

USI CORPORATION AND  
SUBSIDIARIES

Consolidated Financial Statements and  
Independent Auditors' Review Report  
For the Nine Months Ended September 30, 2022 and 2021

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

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## **Independent Auditors' Review Report**

TO USI Corporation

### **Introduction**

Consolidated balance sheets of USI Corporation and its subsidiaries as of September 30, 2022 and 2021, and the consolidated statement of comprehensive income for the three months ended September 30, 2022 and 2021 and for the nine months ended September 30, 2022 and 2021, the consolidated statement of changes in equity and consolidated statement of cash flows for the nine months ended September 30, 2022 and 2021, and the notes to the consolidated financial report, including a summary of significant accounting policies, have been reviewed by the CPAs. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### **Scope of Review**

Except as explained in the following paragraph, we conducted our reviews in accordance with the Statement of Auditing Standards No. 65 “Review of Financial Information Performed by the Independent Auditor of the Entity”. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Basis for Qualified Conclusion**

As mentioned in notes 12 and 13 to the consolidated financial statements, the financial statements of some non-essential subsidiaries and investments using the equity method for the

same period included in the above consolidated financial statements have not been reviewed by us. The total assets and the balance of investment by equity method as at September 30, 2022 and 2021 were NT\$26,911,024 thousand and NT\$29,638,598 thousand, respectively, accounting for 33.54% and 35.70% of the total consolidated assets, respectively. The total liabilities were NT\$4,499,907 thousand and NT\$3,176,586 thousand, accounting for 15.60% and 10.45% of the total consolidated liabilities, respectively; The total comprehensive income and the share of the income from joint venture recognized at the equity method from July 1 to September 30, 2022 and 2021 and those from January 1 to September 30, 2022 and 2021 were NT\$1,702,474 thousand (loss), NT\$87,134 thousand (profit), NT\$4,375,437 thousand (loss) and NT\$321,822 thousand (profit), respectively, accounting for 564.96%, 5.15%, (390.87)% and 4.67% of the total comprehensive income, respectively. In addition, the information related to the aforesaid subsidiary and investment in other notes and schedules to the consolidated financial statements has not been reviewed by us.

#### **Qualified Conclusion**

According to the results of the auditor's review, except that the financial statements of some of the non-significant subsidiaries and investments adopting the equity method mentioned in the basic paragraph of the reserved conclusions may affect the adjustment of the consolidated financial statements if they are reviewed by the auditor, we were not aware that the above consolidated financial statements have not been prepared in all material respects in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IAS 34-Interim Financial Reporting as endorsed and promulgated by the Financial Supervisory Commission, making it impossible to properly express the consolidated financial position of the Group as of September 30, 2022 and 2021, and the consolidated financial performance from July 1 to September 30, 2022 and 2021 and the consolidated financial performance and consolidated cash flow for the period from January 1 to September 30, 2022 and 2021.

Deloitte & Touche

CPA Pi Yu, Chuang

CPA Cheng Hung, Kuo

Financial Supervisory Commission

Approval No.

Financial-Supervisory-Securities-  
Auditing-1070323246

Securities and Futures Commission Approval

No.

