

USI CORPORATION AND SUBSIDIARIES

Consolidated Financial Statements and Independent Auditors' Review Report

From January 1 to June 30, 2026 and 2025

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Independent Auditors' Review Report

To USI Corporation:

Introduction

We have reviewed the Consolidated Balance Sheets of USI and its subsidiaries as of June 30, 2026 and 2025, and the Consolidated Statements of Comprehensive Income for the periods from April 1 to June 30, 2026 and 2025, and from January 1 to June 30, 2026 and 2025, the Consolidated Statements of Changes in Equity and Consolidated Statements of Cash Flows for the period from January 1 to June 30, 2026 and 2025, as well as the Notes to the Consolidated Financial Statements (including the Summary of Significant Accounting Policies). The preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting", as approved and issued by the Financial Supervisory Commission, is the responsibility of management. The auditors' responsibility is to express a conclusion on the consolidated financial statements based on their review.

Scope of Review

Except as described in the Basis for Qualified Conclusion section, we have performed the review engagement in accordance with the Standards on Review Engagement No. 2410 "Review of Financial Information Performed by the Independent Auditor of the Entity". The procedures performed in a review of consolidated financial statements primarily include inquiries, mainly of persons responsible for financial and accounting matters, analytical procedures, and other review procedures. The Scope of Review is substantially less than that of an audit, and therefore, we may not become aware of all significant matters that would be identified in an audit and, accordingly, do not express an Audit Opinion.

Basis for Qualified Conclusion

As disclosed in Notes 12 and 13 to the Consolidated Financial Statements, the financial statements of non-significant subsidiaries and investments accounted for using the equity method included in the consolidated financial statements for the same periods were not reviewed. The total assets as of June 30, 2026 and 2025 amounted to NT\$11,357,004 thousand and NT\$14,551,472 thousand, respectively, representing 17.55% and 22.39% of consolidated total assets; total liabilities amounted to NT\$5,575,187 thousand and NT\$4,983,090 thousand, respectively, representing 18.70% and 17.81% of consolidated total liabilities; the total comprehensive income and share of loss of investments accounted for using the equity method for the periods from April 1 to June 30, 2026 and 2025 and January 1 to June 30, 2026 and 2025 were NT\$(760,253) thousand, NT\$(1,489,671) thousand, NT\$(1,187,477) thousand, and NT\$(2,593,610) thousand, respectively,

representing (348.13)%, 36.82%, 607.00%, and 48.72% of consolidated total comprehensive income. In addition, the information related to the aforementioned subsidiaries and investments included in other notes and schedules to the consolidated financial statements has also not been reviewed by the auditors.

Qualified Conclusion

Based on our review, except for the possible adjustments to the consolidated financial statements that may arise if the financial statements of non-significant subsidiaries and investments accounted for using the equity method described in the Basis for Qualified Conclusion section were audited, we have not identified any material misstatements that would cause the consolidated financial statements of USI Corporation and its subsidiaries as of June 30, 2026 and 2025, and from April 1 to June 30, 2026 and 2025, and January 1 to June 30, 2026 and 2025, to be not prepared, in all material aspects in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting”, as approved and issued by the Financial Supervisory Commission.

The engagement partner on the audit resulting in this independent auditors’ report are Chun-Hung Chen and Cheng-Hsiu Chang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 10, 2026

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 review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors’ review 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’ review report and consolidated financial statements shall prevail.

USI CORPORATION AND SUBSIDIARIES
Consolidated Balance Sheets
June 30, 2026, December 31, 2025, and June 30, 2025

(In Thousands of New Taiwan Dollars)

Assets	June 30, 2026		December 31, 2025		June 30, 2025	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 4,713,272	7	\$ 3,897,651	6	\$ 5,465,838	9
Financial assets at fair value through profit or loss (FVTPL) - current (Note 7)	990,150	2	2,005,326	3	1,855,728	3
Financial assets at fair value through other comprehensive income (FVTOCI) - current (Note 8)	33,120	-	28,380	-	23,711	-
Financial assets at amortized cost - current (Notes 9 and 34)	4,171,778	6	5,445,060	9	4,543,347	7
Notes receivables, net (Notes 10 and 26)	457,380	1	335,394	1	380,302	1
Accounts receivable, net (Notes 10, 26 and 33)	4,857,958	8	4,263,092	7	5,110,684	8
Other receivables (Notes 10 and 33)	251,300	-	334,131	-	252,689	-
Current tax assets (Notes 4 and 28)	62,669	-	34,383	-	41,728	-
Inventories (Note 11)	7,640,913	12	6,142,633	10	6,039,775	9
Prepayments	955,272	1	904,857	1	843,328	1
Other current assets	75,213	-	42,792	-	51,336	-
Total current assets	<u>24,209,025</u>	<u>37</u>	<u>23,433,699</u>	<u>37</u>	<u>24,608,466</u>	<u>38</u>
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income (FVTOCI) - non-current (Note 8)	3,108,467	5	1,896,034	3	1,582,297	3
Financial assets at amortized cost - non-current (Notes 9, 34 and 35)	398,538	1	439,175	1	470,208	1
Investments accounted for using the equity method (Note 13)	8,823	-	1,311,904	2	3,436,311	5
Property, plant and equipment (Notes 14 and 34)	28,976,816	45	28,573,680	45	27,513,172	42
Right-of-use assets (Notes 15 and 34)	2,605,111	4	2,679,237	4	2,552,976	4
Investment properties, net (Note 16)	968,201	2	650,879	1	727,538	1
Goodwill (Note 17)	270,211	-	270,211	1	270,211	-
Other intangible assets, net (Note 17)	39,881	-	38,424	-	41,371	-
Deferred tax assets (Notes 4 and 28)	3,266,897	5	3,178,112	5	3,001,980	5
Net defined benefit assets - non-current (Notes 4 and 23)	79,193	-	69,447	-	51,738	-
Other non-current assets (Notes 23 and 34)	793,030	1	715,063	1	727,726	1
Total non-current assets	<u>40,515,168</u>	<u>63</u>	<u>39,822,166</u>	<u>63</u>	<u>40,375,528</u>	<u>62</u>
TOTAL ASSETS	<u>\$ 64,724,193</u>	<u>100</u>	<u>\$ 63,255,865</u>	<u>100</u>	<u>\$ 64,983,994</u>	<u>100</u>
Liabilities and Equity						
CURRENT LIABILITIES						
Short-term borrowings (Notes 18 and 34)	\$ 5,794,865	9	\$ 3,590,616	6	\$ 5,274,944	8
Short-term notes payable (Note 18)	84,925	-	309,903	1	629,540	1
Financial liabilities at fair value through profit or loss (FVTPL) - current (Note 7)	3,094	-	4,982	-	8,375	-
Accounts payable (Note 20)	2,002,981	3	2,203,512	4	2,784,679	4
Dividends payable	324,601	1	37,587	-	452,927	1
Other payables (Notes 21 and 33)	1,984,951	3	2,160,063	3	1,900,149	3
Current tax liabilities (Notes 4 and 28)	86,519	-	15,404	-	78,069	-
Provision for liabilities - current (Note 22)	15,002	-	69,289	-	38,786	-
Lease liabilities - current (Note 15)	211,299	-	147,855	-	145,984	-
Current portion of long-term borrowings (Notes 18, 19 and 34)	2,618,940	4	3,395,535	5	3,323,661	5
Refund liabilities - current (Note 21)	33,427	-	29,821	-	30,411	-
Other current liabilities (Note 26)	449,345	1	411,916	1	370,486	1
Total current liabilities	<u>13,609,949</u>	<u>21</u>	<u>12,376,483</u>	<u>20</u>	<u>15,038,011</u>	<u>23</u>
NON-CURRENT LIABILITIES						
Bonds payable (Note 19)	1,798,852	3	2,298,296	4	2,647,680	4
Long-term borrowings (Notes 18 and 34)	10,255,554	16	8,915,473	14	6,093,289	9
Provision for liabilities - non-current (Notes 22 and 35)	136,375	-	136,375	-	136,375	-
Deferred tax liabilities (Notes 4 and 28)	1,396,587	2	1,369,775	2	1,246,050	2
Lease liabilities - non-current (Note 15)	2,098,482	3	2,168,961	3	2,244,845	4
Net defined benefit liabilities - non-current (Notes 4 and 23)	312,290	1	338,855	1	379,224	1
Other non-current liabilities (Note 24)	207,371	-	197,329	-	176,043	-
Total non-current liabilities	<u>16,205,511</u>	<u>25</u>	<u>15,425,064</u>	<u>24</u>	<u>12,923,506</u>	<u>20</u>
Total Liabilities	<u>29,815,460</u>	<u>46</u>	<u>27,801,547</u>	<u>44</u>	<u>27,961,517</u>	<u>43</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 25)						
Share capital	11,887,635	18	11,887,635	19	11,887,635	19
Capital surplus	507,007	1	501,471	1	499,280	1
Retained Earnings						
Legal reserve	4,036,296	6	4,036,296	6	4,036,296	6
Special reserve	511,507	1	468,233	1	468,233	1
Unappropriated earnings	764,281	1	1,522,933	3	2,789,395	4
Total retained earnings	5,312,084	8	6,027,462	10	7,293,924	11
Other equity	378,374	1	(429,878)	(1)	(1,152,409)	(2)
Treasury shares	(475,606)	(1)	(475,606)	(1)	(475,606)	(1)
Total equity attributable to owners of the Company	17,609,494	27	17,511,084	28	18,052,824	28
Non-controlling interests	<u>17,299,239</u>	<u>27</u>	<u>17,943,234</u>	<u>28</u>	<u>18,969,653</u>	<u>29</u>
Total equity	<u>34,908,733</u>	<u>54</u>	<u>35,454,318</u>	<u>56</u>	<u>37,022,477</u>	<u>57</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 64,724,193</u>	<u>100</u>	<u>\$ 63,255,865</u>	<u>100</u>	<u>\$ 64,983,994</u>	<u>100</u>

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

USI CORPORATION AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
From April 1 to June 30, 2026 and 2025 and from January 1 to June 30, 2026 and 2025

(In Thousands of New Taiwan Dollars, except for losses per share)

	From April 1 to June 30, 2026		From April 1 to June 30, 2025		From January 1 to June 30, 2026		From January 1 to June 30, 2025	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 26 and 33)	\$ 11,013,573	100	\$ 11,574,193	100	\$ 21,760,221	100	\$ 23,721,688	100
COST OF GOODS SOLD (Notes 11, 23, 27 and 33)	<u>9,498,464</u>	<u>87</u>	<u>11,366,413</u>	<u>98</u>	<u>19,938,079</u>	<u>92</u>	<u>23,077,937</u>	<u>97</u>
GROSS PROFIT	<u>1,515,109</u>	<u>13</u>	<u>207,780</u>	<u>2</u>	<u>1,822,142</u>	<u>8</u>	<u>643,751</u>	<u>3</u>
OPERATING EXPENSES (Notes 10, 23, 27 and 33)								
Selling and marketing expenses	500,065	4	582,970	5	1,017,014	4	1,165,646	5
Administrative expenses	307,668	3	284,534	3	611,379	3	611,533	3
Research and development expenses	132,015	1	114,276	1	247,198	1	242,313	1
Expected credit impairment loss	<u>178,982</u>	<u>2</u>	<u>327</u>	<u>-</u>	<u>179,196</u>	<u>1</u>	<u>1,957</u>	<u>-</u>
Total operating expenses	<u>1,118,730</u>	<u>10</u>	<u>982,107</u>	<u>9</u>	<u>2,054,787</u>	<u>9</u>	<u>2,021,449</u>	<u>9</u>
NET (LOSS) PROFIT FROM OPERATIONS	<u>396,379</u>	<u>3</u>	<u>(774,327)</u>	<u>(7)</u>	<u>(232,645)</u>	<u>(1)</u>	<u>(1,377,698)</u>	<u>(6)</u>
NON-OPERATING INCOME AND EXPENSES								
Interest income (Note 27)	54,141	-	74,278	1	95,934	-	141,221	1
Other income (Notes 18, 24, 27 and 33)	101,421	1	108,375	1	162,771	1	170,895	1
Other gains and losses (Note 27)	(151,669)	(1)	(576,013)	(5)	(112,673)	-	(541,347)	(2)
Finance costs (Note 27)	(94,698)	(1)	(88,864)	(1)	(184,237)	(1)	(177,286)	(1)
Share of loss of associates and joint ventures accounted for using the equity method (Note 13)	<u>(826,448)</u>	<u>(7)</u>	<u>(920,192)</u>	<u>(8)</u>	<u>(1,338,370)</u>	<u>(6)</u>	<u>(1,999,505)</u>	<u>(9)</u>
Total non-operating income and expenses	<u>(917,253)</u>	<u>(8)</u>	<u>(1,402,416)</u>	<u>(12)</u>	<u>(1,376,575)</u>	<u>(6)</u>	<u>(2,406,022)</u>	<u>(10)</u>
NET LOSS BEFORE INCOME TAX	(520,874)	(5)	(2,176,743)	(19)	(1,609,220)	(7)	(3,783,720)	(16)
INCOME TAX (EXPENSE) GAIN (Notes 4 and 28)	<u>(38,644)</u>	<u>-</u>	<u>214,650</u>	<u>2</u>	<u>78,042</u>	<u>-</u>	<u>315,578</u>	<u>2</u>
NET LOSS FOR THE PERIOD	<u>(559,518)</u>	<u>(5)</u>	<u>(1,962,093)</u>	<u>(17)</u>	<u>(1,531,178)</u>	<u>(7)</u>	<u>(3,468,142)</u>	<u>(14)</u>
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized gain (loss) on equity instruments at FVTOCI (Note 25)	775,311	7	(426,838)	(4)	1,041,124	5	(398,335)	(2)
Income tax relating to items that will not be reclassified (Notes 4 and 28)	<u>(258)</u>	<u>-</u>	<u>(943)</u>	<u>-</u>	<u>(785)</u>	<u>-</u>	<u>(254)</u>	<u>-</u>
	<u>775,053</u>	<u>7</u>	<u>(427,781)</u>	<u>(4)</u>	<u>1,040,339</u>	<u>5</u>	<u>(398,589)</u>	<u>(2)</u>
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating the financial statements of foreign operations	4,113	-	(1,997,754)	(17)	362,722	1	(1,758,838)	(7)
Income tax relating to items that may be reclassified subsequently to profit or loss (Notes 4 and 28)	<u>(1,269)</u>	<u>-</u>	<u>341,607</u>	<u>3</u>	<u>(67,515)</u>	<u>-</u>	<u>301,713</u>	<u>1</u>
	<u>2,844</u>	<u>-</u>	<u>(1,656,147)</u>	<u>(14)</u>	<u>295,207</u>	<u>1</u>	<u>(1,457,125)</u>	<u>(6)</u>
Other comprehensive income (loss) for the period, net of income tax	<u>777,897</u>	<u>7</u>	<u>(2,083,928)</u>	<u>(18)</u>	<u>1,335,546</u>	<u>6</u>	<u>(1,855,714)</u>	<u>(8)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 218,379</u>	<u>2</u>	<u>(\$ 4,046,021)</u>	<u>(35)</u>	<u>(\$ 195,632)</u>	<u>(1)</u>	<u>(\$ 5,323,856)</u>	<u>(22)</u>
Net loss attributable to:								
Owners of the Company	(\$ 178,876)	(2)	(\$ 869,452)	(8)	(\$ 618,763)	(3)	(\$ 1,502,906)	(7)
Non-controlling interests	<u>(380,642)</u>	<u>(3)</u>	<u>(1,092,641)</u>	<u>(9)</u>	<u>(912,415)</u>	<u>(4)</u>	<u>(1,965,236)</u>	<u>(7)</u>
	<u>(\$ 559,518)</u>	<u>(5)</u>	<u>(\$ 1,962,093)</u>	<u>(17)</u>	<u>(\$ 1,531,178)</u>	<u>(7)</u>	<u>(\$ 3,468,142)</u>	<u>(14)</u>
Total comprehensive income attributable to:								
Owners of the Company	\$ 223,786	2	(\$ 1,980,896)	(17)	\$ 271,189	1	(\$ 2,517,099)	(10)
Non-controlling interests	<u>(5,407)</u>	<u>-</u>	<u>(2,065,125)</u>	<u>(18)</u>	<u>(466,821)</u>	<u>(2)</u>	<u>(2,806,757)</u>	<u>(12)</u>
	<u>\$ 218,379</u>	<u>2</u>	<u>(\$ 4,046,021)</u>	<u>(35)</u>	<u>(\$ 195,632)</u>	<u>(1)</u>	<u>(\$ 5,323,856)</u>	<u>(22)</u>
Loss per share (Note 29)								
Basic	<u>(\$ 0.17)</u>		<u>(\$ 0.81)</u>		<u>(\$ 0.58)</u>		<u>(\$ 1.40)</u>	
Diluted	<u>(\$ 0.17)</u>		<u>(\$ 0.81)</u>		<u>(\$ 0.58)</u>		<u>(\$ 1.40)</u>	

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

USI CORPORATION AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
From January 1 to June 30, 2026 and 2025

(In Thousands of New Taiwan Dollars)

	Equity attributable to owners of the Company												
	Capital surplus							Other equity					
	Share capital	Treasury share transaction	Share of changes in capital surplus of associates	Others	Retained Earnings			Exchange differences on translating the financial statements of foreign operations	Unrealized gain (loss) on financial assets at FVTOCI	Treasury shares	Total	Non-controlling interests	Total equity
					Legal reserve	Special reserve	Unappropriated earnings						
Balance as of January 1, 2025	\$ 11,887,635	\$ 427,546	\$ 40,507	\$ 23,599	\$ 4,036,296	\$ 375,127	\$ 4,623,160	(\$ 34,266)	(\$ 103,950)	(\$ 475,606)	\$ 20,800,048	\$ 21,970,268	\$ 42,770,316
Appropriation of 2024 earnings													
Provision for special reserve	-	-	-	-	-	93,106	(93,106)	-	-	-	-	-	-
Cash dividends to shareholders of the Company	-	-	-	-	-	-	(237,753)	-	-	-	(237,753)	-	(237,753)
Cash dividends to shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(208,082)	(208,082)
Net loss for the six months ended June 30, 2024	-	-	-	-	-	-	(1,502,906)	-	-	-	(1,502,906)	(1,965,236)	(3,468,142)
Other comprehensive income (loss) for the six months ended June 30, 2025, net of income tax	-	-	-	-	-	-	-	(645,732)	(368,461)	-	(1,014,193)	(841,521)	(1,855,714)
Total comprehensive income (loss) for the six months ended June 30, 2025	-	-	-	-	-	-	(1,502,906)	(645,732)	(368,461)	-	(2,517,099)	(2,806,757)	(5,323,856)
Changes in equity of subsidiaries recognized by equity method	-	-	(12)	-	-	-	-	-	-	-	(12)	(35)	(47)
Changes in other capital surplus	-	-	-	(26)	-	-	-	-	-	-	(26)	-	(26)
Adjustment to capital surplus for dividends paid to subsidiaries	-	7,666	-	-	-	-	-	-	-	-	7,666	-	7,666
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	14,259	14,259
Balance as of June 30, 2025	\$ 11,887,635	\$ 435,212	\$ 40,495	\$ 23,573	\$ 4,036,296	\$ 468,233	\$ 2,789,395	(\$ 679,998)	(\$ 472,411)	(\$ 475,606)	\$ 18,052,824	\$ 18,969,653	\$ 37,022,477
Balance as of January 1, 2026	\$ 11,887,635	\$ 435,212	\$ 41,337	\$ 24,922	\$ 4,036,296	\$ 468,233	\$ 1,522,933	(\$ 229,360)	(\$ 200,518)	(\$ 475,606)	\$ 17,511,084	\$ 17,943,234	\$ 35,454,318
Distribution of earing in 2025													
Provision for special reserve	-	-	-	-	-	43,274	(43,274)	-	-	-	-	-	-
Cash dividends to shareholders of the Company	-	-	-	-	-	-	(178,315)	-	-	-	(178,315)	-	(178,315)
Cash dividends to shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(156,307)	(156,307)
Net loss for the six months ended June 30, 2026	-	-	-	-	-	-	(618,763)	-	-	-	(618,763)	(912,415)	(1,531,178)
Other comprehensive income (loss) for the six months ended June 30, 2026, net of income tax	-	-	-	-	-	-	-	124,007	765,945	-	889,952	445,594	1,335,546
Total comprehensive income for the six months ended June 30, 2026	-	-	-	-	-	-	(618,763)	124,007	765,945	-	271,189	(466,821)	(195,632)
Changes in equity of subsidiaries recognized by equity method	-	-	(117)	-	-	-	-	-	-	-	(117)	(307)	(424)
Changes in other capital surplus	-	-	-	(97)	-	-	-	-	-	-	(97)	-	(97)
Adjustment to capital surplus for dividends paid to subsidiaries	-	5,750	-	-	-	-	-	-	-	-	5,750	-	5,750
Disposal of equity instruments measured at FVTOCI	-	-	-	-	-	-	81,700	-	(81,700)	-	-	-	-
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(20,560)	(20,560)
Balance as of June 30, 2026	\$ 11,887,635	\$ 440,962	\$ 41,220	\$ 24,825	\$ 4,036,296	\$ 511,507	\$ 764,281	(\$ 105,353)	\$ 483,727	(\$ 475,606)	\$ 17,609,494	\$ 17,299,239	\$ 34,908,733

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

USI CORPORATION AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For January 1 to June 30, 2026 and 2025

(In Thousands of New Taiwan Dollars)

	From January 1 to June 30, 2026	From January 1 to June 30, 2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss before income tax for the period	(\$ 1,609,220)	(\$ 3,783,720)
Income (expenses) items		
Depreciation expense	1,437,875	1,337,624
Amortization expense	30,443	31,646
Expected credit impairment loss	179,196	1,957
Net (gain) loss on financial assets and liabilities at FVTPL	(59,168)	88,747
Finance costs	184,237	177,286
Interest income	(95,934)	(141,221)
Dividend income	(23,872)	(28,330)
Share of loss of associates and joint ventures accounted for using the equity method	1,338,370	1,999,505
Net loss (gain) on disposal and scrapping of property, plant and equipment	4,001	(6,834)
Gain on disposal of investment property	-	(47,086)
Loss on disposal and scrapping of intangible assets	2,527	-
Gain on lease modification	-	(1,643)
Provision (reversal) of write-downs of inventories and obsolescence losses	(20,271)	58,209
Deferred revenue	(7,846)	(7,819)
Changes in operating assets and liabilities		
Financial instruments mandatorily classified at FVTPL	1,072,456	157,610
Notes receivable	(121,986)	148,632
Accounts receivables	(777,130)	224,475
Other receivables	51,933	84,225
Inventories	(1,510,454)	849,642
Prepayments	(50,415)	23,208
Other current assets	(32,421)	2,889
Accounts payable	(200,531)	(439,907)
Other payables	(226,027)	(303,402)
Provisions	(54,287)	38,786
Net defined benefit liabilities	(36,311)	(39,888)
Other current liabilities	36,202	(46,645)
Refund liabilities	3,606	(11,520)
Cash (outflow) inflow generated from operations	(485,027)	366,426
Interest received	122,702	153,783
Interest paid	(166,573)	(150,912)
Income tax (paid) refunded	(9,403)	2,651
Net cash (outflow) inflow from operating activities	(538,301)	371,948

(Continued)

(Continued)

	From January 1 to June 30, 2026	From January 1 to June 30, 2025
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at FVTOCI	(\$ 301,728)	\$ -
Disposal of financial assets at FVTOCI	136,223	-
Return of capital from financial assets at FVTOCI	-	5,976
Disposal of financial assets at amortized cost	1,428,803	96,946
Acquisition of property, plant and equipment	(2,072,906)	(1,606,861)
Proceeds from disposal of property, plant and equipment	56,061	19,072
Increase in refundable deposits	(49,967)	(42,158)
Acquisitions of other intangible assets	(7,859)	(320)
Proceeds from disposal of right-of-use assets	-	1,818
Proceeds from disposal of investment property	-	26,057
Increase in other non-current assets	-	(8,733)
Decrease in other non-current assets	13,960	-
Dividends received	3,251	319
Net cash used in investing activities	(794,162)	(1,507,884)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	2,204,249	437,058
(Decrease) increase in short-term notes payable	(225,000)	210,000
Repayment of corporate bonds	(500,000)	(500,000)
Proceeds from mid- to long-term borrowings	4,289,489	2,215,925
Repayment of mid- to long-term borrowings	(3,732,787)	(2,817,866)
Increase in guarantee deposits received	8,954	2,155
Repayment of the principal portion of lease liabilities	(11,398)	(73,437)
Increase in other non-current liabilities	8,629	21,907
Change in non-controlling interests	(20,560)	14,259
Net cash generated from (used in) financing activities	2,021,576	(489,999)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	126,508	(512,810)
Increase (decrease) in Cash and Cash Equivalents for the Period	815,621	(2,138,745)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	3,897,651	7,604,583
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	\$ 4,713,272	\$ 5,465,838

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

USI CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
From January 1 to June 30, 2026 and 2025
(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 August 10, 2026.

