the dematerialized registration and delivery may be different due to the difference in the basis of calculation.
- Note 2. In the event where the shareholders deliver its equity to trust, the information is disclosed in the form of individual trust accounts opened by the trustee. As for the shareholders declaring insider equity holdings of more than 10% of the shares in accordance with the Securities and Exchange Act, their shareholdings include the shares held by themselves plus the shares delivered to trust while retaining the right to determine the utilization. For information on insider equity declarations, please refer to the Market Observatory Post System.

USI Corporation



Chairman of the Board Quintin Wu