Taiwan-Finance-Securities-(6)-0920123784

November 3, 2022

*Notice to Readers*

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

USI Corporation and Subsidiaries

Consolidated Balance Sheets

September 30, 2022, and December 31, 2021 and September 30, 2021

Unit: In Thousands of New Taiwan Dollars

Code	Assets	September 30, 2022 (Reviewed)		December 31, 2021 (Audited)		September 30, 2021 (Reviewed)	
		Amount	%	Amount	%	Amount	%
<b>CURRENT ASSETS</b>							
1100	Cash and cash equivalents (Notes 6 & 31)	\$ 11,998,427	15	\$ 10,365,353	12	\$ 9,997,770	12
1110	Financial assets at fair value through profit or loss (FVTPL) - current (Notes 7 and 36)	2,570,270	3	5,742,266	7	6,048,967	7
1120	Financial assets at fair value through other comprehensive income (FVTOCI) - current (Notes 8)	94,747	-	145,921	-	112,901	-
1136	Financial assets at amortized cost - current (Notes 9 and 36)	380,888	-	349,137	1	348,338	-
1150	Notes receivable, net (Note 10)	513,470	1	875,745	1	559,092	1
1170	Accounts receivable, net (Note 10)	6,841,505	9	8,515,477	10	8,861,407	11
1200	Other receivables (Notes 10 and 35)	401,174	-	511,725	1	410,149	1
1220	Current tax assets (Notes 4 and 28)	37,404	-	8,931	-	17,742	-
130X	Inventories (Note 11)	8,003,721	10	7,599,843	9	6,145,952	7
1410	Prepayments (Note 31)	1,295,906	2	1,009,420	1	1,193,841	2
1470	Other current assets (Note 14)	234,167	-	243,222	-	31,161	-
11XX	Total current assets	<u>32,371,679</u>	<u>40</u>	<u>35,367,040</u>	<u>42</u>	<u>33,727,320</u>	<u>41</u>
<b>NON-CURRENT ASSETS</b>							
1517	Financial assets at fair value through other comprehensive income (FVTOCI) - non-current (Note 8)	2,251,059	3	2,286,817	3	2,219,917	3
1535	Financial assets at amortized cost - non-current (Notes 9, 36 and 37)	359,285	1	382,501	-	391,862	-
1550	Investments accounted for using the equity method (Note 13)	15,481,017	19	19,335,554	23	19,787,280	24
1600	Property, plant and equipment (Notes 14, 31 and 36)	25,310,012	32	24,471,011	29	23,994,599	29
1755	Right-of-use assets (Notes 15 and 36)	1,671,095	2	727,341	1	680,613	1
1760	Investment properties, net (Note 16)	637,426	1	711,345	1	717,319	1
1805	Goodwill (Notes 17 and 31)	270,211	-	270,211	-	270,211	-
1821	Other intangible assets, net (Notes 17 and 31)	40,976	-	43,983	-	45,535	-
1840	Deferred tax assets (Notes 4 and 28)	1,140,034	1	651,568	1	630,314	1
1990	Other non-current assets (Note 36)	703,820	1	577,842	-	553,172	-
15XX	Total non-current assets	<u>47,864,935</u>	<u>60</u>	<u>49,458,173</u>	<u>58</u>	<u>49,290,822</u>	<u>59</u>
1XXX	Total Assets	<u>\$ 80,236,614</u>	<u>100</u>	<u>\$ 84,825,213</u>	<u>100</u>	<u>\$ 83,018,142</u>	<u>100</u>
<b>Liabilities and Equity</b>							
<b>CURRENT LIABILITIES</b>							
2100	Short-term borrowings (Notes 18 and 36)	\$ 2,559,190	3	\$ 2,498,041	3	\$ 2,483,306	3
2110	Short-term notes payable (Note 18)	405,776	1	279,635	-	625,720	1
2120	Financial liabilities at fair value through profit or loss at FVTPL-current (Note 7)	19,060	-	3,380	-	11,522	-
2170	Trade payables (Note 20)	3,172,473	4	3,528,998	4	4,128,166	5
2219	Other payables (Notes 21 and 31)	2,352,180	3	2,894,818	3	4,294,344	5
2230	Current tax liabilities (Notes 4 and 28)	1,320,165	2	2,618,632	3	1,857,089	2
2280	Lease liability - current (Note 15)	104,566	-	73,065	-	72,081	-
2320	Current portion of long-term borrowings (Notes 18, 19 and 36)	1,999,934	2	3,059,116	4	2,999,830	4
2365	Refund liabilities - current (Note 21)	25,209	-	28,630	-	35,658	-
2399	Other current liabilities (Note 26)	595,870	1	565,262	1	414,165	1
21XX	Total current liabilities	<u>12,554,423</u>	<u>16</u>	<u>15,549,577</u>	<u>18</u>	<u>16,921,881</u>	<u>21</u>
<b>NON-CURRENT LIABILITIES</b>							
2530	Bonds payable (Note 19)	5,991,613	7	5,989,773	7	5,992,578	7
2540	Long-term borrowings (Notes 18 and 36)	6,270,623	8	4,453,323	5	4,219,964	5
2550	Provisions - non-current (Notes 22 and 37)	136,375	-	136,375	-	136,375	-
2570	Deferred tax liabilities (Notes 4 and 28)	1,460,879	2	1,417,922	2	1,514,737	2
2580	Lease liabilities - non-current (Note 15)	1,282,511	2	387,502	1	367,134	1
2640	Net defined benefit liabilities - non-current (Notes 4 and 23)	1,026,296	1	1,151,009	1	1,186,681	1
2670	Other non-current liabilities (Note 24)	129,682	-	94,771	-	66,156	-
25XX	Total non-current liabilities	<u>16,297,979</u>	<u>20</u>	<u>13,630,675</u>	<u>16</u>	<u>13,483,625</u>	<u>16</u>
2XXX	Total Liabilities	<u>28,852,402</u>	<u>36</u>	<u>29,180,252</u>	<u>34</u>	<u>30,405,506</u>	<u>37</u>
<b>Equity attributable to owners of the Company (Notes 8, 12, 25 and 28)</b>							
3100	Share capital	11,887,635	15	11,887,635	14	11,887,635	14
3200	Capital surplus	446,542	1	366,185	-	363,807	1
<b>Retained earnings</b>							
3310	Legal reserve	3,872,190	5	3,343,086	4	3,343,086	4
3320	Special reserve	375,127	-	375,127	-	375,127	1
3350	Unappropriated earnings	7,799,222	10	9,881,214	12	8,291,110	10
3300	Total retained earnings	<u>12,046,539</u>	<u>15</u>	<u>13,599,427</u>	<u>16</u>	<u>12,009,323</u>	<u>15</u>
3490	Other equity	282,238	-	84,358	-	197,924	-
3500	Treasury shares	(475,606)	(1)	(475,606)	-	(475,606)	(1)
31XX	Total equity attributable to owners of the Company	<u>24,187,348</u>	<u>30</u>	<u>25,461,999</u>	<u>30</u>	<u>23,983,083</u>	<u>29</u>
36XX	Non-controlling Interests	<u>27,196,864</u>	<u>34</u>	<u>30,182,962</u>	<u>36</u>	<u>28,629,553</u>	<u>34</u>
3XXX	Total equity	<u>51,384,212</u>	<u>64</u>	<u>55,644,961</u>	<u>66</u>	<u>52,612,636</u>	<u>63</u>
Total liabilities and equity		<u>\$ 80,236,614</u>	<u>100</u>	<u>\$ 84,825,213</u>	<u>100</u>	<u>\$ 83,018,142</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.  
(Please refer to Deloitte & Touche auditors' review report dated November 3, 2022)

USI Corporation and Subsidiaries  
Consolidated Statements of Comprehensive Income  
For the Three Months Ended September 30, 2022 and 2021 And For the Nine Months Ended September 30, 2022 and 2021  
(Reviewed, Not Audited)