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

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

The initial application of IFRS Accounting Standards endorsed and issued into effect by the FSC would not have any material impact on the consolidated company's accounting policies.

b. FSC-approved IFRSs applicable in 2027

<u>New/Amended/Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB</u>
IFRS 18 - "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note 1)
IFRS 19 - "Subsidiaries without Public Accountability: Disclosures" (including the 2025 amendments)	January 1, 2027
Amendments to IAS 21 "Conversion to a Hyperinflationary Presentation Currency"	January 1, 2027
Amendments to IAS 28 "Amendments to the Fair Value Option for Investments in Associates and Joint Ventures"	January 1, 2027 (Note 2)

Note 1: Domestic entities shall apply IFRS 18 starting from January 1, 2028, and may choose to early adopt.

Note 2: The amendments shall be applied concurrently with the application of IFRS 18.

IFRS 18 - "Presentation and Disclosure in Financial Statements" and the related supporting amendments, along with Amendments to IAS 28 "Amendments to the Fair Value Option for Investments in Associates and Joint Ventures"

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

- The Group shall assess whether it engages in specific principal activities of investing in certain types of assets and providing financing to customers. Based on this assessment, the statement of profit or loss shall classify income and expense into the following categories: operating, investing, financing, income taxes, and discontinued operations.
- The statement of profit or loss shall present subtotals and totals for: operating profit or loss, pre-tax profit or loss before financing and profit or loss.
- Provides guidelines for enhanced aggregation and disaggregation: The Group shall identify assets, liabilities, equity, income, expenses, and cash flows given rise by individual transactions or events, and classify and aggregate them based on shared characteristics, so that single-line items presented on the main financial statements have at least one shared characteristic. Items of dissimilar characteristics shall be disaggregated in main financial statements and notes. The Group will label an item as "Other" only if it is unable to find a more informative label.
- Introduction of disclosure for management-defined performance measure: When publishing financial statements or communicating with financial statement users about the management's perspective on a certain aspect of the Group's overall financial performance, the Group shall disclose, in a single note, information relating to management-defined performance measures (MPMs), including a description of MPM, the method of calculation, and a reconciliation with the subtotal or total required by IFRS Accounting Standards, including the income tax effect and the effect on non-controlling interests for each item disclosed in the reconciliation.

Upon the initial application of IFRS 18, venture capital organizations or mutual funds, unit trusts, and similar entities (or indirectly through these entities) may opt to change the measurement of their investments in associates or joint ventures from the equity method to being measured at FVTPL. The Amendments to IAS 28 clarify that the aforementioned "similar entities" include those that evaluate investments in specific types of assets as their main business activity according to IFRS 18. If the Group meets the above conditions, it may choose to make this change on the day of first adoption.

In addition, the following complementary amendments to IAS 7 "Cash Flow Statements" are made:

- When a consolidated company prepares cash flows from operating activities using the indirect method, the starting point for adjustments should be the operating profit or loss.
- Interest received and dividends received by the group should be classified as investing activities, while interest paid and dividends paid should be classified as financing activities. If the Group, upon assessment, engages in specific principal activities, it must consider the classification of dividend income, interest income, and interest expenses in the statement of profit or loss to determine the classification of dividends received, interest received, and interest paid in the statement of cash flows. However, each of the aforementioned cash flows can only be classified into a single activity in the statement of cash flows.

The Group does not expect to early adopt IFRS 18 and the related supporting amendments.

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

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

<u>New/Amended/Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note)</u>
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture"	Undetermined
IFRS 20 "Controlled Assets and Controlled Liabilities"	January 1, 2029

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

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

This consolidated financial report has been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting," as endorsed and promulgated by the Financial Supervisory Commission. This consolidated financial report does not include all IFRS disclosures required for a complete annual financial report.

b. Basis of preparation

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

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

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

c. 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). The consolidated statement of comprehensive income includes the operating income and expenses of subsidiaries acquired or disposed of during the period from the acquisition date to the disposal date. Adjustments have been made to the financial statements of subsidiaries to bring their accounting policies in line with those of the Group. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. The total comprehensive income of subsidiaries is attributed to the owners of the Company and the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

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

d. Other significant accounting policies

Except for the explanations below, please refer to the "Summary of Significant Accounting Policies" in the consolidated financial report for the year 2025.

1) Retirement benefits - defined benefit plan

The pension cost for the interim period is calculated based on the actuarial determined pension cost rate as of the previous fiscal year-end, applied from the beginning of the year to the end of the current period. Adjustments are made for significant market fluctuations during the period, as well as major plan amendments, settlements, or other significant one-time events.

2) Income tax

The income tax expense represents the sum of the tax currently payable and deferred tax. Income tax for the interim period is assessed on an annual basis and calculated on the interim pre-tax profit using the tax rate applicable to the expected annual total profit.

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

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

Please refer to the "Critical Accounting Judgments and Key Sources of Estimation and Uncertainty" in the consolidated financial report for the year 2025.

6. CASH AND CASH EQUIVALENTS

	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Cash on hand and petty cash	\$ 2,981	\$ 2,788	\$ 3,267
Checking accounts and demand deposits	2,604,794	2,428,914	2,640,250
Cash equivalents			
Time deposits	1,426,491	1,154,622	1,416,337
Reverse repurchase agreements collateralized by bonds	679,006	311,327	1,405,984
	<u>\$ 4,713,272</u>	<u>\$ 3,897,651</u>	<u>\$ 5,465,838</u>

7. FINANCIAL INSTRUMENTS AT FVTPL – CURRENT

	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
<u>Financial assets mandatorily measured at FVTPL</u>			
Derivative instruments (not under hedge accounting)			
- Foreign exchange forward contracts	\$ 2,622	\$ 1,623	\$ 2,019
(Continued)			

(Continued)

	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Non-derivative financial assets			
- Domestic listed (OTC) shares and emerging market shares	\$ 408,790	\$ 396,560	\$ 315,300
- Overseas listed shares	75,837	64,139	52,114
- Mutual funds	281,311	1,312,114	1,245,625
- Beneficiary securities	221,590	230,890	240,670
Subtotal	<u>987,528</u>	<u>2,003,703</u>	<u>1,853,709</u>
	<u>\$ 990,150</u>	<u>\$ 2,005,326</u>	<u>\$ 1,855,728</u>

Financial liabilities held for trading

Derivative instruments (not under hedge accounting)

- Foreign exchange forward contracts	\$ 2,122	\$ 4,982	\$ 8,375
- Foreign rate swap contracts	972	-	-
	<u>\$ 3,094</u>	<u>\$ 4,982</u>	<u>\$ 8,375</u>

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

	<u>Currency</u>	<u>Maturity Date</u>	<u>Contract Amount (In Thousands)</u>
<u>June 30, 2026</u>			
Sell	USD/MYR	2026.07.17-2027.04.22	USD 2,364 /MYR 9,357
Sell	USD/NTD	2026.07.02-2026.08.14	USD 5,560 /NTD 175,358
Buy	NTD/USD	2026.07.03-2026.09.04	NTD 199,948 /USD 6,363
Foreign rate exchange swap	USD/NTD	2026.07.03	USD 2,000 /NTD 62,726
<u>December 31, 2025</u>			
Sell	USD/MYR	2026.01.09-2026.01.16	USD 400 /MYR 1,720
Sell	USD/NTD	2026.01.06-2026.03.30	USD 10,940 /NTD 338,127
Buy	NTD/USD	2026.01.06	NTD 25,561 /USD 840
<u>June 30, 2025</u>			
Sell	USD/MYR	2025.07.18-2026.01.09	USD 1,000 /MYR 4,407
Sell	USD/NTD	2025.07.08-2025.08.21	USD 6,200 /NTD 182,833
Buy	NTD/USD	2025.07.02-2025.08.08	NTD 287,789 /USD 9,580
Buy	JPY/USD	2025.07.25-2025.08.22	JPY 60,000 /USD 424

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

8. FINANCIAL ASSETS AT FVTOCI

Investments in equity instruments

	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
<u>Current</u>			
Domestic investments			
Listed (OTC) and emerging market shares	\$ <u>33,120</u>	\$ <u>28,380</u>	\$ <u>23,711</u>
<u>Non-current</u>			
Domestic investments			
Listed (OTC) and emerging market shares	\$ 2,280,009	\$ 1,369,066	\$ 1,065,959
Unlisted shares	<u>598,488</u>	<u>307,132</u>	<u>305,688</u>
	<u>2,878,497</u>	<u>1,676,198</u>	<u>1,371,647</u>
Overseas investments			
Listed shares	6,981	8,053	6,724
Unlisted shares	<u>222,989</u>	<u>211,783</u>	<u>203,926</u>
	<u>229,970</u>	<u>219,836</u>	<u>210,650</u>
	<u>\$ 3,108,467</u>	<u>\$ 1,896,034</u>	<u>\$ 1,582,297</u>

The Group has invested in shares of domestic and foreign companies for medium- to long-term strategic purposes, and expects to generate returns over the long term. 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.

From January 1 to June 30, 2025, the Group received refund of investment capital totaling NT\$5,976 thousand due to capital reduction in investees.

In April 2026, the Group acquired 8,460 thousand private placement shares of CTCI Corporation at an issue price of NT\$35.48 per share.

The Group sold investments in equity instruments measured at FVTOCI for the six months ended June 30, 2026. The related other equity - the unrealized gain of financial assets measured at FVTOCI amounted to NT\$81,700 thousand. This amount was transferred to retained earnings.

From January 1 to June 30, 2026 and 2025, the Group recognized NT\$355 thousand and NT\$319 thousand of dividend income, respectively.

9. FINANCIAL ASSETS AT AMORTIZED COST

	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
<u>Current</u>			
Pledged time deposits	\$ 365,734	\$ 365,054	\$ 359,355
Constricted time deposits	17,466	17,276	12,562
Bank fixed-term deposits with a maturity over 3 months	3,540,365	4,616,667	3,926,080
Reverse repurchase agreements collateralized by bonds with a maturity over 3 months	248,213	446,063	245,350
	<u>\$ 4,171,778</u>	<u>\$ 5,445,060</u>	<u>\$ 4,543,347</u>
<u>Non-current</u>			
Pledged time deposits	\$ 344,760	\$ 343,035	\$ 341,278
Bank fixed-term deposits with a maturity over 12 months	53,778	96,140	128,930
	<u>\$ 398,538</u>	<u>\$ 439,175</u>	<u>\$ 470,208</u>

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

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

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

10. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
<u>Notes receivable</u>			
Measured at amortized cost			
Gross carrying amount	<u>\$ 457,380</u>	<u>\$ 335,394</u>	<u>\$ 380,302</u>
<u>Accounts receivables</u>			
Measured at amortized cost			
Gross carrying amount	\$ 5,078,246	\$ 4,301,116	\$ 5,147,132
Less: allowance for loss	(220,288)	(38,024)	(36,448)
	<u>\$ 4,857,958</u>	<u>\$ 4,263,092</u>	<u>\$ 5,110,684</u>

(Continued)

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	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
<u>Other receivables</u>			
Tax refund receivable	\$ 152,874	\$ 202,300	\$ 157,681
Interest receivable	23,659	50,427	40,568
Others	<u>74,767</u>	<u>81,404</u>	<u>54,440</u>
	<u>\$ 251,300</u>	<u>\$ 334,131</u>	<u>\$ 252,689</u>

The average credit period of sales of goods was 10 to 180 days. No interest was charged on the receivables.

In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. Before accepting a new customer, the Group surveys the customers' credit history and uses an internal credit rating system to assess the credit quality of potential customers to set their credit limits, and regularly reviews the customers' credit limits and ratings. 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.

June 30, 2026

Based on the number of days past due

	<u>Up to 60 days</u>	<u>61~90 Days</u>	<u>Over 91 Days</u>	<u>Total</u>
Gross carrying amount	\$ 2,784,933	\$ 2,595	\$ 2,363	\$ 2,789,891
Loss allowance (Lifetime ECLs)	(8,446)	(253)	(2,363)	(11,062)
Amortized cost	<u>\$ 2,776,487</u>	<u>\$ 2,342</u>	<u>\$ -</u>	<u>\$ 2,778,829</u>

Based on credit quality

	Credit Rating A	Credit Rating B	Credit Rating C	Others	Total
Gross carrying amount	\$ 461,192	\$ 614,219	\$ 245,800	\$ 1,424,524	\$ 2,745,735
Loss allowance (Lifetime ECLs)	-	(2,273)	(3,474)	(203,479)	(209,226)
Amortized cost	<u>\$ 461,192</u>	<u>\$ 611,946</u>	<u>\$ 242,326</u>	<u>\$ 1,221,045</u>	<u>\$ 2,536,509</u>

December 31, 2025

Based on the number of days past due

	Up to 60 days	61~90 Days	Over 91 Days	Total
Gross carrying amount	\$ 2,113,212	\$ 65,186	\$ 6,948	\$ 2,185,346
Loss allowance (Lifetime ECLs)	(7,092)	(811)	(2,735)	(10,638)
Amortized cost	<u>\$ 2,106,120</u>	<u>\$ 64,375</u>	<u>\$ 4,213</u>	<u>\$ 2,174,708</u>

Based on credit quality

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

June 30, 2025

Based on the number of days past due

	Up to 60 days	61~90 Days	Over 91 Days	Total
Gross carrying amount	\$ 2,173,161	\$ 395	\$ 3,058	\$ 2,176,614
Loss allowance (Lifetime ECLs)	(7,496)	-	(2,626)	(10,122)
Amortized cost	<u>\$ 2,165,665</u>	<u>\$ 395</u>	<u>\$ 432</u>	<u>\$ 2,166,492</u>

Based on credit quality

	Credit Rating A	Credit Rating B	Credit Rating C	Others	Total
Gross carrying amount	\$ 372,566	\$ 927,407	\$ 221,773	\$ 1,829,084	\$ 3,350,820
Loss allowance (Lifetime ECLs)	-	(2,171)	(2,854)	(21,301)	(26,326)
Amortized cost	<u>\$ 372,566</u>	<u>\$ 925,236</u>	<u>\$ 218,919</u>	<u>\$ 1,807,783</u>	<u>\$ 3,324,494</u>

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

	June 30, 2026	December 31, 2025	June 30, 2025
Not overdue	\$ 2,354,832	\$ 2,178,558	\$ 3,185,786
Up to 60 days	236,404	225,328	133,187
Over 61 days	154,499	47,278	31,847
	<u>\$ 2,745,735</u>	<u>\$ 2,451,164</u>	<u>\$ 3,350,820</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:

	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Beginning balance	\$ 38,024	\$ 38,991
Impairment losses provided for the period	179,196	1,957
Amount written off in the current period	- (	2,164)
Foreign exchange translation gains and losses	3,068 (	2,336)
Ending balance	<u>\$ 220,288</u>	<u>\$ 36,448</u>

11. INVENTORIES

	June 30, 2026	December 31, 2025	June 30, 2025
Finished goods	\$ 4,350,448	\$ 3,503,212	\$ 3,490,422
Work in progress	596,938	485,011	502,414
Raw materials	2,224,343	1,791,324	1,690,271
Supplies	469,184	363,086	356,668
	<u>\$ 7,640,913</u>	<u>\$ 6,142,633</u>	<u>\$ 6,039,775</u>

The Group's cost of inventories recognized as cost of goods sold from April 1 to June 30, 2026 and 2025 and January 1 to June 30, 2026 and 2025, were NT\$9,498,464 thousand, NT\$11,366,413 thousand, NT\$19,938,079 thousand, and NT\$23,077,937 thousand, respectively.

Cost of goods sold from April 1 to June 30 and January 1 to June 30, 2026 and 2025, includes provision for (reversal of) inventory obsolescence and impairment losses of NT\$77,137 thousand, NT\$43,131 thousand, NT\$(20,271) thousand, and NT\$58,209 thousand, respectively. The reversal of provision for inventory obsolescence and impairment losses was due to an increase in inventory prices.

12. SUBSIDIARY

a. Subsidiaries included in the consolidated financial statements

The consolidated financial statements are prepared by the following subjects:

Investor	Name of Subsidiary	Nature of Activities	Proportion of Ownership (%)			Remark
			June 30, 2026	December 31, 2025	June 30, 2025	
The Company	USIFE Investment Co., Ltd. (USII)	Investment business	100.0%	100.0%	100.0%	
The Company	Swanlake Traders Ltd.(Swanlake)	Investment business	100.0%	100.0%	100.0%	
The Company	USI (Hong Kong) Company Ltd.(USI(HK))	Trading and investment	100.0%	100.0%	100.0%	
The Company	USI Management Consulting Corp (UM)	Providing management services	100.0%	100.0%	100.0%	
The Company	Chong Loong Trading Co., Ltd. (CLT)	Import and export trade	100.0%	100.0%	100.0%	
The Company	Union Polymer International Investment Corporation (UPIIC)	Investment business	100.0%	100.0%	100.0%	
The Company	INOMA Corporation (INOMA)	Optical products and fire protection materials	-	-	94.4%	3.
The Company	USI Green Energy Corporation(SG)	Renewable energy power generation business	100.0%	100.0%	100.0%	6.