Unit: NT\$ thousand, except Earnings Per Share

Code		For the Three Months Ended September 30, 2022		For the Three months ended September 30, 2021		For the Nine Months Ended September 30, 2022		For the Nine Months Ended September 30, 2021	
		Amount	%	Amount	%	Amount	%	Amount	%
4100	OPERATING REVENUE (Note 26)	\$ 16,338,525	100	\$ 18,463,761	100	\$ 51,288,048	100	\$ 52,404,697	100
5110	COST OF GOODS SOLD (Notes 11, 14, 15, 17, 23, 27 and 35)	<u>14,376,028</u>	<u>88</u>	<u>14,689,087</u>	<u>79</u>	<u>43,166,321</u>	<u>84</u>	<u>39,882,593</u>	<u>76</u>
5900	GROSS PROFIT	<u>1,962,497</u>	<u>12</u>	<u>3,774,674</u>	<u>21</u>	<u>8,121,727</u>	<u>16</u>	<u>12,522,104</u>	<u>24</u>
	OPERATING EXPENSES (Notes 10, 14, 15, 17, 23, 24, 27 and 35)								
6100	Selling and marketing expenses	833,879	5	807,050	4	2,754,457	5	2,326,981	4
6200	Administrative expenses	353,294	2	320,921	2	1,037,942	2	969,218	2
6300	Research and development expenses	111,999	1	102,165	1	314,633	1	318,604	1
6450	Expected credit loss (profit) reversed on accounts receivable	<u>108</u>	<u>-</u>	<u>( 192 )</u>	<u>-</u>	<u>213</u>	<u>-</u>	<u>1,256</u>	<u>-</u>
6000	Total operating expenses	<u>1,299,280</u>	<u>8</u>	<u>1,229,944</u>	<u>7</u>	<u>4,107,245</u>	<u>8</u>	<u>3,616,059</u>	<u>7</u>
6900	PROFIT FROM OPERATIONS	<u>663,217</u>	<u>4</u>	<u>2,544,730</u>	<u>14</u>	<u>4,014,482</u>	<u>8</u>	<u>8,906,045</u>	<u>17</u>
	NON-OPERATING INCOME AND EXPENSES								
7100	Interest income (Note 27)	37,652	-	18,627	-	90,566	-	58,659	-
7010	Other income (Notes 24, 27 and 35)	186,784	1	284,391	1	883,371	2	511,721	1
7020	Other gains and losses (Notes 16, 27 and 39)	208,035	1	( 99,801 )	( 1 )	337,361	-	60,534	-
7050	Finance costs (Notes 18, 19 and 27)	( 82,690 )	-	( 42,163 )	-	( 155,889 )	-	( 126,254 )	-
7060	Share of loss of associates and joint ventures accounted for using the equity method (Note 13)	<u>( 1,735,738 )</u>	<u>( 11 )</u>	<u>( 36,153 )</u>	<u>-</u>	<u>( 4,495,177 )</u>	<u>( 9 )</u>	<u>( 56,958 )</u>	<u>-</u>
7000	Total non-operating income and expenses	<u>( 1,385,957 )</u>	<u>( 9 )</u>	<u>124,901</u>	<u>-</u>	<u>( 3,339,768 )</u>	<u>( 7 )</u>	<u>447,702</u>	<u>1</u>
7900	Net (loss) profit before income tax	( 722,740 )	( 5 )	2,669,631	14	674,714	1	9,353,747	18
7950	Income tax expense (Notes 4 and 28)	<u>22,077</u>	<u>-</u>	<u>574,209</u>	<u>3</u>	<u>672,434</u>	<u>1</u>	<u>1,983,680</u>	<u>4</u>
8200	(Loss) profit for the period	<u>( 744,817 )</u>	<u>( 5 )</u>	<u>2,095,422</u>	<u>11</u>	<u>2,280</u>	<u>-</u>	<u>7,370,067</u>	<u>14</u>
	OTHER COMPREHENSIVE INCOME (LOSS)								
	Items that will not be reclassified subsequently to profit or loss:								
8316	Unrealized gain (loss) on equity instruments at FVTOCI (Note 25)	( 35,345 )	-	( 334,507 )	( 2 )	( 75,637 )	-	30,958	-
8349	Income tax relating to items that will not be reclassified (Notes 4, 25 and 28)	<u>2,090</u>	<u>-</u>	<u>( 1,085 )</u>	<u>-</u>	<u>384</u>	<u>-</u>	<u>( 3,407 )</u>	<u>-</u>
8310		<u>( 33,255 )</u>	<u>-</u>	<u>( 335,592 )</u>	<u>( 2 )</u>	<u>( 75,253 )</u>	<u>-</u>	<u>27,551</u>	<u>-</u>
	Items that may be reclassified subsequently to profit or loss:								
8361	Exchange differences on translating the financial statements of foreign operations (Note 25)	541,070	3	( 82,315 )	-	1,357,437	2	( 581,818 )	( 1 )
8399	Income tax relating to items that may be reclassified subsequently to profit or loss (Notes 4, 25 and 28)	<u>( 64,344 )</u>	<u>-</u>	<u>14,776</u>	<u>-</u>	<u>( 165,062 )</u>	<u>-</u>	<u>71,858</u>	<u>-</u>
8360		<u>476,726</u>	<u>3</u>	<u>( 67,539 )</u>	<u>-</u>	<u>1,192,375</u>	<u>2</u>	<u>( 509,960 )</u>	<u>( 1 )</u>
8300	Other comprehensive income for the period (net of income tax)	<u>443,471</u>	<u>3</u>	<u>( 403,131 )</u>	<u>( 2 )</u>	<u>1,117,122</u>	<u>2</u>	<u>( 482,409 )</u>	<u>( 1 )</u>
8500	Total comprehensive income for the period	<u>( \$ 301,346 )</u>	<u>( 2 )</u>	<u>\$ 1,692,291</u>	<u>9</u>	<u>\$ 1,119,402</u>	<u>2</u>	<u>\$ 6,887,658</u>	<u>13</u>
	Net (loss) profit attributable to								
8610	Owners of the Company	\$ 174,252	1	\$ 1,046,015	5	\$ 1,063,023	2	\$ 3,600,486	7
8620	Non-controlling Interests	<u>( 919,069 )</u>	<u>( 6 )</u>	<u>1,049,407</u>	<u>6</u>	<u>( 1,060,743 )</u>	<u>( 2 )</u>	<u>3,769,581</u>	<u>7</u>
8600		<u>( \$ 744,817 )</u>	<u>( 5 )</u>	<u>\$ 2,095,422</u>	<u>11</u>	<u>\$ 2,280</u>	<u>-</u>	<u>\$ 7,370,067</u>	<u>14</u>
	Total comprehensive income attributable to								
8710	Owners of the Company	\$ 384,524	2	\$ 1,157,288	6	\$ 1,261,934	2	\$ 4,139,059	8
8720	Non-controlling Interests	<u>( 685,870 )</u>	<u>( 4 )</u>	<u>535,003</u>	<u>3</u>	<u>( 142,532 )</u>	<u>-</u>	<u>2,748,599</u>	<u>5</u>
8700		<u>( \$ 301,346 )</u>	<u>( 2 )</u>	<u>\$ 1,692,291</u>	<u>9</u>	<u>\$ 1,119,402</u>	<u>2</u>	<u>\$ 6,887,658</u>	<u>13</u>
	Earnings per share (Note 29)								
9710	Basic earnings per share	<u>\$ 0.16</u>		<u>\$ 0.98</u>		<u>\$ 0.99</u>		<u>\$ 3.36</u>	
9810	Diluted earnings per share	<u>\$ 0.16</u>		<u>\$ 0.97</u>		<u>\$ 0.99</u>		<u>\$ 3.35</u>	