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Investor	Name of Subsidiary	Nature of Activities	Proportion of Ownership (%)			Remark
			June 30, 2026	December 31, 2025	June 30, 2025	
The Company Asia Polymer Corporation (APC)	Taiwan United Venture Capital Corp. (TUVVC)	Venture capital	70.0%	70.0%	70.0%	
			8.3%	8.3%	8.3%	
			78.3%	78.3%	78.3%	
The Company APC USII	Swanson Plastics Corp. (SPC)	Production and sales of stretch film, embossed film and industrial use multi-layer wrap	40.6%	40.6%	40.6%	2.
			8.0%	8.0%	8.0%	
			7.8%	7.8%	7.5%	
			56.4%	56.4%	56.1%	
The Company China General Plastics Corporation (CGPC) USII APC Taita Chemical Company, Limited (TTC) APC Investment Corporation (APCIC)	Acme Electronics Corporation (ACME)	Production and sales of manganese-zinc soft ferrite powder	29.0%	29.0%	29.0%	
			1.7%	1.7%	1.7%	
			9.5%	9.5%	9.5%	
			3.2%	3.2%	3.2%	
			2.3%	2.3%	2.3%	
The Company ACME APC USII	USI Optronics Corporation (USIO)	Manufacturing and marketing of sapphire crystal	1.5%	1.5%	1.5%	7.
			47.2%	47.2%	47.2%	
			50.9%	50.9%	50.9%	
			34.0%	34.0%	34.0%	
			9.2%	9.2%	9.2%	
ACME Swanlake APC (BVI) Holding Co., Ltd. (APC (BVI)) TAITA (BVI) Holding Co., Ltd.(TAITA (BVI))	ACME Electronics (Cayman) Corp.(ACME (Cayman))	Investment business	0.2%	0.2%	0.2%	
			94.3%	94.3%	94.3%	
			60.1%	60.1%	60.1%	
			18.9%	18.9%	18.9%	
			13.6%	13.6%	13.6%	
ACME ACME (Cayman) ACME (Cayman) ACME (MA) ACME (MA) GAEL	Golden Amber Enterprises Limited(GAEL) Acme Electronics (Kunshan) Co., Ltd. (ACME (KS)) ACME Components (Malaysia) Sdn. Bhd.(ACME (MA)) ACME Ferrite Products Sdn. Bhd.(ACME Ferrite) ACME Advanced Materials Sdn. Bhd.(ACME Advanced) Acme Electronics (Guang-Zhou) Co., Ltd. (ACME (GZ))	Investment business Manufacturing and sales of manganese-zinc soft ferrite core Investment business Manufacturing and marketing of soft ferrite core Manufacturing and sale of silicon carbide Manufacturing and sales of manganese-zinc soft ferrite core	4.4%	4.4%	4.4%	
			97.0%	97.0%	97.0%	
			100.0%	100.0%	100.0%	
			100.0%	100.0%	100.0%	
			100.0%	100.0%	100.0%	
UPHIC China General Terminal & Distribution Corporation (CGTD) USII Taiwan VCM Corporation (TVCM)	APC	Production and sales of low-density polyethylene, medium-density polyethylene, ethylene vinyl acetate and importing and marketing of linear low-density polyethylene and high-density polyethylene	100.0%	100.0%	100.0%	7.
			36.1%	36.1%	36.1%	
			0.9%	0.9%	0.9%	
			0.3%	0.3%	0.3%	
			-	-	-	
APC APC APC (BVI) APC APC (BVI) UPHIC CGTD USII	APC (BVI) USI International Corp.(USIIC) APCIC USI Trading (Shanghai) Co., Ltd. (USITA) TTC	Investment business Investment business Investment business Sales of chemical products and equipment, etc. Production and sales of polystyrene, acrylonitrile, butadiene, ABS resin, SAN resin, glass wool insulation products and plastic materials	37.3%	37.3%	37.3%	7.
			100.0%	100.0%	100.0%	
			70.0%	70.0%	70.0%	
			30.0%	30.0%	30.0%	
			100.0%	100.0%	100.0%	
TTC TAITA (BVI) TAITA (BVI) TAITA (BVI)	TAITA (BVI) TTC(ZS) TTC(TJ) TTC(ZZ)	Investment business Production and sales of polystyrene derivatives Production and sales of polystyrene derivatives Production and sales of polystyrene derivatives	100.0%	100.0%	100.0%	1.
			100.0%	100.0%	100.0%	
			100.0%	100.0%	100.0%	
			100.0%	100.0%	100.0%	
			100.0%	100.0%	100.0%	

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Investor	Name of Subsidiary	Nature of Activities	Proportion of Ownership (%)			Remark
			June 30, 2026	December 31, 2025	June 30, 2025	
Swanlake APC (BVI)	Zhangzhou USI Trading Co., Ltd. (GUL)	Sales of chemical products	70.0%	70.0%	70.0%	5.
			30.0%	30.0%	30.0%	
			100.0%	100.0%	100.0%	
Swanlake APC (BVI)	Xiamen USI Trading Co., Ltd. (XUL)	Sales of chemical products	70.0%	70.0%	70.0%	
			30.0%	30.0%	30.0%	
UPIIC	CGPC	Production and sales of plastic cloths, plastic skins, plastic tubes, plastic pellets, plastic powder and other related products	25.0%	25.0%	25.0%	7. 4.
APC			8.0%	8.0%	8.0%	
TTC			2.0%	2.0%	2.0%	
CGTD			0.5%	0.5%	0.5%	
USII			0.1%	0.1%	0.1%	
			35.6%	35.6%	35.6%	
CGPC	TVCM	Manufacturing and sales of VCM	87.3%	87.3%	87.3%	
CGPC	CGPC (BVI) Holding Co., Ltd.(CGPC (BVI))	Investment business	100.0%	100.0%	100.0%	
CGPC	CGPC America Corporation(CGPC-America)	PVC two- or three-time processed products	100.0%	100.0%	100.0%	
CGPC	CGPCPOL	Manufacture and marketing of PVC powder	100.0%	100.0%	100.0%	
TVCM	Global Green Technology Corporation (GGT)	Environmental detection services	100.0%	100.0%	100.0%	
CGPC (BVI)	China General Plastics (ZhongShan) Co., Ltd. (CGPC (ZS))	Manufacturing and sales of PVC film and third-time processed products	100.0%	100.0%	100.0%	
CGPC	CGTD	Warehousing of petrochemical raw materials	33.3%	33.3%	33.3%	
TTC			33.3%	33.3%	33.3%	
APC			33.4%	33.4%	33.4%	
			100.0%	100.0%	100.0%	
USII	Taiwan United Venture Management Corp. (TUVM)	Business management consulting	100.0%	100.0%	100.0%	
SPC	Forever Young Company Ltd.(Forever Young)	Trading and agency businesses	100.0%	100.0%	100.0%	
SPC	Swanson Plastics (Singapore) Pte., Ltd. (SPS)	Production and marketing of plastic products	100.0%	100.0%	100.0%	
SPC	Swanson International Ltd.(SIL)	Investment business	100.0%	100.0%	100.0%	
SPC	PT Swanson Plastics (Indonesia) (SPD)	Production and marketing of plastic products	1.0%	1.0%	1.0%	
SPS			99.0%	99.0%	99.0%	
			100.0%	100.0%	100.0%	
SPC	Swanson Technologies Corporation (STC)	Production, marketing and development of EVA packaging film and other value added plastic products	70.0%	70.0%	70.0%	
APCIC			15.0%	15.0%	15.0%	
USII			15.0%	15.0%	15.0%	
			100.0%	100.0%	100.0%	
SPS	Swanson Plastics (Malaysia) Sdn. Bhd. (SPM)	Production and marketing of plastic products	100.0%	100.0%	100.0%	
SPS	Swanson Plastics (India) Pvt. Ltd. (SPI)	Production and marketing of plastic products	100.0%	100.0%	100.0%	
SPS	Swanson Plastics (Tianjin) Co., Ltd. (SPT)	Production, sales and development of multi-functional film and light-solution film	100.0%	100.0%	100.0%	
SPC	Swanson Technologies Corporation (STC)	Production, marketing and development of EVA packaging film and other value added plastic products	70.0%	70.0%	70.0%	
			100.0%	100.0%	100.0%	
SIL	A.S. Holdings (UK) Limited(ASH)	Investment business	100.0%	100.0%	100.0%	
SIL	Swanson Plastics (Kunshan) Co., Ltd. (SPK)	Production, sales and development of multi-functional film and light-solution film	100.0%	100.0%	100.0%	

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Investor	Name of Subsidiary	Nature of Activities	Proportion of Ownership (%)			Remark
			June 30, 2026	December 31, 2025	June 30, 2025	
ASH	ASK-Swanson (Kunshan) Co., Ltd. (ASK)	Production and sales of PE release film and other release products	100.0%	100.0%	100.0%	
STC	Swanson Trading (Kunshan) Co., Ltd. (STK)	Marketing of plastic products, daily necessities, electrical appliances and their components and import and export of other high value added plastic products	100.0%	100.0%	100.0%	
The Company	Ever Conquest Global Limited (ECGL)	Investment business	59.1%	59.1%	59.1%	
APC			40.9%	40.9%	40.9%	
			100.0%	100.0%	100.0%	
ECGL	Ever Victory Global Limited (EVG)	Investment business	67.4%	67.4%	67.4%	7.
EVG	Dynamic Ever Investments Limited (DEI)	Investment business	85.0%	85.0%	85.0%	
DEI	Zhangzhou Dynamic Ever Property Co., Ltd. (DEIP)	Property management	100.0%	100.0%	100.0%	

- 1) 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.
- 2) USII acquired 0.3% equity from external shareholders of SPC in 2025 based on medium- and long-term investment strategies, and the cost of acquisition amounted to NT\$6,760 thousand.
- 3) The board of directors of INOMA passed a resolution on March 7, 2024 to liquidate the entity. The liquidation procedures were completed on May 9, 2025, and the residual properties from liquidation totaling NT\$7,527 thousand were recovered in July and August, 2025.
- 4) CGPC acquired 116 thousand shares of TVCM from external shareholders in July 2025 based on its medium- and long-term investment strategy, for a consideration of NT\$1,330 thousand, increasing its ownership interest from 87.27% to 87.31%.
- 5) In June 2026, the dissolution and liquidation of GUL was approved by the resolution of the shareholders' meeting. As of the date of approval of these consolidated financial statements, the liquidation process has not been completed.
- 6) SG planned for future services involving the resale of electricity through the power grid by establishing an independent company. USI Green Power Corporation was established with a paid-in capital of NT\$5,000 thousand and was approved and registered by the competent authority on July 28, 2026.
- 7) The entity is a subsidiary that has material non-controlling interest.

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

Name of Subsidiary	Proportion of Ownership and Voting Rights Held by Non-controlling Interests		
	June 30, 2026	December 31, 2025	June 30, 2025
CGPC	64.4%	64.4%	64.4%
TTC	62.2%	62.2%	62.2%
ACME	52.8%	52.8%	52.8%
APC	62.7%	62.7%	62.7%
EVG	32.6%	32.6%	32.6%

Please refer to Tables 6 and 7 for the information on places of incorporation and principal places of business.

Name of Subsidiary	Profit (Loss) Allocated to Non-controlling Interests				Non-controlling interests		
	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025	June 30, 2026	December 31, 2025	June 30, 2025
CGPC	\$ 87,302	(\$ 266,642)	\$ 8,130	(\$ 443,177)	\$ 4,958,138	\$ 4,992,596	\$ 5,128,986
TTC	(\$ 162,983)	(\$ 154,084)	(\$ 297,360)	(\$ 188,334)	\$ 3,345,231	\$ 3,597,438	\$ 3,513,100
ACME	(\$ 11,341)	(\$ 31,947)	\$ 464	(\$ 43,529)	\$ 1,053,228	\$ 1,032,729	\$ 946,472
APC	\$ 20,099	(\$ 200,365)	(\$ 61,243)	(\$ 360,688)	\$ 6,876,758	\$ 6,539,626	\$ 6,590,081
EVG	(\$ 225,351)	(\$ 250,886)	(\$ 363,835)	(\$ 545,862)	\$ 494,909	\$ 841,635	\$ 1,371,884

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

	June 30, 2026	December 31, 2025	June 30, 2025
Current assets	4,928,771	\$ 4,401,466	\$ 5,474,823
Non-current assests	13,817,408	13,025,663	11,904,014
Current liabilities	(\$ 3,949,384)	(\$ 4,029,423)	(\$ 5,722,164)
Non-current liabilities	(6,600,574)	(5,159,364)	(3,198,996)
Equity	\$ 8,196,221	\$ 8,238,342	\$ 8,457,677
Equity attributable to:			
Owners of the Company	\$ 2,740,206	\$ 2,733,335	\$ 2,788,766
Non-controlling interests of CGPC	4,958,138	4,992,596	5,128,986
Non-controlling interests of CGPC's subsidiaries	497,877	512,411	539,925
	\$ 8,196,221	\$ 8,238,342	\$ 8,457,677

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Revenue	<u>\$ 2,729,637</u>	<u>\$ 2,658,164</u>	<u>\$ 5,403,542</u>	<u>\$ 5,120,293</u>
Net profit (loss) for the period	\$ 132,978	(\$ 426,276)	(\$ 2,181)	(\$ 710,333)
Other Comprehensive Income (Loss)	(<u>15,556</u>)	(<u>65,883</u>)	<u>18,590</u>	(<u>60,620</u>)
Total comprehensive income	<u>\$ 117,422</u>	(<u>\$ 492,159</u>)	<u>\$ 16,409</u>	(<u>\$ 770,953</u>)
Net profit (loss) attributable to:				
Owners of the Company	\$ 45,477	(\$ 138,900)	\$ 4,235	(\$ 230,861)
Non-controlling interests of CGPC	87,302	(266,642)	8,130	(443,177)
Non-controlling interests of CGPC's subsidiaries	<u>199</u>	(<u>20,734</u>)	(<u>14,546</u>)	(<u>36,295</u>)
	<u>\$ 132,978</u>	(<u>\$ 426,276</u>)	(<u>\$ 2,181</u>)	(<u>\$ 710,333</u>)
Total comprehensive income attributable to:				
Owners of the Company	\$ 7,941	(\$ 178,793)	\$ 25,789	(\$ 268,579)
Non-controlling interests of CGPC	109,358	(292,598)	5,154	(466,041)
Non-controlling interests of CGPC's subsidiaries	<u>123</u>	(<u>20,768</u>)	(<u>14,534</u>)	(<u>36,333</u>)
	<u>\$ 117,422</u>	(<u>\$ 492,159</u>)	<u>\$ 16,409</u>	(<u>\$ 770,953</u>)

	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Cash flow		
Operating activities	\$ 242,286	(\$ 410,947)
Investing activities	(1,119,029)	(335,408)
Financing activities	1,332,160	376,638
Effects of exchange rate changes	<u>1,582</u>	<u>4,905</u>
Net cash inflow (outflow)	<u>\$ 456,999</u>	(<u>\$ 364,812</u>)

TTC and TTC's subsidiaries

	June 30, 2026	December 31, 2025	June 30, 2025
Current assets	\$ 5,059,209	\$ 5,302,070	\$ 5,566,604
Non-current assests	3,344,709	3,266,863	3,249,330
Current liabilities	(2,464,957)	(2,362,679)	(2,922,739)
Non-current liabilities	(<u>561,142</u>)	(<u>452,455</u>)	(<u>280,765</u>)
Equity	<u>\$ 5,377,819</u>	<u>\$ 5,753,799</u>	<u>\$ 5,612,430</u>
Equity attributable to:			
Owners of the Company	\$ 2,032,588	\$ 2,156,361	\$ 2,099,330
Non-controlling interests of TTC	<u>3,345,231</u>	<u>3,597,438</u>	<u>3,513,100</u>
	<u>\$ 5,377,819</u>	<u>\$ 5,753,799</u>	<u>\$ 5,612,430</u>

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Revenue	<u>\$ 2,839,988</u>	<u>\$ 3,849,601</u>	<u>\$ 6,173,020</u>	<u>\$ 8,082,368</u>
Net Loss for the Period	(\$ 257,368)	(\$ 243,316)	(\$ 469,564)	(\$ 297,400)
Other Comprehensive Income (Loss)	(<u>68,014</u>)	(<u>346,212</u>)	<u>153,230</u>	(<u>308,539</u>)
Total comprehensive income	(<u>\$ 325,382</u>)	(<u>\$ 589,528</u>)	(<u>\$ 316,334</u>)	(<u>\$ 605,939</u>)
Loss attributable to:				
Owners of the Company	(\$ 94,385)	(\$ 89,232)	(\$ 172,204)	(\$ 109,066)
Non-controlling interests of TTC	(<u>162,983</u>)	(<u>154,084</u>)	(<u>297,360</u>)	(<u>188,334</u>)
	(<u>\$ 257,368</u>)	(<u>\$ 243,316</u>)	(<u>\$ 469,564</u>)	(<u>\$ 297,400</u>)
Total comprehensive income attributable to:				
Owners of the Company	(\$ 142,571)	(\$ 224,401)	(\$ 106,712)	(\$ 232,607)
Non-controlling interests of TTC	(<u>182,811</u>)	(<u>365,127</u>)	(<u>209,622</u>)	(<u>373,332</u>)
	(<u>\$ 325,382</u>)	(<u>\$ 589,528</u>)	(<u>\$ 316,334</u>)	(<u>\$ 605,939</u>)

	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Cash flow		
Operating activities	(\$ 1,101,560)	\$ 317,464
Investing activities	355,467	(304,580)
Financing activities	417,544	(111,799)
Effects of exchange rate changes	(<u>1,667</u>)	<u>424</u>
Net cash outflow	(<u>\$ 330,216</u>)	(<u>\$ 98,491</u>)

ACME and ACME's subsidiaries

	June 30, 2026	December 31, 2025	June 30, 2025
Current assets	<u>\$ 2,600,927</u>	<u>\$ 2,628,574</u>	<u>\$ 2,154,168</u>
Non-current assets	3,073,707	3,036,442	2,990,353
Current liabilities	(929,744)	(957,887)	(724,185)
Non-current liabilities	(<u>2,005,004</u>)	(<u>2,025,876</u>)	(<u>1,965,906</u>)
Equity	<u>\$ 2,739,886</u>	<u>\$ 2,681,253</u>	<u>\$ 2,454,430</u>
Equity attributable to:			
Owners of the Company	\$ 969,416	\$ 930,947	\$ 846,550
Non-controlling interests of ACME	1,053,228	1,032,729	946,472
Non-controlling interests of ACME's subsidiaries	<u>717,242</u>	<u>717,577</u>	<u>661,408</u>
	<u>\$ 2,739,886</u>	<u>\$ 2,681,253</u>	<u>\$ 2,454,430</u>

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Revenue	<u>\$ 892,421</u>	<u>\$ 728,347</u>	<u>\$ 1,745,282</u>	<u>\$ 1,447,629</u>
Net Loss for the Period	(\$ 28,880)	(\$ 64,496)	(\$ 16,198)	(\$ 95,521)
Other Comprehensive Income (Loss)	<u>3,966</u>	<u>(238,495)</u>	<u>74,831</u>	<u>(196,751)</u>
Total comprehensive income	<u>(\$ 24,914)</u>	<u>(\$ 302,991)</u>	<u>\$ 58,633</u>	<u>(\$ 292,272)</u>
Net (loss) profit attributable to:				
Owners of the Company	(\$ 10,025)	(\$ 28,241)	\$ 411	(\$ 38,478)
Non-controlling interests of ACME	(11,341)	(31,947)	464	(43,529)
Non-controlling interests of ACME's subsidiaries	<u>(7,514)</u>	<u>(4,308)</u>	<u>(17,073)</u>	<u>(13,514)</u>
	<u>(\$ 28,880)</u>	<u>(\$ 64,496)</u>	<u>(\$ 16,198)</u>	<u>(\$ 95,521)</u>
Total comprehensive income attributable to:				
Owners of the Company	(\$ 6,911)	(\$ 109,711)	\$ 27,669	(\$ 106,776)
Non-controlling interests of ACME	(7,818)	(124,108)	31,299	(120,789)
Non-controlling interests of ACME's subsidiaries	<u>(10,185)</u>	<u>(69,172)</u>	<u>(335)</u>	<u>(64,707)</u>
	<u>(\$ 24,914)</u>	<u>(\$ 302,991)</u>	<u>\$ 58,633</u>	<u>(\$ 292,272)</u>
		From January 1 to June 30, 2026	From January 1 to June 30, 2025	
Cash flow				
Operating activities		\$ 72,391	\$ 135,576	
Investing activities		161,182)	(174,687)	
Financing activities		(110,966)	(23,291)	
Effects of exchange rate changes		<u>46,930</u>	<u>(121,666)</u>	
Net cash outflow		<u>(\$ 152,827)</u>	<u>(\$ 184,068)</u>	

APC and APC's subsidiaries

	June 30, 2026	December 31, 2025	June 30, 2025
Current assets	\$ 2,827,482	\$ 2,653,267	\$ 2,990,031
Non-current assests	9,522,443	9,053,142	9,279,076
Current liabilities	(1,188,593)	(872,781)	(1,237,035)
Non-current liabilities	<u>(394,093)</u>	<u>(597,222)</u>	<u>(803,423)</u>
Equity	<u>\$ 10,767,239</u>	<u>\$ 10,236,406</u>	<u>\$ 10,228,649</u>
Equity attributable to:			
Owners of the Company	\$ 3,890,481	\$ 3,696,780	\$ 3,638,568
Non-controlling interests of APC	<u>6,876,758</u>	<u>6,539,626</u>	<u>6,590,081</u>
	<u>\$ 10,767,239</u>	<u>\$ 10,236,406</u>	<u>\$ 10,228,649</u>

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Revenue	<u>\$ 1,550,369</u>	<u>\$ 1,340,447</u>	<u>\$ 2,852,287</u>	<u>\$ 2,874,834</u>
Net profit (loss) for the period	\$ 29,710	(\$ 296,169)	(\$ 90,525)	(\$ 533,150)
Other Comprehensive Income (Loss)	(<u>176,089</u>)	(<u>619,917</u>)	<u>740,141</u>	(<u>573,453</u>)
Total comprehensive income	(<u>\$ 146,379</u>)	(<u>\$ 916,086</u>)	<u>\$ 649,616</u>	(<u>\$ 1,106,603</u>)
Net profit (loss) attributable to:				
Owners of the Company	\$ 9,611	(\$ 95,804)	(\$ 29,282)	(\$ 172,462)
Non-controlling interests of APC	<u>20,099</u>	(<u>200,365</u>)	(<u>61,243</u>)	(<u>360,688</u>)
	<u>\$ 29,710</u>	(<u>\$ 296,169</u>)	(<u>\$ 90,525</u>)	(<u>\$ 533,150</u>)
Total comprehensive income attributable to:				
Owners of the Company	(\$ 174,325)	(\$ 354,300)	\$ 230,839	(\$ 422,829)
Non-controlling interests of APC	<u>27,946</u>	(<u>561,786</u>)	<u>418,777</u>	(<u>683,774</u>)
	(<u>\$ 146,379</u>)	(<u>\$ 916,086</u>)	<u>\$ 649,616</u>	(<u>\$ 1,106,603</u>)

	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Cash flow		
Operating activities	\$ 375,052	\$ 35,614
Investing activities	51	(224,122)
Financing activities	(201,519)	(201,834)
Effects of exchange rate changes	<u>12,951</u>	(<u>11,479</u>)
Net cash inflow (outflow)	<u>\$ 186,535</u>	(<u>\$ 401,821</u>)

EVG and EVG's subsidiaries

	June 30, 2026	December 31, 2025	June 30, 2025
Current assets	\$ 1,555,385	\$ 1,513,429	\$ 1,387,200
Non-current assests	40,872	1,342,207	3,395,910
Current liabilities	(<u>11,343</u>)	(<u>12,987</u>)	(<u>9,854</u>)
Equity	<u>\$ 1,584,914</u>	<u>\$ 2,842,649</u>	<u>\$ 4,773,256</u>
Equity attributable to:			
Owners of the Company	\$ 1,023,340	\$ 1,740,278	\$ 2,836,694
Non-controlling interests of EVG	494,909	841,635	1,371,884
Non-controlling interests of EVG's subsidiaries	<u>66,665</u>	<u>260,736</u>	<u>564,678</u>
	<u>\$ 1,584,914</u>	<u>\$ 2,842,649</u>	<u>\$ 4,773,256</u>

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Net Loss for the Period	(\$ 815,185)	(\$ 907,499)	(\$ 1,316,851)	(\$ 1,974,266)
Other Comprehensive Income (Loss)	(6,392)	(697,444)	59,116	(604,505)
Total comprehensive income	(\$ 821,577)	(\$ 1,604,943)	(\$ 1,257,735)	(\$ 2,578,771)
Loss attributable to:				
Owners of the Company	(\$ 465,966)	(\$ 518,765)	(\$ 752,314)	(\$ 1,128,697)
Non-controlling interests of EVG	(225,351)	(250,886)	(363,835)	(545,862)
Non-controlling interests of EVG's subsidiaries	(123,868)	(137,848)	(200,702)	(299,707)
	(\$ 815,185)	(\$ 907,499)	(\$ 1,316,851)	(\$ 1,974,266)
Total comprehensive income attributable to:				
Owners of the Company	(\$ 470,141)	(\$ 931,850)	(\$ 716,938)	(\$ 1,487,093)
Non-controlling interests of EVG	(227,369)	(450,662)	(346,726)	(719,189)
Non-controlling interests of EVG's subsidiaries	(124,067)	(222,431)	(194,071)	(372,489)
	(\$ 821,577)	(\$ 1,604,943)	(\$ 1,257,735)	(\$ 2,578,771)

	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Cash flow		
Operating activities	\$ 35,424	\$ 21,568
Investing activities	218,019	118,199
Effects of exchange rate changes	4,239	(162,959)
Net cash inflow (outflow)	\$ 257,682	(\$ 23,192)

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	June 30, 2026	December 31, 2025	June 30, 2025
Investments in joint ventures			
Associates that are individually material			
Fujian Gulei Petrochemical Co., Ltd. (Gulei)	\$ -	\$ 1,303,125	\$ 3,360,136

	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Investments in associates that are not individually material			
Chem Union Renewable Energy Corporation (CURE)	\$ 8,823	\$ 8,779	\$ 9,007
Delmind Inc. (Delmind)	<u>-</u>	<u>-</u>	<u>67,168</u>
	<u>8,823</u>	<u>8,779</u>	<u>76,175</u>
	<u>\$ 8,823</u>	<u>\$ 1,311,904</u>	<u>\$ 3,436,311</u>

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

a. Associates that are individually material - Gulei

The Company and APC entered into a joint venture contract for an investment of Fujian Gulei Petrochemical Co., Ltd. on April 17, 2014. The counterparties of the contract or commitments are Ho Tung Chemical Corporation, LCY Chemical Corporation, HsinTay Petroleum Company Limited, Chenenergy Global Corporation, and Lien Hwa Industrial Corporation. The main contents of the contract and commitments include: (1) the shareholders shall establish EVG and agree to pass the establishment of the 100%-owned company named DEI in Hong Kong, whose 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. (2) DEI and Fujian Petrochemical Chemical Co., Ltd., in accordance with the laws of the People's Republic of China, established a company in Gulei Industrial Park, Zhangzhou, Fujian Province to operate the purpose business of the joint venture company and acquired 50% of the issued shares of Gulei as the basis for the joint investment.

DEI and Fujian Refining & Petrochemical Company Limited 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 re-signed 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 re-signed 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, EVG signed a joint venture agreement with the Hong Kong-based company DOR PO INVESTMENT COMPANY LIMITED (DOR PO) on June 5, 2019 to jointly invest in DEI. In accordance with the terms of the

joint venture agreement, DOR PO shall contribute US\$109,215 thousand to increase the capital of DEI, of which US\$103,915 thousand had been contributed as of June 30, 2026 to acquire 15% equity in DEI.

As of June 30, 2026, the Company and APC had invested USD 246,670 thousand (around NT\$7,645,981 thousand) and USD 170,475 thousand (around NT\$5,255,587 thousand) in ECGL, respectively, and reinvested in EVG via ECGL as well as in DEI. The total ownership percentage of the Group in EVG is 67.4%. DEI has invested capital amounted to RMB4,657,200 thousand in Gulei.

The percentage of the Group's ownership and voting rights were 50% of the outstanding shares of Gulei as of June 30, 2026, December 31, 2025, and June 30, 2025.

For the scope of business operations, the location and country of registration for the above joint venture, please refer to Table 7.

Since the Group's share of losses in Gulei is limited to the total of its investment carrying amount and other long-term equity, it has ceased recognizing its share of losses in Gulei. The unrecognized loss share for the current period and cumulative periods is as follows:

	From April 1 to June 30, 2026	From January 1 to June 30, 2026
Amount incurred in the current period	(\$ 1,144,640)	(\$ 1,144,640)
Accumulated Amount	(\$ 1,144,640)	(\$ 1,144,640)

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.

	June 30, 2026	December 31, 2025	June 30, 2025
Cash	<u>\$ 6,289,396</u>	<u>\$ 9,252,588</u>	<u>\$ 5,371,910</u>
Current Assets	\$ 14,684,318	\$ 17,189,076	\$ 13,658,883
Non-current assests	89,683,941	86,692,285	83,067,967
Current Liabilities	(42,685,934)	(46,529,964)	(37,618,398)
Non-current Liabilities	(63,424,713)	(54,745,148)	(52,388,180)
Equity	<u>(\$ 1,742,388)</u>	<u>\$ 2,606,249</u>	<u>\$ 6,720,272</u>
Proportion of the Group's ownership	50%	50%	50%
Equity attributable to the Group	(\$ 871,194)	\$ 1,303,125	\$ 3,360,136
The unrecognized loss share and Foreign exchange translation gains and losses	<u>871,194</u>	<u>-</u>	<u>-</u>
Carrying amount	<u>\$ -</u>	<u>\$ 1,303,125</u>	<u>\$ 3,360,136</u>

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Revenue	<u>\$ 2,367,199</u>	<u>\$ 19,864,829</u>	<u>\$ 16,656,132</u>	<u>\$ 40,125,278</u>
Net loss/total comprehensive income for the period	(<u>\$ 3,942,220</u>)	(<u>\$ 1,835,686</u>)	(<u>\$ 4,966,107</u>)	(<u>\$ 3,988,068</u>)

The shares of profit or loss and other comprehensive income of joint ventures and associates accounted for using the equity method for the periods from January 1 to June 30, 2026 and 2025 were calculated based on financial statements that had not been reviewed by independent auditors.

b. Summarized information of associates that is not individually material

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

In September 2025, the Company disposed of its entire equity interest in Delmind, and the disposal consideration (net of disposal costs) amounted to NT\$73,778 thousand. The equity transfer was completed in September 2025, and a disposal gain of NT\$6,610 thousand was recognized.

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.

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
The Group's share of: Net profit (loss) for the period	<u>\$ 23</u>	(<u>\$ 2,349</u>)	<u>\$ 44</u>	(<u>\$ 5,471</u>)

Associates accounted for using the equity method and the Group's share of profit or loss and other comprehensive income for the periods from January 1 to June 30, 2026 and 2025 were calculated based on financial statements that had not been reviewed by independent auditors.

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

	June 30, 2026	December 31, 2025	June 30, 2025
Freehold Land	\$ 4,387,333	\$ 4,715,293	\$ 4,715,293
Land improvements	10,546	12,176	13,884
Buildings and Improvements	3,652,214	3,683,112	3,638,651
Machinery and Equipment	14,442,214	11,471,615	11,519,752
Transportation equipment	28,796	33,832	35,077
Other equipment	547,561	464,688	379,802
Construction in progress and equipment under installation	5,908,152	8,192,964	7,210,713
	<u>\$ 28,976,816</u>	<u>\$ 28,573,680</u>	<u>\$ 27,513,172</u>

In accordance with the New Taipei City Government Letter Development No. 1072133080 dated November 7, 2018, the land and buildings of the Company located in Linkou are within the scope of "Urban Land Redeveloping Zone at 1st Industrial Park in Linkou District." The land has been delivered for redevelopment and returned on May 2, 2023. The Company's board of directors passed a resolution on August 8, 2024, to propose constructing an innovative R&D center by commissioning an outside contractor. On June 26, 2025, the Company signed a new construction project outsourcing contract with Xu Yuan Construction Co., Ltd., for a contract sum of no more than NT\$934,000 thousand. As of June 30, 2026, the Company had paid a total of NT\$263,175 thousand for the project.

In cooperation with the Taiwan International Ports Corporation, Ltd. (TIPC), 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 TIPC, 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 June 30, 2026, the Group had paid a total of NT\$3,039,008 thousand for the project, which was subsequently reclassified into Right-of-use assets and Machinery and Equipment in March 2026 and September 2025, respectively.

The Group did not recognize or reverse any impairment losses on property, plant and equipment from January 1 to June 30, 2026 and 2025.

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	2-60 years
Machinery and Equipment	2-26 years
Transportation equipment	2-15 years
Other equipment	2-25 years

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

For the related capitalized interest, please refer to Note 27 (d).

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	June 30,2026	December 31,2025	June 30,2025
Carrying amount of right-of-use assets			
Leasehold land	\$ 1,692,401	\$ 1,741,898	\$ 1,757,080
Land use rights	527,650	525,550	497,373
Buildings	359,000	379,468	264,708
Machinery and Equipment	23,874	29,868	33,784
Transportation equipment	2,186	2,453	31
	<u>\$ 2,605,111</u>	<u>\$ 2,679,237</u>	<u>\$ 2,552,976</u>
	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026
Addition for right-of-use assets			<u>\$ 2,708</u>
Depreciation expense of right-of-use assets			<u>-</u>
Leasehold land	\$ 25,108	\$ 24,584	\$ 50,208
Land use rights	5,503	5,346	10,974
Buildings	11,321	8,355	22,554
Machinery and equipment	3,636	3,374	7,218
Transportation equipment	133	96	192
	<u>\$ 45,701</u>	<u>\$ 41,755</u>	<u>\$ 91,221</u>
			<u>83,939</u>

Except for the additions and recognition of depreciation expense described above, the Group received a letter from TIPC in June 2025, explaining that based on the terms of the lease agreement for the S14 port and storage areas of the Kaohsiung Port Intercontinental Container Center Second Phase Construction Project Petrochemical Oil Storage and Transportation Center, the lease payments were adjusted for the year ended December 31, 2025 due to the Taiwan region's construction cost index announced by the Directorate General of Budget, Accounting and Statistics of the Executive Yuan reaching the agreed threshold. As a result, the Group remeasured the changes in lease payments according to accounting policies, and the remeasured amount of lease liabilities was correspondingly adjusted to the right-of-use assets. The adjustment from January 1 to December 31, 2025 increased by NT\$34,353 thousand.

The Group's right-of-use assets did not experience significant sub-lease or impairments from January 1 to June 30, 2026 and 2025.

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 34.

b. Lease liabilities

	June 30, 2026	December 31, 2025	June 30, 2025
Carrying amount of lease liabilities			
Current	\$ 211,299	\$ 147,855	\$ 145,984
Non-current	\$ 2,098,482	\$ 2,168,961	\$ 2,244,845

Range of discount rate for lease liabilities was as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Leasehold land	0.83%~9.25%	0.83%~9.25%	0.83%~9.25%
Buildings	0.83%~8.00%	0.83%~8.00%	0.83%~8.00%
Machinery and Equipment	1.11%	1.11%	1.11%~1.93%
Transportation equipment	2.22%~2.89%	2.22%~2.89%	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.

The lease agreements for certain land use rights stipulate that starting from the year following the commencement of the lease, the rent will be adjusted every January 1st based on the Taiwan region's annual construction cost index as published in the monthly price statistics report by the Directorate General of Budget, Accounting and Statistics of the Executive Yuan. The adjustment will be based on the percentage change between the index of the previous calendar year and the index of the second-to-last calendar year, with the adjustment capped at 3%.

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):

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Expenses relating to short-term leases	<u>\$ 13,232</u>	<u>\$ 15,485</u>	<u>\$ 29,379</u>	<u>\$ 31,905</u>
Expenses relating to low-value asset leases	<u>\$ 393</u>	<u>\$ 82</u>	<u>\$ 756</u>	<u>\$ 293</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 15,686</u>	<u>\$ 17,163</u>	<u>\$ 24,469</u>	<u>\$ 36,648</u>
Total cash (outflow) for leases			<u>(\$ 89,099)</u>	<u>(\$ 166,934)</u>

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

16. INVESTMENT PROPERTIES

	Completed investment properties		Right-of-use assets	Total
	Land	Buildings		
<u>Cost</u>				
Balance as of January 1, 2026	\$ 203,140	\$ 686,795	\$ 334,728	\$ 1,224,663
Reclassification	327,960	-	-	327,960
Net foreign currency exchange differences	-	16,009	4,168	20,177
Balance as of June 30, 2026	<u>\$ 531,100</u>	<u>\$ 702,804</u>	<u>\$ 338,896</u>	<u>\$ 1,572,800</u>
<u>Accumulated depreciation and impairment</u>				
Balance as of January 1, 2026	\$ 3,969	\$ 459,070	\$ 110,745	\$ 573,784
Depreciation expense	-	6,779	9,327	16,106
Net foreign currency exchange differences	-	13,708	1,001	14,709
Balance as of June 30, 2026	<u>\$ 3,969</u>	<u>\$ 479,557</u>	<u>\$ 121,073</u>	<u>\$ 604,599</u>
Net amount as of June 30, 2026	<u>\$ 527,131</u>	<u>\$ 223,247</u>	<u>\$ 217,823</u>	<u>\$ 968,201</u>
<u>Cost</u>				
Balance as of January 1, 2025	\$ 203,140	\$ 700,194	\$ 434,253	\$ 1,337,587
Disposal	-	-	(7,137)	(7,137)
Reclassification	- (2,928)	-	-	(2,928)
Net foreign currency exchange differences	- (44,116)	(9,982)	(54,098)	(54,098)
Balance as of June 30, 2025	<u>\$ 203,140</u>	<u>\$ 653,150</u>	<u>\$ 417,134</u>	<u>\$ 1,273,424</u>
<u>Accumulated depreciation and impairment</u>				
Balance as of January 1, 2025	\$ 3,969	\$ 448,873	\$ 111,092	\$ 563,934
Depreciation expense	-	9,266	10,727	19,993
Disposal	-	-	(2,554)	(2,554)
Reclassification	-	-	1,007	1,007
Net foreign currency exchange differences	- (34,326)	(2,168)	(36,494)	(36,494)
Balance as of June 30, 2025	<u>\$ 3,969</u>	<u>\$ 423,813</u>	<u>\$ 118,104</u>	<u>\$ 545,886</u>
Net amount as of June 30, 2025	<u>\$ 199,171</u>	<u>\$ 229,337</u>	<u>\$ 299,030</u>	<u>\$ 727,538</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 June 30, 2026, December 31, 2025, and June 30, 2025 is as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Year 1	\$ 93,892	\$ 93,126	\$ 92,652
Year 2	71,118	56,681	63,851
Year 3	69,318	41,811	45,098
Year 4	56,848	36,207	39,725
Year 5	76,195	26,655	28,833
More than 5 years	199,832	66,638	79,965
	<u>\$ 567,203</u>	<u>\$ 321,118</u>	<u>\$ 350,124</u>

Except for the recognition of depreciation expense, the Group's investment properties did not experience significant additions, disposals, and impairments from January 1 to June 30, 2026 and 2025. 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	3-50 years

Part of the Group's investment properties is located on industrial land. As a result, information on comparable market transactions is uncommon and alternative reliable measurements of the fair value estimates are not available. Therefore, the fair value cannot be reliably determined. The fair value of the remaining investment properties was not assessed by independent appraisers; instead, it was determined by the Group's management by referring to the transaction prices of similar properties in the vicinity. The fair value of right-of-use assets was evaluated by the net amount of the expected rental income after deducting all the expected payments, and then adding back the amount of related lease liabilities recognized.

The fair values of investment properties as of June 30, 2026, December 31, 2025, and June 30, 2025 are as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Fair Value	<u>\$ 2,118,805</u>	<u>\$ 1,795,174</u>	<u>\$ 1,903,288</u>

17. GOODWILL

	June 30, 2026	December 31, 2025	June 30, 2025
Goodwill	<u>\$ 270,211</u>	<u>\$ 270,211</u>	<u>\$ 270,211</u>

The goodwill of the Group is regularly assessed for impairment at the end of each year. No impairment assessment was performed as of June 30, 2026 and 2025, as there was no indication of impairment.

18. BORROWINGS

a. Short-term borrowings

	June 30, 2026	December 31, 2025	June 30, 2025
Secured loans (Note 34)			
- Bank loan	\$ 3,927	\$ 4,460	\$ 4,154
<u>Unsecured borrowings</u>			
- Line of credit borrowings	<u>5,790,938</u>	<u>3,586,156</u>	<u>5,270,790</u>
	<u>\$ 5,794,865</u>	<u>\$ 3,590,616</u>	<u>\$ 5,274,944</u>
Interest rate range	0.38%~4.18%	0.38%~4.13%	1.85%~4.40%

b. Short-term notes payable

	June 30, 2026	December 31, 2025	June 30, 2025
Commercial note payable	\$ 85,000	\$ 310,000	\$ 630,000
Less: Unamortized discount on notes payable	<u>75</u>	<u>97</u>	<u>460</u>
	<u>\$ 84,925</u>	<u>\$ 309,903</u>	<u>\$ 629,540</u>
Interest rate range	2.08%~2.20%	1.63%~2.04%	1.58%~2.00%

c. Long-term borrowings

	June 30, 2026	December 31, 2025	June 30, 2025
Secured loans (Note 34)	\$ 5,801,985	\$ 4,362,669	\$ 1,842,455
Credit borrowings	<u>6,222,729</u>	<u>7,098,597</u>	<u>6,724,788</u>
	12,024,714	11,461,266	8,567,243
Less: Listed as maturity within 1 year	<u>1,769,160</u>	<u>2,545,793</u>	<u>2,473,954</u>
	<u>\$ 10,255,554</u>	<u>\$ 8,915,473</u>	<u>\$ 6,093,289</u>
Interest rate range			
Secured loans	1.12%~4.77%	1.12%~4.11%	1.12%~4.36%
Credit borrowings	0.66%~3.10%	1.08%~2.20%	1.08%~2.50%

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: The loan agreements of the Group stipulate that the financial report current ratio, bank loan ratio, debt ratio, and interest protection multiples should not be less than the specified percentages. If there are any discrepancies, improvements must be submitted to the bank. As of June 30, 2026, the subsidiaries did not violate any of the financial ratio requirements stated above.

As of the end of June 2026, the Group had obtained special low-interest bank credit facilities totaling NT\$10,385,890 thousand in accordance with the "Support Program for Taiwan's Export Supply Chain in Response to U.S. Tariffs," the "Action Plan for Accelerated Investment by Domestic Corporations," the "Action Plan for Accelerated Investment by SMEs," and the "Investment Incentives for Returning Taiwanese Businesses," and had drawn NT\$5,188,960 thousand. The loan was recognized and measured at the market interest rate, and the difference between the market interest rate and the actual preferential repayment rate was accounted for as a government subsidy.

19. BONDS PAYABLE

	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Domestic unsecured bonds A 110-1 - issuance on June 23 2021, 5 years, total amount NT\$1,000,000 thousand, coupon rate 0.63%, bullet repayment, repaid NT\$500,000 thousand in the 4th and 5th years respectively from the issuance date	\$ -	\$ 500,000	\$ 500,000
Domestic unsecured bonds B 110-1- issuance on June 23 2021, 7 years, total amount NT\$1,000,000 thousand, coupon rate 0.73%, repaid NT\$500,000 thousand in the 6th and 7th years respectively from the issuance date	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Domestic unsecured bonds A 2110-2 - issuance on October 26, 2021, 5 years, total amount NT\$700,000 thousand, coupon rate 0.63%, repaid NT\$350,000 thousand in the 4th and 5th years respectively from the issuance date	350,000	350,000	700,000

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	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
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 2,650,000	\$ 1,300,000 3,150,000	\$ 1,300,000 3,500,000
Discounts on bonds payable	(<u>1,368</u>) 2,648,632	(<u>1,962</u>) 3,148,038	(<u>2,613</u>) 3,497,387
Less: Current portion	<u>849,780</u> \$ <u>1,798,852</u>	<u>849,742</u> \$ <u>2,298,296</u>	<u>849,707</u> \$ <u>2,647,680</u>

In June 2021, the Company applied for the first issuance of unsecured ordinary corporate bonds issued in 2021 with the amount of NT\$2,000,000 thousand in order to repay bank loans. The bonds had a tenor of 5 to 7 years, and were fully issued in June 2021. Repayments of NT\$500,000 thousand were made in June 2025 and June 2026, which were four and five years after the issuance date, respectively.

In October 2021, the Company applied for the second issuance of unsecured ordinary corporate bonds in 2021 with the amount of NT\$2,000,000 thousand in order to repay bank loans, and the unsecured ordinary corporate bonds had a 5-to-7-year maturity. The bonds were fully issued in October 2021, and a repayment of NT\$350,000 thousand was made in October 2025, which was four years after the issuance date.

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

20. ACCOUNTS PAYABLE

	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
<u>Operating</u>			
Accounts payable	\$ <u>2,002,981</u>	\$ <u>2,203,512</u>	\$ <u>2,784,679</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

	June 30, 2026	December 31, 2025	June 30, 2025
<u>Current</u>			
Other payables			
Payables for salaries and bonuses	\$ 497,255	\$ 648,854	\$ 467,719
Payables for purchases of equipment	414,846	396,079	305,802
Payables for water electricity and gas	329,074	313,990	402,321
Payables for fares	148,137	152,495	184,197
Payables for insurance	38,739	43,654	38,286
Payable for taxes	37,077	32,279	52,861
Payables for interests	16,886	14,862	17,605
Others	<u>502,937</u>	<u>557,850</u>	<u>431,358</u>
	1,984,951	2,160,063	1,900,149
Other liabilities			
Refund liabilities	<u>33,427</u>	<u>29,821</u>	<u>30,411</u>
	<u>\$ 2,018,378</u>	<u>\$ 2,189,884</u>	<u>\$ 1,930,560</u>

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

22. PROVISIONS

	June 30, 2026	December 31, 2025	June 30, 2025
<u>Current</u>			
Carbon fee (a)	<u>\$ 15,002</u>	<u>\$ 69,289</u>	<u>\$ 38,786</u>
<u>Non-current</u>			
Litigation provision (b)	<u>\$ 136,375</u>	<u>\$ 136,375</u>	<u>\$ 136,375</u>

- a. Starting from 2025, the Group recognized a provision for carbon fees in accordance with the Regulations Governing the Collection of Carbon Fees and other relevant regulations in Taiwan. Except for certain subsidiaries that obtained approval from the competent authorities for their voluntary reduction plans in March and April 2026 and were identified as belonging to high carbon leakage risk industries, and have assessed that it is highly probable they will achieve the designated targets for 2026 and submit the 2026 implementation progress reports by April 30, 2027, the Group calculates the provision for carbon fees using the general rate. For these subsidiaries, the provision is based on the preferential rate and the adjustment factor applicable to emissions for high carbon leakage risk industries.

- b. 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 35 (b) for the explanation related to the provision.

23. RETIREMENT BENEFIT PLANS

The pension expenses recognized for the defined benefit plans for the three months and six months ended June 30, 2026 and 2025 were calculated based on the actuarially determined pension cost rates as of December 31, 2025 and 2024, respectively, and were recognized under the following items:

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Operating costs	\$ 2,328	\$ 2,913	\$ 4,735	\$ 5,913
Operating expenses	995	1,071	1,951	2,121
	<u>\$ 3,323</u>	<u>\$ 3,984</u>	<u>\$ 6,686</u>	<u>\$ 8,034</u>

24. GOVERNMENT SUBSIDY

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

In 2025 and 2023 respectively, ACME (GZ) received subsidies from the local government to cover depreciation arising from the use of assets. ACME (GZ) recognized the subsidy amount as long-term deferred revenues and it will be amortized over the use of the related asset.