The accompanying notes are an integral part of the consolidated financial statements.  
(Please refer to Deloitte & Touche auditors' review report dated November 3, 2022)

USI Corporation and Subsidiaries  
Consolidated Statements of Changes in Equity  
For the Nine Months Ended September 30, 2022 and 2021  
(Reviewed, Not Audited)

Unit: NTS thousand

		Equity attributable to owners of the Company							Other Equity					
Code		Capital surplus				Retained earnings			Exchange differences on translating the financial statements of foreign operations (Notes 25 and 28)	Unrealized gain (loss) on financial assets at FVTOCI (Notes 8, 25 and 28)	Treasury shares (Note 25)	Total	Non-controlling Interests (Notes 8, 12 and 25)	Total equity
		Ordinary shares (Note 25)	Treasury Share Transactions (Note 25)	Shares of Changes in Capital Surplus of Associates (Notes 12 and 25)	Others (Note 25)	Legal Reserve (Note 25)	Special Reserve (Note 25)	Unappropriated Earnings (Notes 8, 12 and 25)						
A1	Balance as of January 1, 2021	\$ 11,887,635	\$ 264,647	\$ 37,211	\$ 19,940	\$ 3,109,625	\$ 781,059	\$ 5,606,462	( \$ 583,855 )	\$ 343,660	( \$ 475,606 )	\$ 20,990,778	\$ 27,732,865	\$ 48,723,643
	Distribution of surplus in 2020													
B1	Provision for legal reserve	-	-	-	-	233,461	-	( 233,461 )	-	-	-	-	-	-
B3	Provision of special reserve	-	-	-	-	-	( 405,932 )	-	-	-	-	-	-	-
B5	Cash dividends distributed to the Company	-	-	-	-	-	-	( 1,188,763 )	-	-	-	( 1,188,763 )	-	( 1,188,763 )
O1	Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	( 1,714,633 )	( 1,714,633 )
D1	Net profit for the nine months ended September 30, 2021	-	-	-	-	-	-	3,600,486	-	-	-	3,600,486	3,769,581	7,370,067
D3	Other comprehensive income (loss) for the nine months ended September 30, 2021, net of income tax	-	-	-	-	-	-	-	( 209,508 )	748,081	-	538,573	( 1,020,982 )	( 482,409 )
D5	Total comprehensive income (loss) for the nine months ended September 30, 2021	-	-	-	-	-	-	3,600,486	( 209,508 )	748,081	-	4,139,059	2,748,599	6,887,658
C7	Changes in equity of subsidiaries recognized by equity method	-	-	3,680	-	-	-	-	-	-	-	3,680	239	3,919
M1	Dividends distributed to subsidiaries to adjust capital reserve	-	38,329	-	-	-	-	-	-	-	-	38,329	-	38,329
Q1	Disposal of equity instrument investments measured at fair value through other comprehensive income	-	-	-	-	-	-	100,454	-	( 100,454 )	-	-	-	-
O1	Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	( 137,517 )	( 137,517 )
Z1	Balance as of September 30, 2021	<u>\$ 11,887,635</u>	<u>\$ 302,976</u>	<u>\$ 40,891</u>	<u>\$ 19,940</u>	<u>\$ 3,343,086</u>	<u>\$ 375,127</u>	<u>\$ 8,291,110</u>	<u>( \$ 793,363 )</u>	<u>\$ 991,287</u>	<u>( \$ 475,606 )</u>	<u>\$ 23,983,083</u>	<u>\$ 28,629,553</u>	<u>\$ 52,612,636</u>
A1	Balance as of January 1, 2022	\$ 11,887,635	\$ 302,976	\$ 41,902	\$ 21,307	\$ 3,343,086	\$ 375,127	\$ 9,881,214	( \$ 710,973 )	\$ 795,331	( \$ 475,606 )	\$ 25,461,999	\$ 30,182,962	\$ 55,644,961
	Distribution of earnings in 2021													
B1	Provision for legal reserve	-	-	-	-	529,104	-	( 529,104 )	-	-	-	-	-	-
B3	Provision of special reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
B5	Cash dividends distributed to the Company	-	-	-	-	-	-	( 2,615,280 )	-	-	-	( 2,615,280 )	-	( 2,615,280 )
O1	Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	( 2,804,905 )	( 2,804,905 )
D1	Net profit for the nine months ended September 30, 2022	-	-	-	-	-	-	1,063,023	-	-	-	1,063,023	( 1,060,743 )	2,280
D3	Other comprehensive income (loss) for the nine months ended September 30, 2022, net of income tax	-	-	-	-	-	-	-	541,446	( 342,535 )	-	198,911	918,211	1,117,122
D5	Total comprehensive income (loss) for the nine months ended September 30, 2022	-	-	-	-	-	-	1,063,023	541,446	( 342,535 )	-	1,261,934	( 142,532 )	1,119,402
C17	Changes in capital surplus	-	-	-	20	-	-	-	-	-	-	20	-	20
C7	Changes in equity of subsidiaries recognized by equity method	-	-	( 3,988 )	-	-	-	( 1,662 )	-	-	-	( 5,650 )	98	( 5,552 )
M1	Dividends distributed to subsidiaries to adjust capital reserve	-	84,325	-	-	-	-	-	-	-	-	84,325	-	84,325
Q1	Disposal of equity instrument investments measured at fair value through other comprehensive income	-	-	-	-	-	-	1,031	-	( 1,031 )	-	-	-	-
O1	Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	( 38,759 )	( 38,759 )
Z1	Balance as of September 30, 2022	<u>\$ 11,887,635</u>	<u>\$ 387,301</u>	<u>\$ 37,914</u>	<u>\$ 21,327</u>	<u>\$ 3,872,190</u>	<u>\$ 375,127</u>	<u>\$ 7,799,222</u>	<u>( \$ 169,527 )</u>	<u>\$ 451,765</u>	<u>( \$ 475,606 )</u>	<u>\$ 24,187,348</u>	<u>\$ 27,196,864</u>	<u>\$ 51,384,212</u>

The accompanying notes are an integral part of the consolidated financial statements.  
(Please refer to Deloitte & Touche auditors' review report dated November 3, 2022)