As of June 30, 2026, December 31, 2025, and June 30, 2025, the amount of unamortized deferred revenues resulting from the aforementioned circumstances was RMB 11,208 thousand (NT\$52,413 thousand), RMB 11,908 thousand (NT\$53,249 thousand), and RMB 9,514 thousand (NT\$38,941 thousand), respectively.

25. EQUITY

a. Share capital

	June 30, 2026	December 31, 2025	June 30, 2025
Number of shares authorized (in thousands)	<u>1,342,602</u>	<u>1,342,602</u>	<u>1,342,602</u>
Share authorized	<u>\$ 13,426,024</u>	<u>\$ 13,426,024</u>	<u>\$ 13,426,024</u>
Number of shares issued and fully paid (in thousands)	<u>1,188,763</u>	<u>1,188,763</u>	<u>1,188,763</u>
Share issued	<u>\$ 11,887,635</u>	<u>\$ 11,887,635</u>	<u>\$ 11,887,635</u>

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

b. Capital surplus

The capital surplus generated from donations and the excess of the issuance price over the par value of share capital (including the issuance of ordinary shares in excess of par value, the capital stock premium of shares issued due to merger, and treasury 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 that had not been claimed 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, please refer to Note 27 (g).

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

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

The appropriation of earnings for years 2025 and 2024 was approved at the shareholders' meeting held on May 29, 2026 and May 29, 2025, respectively. The details are as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	From January 1 to December 31, 2025	From January 1 to December 31, 2024	From January 1 to December 31, 2025	From January 1 to December 31, 2024
Special reserve	\$ 43,274	\$ 93,106		
Cash dividends	<u>178,315</u>	<u>237,753</u>	\$ 0.15	\$ 0.2
	<u>\$ 221,589</u>	<u>\$ 330,859</u>		

d. Other equity

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

	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Beginning balance	(\$ 229,360)	(\$ 34,266)
Incurred in the current period		
Exchange differences on translating the financial statements of foreign operations	156,022 (	812,425)
Related income tax of the profits and losses on translating the financial statements of foreign operations	(<u>32,015</u>)	<u>166,693</u>
Ending balance	(\$ <u>105,353</u>)	(\$ <u>679,998</u>)

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

	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Beginning balance	(\$ 200,518)	(\$ 103,950)
Incurred in the current period		
Unrealized gains (losses)		
Equity instruments	766,199 (	368,379)
Related income tax	(254)	(82)
Transfer of cumulative gains/losses on disposal of equity instruments		
Transferred to retained earnings	(<u>81,700</u>)	-
Ending balance	<u>\$ 483,727</u>	(\$ <u>472,411</u>)

e. Non-controlling interests

	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Beginning balance	\$ 17,943,234	\$ 21,970,268
Cash dividends to shareholders of subsidiaries	(156,307)	(208,082)
Net Loss for the Period	(912,415)	(1,965,236)
Other comprehensive income (loss) for the period		
Exchange differences on translating the financial statements of foreign operations	206,700	(946,413)
Income tax relating to exchange difference on translating foreign operations	(35,500)	135,020
Unrealized gain (loss) on financial assets at FVTOCI	274,925	(29,956)
Income tax relating to unrealized gain on financial assets at FVTOCI	(531)	(172)
Adjustments relating to changes accounted for using the equity method	(307)	(35)
Change in non-controlling interests	(20,560)	14,259
Ending balance	<u>\$ 17,299,239</u>	<u>\$ 18,969,653</u>

f. Treasury shares

	Opening number of shares (in thousands)	Increase in the current period	Decrease in the current period	Closing number of shares (in thousands)
<u>Purpose of Buy-Back</u>				
<u>From January 1 to June 30, 2026</u>				
Subsidiaries' holding of the Company reclassified from long-term investments in to treasury stock	<u>116,466</u>	<u>-</u>	<u>-</u>	<u>116,466</u>
<u>From January 1 to June 30, 2025</u>				
Subsidiaries' holding of the Company reclassified from long-term investments in to treasury stock	<u>116,466</u>	<u>-</u>	<u>-</u>	<u>116,466</u>

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

Name of Subsidiary	Number of Shares Held (in thousands)	Carrying Amount	Market Price
<u>June 30, 2026</u>			
APC	101,356	\$ 1,377,381	\$ 1,358,166
TTC	15,110	<u>81,875</u>	<u>202,473</u>
		<u>\$ 1,459,256</u>	<u>\$ 1,560,639</u>
<u>December 31, 2025</u>			
APC	101,356	\$ 1,377,381	\$ 1,125,048
TTC	15,110	<u>81,875</u>	<u>167,720</u>
		<u>\$ 1,459,256</u>	<u>\$ 1,292,768</u>
<u>June 30, 2025</u>			
APC	101,356	\$ 1,377,381	\$ 919,296
TTC	15,110	<u>81,875</u>	<u>137,047</u>
		<u>\$ 1,459,256</u>	<u>\$ 1,056,343</u>

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

APC and TTC hold shares of the Company, classified as financial assets measured at FVTOCI. These shares were valued at the closing prices on June 30, 2026, December 31, 2025, and June 30, respectively, resulting in unrealized gain (loss) on financial assets at FVTOCI. The Company has adjusted its investments accounted for using the equity method and unrealized valuation gains (losses) based on its ownership percentages, recognizing NT\$38,007 thousand gain, NT\$(50,150) thousand loss, and NT\$(127,959) thousand loss, respectively.

26. REVENUES

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Revenue from the sale of goods				
Plastic Raw Materials	\$ 9,819,054	\$ 10,618,577	\$ 19,495,803	\$ 21,802,697
Electronic Materials	832,651	663,769	1,531,520	1,291,584
Others	<u>361,868</u>	<u>291,847</u>	<u>732,898</u>	<u>627,407</u>
	<u>\$ 11,013,573</u>	<u>\$ 11,574,193</u>	<u>\$ 21,760,221</u>	<u>\$ 23,721,688</u>

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

Contract balances

	June 30, 2026	December 31, 2025	June 30, 2025	January 1, 2025
Notes and accounts receivables (Note 10)	\$ 5,315,338	\$ 4,598,486	\$ 5,490,986	\$ 5,863,714
Contract liabilities (presented in other current liabilities)				
Merchandise sales	\$ 212,834	\$ 361,237	\$ 305,703	\$ 356,786

27. NET LOSS FOR THE PERIOD

Net loss includes the following:

a. Interest income

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Bank deposits	\$ 47,451	\$ 61,824	\$ 86,150	\$ 119,416
Reverse repurchase agreements collateralized by bonds	532	5,460	3,372	12,881
Others	6,158	6,994	6,412	8,924
	<u>\$ 54,141</u>	<u>\$ 74,278</u>	<u>\$ 95,934</u>	<u>\$ 141,221</u>

b. Other income

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Rental income	\$ 32,135	\$ 34,499	\$ 65,128	\$ 67,729
Dividend income	23,872	28,330	23,872	28,330
Income from management services (Note 33)	9,878	8,267	18,521	17,455
Income from grants (Note 24)	7,348	13,618	10,958	14,650
Others	28,188	23,661	44,292	42,731
	<u>\$ 101,421</u>	<u>\$ 108,375</u>	<u>\$ 162,771</u>	<u>\$ 170,895</u>

c.

c. Other gains and losses

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Depreciation expense	(\$ 8,428)	(\$ 11,614)	(\$ 16,106)	(\$ 23,410)
Net (loss) gain on financial assets and liabilities at FVTPL	53,650	(93,360)	59,168	(88,747)
Net gain (loss) on disposal of property, plant and equipment	(3,575)	2,988	(4,001)	6,834
Net gain on disposal of investment properties	-	47,086	-	47,086
Gain (loss) on net foreign exchange	(34,950)	(503,053)	43,086	(433,701)
Losses from inventory embezzlement (Note 38)	(178,866)	-	(178,866)	-
Other gains and losses	20,500	(18,060)	15,954	(49,409)
	<u>(\$ 151,669)</u>	<u>(\$ 576,013)</u>	<u>(\$ 112,673)</u>	<u>(\$ 541,347)</u>

d. Finance costs

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Interest on bank loans	\$ 84,877	\$ 71,213	\$ 162,914	\$ 141,546
Interest on bonds payable	5,890	7,332	11,856	14,738
Interest on lease liabilities	11,463	12,135	23,097	24,651
Less: Capitalized interest (presented under construction in progress)	(<u>7,532</u>)	(<u>1,816</u>)	(<u>13,630</u>)	(<u>3,649</u>)
	<u>\$ 94,698</u>	<u>\$ 88,864</u>	<u>\$ 184,237</u>	<u>\$ 177,286</u>

Information about capitalized interest is as follows:

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Capitalized interest	\$ 7,532	\$ 1,816	\$ 13,630	\$ 3,649
Capitalization rate	0.76%~1.87%	0.74%~1.89%	0.76%~1.87%	0.74%~1.89%

e. Depreciation and amortization

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Property, plant and equipment	\$ 694,424	\$ 615,335	\$ 1,330,548	\$ 1,233,692
Right-of-use assets	45,701	41,755	91,221	83,939
Investment properties	8,428	9,836	16,106	19,993
Intangible assets	2,038	2,086	4,118	4,487
Others	<u>12,863</u>	<u>13,331</u>	<u>26,325</u>	<u>27,159</u>
	<u>\$ 763,454</u>	<u>\$ 682,343</u>	<u>\$ 1,468,318</u>	<u>\$ 1,369,270</u>

Summary of depreciation by
function

Operating costs	\$ 692,362	\$ 607,458	\$ 1,325,857	\$ 1,215,698
Operating expenses	47,763	47,854	95,912	98,516
Other gains and losses	<u>8,428</u>	<u>11,614</u>	<u>16,106</u>	<u>23,410</u>
	<u>\$ 748,553</u>	<u>\$ 666,926</u>	<u>\$ 1,437,875</u>	<u>\$ 1,337,624</u>

An analysis of amortization by
function

Operating costs	\$ 14,002	\$ 13,482	\$ 27,944	\$ 27,615
Operating expenses	<u>899</u>	<u>1,935</u>	<u>2,499</u>	<u>4,031</u>
	<u>\$ 14,901</u>	<u>\$ 15,417</u>	<u>\$ 30,443</u>	<u>\$ 31,646</u>

f. Employee benefits expense

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Retirement benefits				
Defined contribution plans	\$ 57,177	\$ 47,526	\$ 110,791	\$ 98,652
Defined benefit plans (Note 23)	<u>3,323</u>	<u>3,984</u>	<u>6,686</u>	<u>8,034</u>
	60,500	51,510	117,477	106,686
Other employee benefits	<u>1,127,534</u>	<u>1,071,504</u>	<u>2,236,468</u>	<u>2,200,835</u>
Total employee benefits expenses	<u>\$ 1,188,034</u>	<u>\$ 1,123,014</u>	<u>\$ 2,353,945</u>	<u>\$ 2,307,521</u>

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	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
By function				
Operating costs	\$ 838,824	\$ 774,694	\$ 1,656,000	\$ 1,583,388
Operating expenses	<u>349,210</u>	<u>348,320</u>	<u>697,945</u>	<u>724,133</u>
	<u>\$ 1,188,034</u>	<u>\$ 1,123,014</u>	<u>\$ 2,353,945</u>	<u>\$ 2,307,521</u>

g. Employees' compensation and remuneration of directors

The Company accrued employees' compensation and remuneration of directors at the rate of no less than 1% and no higher than 1%, respectively, of net profit before income tax. Pursuant to the amendments to the Securities and Exchange Act effective August 2024, the Company has resolved at the 2025 shareholders' meeting to amend its Articles of Incorporation to stipulate that no less than 40% of the annual employee compensation shall be allocated to base-level employees.

Due to losses made in the period from January 1 to June 30, 2026 and 2025, employees' compensation (including those for base-level employees) and remuneration of directors were not estimated.

h. Foreign exchange gains (losses)

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Gross foreign exchange gains	\$ 41,021	\$ 70,380	\$ 175,107	\$ 216,486
Foreign exchange losses	(75,971)	(573,433)	(132,021)	(650,187)
Net gains (losses)	<u>(\$ 34,950)</u>	<u>(\$ 503,053)</u>	<u>\$ 43,086</u>	<u>(\$ 433,701)</u>

28. INCOME TAX

a. Income tax recognized in profit or loss

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

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Current tax				
Incurred in the current period	(\$ 59,782)	(\$ 6,796)	(\$ 59,421)	(\$ 21,522)
Adjustments for prior years	<u>25,778</u>	<u>11,233</u>	<u>27,298</u>	<u>31,901</u>
	<u>(34,004)</u>	<u>4,437</u>	<u>(32,123)</u>	<u>10,379</u>
Deferred tax				
Incurred in the current period	(3,183)	205,998	103,111	303,345
Adjustments for prior years	(1,457)	4,215	(496)	1,854
Changes in tax rates	<u>-</u>	<u>-</u>	<u>7,550</u>	<u>-</u>
	<u>(4,640)</u>	<u>210,213</u>	<u>110,165</u>	<u>305,199</u>
Income tax (gain) expense recognized in profit or loss	<u>(\$ 38,644)</u>	<u>\$ 214,650</u>	<u>\$ 78,042</u>	<u>\$ 315,578</u>

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

The countries where certain subsidiaries of the Group are registered have enacted the Pillar 2 Income Tax Act. Under the law, the Group is required to pay a top-up tax on the profits of its subsidiaries that are subject to an effective tax rate below 15%. There was no relevant current tax impact from January 1 to June 30, 2026 and 2025 regarding current tax expense of the Pillar II income tax.

b. Income tax recognized in Other Comprehensive Income (Loss)

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
<u>Deferred tax</u>				
Incurred in the current period				
- Exchange differences on translating the financial statements of foreign operations	(\$ 1,269)	\$ 341,607	(\$ 67,515)	\$ 301,713
- Unrealized gain (loss) on financial assets at FVTOCI	(258)	(943)	(785)	(254)
Income tax recognized in other comprehensive income	(\$ 1,527)	\$ 340,664	(\$ 68,300)	\$ 301,459

c. Income tax assessments

Income tax returns of the Company, ACME, CGPC, TVCM, GGT, USIOO, APC, APCIC, TUVN, SG, UPIIC, CGTD, UM, USII, TUVN, SPC, STC, and CLT have been assessed by the tax authorities through 2024. The income tax returns of TTC, CGPCPOL, and SPC have been assessed by the tax authorities through 2023.

29. LOSSES PER SHARE

Unit: NT\$ Per Share

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Basic loss per share	(\$ 0.17)	(\$ 0.81)	(\$ 0.58)	(\$ 1.40)
Diluted loss per share	(\$ 0.17)	(\$ 0.81)	(\$ 0.58)	(\$ 1.40)

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

Net Loss for the Period

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Net loss attributable to owners of the Company (the net loss used for calculating basic and diluted loss per share)	(\$ 178,876)	(\$ 869,452)	(\$ 618,763)	(\$ 1,502,906)

Number of Shares

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
	Unit: thousands of shares			
Weighted average number of ordinary shares used in the calculation of basic and diluted loss per share	1,072,298	1,072,298	1,072,298	1,072,298

If the Group has the option to distribute employees' compensation either in cash or in shares, then the calculation of diluted earnings per share shall be made by assuming full share-based payment. In which case, the number of potential common shares is added to the calculation of weighted-average outstanding shares as soon as they become dilutive, and this is the basis used for calculating diluted earnings per share. When calculating diluted earnings per share prior to the decision on the number of shares for employees' compensation in the following year, the dilutive effects of such potential common shares are also continuously considered.

30. CASH FLOW INFORMATION

a. Non-cash transactions

Except as disclosed in other notes, the following non-cash investing and financing activities of the Group from January 1 to June 30, 2026 and 2025, were:

- 1) As of June 30, 2026, December 31, 2025, and June 30, 2025, the amounts of payables for purchases of equipment were NT\$414,846 thousand, NT\$396,079 thousand, and NT\$305,802 thousand, respectively.
- 2) As of June 30, 2026, December 31, 2025, and June 30, 2025, the amounts of payables for dividends declared but not issued were NT\$324,601 thousand, NT\$37,587 thousand, and NT\$452,927 thousand, respectively.

b. Changes in liabilities arising from financing activities

	Non-cash Changes						June 30, 2026
	Balance as of January 1, 2026	Cash flow	New Leases	Amortization of Finance Costs	Changes in Foreign Currency Exchange Rates	Others	
Short-term borrowings	\$ 3,590,616	\$ 2,204,249	\$ -	\$ -	\$ -	\$ -	\$ 5,794,865
Short-term bills payable	309,903 (	225,000)	-	-	-	22	84,925
Bonds payable (including those due within 1 year)	3,148,038 (	500,000)	-	594	-	-	2,648,632
Long-term borrowings (including those due within 1 year)	11,461,266	556,702	-	6,746	-	-	12,024,714
Guarantee deposits received	40,426	8,954	-	-	-	-	49,380
Lease liabilities (including those due within 1 year)	2,316,816 (	11,398)	2,708	23,097	1,655 (	23,097)	2,309,781
Other non-current liabilities	156,903	8,629	-	-	-	(7,541)	157,991
	<u>\$ 21,023,968</u>	<u>\$ 2,042,136</u>	<u>\$ 2,708</u>	<u>\$ 30,437</u>	<u>\$ 1,655</u>	<u>(\$ 30,616)</u>	<u>\$ 23,070,288</u>

	Non-cash Changes						June 30, 2025
	January 1, 2025	Cash flow	New Leases	Amortization of Finance Costs	Changes in Foreign Currency Exchange Rates	Others	
Short-term borrowings	\$ 4,837,886	\$ 437,058	\$ -	\$ -	\$ -	\$ -	\$ 5,274,944
Short-term bills payable	419,841	210,000	-	-	-	(301)	629,540
Bonds payable (including those due within 1 year)	3,996,588 (	500,000)	-	799	-	-	3,497,387
Long-term borrowings (including those due within 1 year)	9,156,164 (	601,941)	-	13,020	-	-	8,567,243
Guarantee deposits received	43,284	2,155	-	-	-	-	45,439
Lease liabilities (including those due within 1 year)	2,470,966 (	73,437)	-	24,651 (	6,959)	(24,392)	2,390,829
Other non-current liabilities	122,969	21,907	-	-	-	(14,272)	130,604
	<u>\$ 21,047,698</u>	<u>(\$ 504,258)</u>	<u>\$ -</u>	<u>\$ 38,470</u>	<u>(\$ 6,959)</u>	<u>(\$ 38,965)</u>	<u>\$ 20,535,986</u>

31. 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.

32. FINANCIAL INSTRUMENTS

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

June 30, 2026

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
- Domestic corporate bonds	\$ 2,648,632	\$ -	\$ 2,636,707	\$ -	\$ 2,636,707

December 31, 2025

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

June 30, 2025

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
- Domestic corporate bonds	\$ 3,497,387	\$ -	\$ 3,477,870	\$ -	\$ 3,477,870

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 either approximate their fair values or cannot be reliably measured.

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

1) Fair value hierarchy

June 30, 2026

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivatives	\$ -	\$ 2,622	\$ -	\$ 2,622
Domestic listed (OTC) shares and emerging market shares	408,790	-	-	408,790
Foreign listed shares	75,837	-	-	75,837
Mutual funds	281,311	-	-	281,311
Beneficiary securities	221,590	-	-	221,590
Total	\$ 987,528	\$ 2,622	\$ -	\$ 990,150

(Continue)

(Continue)

	Level 1	Level 2	Level 3	Total
<u>Measured at FVTOCI</u>				
Investments in equity instruments				
- Domestic listed (OTC) shares and emerging market shares	\$ 2,313,129	\$ -	\$ -	\$ 2,313,129
- Domestic unlisted shares	-	-	598,488	598,488
- Foreign listed shares	6,981	-	-	6,981
- Foreign unlisted shares	-	-	222,989	222,989
Total	<u>\$ 2,320,110</u>	<u>\$ -</u>	<u>\$ 821,477</u>	<u>\$ 3,141,587</u>
<u>Financial liabilities at FVTPL</u>				
Derivatives	<u>\$ -</u>	<u>\$ 3,094</u>	<u>\$ -</u>	<u>\$ 3,094</u>

December 31, 2025

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

Measured at FVTOCI

Investments in equity instruments				
- Domestic listed (OTC) shares and emerging market shares	\$ 1,397,446	\$ -	\$ -	\$ 1,397,446
- Domestic unlisted shares	-	-	307,132	307,132
- Foreign listed shares	8,053	-	-	8,053
- Foreigns unlisted shares	-	-	211,783	211,783
Total	<u>\$ 1,405,499</u>	<u>\$ -</u>	<u>\$ 518,915</u>	<u>\$ 1,924,414</u>

Financial liabilities at FVTPL

Derivatives	<u>\$ -</u>	<u>\$ 4,982</u>	<u>\$ -</u>	<u>\$ 4,982</u>
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June 30, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivatives	\$ -	\$ 2,019	\$ -	\$ 2,019
Domestic listed (OTC) shares and emerging market shares	315,300	-	-	315,300
Overseas listed shares	52,114	-	-	52,114
Mutual funds	1,245,625	-	-	1,245,625
Beneficiary securities	240,670	-	-	240,670
Total	<u>\$ 1,853,709</u>	<u>\$ 2,019</u>	<u>\$ -</u>	<u>\$ 1,855,728</u>

(Continue)

(Continue)

	Level 1	Level 2	Level 3	Total
<u>Measured at FVTOCI</u>				
Investments in equity instruments				
- Domestic listed (OTC) shares and emerging market shares	\$ 1,089,670	\$ -	\$ -	\$ 1,089,670
- Domestic unlisted shares	-	-	305,688	305,688
- Foreign listed shares	6,724	-	-	6,724
- Foreign unlisted shares	-	-	203,926	203,926
Total	<u>\$ 1,096,394</u>	<u>\$ -</u>	<u>\$ 509,614</u>	<u>\$ 1,606,008</u>
<u>Financial liabilities at FVTPL</u>				
Derivatives	<u>\$ -</u>	<u>\$ 8,375</u>	<u>\$ -</u>	<u>\$ 8,375</u>

There were no transfers between Levels 1 and 2 fair value measurement from January 1 to June 30, 2026 and 2025.

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

	From January 1 to June 30, 2026	From January 1 to June 30, 2025
<u>Measured at FVTOCI</u>		
Beginning balance	\$ 518,915	\$ 536,871
Purchase	300,161	-
Recognized in other comprehensive income (included in unrealized gain (loss) on financial assets at FVTOCI)	2,401 (	21,281)
Return of capital from capital reduction	- (	5,976)
Ending balance	<u>\$ 821,477</u>	<u>\$ 509,614</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 and foreign exchange swap contracts	Discounted cash flow: Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

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

The Group's Finance Department is responsible for validating the fair value of assets classified with level 3 input. The department relies on independent sources of information to ensure that the valuation results closely resemble the market condition. The valuation

process is reviewed regularly to ensure that the results generated are reasonable. The Group values domestic and overseas unlisted equity investments using the asset approach, and private placement equity investments using the market price method. The fair value is determined by referring to the investee company's most recent net worth and observable financial and operating conditions. A reduction in liquidity discount would increase the fair value of these investments. When the liquidity discount increases/decreases by 10%, the fair value as of June 30, 2026 and 2025 will decrease/increase by NT\$82,148 thousand and NT\$50,961 thousand, respectively.

c. Categories of financial instruments

	June 30, 2026	December 31, 2025	June 30, 2025
<u>Financial assets</u>			
Measured at FVTPL			
Financial assets mandatorily classified at FVTPL	\$ 990,150	\$ 2,005,326	\$ 1,855,728
Measured at amortized cost			
Cash and cash equivalents	4,713,272	3,897,651	5,465,838
Pledged and restricted deposits	727,960	725,365	713,195
Bank fixed-term deposits with a maturity over 3 months	3,540,365	4,616,667	3,926,080
Reverse repurchase agreements collateralized by bonds with a maturity over 3 months	248,213	446,063	245,350
Bank fixed-term deposits with a maturity over 12 months	53,778	96,140	128,930
Notes receivable	457,380	335,394	380,302
Accounts receivable (including related parties)	4,857,958	4,263,092	5,110,684
Other receivables (including related parties, excluding tax refund receivable)	98,426	131,831	95,008
Refundable deposits	267,937	217,970	235,343
Financial assets at FVTOCI - investments in equity instruments	3,141,587	1,924,414	1,606,008
<u>Financial liabilities</u>			
Financial liabilities at FVTPL - held for trading	3,094	4,982	8,375
Measured at amortized cost			
Short-term borrowings	5,794,865	3,590,616	5,274,944
Short-term bills payable	84,925	309,903	629,540
Accounts payable	2,002,981	2,203,512	2,784,679

(Continue)

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	June 30, 2026	December 31, 2025	June 30, 2025
Dividends payable	\$ 324,601	\$ 37,587	\$ 452,927
Other payables (including related parties and excluding salaries payable and taxes payable)	1,450,619	1,478,930	1,379,569
Current portion of long-term borrowings	2,618,940	3,395,535	3,323,661
Bonds payable	1,798,852	2,298,296	2,647,680
Long-term borrowings	10,255,554	8,915,473	6,093,289
Guarantee deposits received	49,380	40,426	45,439

d. Financial Risk Management Objectives and Policies

The Group's conduct of risk controlling and hedging strategy is influenced by the operational environment. The Group monitors and manages financial risk by business nature while adhering to principles of risk diversification. 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.

(1) 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 39. 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 (USD and RMB denominated items). When the Group's individual functional currency relative to the USD and RMB appreciates/depreciates by 3%, net loss before income tax of the Group would have increased/decreased by NT\$78,223 thousand and NT\$79,752 thousand from January 1 to June 30, 2026 and 2025.

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.

(2) 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:

	June 30, 2026	December 31, 2025	June 30, 2025
Fair value interest rate risk			
- Financial assets	\$ 6,470,538	\$ 7,498,763	\$ 8,031,657
- Financial liabilities	11,314,275	10,221,913	12,269,546
Cash flow interest rate risk			
- Financial assets	2,748,116	2,139,324	2,306,032
- Financial liabilities	11,548,642	10,604,726	8,090,397

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. While maintaining all other variables unchanged, a 0.5% increase/decrease in market rate

would increase/decrease net loss before income tax of the Group by NT\$22,001 thousand and NT\$14,461 thousand for the six months ended June 30, 2026 and 2025.

(3) Other price risks

The Group was exposed to equity price risk through its investments in domestic and foreign listed, OTC, and emerging market shares, Mutual funds, 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 Mutual funds 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%, net losses before tax for the six months ended June 30, 2026 and 2025, would have decreased/increased by NT\$35,311 thousand and NT\$30,404 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL (excluding Mutual funds). For the years 2026 and the Six Months Ended June 30, 2025, the pretax Other Comprehensive Income (Loss) will decrease/increase by NT\$157,079 thousand and NT\$80,300 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:

- (1) The carrying amount of the financial assets recognized in the consolidated balance sheets; and
- (2) 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. Additionally, the Group continually monitors its credit exposure and the credit worthiness of its counterparties.

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 supports its operations and mitigates the effects of the Group's operating cash flow fluctuations by managing and maintaining sufficient cash and cash equivalents.

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

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

June 30, 2026

	On demand or less than 1 year	1-5 years	More than 5 years
<u>Non-derivative financial liabilities</u>			
Non-interest bearing liabilities	\$ 3,778,201	\$ -	\$ -
Lease liabilities	368,858	703,402	1,704,193
Floating interest rate liabilities	3,192,253	7,924,123	981,914
Fixed interest rate liabilities	5,295,178	3,759,971	-
	<u>\$ 12,634,490</u>	<u>\$ 12,387,496</u>	<u>\$ 2,686,107</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 years	5-10 years	10-15 years	15-20 years	More than 20 years
Lease liabilities	<u>\$ 368,858</u>	<u>\$ 703,402</u>	<u>\$ 926,145</u>	<u>\$ 614,149</u>	<u>\$ 163,899</u>	<u>\$ -</u>

December 31, 2025

	On demand or less than 1 year	1-5 years	More than 5 years
<u>Non-derivative financial liabilities</u>			
Non-interest bearing liabilities	\$ 3,720,029	\$ -	\$ -
Lease liabilities	201,389	756,391	1,791,593
Floating interest rate liabilities	3,412,937	5,676,255	1,923,418
Fixed interest rate liabilities	4,604,450	3,373,977	-
	<u>\$ 11,938,805</u>	<u>\$ 9,806,623</u>	<u>\$ 3,715,011</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 years	5-10 years	10-15 years	15-20 years	More than 20 years
Lease liabilities	<u>\$ 201,389</u>	<u>\$ 756,391</u>	<u>\$ 951,489</u>	<u>\$ 615,019</u>	<u>\$ 225,085</u>	<u>\$ -</u>

June 30, 2025

	On demand or less than 1 year	1-5 years	More than 5 years
<u>Non-derivative financial liabilities</u>			
Non-interest bearing liabilities	\$ 4,617,175	\$ -	\$ -
Lease liabilities	199,351	722,384	1,918,613
Floating interest rate liabilities	3,324,216	4,928,264	234,746
Fixed interest rate liabilities	<u>5,996,386</u>	<u>4,925,619</u>	<u>-</u>
	<u>\$ 14,137,128</u>	<u>\$ 10,576,267</u>	<u>\$ 2,153,359</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 years	5-10 years	10-15 years	15-20 years	More than 20 years
Lease liabilities	<u>\$ 199,351</u>	<u>\$ 722,384</u>	<u>\$ 975,048</u>	<u>\$ 645,493</u>	<u>\$ 297,221</u>	<u>\$ 851</u>

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

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

June 30, 2026

	On demand or Less than 1 month	1-3 months	3 months to 1 year
<u>Gross settled</u>			
Foreign rate forward contracts			
- Inflow	\$ 161,808	\$ 28,371	\$ 29,766
- Outflow	(163,710)	(29,302)	(31,850)
	<u>(\$ 1,902)</u>	<u>(\$ 931)</u>	<u>(\$ 2,084)</u>
<u>Gross settled</u>			
Foreign rate swap contracts			
- Inflow	\$ 62,726	\$ -	\$ -
- Outflow	(63,700)	-	-
	<u>(\$ 974)</u>	<u>\$ -</u>	<u>\$ -</u>

December 31, 2025

	On demand or Less than 1 month	1-3 months	3 months to 1 year
<u>Gross settled</u>			
Foreign rate forward contracts			
- Inflow	\$ 180,880	\$ 196,517	\$ -
- Outflow	(182,712)	(199,266)	-
	(\$ 1,832)	(\$ 2,749)	\$ -

June 30, 2025

	On demand or Less than 1 month	1-3 months	3 months to 1 year
<u>Gross settled</u>			
Foreign rate forward contracts			
- Inflow	\$ 278,161	\$ 215,457	\$ 11,813
- Outflow	(282,186)	(217,047)	(11,720)
	(\$ 4,025)	(\$ 1,590)	\$ 93

3) 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:

	June 30, 2026	December 31, 2025	June 30, 2025
Bank loan facilities			
- Amount undrawn	\$ 33,763,937	\$ 34,714,241	\$ 30,962,043

33. RELATED PARTY TRANSACTIONS

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

a. Name of the related party and their relationship

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

b. Other operating income (classified as sales revenue)

Related Party Category/Name	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Joint venture	<u>\$ 2,547</u>	<u>\$ 15,344</u>	<u>\$ 2,550</u>	<u>\$ 31,039</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)

Related Party Category/Name	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Joint venture	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,235</u>	<u>\$ 2,726</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)

Related Party Category/Name	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Other related parties				
USIF	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,000</u>	<u>\$ 12,000</u>

e.

e. Management service income (classified as other revenue)

Related Party Category/Name	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Joint venture	<u>\$ 9,743</u>	<u>\$ 8,267</u>	<u>\$ 18,251</u>	<u>\$ 16,874</u>
Associate	<u>-</u>	<u>-</u>	<u>-</u>	<u>581</u>
	<u>\$ 9,743</u>	<u>\$ 8,267</u>	<u>\$ 18,251</u>	<u>\$ 17,455</u>

f. Rental income (classified as other income)

Related Party Category/Name	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Associate	<u>\$ -</u>	<u>\$ 78</u>	<u>\$ -</u>	<u>\$ 156</u>

The Group leases 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	June 30, 2026	December 31, 2025	June 30, 2025
Joint venture	<u>\$ 2,732</u>	<u>\$ 5,503</u>	<u>\$ 4,666</u>

No guarantee deposits were received for the outstanding accounts receivable from related parties. No impairment loss was provided on related party receivables from January 1 to June 30, 2026 and 2025.

h. Other receivables

Related Party Category/Name	June 30, 2026	December 31,	
		2025	June 30, 2025
Joint venture	\$ 16,697	\$ 18,748	\$ 14,097

i. Acquisition of property, plant and equipment

Related Party Category/Name	From April 1 to June 30, 2026	Acquisition price		
		From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Associate	\$ -	\$ 3,686	\$ -	\$ 7,486

j. Compensation of key management personnel

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

	From April 1 to June 30, 2026	From April 1 to June 30, 2025	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Short-term employee benefits	\$ 11,764	\$ 11,436	\$ 21,146	\$ 20,802
Retirement benefits	108	181	216	339
	<u>\$ 11,872</u>	<u>\$ 11,617</u>	<u>\$ 21,362</u>	<u>\$ 21,141</u>

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

34. PLEDGED ASSETS

The following assets of the Group have been pledged as collateral for material purchase, outward documentary bill, long-term and short-term financing facilities, guarantee for gas explosion incident, and third-party claims for provisional seizure by court:

	June 30, 2026	December 31, 2025	June 30, 2025
Pledged time deposits (recorded as financial assets at amortized cost)	\$ 710,494	\$ 708,089	\$ 700,633
Property, plant and equipment	2,265,413	2,305,354	2,315,072
Land use right (classified as right-of-use assets)	25,471	25,731	23,469
Refundable deposits (classified as other non-current assets)	172,411	126,209	142,165
	<u>\$ 3,173,789</u>	<u>\$ 3,165,383</u>	<u>\$ 3,181,339</u>

35. SIGNIFICANT CONTINGENT LIABILITY AND UNRECOGNIZED CONTRACTUAL COMMITMENTS

- a. As of June 30, 2026, December 31, 2025, and June 30, 2025, the Group had unused letters of credit amounted to NT\$2,384,082 thousand, NT\$1,519,615 thousand, and NT\$1,814,858 thousand, respectively.

- b. Regarding the Company's subsidiary, CGTD, which 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 declared not guilty.

On February 12, 2015, CGTD entered into an agreement with the Kaohsiung City Government to provide the Kaohsiung City Government with a pledge over a bank deposit certificate of NT\$239,153 thousand (including interests) as the guarantee for the loss caused by the gas explosion. The Kaohsiung City Government has also filed civil lawsuits against LCY, CGTD, and CPC Corporation. Taiwan Power Company applied for provisional seizure 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 seizure. Taiwan Water Corporation also applied for provisional seizure against CGTD's property on February 3 and March 2, 2017. As of July 31, 2026, the provisionally seized Bank deposits of CGTD were NT\$6,401 thousand.

For the victims of the gas explosion, CGTD, LCY, and the Kaohsiung City Government signed a tripartite agreement on July 17, 2015, agreeing to negotiate compensation first with all the heirs and claimants of the 32 victims (hereinafter referred to as the families of the victims), paying the families 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. Additionally, according to the tripartite agreement, CGTD paid NT\$157,347 thousand to LCY on August 10, 2022, based on the 30% fault liability ratio determined in the first-instance judgment of this case. Further adjustments will be made after the final determination of the liability proportions in the civil lawsuit.

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 settlement with the severely injured victims and signing the settlement agreements on behalf of the three parties with 64 of the victims.

As of July 31, 2026, 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. The accumulated amount of the outstanding compensation claims under litigation and the aforementioned settlement with victims and the severely injured is approximately NT\$3,826,801 thousand. The first-instance judgments of some of the above-mentioned civil

cases (with a total amount of compensation of approximately NT\$1,616,883 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\$489,861 thousand. (In particular, CGTD was exempted from paying NT\$6,194 thousand according to the court's judgment.)

The civil lawsuits that had been awarded first-instance judgments but not yet settled were appealed, and the court of second instance began issuing its decisions from July 10, 2024. As of July 31, 2026, the court had issued rulings on nine claims filed by the Kaohsiung City Government (the total claimed amount was approximately NT\$1,137,677 thousand). In eight of these claims, the court found CGTD and LCY to be jointly accountable for 10% (five cases) or 20% (three cases) of the fault, and the joint compensation payable by CGTD and LCY amounted to NT\$79,726 thousand. In one other case, the court found CGTD solely accountable for 10% of the fault, and the compensation payable solely by CGTD amounted to NT\$297 thousand. The court of second instance also issued rulings on the claims filed by Taiwan Power Company (the total claimed amount was NT\$265,822 thousand), the National Health Insurance Administration (the total claimed amount was NT\$35,688 thousand), and Taiwan Water Corporation (the total claimed amount was NT\$28,643 thousand), and determined that CGTD and LCY are jointly liable for compensation totaling NT\$120,143 thousand. CGTD has raised appeals to the above cases ruled by the second-instance court, except those that can not be appealed further. The remaining cases are still pending in the court of first instance (with claims totaling approximately NT\$1,707,093).

Based on the accountability ratios that the court has ruled for the gas explosion incident, the Company was able to estimate the amount of settlement with victims and the severely injured and the amount of compensation in civil cases (including cases that have been settled). After taking into consideration the maximum insurance claim and deductibles, the estimated amount that should be borne by CGTD has been recognized at 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.

36. LOSSES FROM MAJOR DISASTERS

On October 19, 2024, a fire broke out at the tape factory of CGPC, one of the Company's subsidiaries, which caused partial damage to the equipment and inventory in the factory. As of June 30, 2026, the accumulative property loss was NT\$158,602 thousand. CGPC had purchased property insurance and negotiated with the insurance company for claims. However, due to the fact that insurance claim requires an inspection of the damage suffered, CGPC will recognize insurance claims income once the amount can be determined with reasonable certainty. Based

on a preliminary assessment of the damages and claims, CGPC considers the fire to have no material impact on overall operations.

37. SIGNIFICANT CONTRACTS

a. TVCM signed ethylene or dichloroethane purchasing contracts with CPC Corporation and Mitsubishi Corporation. The purchase prices are negotiated between two parties according to a pricing formula.

b. Significant operating agreements

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. OTHER MATTERS

In 2026, the Group discovered that certain employees of the subsidiary TTC(ZS) were suspected of misappropriation of duties and improper appropriation of the company's inventories. The case was reported to the local public security authorities for investigation. TTC(ZS) has recognized a related loss amounting to approximately NT\$178,866 thousand, which was fully recorded under "Loss of Inventories due to Misappropriation" under other gains and losses for the current period. The subsidiary TTC(ZS) has filed a criminal complaint for embezzlement against the involved personnel. The prosecutorial authorities have arrested some individuals involved, and the public security authorities are continuing the criminal investigation.

39. SIGNIFICANT FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

Unit: Foreign and Functional Currencies in Thousands

June 30, 2026					
	Foreign currency	Exchange Rate (In Single Dollars)		Functional Currencies	Carrying amount
Foreign currency assets					
Monetary items					
USD	\$ 106,491	31.85	(USD/NTD)	\$ 3,391,734	\$ 3,391,734
USD	4,730	6.81	(USD/RMB)	32,122	150,655
USD	6,296	4.22	(USD/MYR)	26,545	200,354
RMB	32,311	4.68	(RMB/NTD)	151,095	151,095
RMB	3,860	0.15	(RMB/USD)	566	18,050
AUD	2,163	21.96	(AUD/NTD)	47,381	47,381
EUR	762	36.29	(EUR/NTD)	27,674	27,674
Non-monetary items					
Derivatives					
USD	6,363	31.85	(USD/NTD)	2,523	2,523
USD	864	4.22	(USD/MYR)	14	99
Foreign currency liabilities					
Monetary items					
USD	24,571	31.85	(USD/NTD)	782,629	782,629
USD	11,237	6.81	(USD/RMB)	76,536	357,906
USD	1,648	4.22	(USD/MYR)	6,948	52,490
RMB	23,826	4.68	(RMB/NTD)	111,419	111,419
JPY	152,500	0.20	(JPY/NTD)	29,936	29,936
Non-monetary items					
Derivatives					
USD	7,560	31.85	(USD/NTD)	2,565	2,565
USD	1,500	4.22	(USD/MYR)	70	529
December 31, 2025					
	Foreign currency	Exchange Rate (In Single Dollars)		Functional Currencies	Carrying amount
Foreign currency assets					
Monetary items					
USD	\$ 114,871	31.43	(USD/NTD)	\$ 3,610,379	\$ 3,610,379
USD	15,265	7.03	(USD/RMB)	19,013	134,187
USD	6,884	4.20	(USD/MYR)	28,926	216,377
RMB	23,610	4.47	(RMB/NTD)	105,577	105,577
RMB	288	0.14	(RMB/USD)	41	1,288
AUD	2,361	21.01	(AUD/NTD)	49,594	49,594
EUR	493	36.90	(EUR/NTD)	18,215	18,215
Non-monetary items					
Joint ventures accounted for using the equity method					
RMB	291,422	0.14	(RMB/USD)	41,461	1,303,125
Derivatives					
USD	2,540	31.43	(USD/NTD)	882	882
USD	400	4.20	(USD/MYR)	99	741

(Continue)

(Continue)

December 31, 2025						
	Foreign currency	Exchange Rate (In Single Dollars)			Functional Currencies	Carrying amount
Foreign currency liabilities						
<u>Monetary items</u>						
USD	\$ 29,944	31.43	(USD/NTD)	\$ 941,160	\$ 941,160	
USD	10,753	7.03	(USD/RMB)	75,577	316,669	
USD	1,178	4.20	(USD/MYR)	4,948	37,102	
RMB	19,312	4.47	(RMB/NTD)	86,356	86,356	
<u>Non-monetary items</u>						
Derivatives						
USD	9,240	31.43	(USD/NTD)	4,982	4,982	
June 30, 2025						
	Foreign currency	Exchange Rate (In Single Dollars)			Functional Currencies	Carrying amount
Foreign currency assets						
<u>Monetary items</u>						
USD	\$ 131,172	29.30	(USD/NTD)	\$ 3,843,312	\$ 3,843,312	
USD	3,777	7.16	(USD/RMB)	27,042	110,685	
USD	6,373	4.38	(USD/MYR)	27,908	186,721	
RMB	29,547	4.09	(RMB/NTD)	120,933	120,933	
RMB	3,362	0.14	(RMB/USD)	469	13,759	
JPY	113,140	0.20	(JPY/NTD)	23,012	23,012	
AUD	1,290	19.14	(AUD/NTD)	24,695	24,695	
EUR	1,322	34.35	(EUR/NTD)	45,411	45,411	
<u>Non-monetary items</u>						
Joint ventures accounted for using the equity method						
RMB	820,951	0.14	(RMB/USD)	114,680	3,360,136	
Derivatives						
USD	3,140	29.3	(USD/NTD)	601	601	
USD	1,000	4.38	(USD/MYR)	187	1,254	
JPY	60,000	0.01	(JPY/USD)	6	164	
Foreign currency liabilities						
<u>Monetary items</u>						
USD	41,663	29.30	(USD/NTD)	1,220,678	1,220,678	
USD	9,646	7.16	(USD/RMB)	69,051	282,626	
USD	1,347	4.38	(USD/MYR)	5,901	39,481	
RMB	18,134	4.09	(RMB/NTD)	74,225	74,225	
JPY	4,782	0.20	(JPY/NTD)	973	973	
EUR	17	34.35	(EUR/NTD)	583	583	
GBP	91	40.16	(GBP/NTD)	3,655	3,655	
<u>Non-monetary items</u>						
Derivatives						
USD	12,640	29.30	(USD/NTD)	8,375	8,375	

The Group reported realized and unrealized net gains (losses) on currency exchange of NT\$(34,950) thousand and NT\$(503,053) thousand from January 1 to June 30, 2026 and 2025, and NT\$43,086 thousand and NT\$(433,701) thousand for the six months ended June 30, 2026 and 2025, respectively. Due to the broad diversity of foreign currency transactions and functional currencies undertaken by members of the Group, it was impractical to disclose exchange gains (losses) for each foreign currency by the materiality of their impact.

40. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

- 1) Financing provided to others. (Table 1)
- 2) Endorsements/guarantees provided. (Table 2)
- 3) Significant marketable securities held at period-end (excluding investments in subsidiaries and joint ventures). (Table 3)
- 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 4)
- 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 5)
- 6) Others: The Business Relationships and Significant Transactions and Amounts between Parent and Subsidiaries and between Subsidiaries. (Table 8)

b. Information on investees: Table 6.

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 7)
- 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:
 - (1) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: Tables 4 and 8.
 - (2) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: Tables 4 and 8.

- (3) The amount of property transactions and the amount of the resultant gains or losses: None.
- (4) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: Table 2.
- (5) 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.
- (6) 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.