USI Corporation and Subsidiaries  
Consolidated Statements of Cash Flows  
For the Nine Months Ended September 30, 2022 and 2021  
(Reviewed, Not Audited)

Unit: NT\$ thousand

<u>Code</u>		<u>For the Nine Months Ended September 30, 2022</u>	<u>For the Nine Months Ended September 30, 2021</u>
	Cash flows from operating activities		
A10000	Income before income tax	\$ 674,714	\$ 9,353,747
A20010	Income (expenses) items		
A20100	Depreciation expenses	1,745,069	1,709,178
A20200	Amortization expense	41,568	44,385
A20300	Expected credit impairment loss	213	1,256
A20400	Net loss (gain) on financial assets and liabilities at FVTPL	159,531	( 308,445)
A20900	Finance costs	155,889	126,254
A21200	Interest income	( 90,566)	( 58,659)
A21300	Dividend income	( 445,066)	( 334,156)
A22300	Share of loss of associates and joint ventures accounted for using the equity method	4,495,177	56,958
A22500	(Gain) loss of disposal and scrapping of property, plant and equipment	( 11,757)	69,555
A23800	Provision for write-downs of inventories and obsolescence losses	505,560	12,213
A29900	Gain on revised lease	-	( 660)
A29900	Recognition of refund liabilities	2,263	6,856
A30000	Changes in operating assets and liabilities		
A31115	Decrease (increase) in financial assets and liabilities mandatorily classified as at FVTPL	3,028,145	( 238,041)
A31130	Decrease in notes receivable	362,275	112,484
A31150	Decrease (increase) in accounts receivable	1,673,136	( 2,051,989)
A31180	Decrease (increase) in other receivables	109,964	( 227,208)
A31200	Increase in inventories	( 914,376)	( 1,856,114)
A31230	Increase in prepayments	( 556,973)	( 493,598)
A31240	Decrease (increase) in other current assets	9,055	( 21,327)
A32150	(Decrease) increase in accounts payable	( 356,525)	723,159
A32180	(Decrease) increase in other payables	( 547,704)	454,820
A32200	(Decrease) increase in refund liabilities	( 5,684)	12,412

(Continued)

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<u>Code</u>		<u>For the Nine Months Ended September 30, 2022</u>	<u>For the Nine Months Ended September 30, 2021</u>
A32240	Decrease in net defined benefit liabilities	(\$ 124,713)	(\$ 105,372)
A32230	Increase in other current liabilities	<u>30,608</u>	<u>39,664</u>
A33000	Cash generated from operations	9,939,803	7,027,372
A33100	Interest received	91,153	62,382
A33300	Interest paid	( 139,917)	( 103,630)
A33500	Income tax paid	( <u>2,609,561</u> )	( <u>1,231,127</u> )
AAAA	Net cash generated from operating activities	<u>7,281,478</u>	<u>5,754,997</u>
	Cash flows from investing activities		
B00010	Acquisition of FVTOCI	( 43)	( 24)
B00020	Disposal of FVTOCI	10,058	203,457
B00030	Return of capital from financial assets at FVTOCI	-	52,244
B00050	Purchase of financial assets at amortized cost	( 35,196)	( 75,100)
B01800	Acquisition of long-term equity investments using the equity method	( 90,000)	-
B02200	Net cash outflows from acquisition of subsidiaries (Note 31)	-	( 34,056)
B02700	Acquisitions of property, plant and equipment	( 2,015,332)	( 2,386,959)
B02800	Proceeds from disposal of property, plant and equipment	34,732	92,995
B03700	Increase in refundable deposits	( 17,451)	( 5,776)
B04500	Acquisition of other intangible assets	( 1,477)	( 733)
B05400	Acquisition of investment properties	( 3,250)	( 55)
B06700	Increase in other non-current assets	( 145,456)	( 238,325)
B07600	Dividends received	<u>445,066</u>	<u>334,156</u>
BBBB	Net cash used in investing activities	( <u>1,818,349</u> )	( <u>2,058,176</u> )
	Cash flows from financing activities		
C00100	Increase (decrease) in short-term borrowings	61,149	( 242,964)
C00500	Increase (decrease) in short-term notes payable	126,000	( 31,000)
C01200	Issuing of bonds	-	1,995,634
C01300	Repayments of bonds	( 1,000,000)	-
C01600	Proceeds from mid- to long-term borrowings	16,383,297	19,640,000
C01700	Repayments of mid- to long-term borrowings	( 14,634,052)	( 23,010,000)
C03100	Proceeds from guarantee deposits received	12,981	3,434
C04020	Repayments of the principal portion of lease liabilities	( 60,505)	( 52,199)
C04400	Increase (decrease) in other non-current liabilities	21,930	( 1,620)

(Continued)

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<u>Code</u>		<u>For the Nine Months Ended September 30, 2022</u>	<u>For the Nine Months Ended September 30, 2021</u>
C04500	Cash dividends paid	(\$ 2,615,280)	(\$ 1,188,763)
C05800	Change in non-controlling interests	( 38,759)	( 137,517)
C05800	Cash dividends paid on non-controlling interests	( 2,804,905)	( 151,163)
CCCC	Net cash used in financing activities	( 4,548,144)	( 3,176,158)
DDDD	EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>718,089</u>	( <u>159,900</u> )
EEEE	Net increase in cash and cash equivalents	1,633,074	360,763
E00100	Cash and cash equivalents at the beginning of the period	<u>10,365,353</u>	<u>9,637,007</u>
E00200	Cash and cash equivalents at the end of the period	<u>\$ 11,998,427</u>	<u>\$ 9,997,770</u>

The accompanying notes are an integral part of the consolidated financial statements.  
(Please refer to Deloitte & Touche auditors' review report dated November 3, 2022)

USI Corporation and Subsidiaries  
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
 For the Nine Months Ended September 30, 2022 and 2021  
 (Reviewed, Not Audited)  
 (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 November 3, 2022.

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

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

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

b. IFRSs endorsed by the FSC that are applicable in 2023

<u>New/Revised/Amended Standards and Interpretations</u>	<u>Effective Date Announced by IASB</u>
Amendments to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023 (Note 1)
Amendment to IAS 8 "Definition of Accounting Estimates"	January 1, 2023 (Note 2)
Amendments to IAS 12 "Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction"	January 1, 2023 (Note 3)

Note 1: The amendments are applicable to the annual reporting periods beginning on or after January 1, 2023.