41. SEGMENT INFORMATION

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

a. Net gain (loss) of reportable segments

From January 1 to June 30, 2026							
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Others	Total
Segment revenue	\$ 4,015,691	\$ 5,403,542	\$ 6,173,020	\$ 1,745,282	\$ 2,852,287	\$ 2,305,508	\$ 22,495,330
Interest income	4,653	10,116	16,981	5,970	9,777	48,437	95,934
Finance costs	(34,367)	(58,418)	(22,520)	(22,917)	(7,431)	(39,120)	(184,773)
Depreciation and amortization	(325,217)	(442,087)	(107,866)	(203,765)	(194,908)	(204,496)	(1,478,339)
Loss before tax of reporting segments	(626,722)	(6,290)	(595,073)	(5,788)	(68,618)	(1,442,116)	(2,744,607)
Income tax gain (expenses) of reporting segments	7,959	4,109	125,509	(10,410)	(21,907)	(27,218)	78,042
Net loss of reporting segments	(618,763)	(2,181)	(469,564)	(16,198)	(90,525)	(1,469,334)	(2,666,565)

From January 1 to June 30, 2025							
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Others	Total
Segment revenue	\$ 4,540,170	\$ 5,120,293	\$ 8,082,368	\$ 1,447,629	\$ 2,874,834	\$ 2,254,971	\$ 24,320,265
Interest income	7,964	19,149	20,861	8,213	13,082	71,952	141,221
Finance costs	(29,304)	(56,703)	(21,620)	(22,509)	(10,443)	(40,978)	(181,557)
Depreciation and amortization	(312,460)	(415,926)	(107,655)	(182,491)	(171,055)	(189,724)	(1,379,311)
Loss before tax of reporting segments	(1,575,325)	(892,013)	(354,936)	(101,043)	(541,367)	(2,493,782)	(5,958,466)
Income tax gain (expenses) of reporting segments	72,419	181,680	57,536	5,522	8,217	(9,796)	315,578
Net loss of reporting segments	(1,502,906)	(710,333)	(297,400)	(95,521)	(533,150)	(2,503,578)	(5,642,888)

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

1) Segment revenue and results

	From January 1 to June 30, 2026	From January 1 to June 30, 2025
Net loss of reportable segment before tax	(\$ 1,302,491)	(\$ 3,464,684)
Income tax gain of reportable segment	105,260	325,374
Total net loss after tax of reportable segment	(1,197,231)	(3,139,310)
Loss of other non-reportable segments	(1,469,334)	(2,503,578)
Deduction of inter-segment loss	1,135,387	2,174,746
Consolidated net after-tax loss	(\$ 1,531,178)	(\$ 3,468,142)

2) Reconciliation of other significant items

		From January 1 to June 30, 2026						
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Others	Adjustment s	Total
Finance costs	(\$ 34,367)	(\$ 58,418)	(\$ 22,520)	(\$ 22,917)	(\$ 7,431)	(\$ 39,120)	\$ 536	(\$ 184,237)
Depreciation and amortization	(325,217)	(442,087)	(107,866)	(203,765)	(194,908)	(204,496)	10,021	(1,468,318)

		From January 1 to June 30, 2025						
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Others	Adjustment s	Total
Finance costs	(\$ 29,304)	(\$ 56,703)	(\$ 21,620)	(\$ 22,509)	(\$ 10,443)	(\$ 40,978)	\$ 622	(\$ 180,935)
Depreciation and amortization	(312,460)	(415,926)	(107,655)	(182,491)	(171,055)	(189,724)	10,041	(1,369,270)

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

USI CORPORATION AND SUBSIDIARIES

Financing Provided to Others

From January 1 to June 30, 2026

Table 1

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

No.	Lender	Borrower	Financial Statement Account	Related Party (Yes/ No)	Highest balance for the period	Balance at June 30 (Note 3)	Actual Borrowing Amount (Note 3)	Interest rate (%)	Nature of financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing limit for each borrower (Note 1)	Aggregate financing limit (Note 1)	Remark
													Item	Value			
1	CGPC	CGPCPOL	Other receivables	Yes	\$1,000,000	\$ 500,000	\$ -	-	2	\$ -	Business turnover	\$ -	—	—	\$3,079,338	\$3,079,338	Note 4
1	CGPC	TVCM	Other receivables	Yes	500,000	500,000	300,000	2.00	2	-	Business turnover	-	—	—	3,079,338	3,079,338	
2	ACME (GZ)	ACME (KS)	Other receivables	Yes	140,289	140,289	51,439	3.00	2	-	Business turnover	-	—	—	439,762	439,762	
3	SPS	SPD	Other receivables	Yes	111,983	111,475	111,475	3.64-5.40	2	-	Business turnover	-	—	—	420,495	420,495	
4	ASK	SPT	Other receivables	Yes	168,347	168,347	168,347	3.00	2	-	Business turnover	-	—	—	484,933	484,933	

Note 1: The total amount of financing provided to others shall not exceed 40% of the net worth of the lender.

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

(1) Business relationship is coded "1."

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

Note 3: The amount was converted using spot exchange rate as of June 30, 2026.

Note 4: Remark on the highest balance for the period from CGPC to CGPCPOL: The original financing limit to CGPCPOL of NT\$500,000 thousand expired on May 15, 2026. Before the expiration of the old contract, a new financing limit was approved by the board of directors. During the period from the board's approval to the start date of the new contract, the financing limit was counted twice, with the actual approved balance at June 30 being NT\$500,000 thousand.

Note 5: All the transactions were eliminated when preparing the consolidated financial statements.

USI CORPORATION AND SUBSIDIARIES

Endorsements/Guarantees Provided

From January 1 to June 30, 2026

Table 2 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/guarantor Company Name	Endorsee/the Guaranteed		Limits on Endorsement/ Guarantee Made for Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the end of the period	Actual Borrowing Amount	Amount Endorsed/Guarant eed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 1)	Endorsement/ Guarantee Made by Parent for Subsidiaries	Endorsement/ Guarantee Made by Subsidiaries for Parent	Endorsement/ Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	USI	SG	2	\$ 8,804,747	\$ 830,000	\$ 830,000	\$ 279,599	\$ -	4.71	\$ 10,565,696	Yes	No	No	Note 4
1	ACME (MA)	ACME Ferrite	2	762,765	144,407	140,393	96,413	-	12.88	871,731	No	No	No	
1	ACME (MA)	ACME Advanced	2	762,765	7,770	7,554	7,554	-	0.69	871,731	No	No	No	
2	TTC	TAITA (BVI)	2	5,377,819	95,550	95,550	-	-	1.78	8,066,729	No	No	No	
3	CGPC	CGPCPOL	1、2	4,619,006	1,400,319	1,400,319	200,319	-	18.19	7,698,344	No	No	No	
4	SPC	FY	2	4,461,124	37,758	-	-	-	-	5,576,405	No	No	No	
4	SPC	SPS	2	4,461,124	57,271	57,012	-	-	2.56	5,576,405	No	No	No	
4	SPC	SPM	2	4,461,124	38,394	38,220	-	-	1.71	5,576,405	No	No	No	
4	SPC	SPK	2	4,461,124	63,990	63,700	-	-	2.86	5,576,405	No	No	Yes	
4	SPC	SPI	2	4,461,124	27,464	26,936	-	-	1.21	5,576,405	No	No	No	
4	SPC	SPT	2	4,461,124	31,995	31,850	-	-	1.43	5,576,405	No	No	Yes	
4	SPC	SPD	2	4,461,124	63,990	63,700	-	-	2.86	5,576,405	No	No	No	
4	SPC	STK	2	4,461,124	31,995	31,850	-	-	1.43	5,576,405	No	No	Yes	
4	SPC	STC	2	4,461,124	408,162	337,060	20,000	-	15.11	5,576,405	No	No	No	

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

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 June 30, 2026.

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

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

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.

Note 2: The amount was converted using spot exchange rate as of June 30, 2026.

Note 3: The relationships between the endorser/guarantor and the endorsed/guaranteed party fall into the following seven categories:

- 1. Companies with business dealings with the Company.
- 2. Companies in which the Company directly or indirectly holds more than 50% of the voting shares.
- 3. Companies that directly or indirectly hold more than 50% of the Company's voting shares.
- 4. Companies in which the Company and other companies directly and indirectly hold 90% or more of each other's voting shares.
- 5. Companies that mutually provide guarantees under contractual requirements due to construction or project arrangements.
- 6. Companies for which all investing shareholders provide guarantees proportionate to their shareholdings due to joint investment.
- 7. Companies that provide joint guarantees for performance bonds in accordance with consumer protection laws for presale housing sales contracts.

Note 4: The addition of endorsement guarantee limit from CGPC to CGPCPOL, amounting to NT\$300,000 thousand, is due to the expiration of the original endorsement guarantee limit on July 31, 2028. Before its expiration, a renegotiation was conducted, and the new endorsement guarantee limit was resolved in advance by the chairman under the total limit before the expiry of the old contract, with subsequent ratification by the most recent board of directors. During the period from the chairman's preliminary approval date to the start date of the new contract, both the original limit and the renewed limit were counted simultaneously, resulting in a duplicate calculation of the Maximum Amount Endorsed/Guaranteed During the Period and the Outstanding endorsement/guarantee at the end of the period.

USI CORPORATION AND SUBSIDIARIES
Significant Marketable Securities Held
June 30, 2026

Table 3

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

Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Period				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
USI	shares CTCI Corporation	—	Financial assets measured at FVTOCI - non-current	16,646,570	\$ 696,659	1.76	\$ 696,659	Note 2
USI	CTCI Corporation (Private Placement Shares)	—	Financial assets measured at FVTOCI - non-current	4,230,000	150,461	0.45	150,461	
USI	KHL IB Venture Capital Co., Ltd.	—	Financial assets measured at FVTOCI - non-current	11,951,984	102,189	11.90	102,189	
USI	AU Optronics Corporation	—	Financial assets measured at FVTOCI - non-current	6,811,204	222,726	0.09	222,726	
USI	PELL Bio-Med Technology Co. Ltd.	—	Financial assets measured at FVTOCI - non-current	199,158	173,467	0.30	173,467	
USI	TTC Group Holdings Co., Ltd.	—	Financial assets measured at FVTPL - current	2,000,000	48,100	0.03	48,100	
USI	TECO Electric & Machinery Co., Ltd.	—	Financial assets measured at FVTPL - current	250,000	17,525	0.01	17,525	
USI	Sercomm Corporation	—	Financial assets measured at FVTPL - current	300,000	24,240	0.10	24,240	
USI	Quanta Storage Inc.	—	Financial assets measured at FVTPL - current	200,000	15,500	0.07	15,500	
USI	Zeon Corporation	—	Financial assets measured at FVTPL - current	39,500	18,261	0.02	18,261	
USI	Kyushu Electric Power Co., Inc.	—	Financial assets measured at FVTPL - current	20,000	6,448	-	6,448	
USI	Teratech Corporation	—	Financial assets measured at FVTPL - non-current	110,000	-	0.65	-	
USI	Beneficiary securities Cathay No. 1 Real Estate Investment Trust Fund	—	Financial assets measured at FVTPL - current	4,054,000	56,026	-	56,026	
UPIIC	shares Asia Polymer Corporation	Investments accounted for using the equity method	Financial assets measured at FVTOCI - non-current	22,182,486	308,337	3.74	308,337	
UPIIC	China General Plastics Corporation	Investments accounted for using the equity method	Financial assets measured at FVTOCI - non-current	4,469,307	58,101	0.77	58,101	
UPIIC	Taita Chemical Company, Ltd.	Investments accounted for using the equity method	Financial assets measured at FVTOCI - non-current	456,253	6,638	0.11	6,638	
UPIIC	Mutual funds Taishin 1699 Money Market Fund	—	Financial assets measured at FVTPL - current	888,999	12,873	-	12,873	
Swanlake	shares Neuro Sky Inc. Preferred Stock D	—	Financial assets measured at FVTOCI - non-current	2,397,364	-	0.70	-	Note 2
USII	shares AU Optronics Corporation	—	Financial assets measured at FVTOCI - current	1,012,849	33,120	0.01	33,120	Note 2
USII	AU Optronics Corporation	—	Financial assets measured at FVTOCI - non-current	1,012,849	33,120	0.01	33,120	
USII	Wafer Works Corporation	—	Financial assets measured at FVTOCI - non-current	500,000	61,500	0.08	61,500	
USII	Solargiga Energy Holdings Limited	—	Financial assets measured at FVTOCI - non-current	10,876,111	2,937	0.34	2,937	
USII	Dah Chung Bills Finance Corp.	—	Financial assets measured at FVTOCI - non-current	506,894	8,450	0.10	8,450	
USII	Swanson Plastics Corporation	Same chairman	Financial assets measured at FVTOCI - non-current	12,166,447	153,176	7.88	153,176	
USII	USI Optronics Corporation	Same chairman	Financial assets measured at FVTOCI - non-current	165,279	94	0.25	94	
USII	Digimax Inc.	—	Financial assets measured at FVTOCI - non-current	23,234	-	0.05	-	
USII	Droxo Technology Corporation	—	Financial assets measured at FVTOCI - non-current	784,000	19,992	5.12	19,992	
USII	Silicon Technology Investment (Cayman) Corp.	—	Financial assets measured at FVTOCI - non-current	911,849	99,019	1.77	99,019	
USII	TTC Group Holdings Co., Ltd.	—	Financial assets measured at FVTPL - current	1,000,000	24,050	0.01	24,050	
USII	China General Plastics Corporation	Same chairman	Financial assets measured at FVTPL - current	550,722	7,159	0.09	7,159	
USII	Asia Polymer Corporation	Same chairman	Financial assets measured at FVTPL - current	1,714,180	23,827	0.29	23,827	
USII	Taita Chemical Company, Ltd.	Same chairman	Financial assets measured at FVTPL - current	1,415,368	20,594	0.36	20,594	
USII	Acme Electronics Corporation	Same chairman	Financial assets measured at FVTPL - current	500,000	25,000	0.23	25,000	

(Continued)

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Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Period				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
USII	TECO Electric & Machinery Co., Ltd.	—	Financial assets measured at FVTPL - current	100,000	\$ 7,010	-	\$ 7,010	
USII	Sercomm Corporation	—	Financial assets measured at FVTPL - current	150,000	12,120	0.05	12,120	
USII	Quanta Storage Inc.	—	Financial assets measured at FVTPL - current	100,000	7,750	0.04	7,750	
USII	Zeon Corporation	—	Financial assets measured at FVTPL - current	21,600	9,985	0.01	9,985	
USII	Kyushu Electric Power Co., Inc.	—	Financial assets measured at FVTPL - current	10,000	3,224	-	3,224	
USII	Beneficiary certificates							
	Yuanta De-Li Money Market Fund	—	Financial assets measured at FVTPL - current	913,842	15,880	-	15,880	
	shares							
TUVC	Innovation & Infinity Global Corp.	—	Financial assets measured at FVTPL - non-current	720,804	-	0.73	-	Note 2
TUVC	Teratech Corporation	—	Financial assets measured at FVTPL - non-current	90,000	-	0.58	-	Note 2
TUVC	Leadwell Cnc Machines Mfg., Corp.	—	Financial assets measured at FVTOCI - non-current	419,753	13,566	0.68	13,566	
TUVC	Digimax Inc.	—	Financial assets measured at FVTOCI - non-current	518,898	-	1.18	-	Note 2
TUVC	Hexawave Inc.	—	Financial assets measured at FVTOCI - non-current	109,109	60	0.27	60	
TUVC	Uranus Chemicals Co., Ltd.	—	Financial assets measured at FVTOCI - non-current	15,351	2,310	0.02	2,310	
TUVC	Neuro Sky, Inc. Preferred Stock A	—	Financial assets measured at FVTOCI - non-current	10,000,000	-	1.21	-	Note 2
TUVC	Neuro Sky, Inc. Preferred Stock B	—	Financial assets measured at FVTOCI - non-current	12,595,523	-	1.53	-	Note 2
TUVC	Neuro Sky, Inc. Preferred Stock C	—	Financial assets measured at FVTOCI - non-current	4,532,823	-	0.55	-	Note 2
TUVC	Mutual funds							
	Cathay Taiwan Money Market Fund	—	Financial assets measured at FVTPL - current	1,091,738	14,439	-	14,439	
UM	Mutual funds							
	Taishin Ta-Chong Money Market Fund	—	Financial assets measured at FVTPL - current	3,627,633	55,000	-	55,000	
UM	Taishin 1699 Money Market Fund	—	Financial assets measured at FVTPL - current	1,039,506	15,052	-	15,052	
USIOO	Mutual funds							
	Taishin Ta-Chong Money Market Fund	—	Financial assets measured at FVTPL - current	400,275	6,069	-	6,069	
USIOO	Taishin 1699 Money Market Fund	—	Financial assets measured at FVTPL - current	1,810,520	26,217	-	26,217	
CGPC	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust Fund	—	Financial assets measured at FVTPL - current	3,964,000	54,782	-	54,782	
CGPC	Mutual funds							
	UPAMC James Bond Money Market Fund	—	Financial assets measured at FVTPL - current	3,601,332	64,086	-	64,086	
	shares							
CGPC	TTC Group Holdings Co., Ltd.	—	Financial assets measured at FVTPL - current	2,000,000	48,100	0.03	48,100	
CGPC	KHL IB Venture Capital Co., Ltd.	—	Financial assets measured at FVTOCI - non-current	5,975,992	51,095	5.95	51,095	
TVCM	shares							
	Asia Polymer Corporation	With the same main shareholders as CGPC	Financial assets measured at FVTOCI - non-current	130,244	1,810	0.02	1,810	
CGPCPOL	Mutual funds							
	Taishin 1699 Money Market Fund	—	Financial assets measured at FVTPL - current	692,433	10,027	-	10,027	
	shares							
CGPC (BVI)	Teratech Corporation	—	Financial assets measured at FVTPL - non-current	112,000	-	0.65	-	Note 2

(Continued)

(Continued)

Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Period				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
GGT	Mutual funds Taishin 1699 Money Market Fund	—	Financial assets measured at FVTPL - current	1,787,552	\$ 25,885	-	\$ 25,885	
TTC	shares USI Corporation	Ultimate parent company	Financial assets measured at FVTOCI - non-current	15,109,901	202,472	1.27	202,472	
TTC	Harbinger Venture Capital Corp.	—	Financial assets measured at FVTOCI - non-current	990	5	0.50	5	
TTC	TTC Group Holdings Co., Ltd.	—	Financial assets measured at FVTPL - current	2,000,000	48,100	0.03	48,100	
TTC	Beneficiary securities Cathay No. 1 Real Estate Investment Trust Fund	—	Financial assets measured at FVTPL - current	3,963,000	54,769	-	54,769	
TAITA (BVI)	shares Budworth Investment Ltd.	—	Financial assets measured at FVTOCI - non-current	20,219	-	2.22	-	Note 2
TAITA (BVI)	Teratech Corporation	—	Financial assets measured at FVTPL - non-current	112,000	-	0.74	-	Note 2
APC	shares Harbinger Venture Capital Corp.	—	Financial assets measured at FVTOCI - non-current	2,377	9	1.20	9	
APC	KHL IB Venture Capital Co., Ltd.	—	Financial assets measured at FVTOCI - non-current	11,951,984	102,189	11.90	102,189	
APC	USI Corporation	Ultimate parent company	Financial assets measured at FVTOCI - non-current	101,355,673	1,358,166	8.53	1,358,166	
APC	CTCI Corporation	—	Financial assets measured at FVTOCI - non-current	15,893,437	665,140	1.68	665,140	
APC	CTCI Corporation (Private Placement Shares)	—	Financial assets measured at FVTOCI - non-current	4,230,000	150,472	0.45	150,472	
APC	AU Optronics Corporation	—	Financial assets measured at FVTOCI - non-current	7,694,812	251,620	0.10	251,620	
APC	PELL Bio-Med Technology Co. Ltd.	—	Financial assets measured at FVTOCI - non-current	199,158	173,467	0.30	173,467	
APC	TTC Group Holdings Co., Ltd.	—	Financial assets measured at FVTPL - current	2,000,000	48,100	0.03	48,100	
APC	Quanta Storage Inc.	—	Financial assets measured at FVTPL - current	200,000	15,500	0.08	15,500	
APC	TECO Electric & Machinery Co., Ltd.	—	Financial assets measured at FVTPL - current	250,000	17,525	0.01	17,525	
APC	Sercomm Corporation	—	Financial assets measured at FVTPL - current	300,000	24,240	0.10	24,240	
APC	Zeon Corporation	—	Financial assets measured at FVTPL - current	39,500	18,261	0.02	18,261	
APC	Kyushu Electric Power Co., Inc.	—	Financial assets measured at FVTPL - current	20,000	6,449	-	6,449	
APC	Beneficiary securities Cathay No. 1 Real Estate Investment Trust Fund	—	Financial assets measured at FVTPL - current	4,053,000	56,013	-	56,013	
APC (BVI)	shares Budworth Investment Ltd.	—	Financial assets measured at FVTOCI - non-current	40,467	-	4.45	-	Note 2
APC (BVI)	Silicon Technology Investment (Cayman) Corp. - Preferred Shares	—	Financial assets measured at FVTOCI - non-current	1,139,776	123,880	2.21	123,880	
APC (BVI)	Neuro Sky Inc. Preferred Stock D	—	Financial assets measured at FVTOCI - non-current	2,397,364	-	0.37	-	Note 2
APC (BVI)	Solargiga Energy Holdings Ltd.	—	Financial assets measured at FVTOCI - non-current	14,863,333	4,044	0.45	4,044	
APC (BVI)	Teratech Corporation	—	Financial assets measured at FVTOCI - non-current	112,000	-	0.67	-	Note 2
APCIC	shares USI Corporation	Ultimate parent company	Financial assets measured at FVTPL - current	44,808	600	-	600	
APCIC	TTC Group Holdings Co., Ltd.	—	Financial assets measured at FVTPL - current	1,000,000	24,050	0.01	24,050	
APCIC	Quanta Storage Inc.	—	Financial assets measured at FVTPL - current	100,000	7,750	0.04	7,750	
APCIC	TECO Electric & Machinery Co., Ltd.	—	Financial assets measured at FVTPL - current	100,000	7,010	-	7,010	
APCIC	Sercomm Corporation	—	Financial assets measured at FVTPL - current	150,000	12,120	0.05	12,120	
APCIC	Zeon Corporation	—	Financial assets measured at FVTPL - current	21,600	9,985	0.01	9,985	
APCIC	Kyushu Electric Power Co., Inc.	—	Financial assets measured at FVTPL - current	10,000	3,224	-	3,224	

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Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Period				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
APCIC	Mutual funds Cathay Taiwan Money Market Fund	—	Financial assets measured at FVTPL - current	1,158,802	\$ 15,326	-	\$ 15,326	
CGTD	shares Asia Polymer Corporation	Investee that accounted for CGTD using the equity method	Financial assets measured at FVTOCI - non-current	5,290,482	73,538	0.89	73,538	
CGTD	China General Plastics Corporation	Investee that accounted for CGTD using the equity method	Financial assets measured at FVTOCI - non-current	2,940,788	38,230	0.51	38,230	
CGTD	Taita Chemical Company, Ltd.	Investee that accounted for CGTD using the equity method	Financial assets measured at FVTOCI - non-current	2,278,217	33,148	0.57	33,148	
CGTD	Mutual funds Taishin 1699 Money Market Fund	—	Financial assets measured at FVTPL - current	692,635	10,030	-	10,030	
CGTD	Yuanta U.S. Treasury 20+ Year Bond ETF Fund	—	Financial assets measured at FVTPL - current	380,000	10,427	-	10,427	

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."

None of which was placed as collateral, pledged for loan, or subjected to other encumbrances.

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

Note 3: Please refer to Tables 6 and 7 for detailed information on subsidiaries and associates.

USI CORPORATION AND SUBSIDIARIES

Total Purchases from or Sales to Related Parties Amounting to at Least Nt\$100 Million or 20% Of The Paid-In Capital

From January 1 to June 30, 2026

Table 4

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Distinctive terms of trade and reasons		Notes/Accounts Receivable (Payable)		Remark
			Purchase (Sale)	Amount	As a percentage of total purchase (sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	As a percentage of total notes or accounts receivable (payable) (%)	
USI	APC	Indirectly held subsidiary	Purchase (including processing fees)	\$ 135,031	4	60 days	No significant difference	No significant difference	(\$ 45,148)	(2)	
ACME	ACME (GZ)	Indirectly held subsidiary	Purchase (including processing fees)	227,484	44	55 days	No significant difference	No significant difference	(111,325)	(63)	
SPS	SPM	Subsidiary	Purchase	126,549	83	90 days	No significant difference	No significant difference	(53,182)	(92)	
SPK	ASK	Fellow company	Sale	(133,558)	(23)	60 days	No significant difference	No significant difference	81,674	23	
CGPC	CGPC -America	Subsidiary	Sale	(162,504)	(6)	90 days	No significant difference	No significant difference	125,835	21	
TVCM	CGPC	Parent company	Sale	(983,583)	(28)	45 days	No significant difference	No significant difference	451,031	28	
TVCM	CGPCPOL	Fellow company	Sale	(1,584,055)	(45)	45 days	No significant difference	No significant difference	816,233	50	

Note 1: Payment and collection terms and pricing of the transactions were not significantly different from those of ordinary transactions.

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

USI CORPORATION AND SUBSIDIARIES
Receivables From Related Parties Amounting to at Least Nt\$100 Million Or 20% Of The Paid-In Capital
June 30, 2026

Table 5

(In Thousands of New Taiwan Dollars)

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance (Note 3)		Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss (Note 1)
						Amount	Actions Taken		
CGPC	CGPC -America	Subsidiary	Accounts receivable - related parties	\$ 125,835	2.06	\$ -	—	\$ 37,081	Note 3
CGPC	TVCM	Subsidiary	Other receivables - related parties	300,543	-	-	—	300,543	
TVCM	CGPC	Parent company	Accounts receivable - related parties	451,031	4.97	-	—	185,574	
TVCM	CGPCPOL	Fellow company	Accounts receivable - related parties	816,233	4.41	-	—	506,086	
TTC	TTC(TJ)	Indirectly held subsidiary	Other receivables - related parties	290,733	-	290,733	Continuous Collection	-	
SPC	SPD	Subsidiary	Accounts receivable - related parties	126,829	-	-	—	17,187	
SPS	SPD	Fellow company	Accounts receivable - related parties	113,332	-	-	—	932	
ASK	SPT	Fellow company	Accounts receivable - related parties	172,527	-	-	—	-	
ACME (GZ)	ACME	Parent company	Accounts receivable - related parties	111,325	2.31	-	—	45,037	

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

Note 2: Refers to the period from July 1 to August 5, 2026.

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

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

USI CORPORATION AND SUBSIDIARIES

Information On Investees

From January 1 to June 30, 2026

Table 6

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		End of the Period			Net Income (Loss) of Investee	Investment gains (losses) recognized for the period	Remark
				Ending balance of the period (Note 2)	Ending balance of last period	Number of Shares	Percentage (%)	Carrying Amount			
USI	USII	Taiwan	Investment business	\$ 550,000	\$ 550,000	89,647,000	100.00	\$ 1,059,739	\$ 19,936	\$ 19,936	
USI	Swanlake	British Virgin Islands	Investment business	728,439	728,439	30,000,000	100.00	845,169	(7,165)	(7,165)	
USI	USI(HK)	Hong Kong	Trading and investment	63,482	63,482	159,999	100.00	53,843	(2,386)	(2,386)	
USI	UPIIC	Taiwan	Investment business	3,240,255	3,490,255	893,324,656	100.00	8,119,000	(191,564)	(197,313)	
USI	TUVC	Taiwan	Venture capital	226,800	226,800	7,000,000	70.00	23,221	(780)	(546)	
USI	CLT	Taiwan	Import and export trade	28,323	28,323	9,070,320	99.96	114,965	11,601	11,601	
USI	SPC	Taiwan	Production and sales of stretch film and industrial-use multi-layer wrap	171,210	171,210	62,616,299	40.58	922,272	31,782	12,896	
USI	ACME	Taiwan	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	470,158	470,158	61,682,967	28.96	570,418	875	253	
USI	UM	Taiwan	Providing management services	1,000	1,000	1,092,852	100.00	14,985	4	4	
USI	ECGL	British Virgin Islands	Investment business	7,645,980	7,645,980	246,670,000	59.13	605,132	(752,315)	(444,866)	
USI	USIOO	Taiwan	Manufacturing and marketing of sapphire single crystal	330,000	330,000	33,000,000	50.85	3,418	28,682	(4,213)	
USI	SG	Taiwan	Renewable energy power generation business	357,506	357,506	36,616,004	100.00	275,506	(6,870)	(7,698)	
USI	CURE	Taiwan	Energy Technology Services	10,000	10,000	1,000,000	33.33	8,823	131	44	
ECGL	EVG	British Virgin Islands	Investment business	13,286,068	13,286,068	417,145,000	67.40	1,023,341	(1,116,150)		
EVG	DEI	Hong Kong	Investment business	18,754,873	18,754,873	588,850,000	85.00	377,764	(1,338,007)		
UPIIC	TTC	Taiwan	Manufacturing and marketing of plastic products	1,749,212	1,749,212	145,807,007	36.67	2,185,206	(469,563)		
UPIIC	APC	Taiwan	Manufacturing and marketing of plastic products	1,965,437	1,965,437	192,063,336	32.35	3,982,444	(90,525)		
UPIIC	CGPC	Taiwan	Manufacturing and marketing of plastic products	1,320,045	1,320,045	140,609,929	24.20	1,992,618	12,365		
USII	ACME	Taiwan	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	222,752	222,752	19,780,230	9.29	197,310	875		
USII	STC	Taiwan	Planting agriculture, marketing, and research and development of agricultural products, and the production and sale of EVA packaging films and other high value-added plastic products	52,500	52,500	3,000,015	15.00	14,159	3,571		
USII	TUVM	Taiwan	Corporate management consulting	8,000	8,000	800,000	100.00	10,881	(1,109)		
Swanlake	ACME (Cayman)	Cayman Islands	Investment business	345,910	345,910	13,825,368	18.93	340,330	(42,790)		
ACME	ACME (Cayman)	Cayman Islands	Investment business	1,108,637	1,108,637	43,887,521	60.10	1,080,698	(42,790)		
ACME	GAEL	British Virgin Islands	Investment business	669,072	669,072	20,800,000	100.00	1,103,022	23,071		
ACME	USIOO	Taiwan	Manufacturing and marketing of sapphire single crystal	646,200	646,200	22,064,224	34.00	2,285	28,682		
ACME (Cayman)	ACME (MA)	Malaysia	Investment business	760,928	760,928	96,808,000	100.00	1,099,062	(43,769)		
ACME (MA)	ACME Ferrite	Malaysia	Manufacturing and sales of manganese-zinc soft ferrite core	286,799	286,799	9,120,000	100.00	779,385	(20,588)		
ACME (MA)	ACME Advanced	Malaysia	Manufacturing and sale of silicon carbide	409,514	409,514	54,208,000	100.00	310,622	(22,813)		
SPC	SPS	Singapore	Manufacturing and marketing of plastic products	808,506	808,506	36,862,980	100.00	1,680,211	26,162		
SPC	FY	British Virgin Islands	Trading and agency businesses	1,297	1,297	50,000	100.00	534	(104)		
SPC	SIL	Cayman Islands	Investment business	499,996	499,996	16,041,205	100.00	1,419,131	71,718		
SPC	STC	Taiwan	Planting agriculture, marketing, and research and development of agricultural products, and the production and sale of EVA packaging films and other high value-added plastic products	385,000	385,000	14,000,070	70.00	66,075	3,571		
SPC	SPD	Indonesia	Manufacturing and marketing of plastic products	7,979	7,979	261,010	1.00	7,473	12,264		
SPC	SPI	India	Manufacturing and marketing of plastic products	-	-	1	0.00	-	(2,868)		

(Continued)

(Continued)

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		End of the Period			Net Income (Loss) of Investee	Investment gains (losses) recognized for the period	Remark
				Ending balance of the period (Note 2)	Ending balance of last period	Number of Shares	Percentage (%)	Carrying Amount			
SPS	SPM	Malaysia	Manufacturing and marketing of plastic products	\$ 210,000	\$ 210,000	20,000,000	100.00	\$ 529,519	\$ 25,396		
SPS	SPI	India	Manufacturing and marketing of plastic products	557,678	557,678	115,651,389	100.00	277,463	(2,868)		
SPS	SPD	Indonesia	Manufacturing and marketing of plastic products	823,005	823,005	25,840,033	99.00	739,829	12,264		
SIL	ASH	U.K.	Investment business	225,947	225,947	3,156,993	100.00	509,760	9,402		
CGPC	TVCM	Taiwan	Manufacturing and sales of VCM	2,934,978	2,934,978	259,707,456	87.31	3,426,579	(114,660)		
CGPC	CGPCPOL	Taiwan	Manufacturing and marketing of PVC resins	1,300,000	1,300,000	72,508,657	100.00	641,248	(1,957)		
CGPC	CGPC (BVI)	British Virgin Islands	Investment business	1,059,344	1,059,344	14,808,258	100.00	405,002	7,065		
CGPC	CGTD	Taiwan	Warehousing and transportation of petrochemical raw materials	41,106	41,106	25,053,469	33.33	283,425	(28,902)		
CGPC	CGPC -America	USA	PVC two- or three-time processed products	648,931	648,931	100	100.00	126,255	(19,302)		
CGPC	ACME	Taiwan	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	41,805	41,805	3,566,526	1.67	33,869	875		
TVCM	GGT	Taiwan	Environmental detection services	50,000	50,000	5,381,447	100.00	55,042	704		
TTC	TAITA (BVI)	British Virgin Islands	Investment business	2,858,155	2,858,155	89,738,000	100.00	2,885,068	(477,725)		
TTC	CGPC	Taiwan	Production and marketing of PVC tape and other plastic products	65,365	65,365	11,516,174	1.98	152,578	12,365		
TTC	CGTD	Taiwan	Warehousing of petrochemical raw materials	41,082	41,082	25,053,468	33.33	283,425	(28,092)		
TTC	ACME	Taiwan	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	55,702	55,702	4,991,556	2.34	47,401	875		
TAITA (BVI)	ACME (Cayman)	Cayman Islands	Investment business	71,029	71,029	3,225,693	4.42	79,405	(42,790)		
APC	APC (BVI)	British Virgin Islands	Investment business	438,734	438,734	11,342,594	100.00	722,462	(3,119)		
APC	APCIC	Taiwan	Investment business	200,000	200,000	20,000,000	100.00	146,107	6,871		
APC	USIIC	British Virgin Islands	Investment business	66,885	66,885	2,100,000	70.00	68,167	1,532		
APC	CGPC	Taiwan	Manufacturing and marketing of plastic products	247,412	247,412	46,886,185	8.07	621,196	12,365		
APC	CGTD	Taiwan	Petrochemical materials storage and transportation operations	41,082	41,082	25,053,469	33.33	283,425	(28,902)		
APC	SPC	Taiwan	Production and sales of stretch film and industrial-use multi-layer wrap	75,242	75,242	12,266,779	7.95	181,652	31,782		
APC	ACME	Taiwan	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	76,241	76,241	6,801,315	3.20	64,587	875		
APC	TUVC	Taiwan	Venture capital	30,309	30,309	832,666	8.33	2,762	(780)		
APC	USIOO	Taiwan	Manufacturing and marketing of sapphire single crystal	59,725	59,725	5,972,464	9.20	619	28,682		
APC	ECGL	British Virgin Islands	Investment business	5,429,629	5,429,629	170,475,000	40.87	418,210	(752,315)		
APC (BVI)	ACME (Cayman)	Cayman Islands	Investment business	219,128	219,128	9,951,820	13.63	244,977	(42,790)		
APC (BVI)	USIIC	British Virgin Islands	Investment business	28,665	28,665	900,000	30.00	29,214	1,532		
APCIC	ACME	Taiwan	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	39,523	39,523	3,116,262	1.46	29,593	875		
APCIC	STC	Taiwan	Planting agriculture, marketing, and research and development of agricultural products, and the production and sale of EVA packaging films and other high value-added plastic products	52,500	52,500	3,000,015	15.00	14,159	3,571		

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

Note 2: Original investment amount and year-end holding amounts were calculated using the spot exchange rate as of June 30, 2026.

Note 3: The investee's profit or loss for the year and the investment gain or loss recognized for the year were calculated based on the average exchange rate from January 1 to June 30, 2026.

Note 4: Except for CURE, the carrying amount of other investee companies and the recognized investment gain (loss) for the year have been fully written off when preparing the consolidated financial statements.

USI CORPORATION AND SUBSIDIARIES
Information On Investments In Mainland China
From January 1 to June 30, 2026

Table 7

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 3)	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of the Beginning of Period (Note 3)	Investment Flows for the Period		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period (Note 3)	Net Income (Loss) of Investee (Note 2)	USI's direct or indirect investment ownership percentage (%)	Investment gains (losses) recognized for the period (Note 2)	Carrying Amount as of the End of Period (Note 3)	Accumulated Repatriation of Investment Income as of the End of Period
					Outflow	Inflow						
ACME (KS)	Manufacturing and sales of manganese-zinc soft ferrite core	\$ 978,591	(1)	\$ 89,738	\$ -	\$ -	\$ 89,738	\$ 1,404	18.93	\$ 266	\$ 129,345	\$ -
GUL	Import and distribution of various types of chemical raw materials and products	46,763	(1)	33,015	-	-	33,015	(2,858)	70.00	(2,001)	32,734	-
XUL	Import and distribution of various types of chemical raw materials and products	46,763	(1)	31,030	-	-	31,030	(3,930)	70.00	(2,751)	84,969	-
DEIP	Property management	98,202	(2)	31,128	-	-	31,128	861	33.88	292	34,068	-
Gulei	Crude oil processing and petroleum products manufacturing	43,556,929	(2)	7,276,124	-	-	7,276,124	(4,966,132)	16.94	(453,437)	-	-
ACME (KS)	Manufacturing and sales of manganese-zinc soft ferrite core	978,591	(3)	374,188	-	-	374,188	1,404	60.10	844	410,595	-
ACME (GZ)	Manufacturing and sales of manganese-zinc soft ferrite core	611,520	(4)	619,676	-	-	619,676	23,323	100.00	23,323	1,099,405	-
SPK	Production, sales and development of multi-functional film, optical film, etc.	423,287	(5)	223,930	-	-	223,930	47,651	100.00	47,651	909,348	221,875
ASK	Production and sales of PE release film and other release products	289,835	(5)	193,447	-	-	193,447	24,068	100.00	24,068	509,444	278,333
SPT	Production, sales and development of multi-functional film, optical film, etc.	340,795	(6)	170,754	-	-	170,754	(10,319)	100.00	(10,319)	(26,017)	-
STK	Marketing of plastic products, daily necessities, electrical appliances and their components and import and export of other high value added plastic products	14,029	(7)	13,464	-	-	13,464	(326)	100.00	(326)	13,319	-
CGPC(ZS)	Manufacturing and sales of PVC film and third-time processed products	637,000	(8)	637,000	-	-	637,000	5,425	100.00	5,425	308,912	-
TTC(ZS)	Production and sales of polystyrene derivatives	1,473,063	(9)	1,369,550	-	-	1,369,550	(482,994)	100.00	(482,994)	1,505,201	-
TTC(TJ)	Production and sales of polystyrene derivatives	871,098	(9)	828,100	-	-	828,100	5,189	100.00	5,189	(212,129)	-
TTC(ZZ)	Production and sales of polystyrene derivatives	1,547,259	(9)	-	-	-	-	2,087	100.00	2,087	1,493,217	-
ACME (KS)	Manufacturing and sales of manganese-zinc soft ferrite core	978,591	(9)	43,125	-	-	43,125	1,404	4.42	62	30,178	-
ACME (KS)	Manufacturing and sales of manganese-zinc soft ferrite core	978,591	(10)	133,049	-	-	133,049	1,404	13.63	191	93,105	-
USITA	Sales of chemical products and equipment, etc.	79,625	(10)	96,684	-	-	96,684	4,153	100.00	4,153	201,350	-
Gulei	Crude oil processing and petroleum products manufacturing	43,556,929	(11)	5,028,569	-	-	5,028,569	(4,966,132)	11.71	(305,109)	-	-
GUL	Sales of chemical products	46,763	(10)	14,029	-	-	14,029	(2,858)	30.00	(857)	14,029	-
XUL	Sales of chemical products	46,763	(10)	14,029	-	-	14,029	(3,930)	30.00	(1,179)	36,415	-
DEIP	Property management	98,202	(11)	22,993	-	-	22,993	(861)	23.41	202	23,544	-

Company Name	Accumulated Outward 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	Remark
USI	\$ 7,650,782	\$ 10,015,178	\$ -	Note 4
ACME	966,456	1,166,761	-	Note 4
SPC	588,131	1,044,226	1,338,337	Note 5
STC	13,464	14,029	80,000	Note 5
CGPC	814,787	952,315	-	Note 4
TTC	2,240,775	4,007,281	-	Note 4
APC	5,460,784	7,294,002	-	Note 4

Note 1: Method of Investment:

- (1) USI invests indirectly through Swanlake.
- (2) USI invests indirectly through ECGL.
- (3) ACME invests indirectly through ACME (Cayman).
- (4) ACME invests indirectly through GAEL.
- (5) SPC invests indirectly through SIL.
- (6) SPC invests indirectly through SPS.
- (7) STC invests directly.
- (8) CGPC invests indirectly through CGPC (BVI).
- (9) TTC invests indirectly through TAITA (BVI).
- (10) APC invests indirectly through APC (BVI).
- (11) APC invests indirectly through ECGL.

Note 2: The amount is calculated based on the average exchange rate from January 1 to June 30, 2026.

Note 3: The amount was converted using spot exchange rate as of June 30, 2026.

Note 4: As a company that has obtained the certificate issued by the Industrial Development Bureau, MOEA, certifying that it meets the business scope requirements for an operational headquarters, no investment limit is applicable.

Note 5: The calculation of the Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA is explained as follows:

- (1) SPC: According to the Ministry of Economic Affairs Document No. 09704604680, it is calculated as 60% of the equity of SPC as of December 31, 2025.
- (2) STC: Based on Article 3 of the "Principle of Examination on Investment and Technical Cooperation in Mainland China" issued by the Investment Commission on August 29, 2008, the limit is set at 60% of the net value or consolidated net value of the investment company, STC, or NT\$80,000 thousand, whichever is higher.

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

USI CORPORATION AND SUBSIDIARIES
Intercompany Relationships And Significant Intercompany Transactions
From January 1 to June 30, 2026

Table 8

(In Thousands of New Taiwan Dollars)

No. (Note 1)	Trading Company	Counterparty	Relationship with the transaction counterparty (Note 2)	Transactions Details			
				Financial Statement Account	Amount (Note 4)	Transaction Terms	As a percentage of total revenues or total assets (%) (Note 3)
0	USI	APC	1	Purchase	\$ 135,031	No significant difference	0.62
0	USI	TVCM	1	Other payables	60,473	No significant difference	0.09
0	USI	UM	1	Management service expenses	69,244	No significant difference	0.32
1	CGPC	TVCM	3	Accounts payable	451,031	No significant difference	0.70
1	CGPC	TVCM	3	Purchase	983,583	No significant difference	4.52
1	CGPC	CGPC-America	3	Accounts receivables	125,835	No significant difference	0.19
1	CGPC	CGPC-America	3	Sales revenue	162,504	No significant difference	0.75
2	TTC	TTC(TJ)	3	Other receivables	290,733	No significant difference	0.45
3	UM	USI	2	Income from management services	74,009	No significant difference	0.34
4	CGPCPOL	TVCM	3	Accounts payable	816,233	No significant difference	1.26
4	CGPCPOL	TVCM	3	Purchase	1,584,055	No significant difference	7.28
5	ACME	ACME (KS)	3	Sales revenue	61,863	No significant difference	0.28
5	ACME	ACME (GZ)	3	Sales revenue	69,432	No significant difference	0.32
5	ACME	ACME (KS)	3	Purchase	66,888	No significant difference	0.31
5	ACME	ACME (GZ)	3	Notes/Accounts Payable	111,325	No significant difference	0.17
5	ACME	ACME (GZ)	3	Processing fees (classified as cost of goods sold)	225,348	No significant difference	1.04
6	ACME (KS)	ACME (GZ)	3	Other payables	51,728	No significant difference	0.08
7	SPC	SPD	3	Accounts receivables	126,829	No significant difference	0.20
7	SPC	SPD	3	Purchase	51,493	No significant difference	0.24
8	SPS	SPD	3	Other receivables	113,332	No significant difference	0.18
8	SPS	SPM	3	Accounts payable	53,182	No significant difference	0.08
8	SPS	SPM	3	Purchase	126,549	No significant difference	0.58
9	SPM	USI	2	Purchase	51,844	No significant difference	0.24
10	SPK	ASK	3	Accounts receivables	81,674	No significant difference	0.13
10	SPK	ASK	3	Sales revenue	133,558	No significant difference	0.61
10	SPK	USI	2	Purchase	63,446	No significant difference	0.29
11	ASK	SPT	3	Other receivables	172,527	No significant difference	0.27

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: 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.

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