Note 2: The amendments are applicable to the changes of the accounting estimates and changes of accounting policies which happen on the annual reporting periods beginning on or after January 1, 2023.

Note 3: Except for the recognition of deferred income tax on temporary differences between lease and decommissioning obligations on January 1, 2022, the amendments are applicable to transactions that occur after January 1, 2022.

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

c. IFRSs that have 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 1)</u>
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture"	To be determined by IASB
Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"	January 1, 2024 (Note 2)
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendment to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-Current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024

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

Note 2: The seller, who is also the lessee, should retrospectively apply the amendments to IFRS 16 for a sale and leaseback transaction entered into after the date of the initial application of IFRS 16.

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

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### a. Statement of compliance

The interim consolidated financial statements have 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 issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

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

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

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

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

d. Other significant accounting policies

Except for the following, for the accounting policies applied to these interim consolidated financial statements, please refer to the consolidated financial statements for the year ended December 31, 2021.

1) Defined benefit plan

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market fluctuations since that time and significant plan amendments, settlements, or other significant one-off events.

2) Taxation

The income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

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

In adopting accounting policies of the Group, management must make judgments, estimates and assumptions based on historical experience and other relevant factors for those whose information is not readily available from other sources. Actual results may differ from estimates.

The Group will incorporate the recent developments of the COVID-19 pandemic and its possible impact on the economic environment into accounting estimates. Management will continue to review the estimates and underlying assumptions. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. For others, please refer to the statement of major sources of uncertainty of significant accounting judgments, estimates and assumptions in the consolidated financial statements for the years ended December 31, 2021.

6. CASH AND CASH EQUIVALENTS

	September 30, 2022	December 31, 2021	September 30, 2021
Cash on hand and petty cash	\$ 4,578	\$ 70,667	\$ 70,874
Checking accounts and demand deposits	3,201,082	3,383,659	2,990,020
Cash equivalents			
Time deposits	6,992,574	6,655,811	6,908,311
Reserve repurchase agreements collateralized by bonds	1,800,193	255,216	28,565
	<u>\$ 11,998,427</u>	<u>\$ 10,365,353</u>	<u>\$ 9,997,770</u>

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

	September 30, 2022	December 31, 2021	September 30, 2021
Time deposits	0.62%~3.80%	0.08%~2.50%	0.06%~2.90%
Reserve repurchase agreements collateralized by bonds	0.88%~2.80%	0.06%~0.90%	0.05%~0.90%



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

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
<u>Financial assets mandatorily at FVTPL</u>			
Derivative financial assets (not under hedge accounting)			
- Foreign exchange forward contracts	\$ 23,694	\$ 8,297	\$ 4,292
Non-derivative financial assets			
- Domestic listed (OTC) shares	215,751	603,956	655,879
- Fund beneficiary certificates	2,097,935	4,896,869	5,166,479
- Beneficiary securities	232,794	232,680	221,803
- Overseas listed shares	96	464	514
Sub-total	<u>2,546,576</u>	<u>5,733,969</u>	<u>6,044,675</u>
	<u>\$ 2,570,270</u>	<u>\$ 5,742,266</u>	<u>\$ 6,048,967</u>
<u>Financial liabilities held for trading</u>			
Derivative financial liabilities (not under hedge accounting)			
- Foreign exchange forward contracts	\$ 19,060	\$ 3,380	\$ 11,522

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

<u>September 30, 2022</u>	<u>Currency</u>	<u>Expiration date</u>	<u>Contract Amount (In Thousands)</u>	
Sell	RMB/NTD	2022.10.11-2022.12.29	RMB 339,200 /NTD	1,497,397
Sell	USD/MYR	2022.11.30-2023.01.27	USD 1,150 /MYR	4,914
Sell	USD/NTD	2022.10.27	USD 1,000 /NTD	29,793
Sell	EUR/MYR	2023.01.31	EUR 300 /MYR	1,342
Buy	NTD/USD	2022.10.11-2022.12.13	NTD 489,224 /USD	16,160
Buy	JPY/USD	2022.10.25-2022.11.28	JPY 85,000 /USD	617

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	<u>Currencies</u>	<u>Expiration date</u>	<u>Contract Amount (In Thousands)</u>	
<u>December 31, 2021</u>				
Sell	RMB/NTD	2022.01.03-2022.03.24	RMB 375,900 /NTD	1,625,844
Sell	USD/MYR	2022.04.29-2022.10.31	USD 2,150 /MYR	9,075
Sell	USD/NTD	2022.01.03-2022.03.30	USD 45,290 /NTD	1,259,790
Sell	EUR/MYR	2022.01.31-2022.02.28	EUR 60 /MYR	304
Buy	NTD/USD	2022.03.07	NTD 128,458 /USD	4,640
Buy	JPY/USD	2022.01.18-2022.02.24	JPY 100,000 /USD	883
<u>September 30, 2021</u>				
Sell	RMB/NTD	2021.10.04-2021.12.28	RMB 365,700 /NTD	1,561,265
Sell	USD/MYR	2022.02.28-2022.08.30	USD 1,550 /MYR	6,522
Sell	USD/NTD	2021.10.01-2021.12.29	USD 43,390 /NTD	1,206,497
Sell	EUR/MYR	2021.12.31-2022.02.28	EUR 90 /MYR	456
Buy	NTD/USD	2021.10.15-2021.12.20	NTD 942,404 /USD	33,910
Buy	JPY/USD	2021.10.20-2021.11.19	JPY 40,000 /USD	365

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

Please refer to Note 36 for the pledge of investments in equity instruments at FVTPL

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>September 30,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>	<u>September 30,</u> <u>2021</u>
<u>Current</u>			
Investments in equity instruments			
Domestic investments			
Listed (OTC) shares	<u>\$ 94,747</u>	<u>\$ 145,921</u>	<u>\$ 112,901</u>
<u>Non-current</u>			
Investments in equity instruments			
Domestic investments			
Listed (OTC) shares	\$ 1,693,131	\$ 1,672,941	\$ 1,493,892
Emerging market shares	-	21,677	14,834
Unlisted shares	<u>382,488</u>	<u>437,569</u>	<u>557,958</u>
	<u>2,075,619</u>	<u>2,132,187</u>	<u>2,066,684</u>

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	September 30, 2022	December 31, 2021	September 30, 2021
Overseas investments			
Listed (OTC) shares	\$ 27,259	\$ 40,855	\$ 42,058
Unlisted shares	<u>148,181</u>	<u>113,775</u>	<u>111,175</u>
	<u>175,440</u>	<u>154,630</u>	<u>153,233</u>
	<u>\$ 2,251,059</u>	<u>\$ 2,286,817</u>	<u>\$ 2,219,917</u>

The Group invested the listed shares and over-the-counter shares, emerging market shares and unlisted shares for medium- to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as it believes that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

The Group sold 3 thousand shares of Riselink Venture Capital Corp., 595 thousand shares of Orgchem Technologies, Inc., and 407 thousand shares of Chitec Technology Co., Ltd., respectively, from January 1 to September 30, 2022. Related other equity - the unrealized gain of financial assets measured at fair value through other comprehensive income of NT\$1,031 thousand is transferred to retained earnings.

The Group sold 3,091 thousand shares of Wafer Works Corporation from January 1 to September 30, 2021. Related other equity - the unrealized benefit of financial assets measured at fair value through other comprehensive income of \$149,287 thousand is transferred to retained surplus of \$100,454 thousand and non-controlling equity of NT\$ 48,833 thousand, respectively.

From January 1 to September 30, 2021, due to the reduction of capital and refund of shares respectively by the invested company, the Group shall recover NT\$52,244 thousand according to the proportion of shares held.

The Group recognized dividend revenue of \$54,147 thousand and \$167,406 thousand from January 1 to September 30, 2022 and 2021, respectively.

9. FINANCIAL ASSETS AT AMORTIZED COST

	September 30, 2022	December 31, 2021	September 30, 2021
<u>Current</u>			
Pledged time deposits	\$ 380,888	\$ 349,137	\$ 348,338
<u>Non-current</u>			
Constricted bank deposits	\$ 359,285	\$ 382,501	\$ 391,862
Range of Interest Rates			
Pledged time deposits	0.08%~2.60%	0.04%~1.85%	0.04%~1.85%

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

Please refer to Note 36 for the information related to financial assets at amortized cost pledged as security.

10. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	September 30, 2022	December 31, 2021	September 30, 2021
<u>Notes receivable (a)</u>			
At amortized cost			
Gross carrying amount	\$ 513,470	\$ 875,745	\$ 559,092
<u>Accounts receivable (a)</u>			
At amortized cost			
Gross carrying amount	\$ 6,927,637	\$ 8,600,861	\$ 8,945,740
Less: allowance for loss	( 86,132)	( 85,384)	( 84,333)
	<u>\$ 6,841,505</u>	<u>\$ 8,515,477</u>	<u>\$ 8,861,407</u>
<u>Other receivables (b)</u>			
Tax refund receivable	\$ 329,654	\$ 299,915	\$ 370,646
Lent material fees receivable	-	70,090	-
Others	71,520	141,720	39,503
	<u>\$ 401,174</u>	<u>\$ 511,725</u>	<u>\$ 410,149</u>

a. Notes and accounts receivable

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

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

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

The Group writes off a trade receivable when there is information indicating that the debtor is experiencing severe financial difficulty and there is no realistic prospect of recovery. For 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.

September 30, 2022

Based on the number of days past due

	<u>Up to 60 Days</u>	<u>61~90 Days</u>	<u>Over 91 Days</u>	<u>Total</u>
Gross carrying amount	\$ 3,984,442	\$ 1,814	\$ 4,702	\$ 3,990,958
Loss allowance (Lifetime ECLs)	( <u>13,006</u> )	<u>-</u>	( <u>3,707</u> )	( <u>16,713</u> )
Amortized cost	<u>\$ 3,971,436</u>	<u>\$ 1,814</u>	<u>\$ 995</u>	<u>\$ 3,974,245</u>

Based on credit quality

	<u>Credit Rating A</u>	<u>Credit Rating B</u>	<u>Credit Rating C</u>	<u>Others</u>	<u>Total</u>
Gross carrying amount	\$ 276,299	\$ 752,821	\$ 380,449	\$ 2,040,580	\$ 3,450,149
Loss allowance (Lifetime ECLs)	-	( <u>4,689</u> )	( <u>6,813</u> )	( <u>57,917</u> )	( <u>69,419</u> )
Amortized cost	<u>\$ 276,299</u>	<u>\$ 748,132</u>	<u>\$ 373,636</u>	<u>\$ 1,982,663</u>	<u>\$ 3,380,730</u>

December 31, 2021

Based on the number of days past due

	<u>Up to 60 Days</u>	<u>61~90 Days</u>	<u>Over 91 Days</u>	<u>Total</u>
Gross carrying amount	\$ 4,887,767	\$ 835	\$ 8,156	\$ 4,896,758
Loss allowance (Lifetime ECLs)	( 12,511 )	( 330 )	( 4,209 )	( 17,050 )
Amortized cost	<u>\$ 4,875,256</u>	<u>\$ 505</u>	<u>\$ 3,947</u>	<u>\$ 4,879,708</u>

Based on credit quality

	<u>Credit Rating A</u>	<u>Credit Rating B</u>	<u>Credit Rating C</u>	<u>Others</u>	<u>Total</u>
Gross carrying amount	\$ 366,796	\$ 1,174,614	\$ 296,804	\$ 2,741,634	\$ 4,579,848
Loss allowance (Lifetime ECLs)	-	( 6,728 )	( 5,191 )	( 56,415 )	( 68,334 )
Amortized cost	<u>\$ 366,796</u>	<u>\$ 1,167,886</u>	<u>\$ 291,613</u>	<u>\$ 2,685,219</u>	<u>\$ 4,511,514</u>

September 30, 2021

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	\$ 3,628,481	\$ 1,011	\$ 3,201	\$ 3,632,693
Loss allowance (Lifetime ECLs)	( 4,651 )	-	( 1,865 )	( 6,516 )
Amortized cost	<u>\$ 3,623,830</u>	<u>\$ 1,011</u>	<u>\$ 1,336</u>	<u>\$ 3,626,177</u>

Based on credit quality

	<u>Credit Rating A</u>	<u>Credit Rating B</u>	<u>Credit Rating C</u>	<u>Others</u>	<u>Total</u>
Gross carrying amount	\$ 806,564	\$ 1,330,171	\$ 382,629	\$ 3,352,775	\$ 5,872,139
Loss allowance (Lifetime ECLs)	( 3,905 )	( 7,878 )	( 6,768 )	( 59,266 )	( 77,817 )
Amortized cost	<u>\$ 802,659</u>	<u>\$ 1,322,293</u>	<u>\$ 375,861</u>	<u>\$ 3,293,509</u>	<u>\$ 5,794,322</u>

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

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Not past due	\$ 3,230,281	\$ 4,251,618	\$ 5,009,997
Up to 60 days	146,409	251,874	649,085
Over 61 days	<u>73,459</u>	<u>76,356</u>	<u>213,057</u>
	<u>\$ 3,450,149</u>	<u>\$ 4,579,848</u>	<u>\$ 5,872,139</u>

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

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

	For the Nine Months Ended <u>September 30, 2022</u>	For the Nine Months Ended <u>September 30, 2021</u>
Beginning balance	\$ 85,384	\$ 90,056
Less: Impairment losses reversed	213	1,256
Less: Amounts written off during the period as uncollectible	( 88)	( 6,645)
Foreign exchange translation gains and losses	<u>623</u>	<u>( 334)</u>
Ending Balance	<u>\$ 86,132</u>	<u>\$ 84,333</u>

b. Other receivables

Other receivables mainly consisted of tax refund receivable, lent material fees receivable. The average aging of other receivables was less than 60 days based on the number of days past due from the invoice date, and an impairment loss was assessed based on the expected credit losses. There were no other overdue receivables with an unrecognized allowance for doubtful accounts in the Group from as of September 30, 2022 and as of December 31 and September 30, 2021.

11. INVENTORIES

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Finished goods	\$ 4,454,024	\$ 4,567,525	\$ 2,805,078
Work in progress	725,614	476,649	482,844
Raw materials	2,218,135	1,980,596	2,309,737
Supplies	445,288	359,533	386,817
Inventory in transit	<u>160,660</u>	<u>215,540</u>	<u>161,476</u>
	<u>\$ 8,003,721</u>	<u>\$ 7,599,843</u>	<u>\$ 6,145,952</u>

The costs of inventories recognized as cost of goods sold for the years from July 1 to September 30, 2022 and 2021 and from January 1 to September 30, 2022 and 2021 were \$14,376,028 thousand, \$14,689,087 thousand, \$43,166,321 thousand and \$39,882,593 thousand, respectively.

The inventory net realization profits contained in sales cost and losses on inventory value recoveries for the periods from July 1 to September 30, 2022 and 2021 and from January 1 to September 30, 2022 and 2021 were \$134,359 thousand and \$5,222 thousand, \$505,560 thousand and \$12,213 thousand, respectively.

## 12. SUBSIDIARIES

### a. Subsidiaries included in the consolidated financial statements

The consolidated financial statements are prepared by the following subjects:

Investor	Name of Subsidiary	Nature of Activities	Proportion of Ownership (%)			Remark
			September 30, 2022	December 31, 2021	September 30, 2021	
The Company	USI Investment Co., Ltd. (USII)	Investment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Swanlake Traders Ltd. (Swanlake)	Trading and investment	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	USI (Hong Kong) Company Ltd.	Trading and investment	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	USI Management Consulting Corp. (UM)	Providing management services	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Chong Loong Trading Co., Ltd. (CLT)	Import and export trade	<u>99.9%</u>	<u>99.9%</u>	<u>99.9%</u>	
	Union Polymer International Investment Corporation (UPIIC)	Investment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Cypress Epoch Limited	Investment business	<u>-</u>	<u>-</u>	<u>-</u>	1.
	INOMA Corporation (INOMA)	Optical products and fire protection materials	<u>94.4%</u>	<u>94.4%</u>	<u>94.4%</u>	
	USIG (Shanghai) Co., Ltd. (USIG)	Import and distribution of various types of chemical raw materials and products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	1.
	USI Green Energy Corporation (USIGE)	Solar power generation business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	2.
The Company	Taiwan United Venture Capital Corp. ("TUVVC")	Venture capital	70.0%	70.0%	70.0%	
Asia Polymer Corporation (APC)			<u>8.3%</u>	<u>8.3%</u>	<u>8.3%</u>	
			<u>78.3%</u>	<u>78.3%</u>	<u>78.3%</u>	11.
The Company	Swanson Plastics Corporation (SPC)	Production and marketing of stretch film, embossed film and industrial use multi-layer wrap	40.6%	40.6%	40.6%	
Asia Polymer Corporation			8.0%	8.0%	8.0%	
USIFE Investment Co., Ltd.			<u>6.1%</u>	<u>6.0%</u>	<u>4.9%</u>	3.
			<u>54.7%</u>	<u>54.6%</u>	<u>53.5%</u>	
The Company	Acme Electronics Corp. (ACME)	Production and marketing of manganese-zinc soft ferrite powder	26.9%	26.9%	26.9%	
China General Plastics Corporation			1.7%	1.7%	1.7%	
USIFE Investment Co., Ltd.			9.3%	9.3%	9.3%	
Asia Polymer Corporation			3.3%	3.3%	3.3%	
Taita Chemical Company, Ltd.			2.4%	2.4%	2.4%	
APC Investment Corporation			<u>1.0%</u>	<u>1.0%</u>	<u>1.0%</u>	
			<u>44.6%</u>	<u>44.6%</u>	<u>44.6%</u>	14.
The Company	USI Optronics Corporation (USIO)	Manufacturing and marketing of sapphire crystal	50.9%	50.9%	50.9%	
Acme Electronics Corporation			34.0%	34.0%	34.0%	
Asia Polymer Corporation			9.2%	9.2%	9.2%	
USIFE Investment Co., Ltd.			<u>0.2%</u>	<u>0.2%</u>	<u>0.2%</u>	
			<u>94.3%</u>	<u>94.3%</u>	<u>94.3%</u>	
Acme Electronics Corporation	ACME Electronics (Cayman) Corp.	Reinvestment business	51.3%	51.3%	51.3%	
Swanlake Traders Ltd.			23.1%	16.7%	16.7%	4.
APC (BVI) Holding Co., Ltd.			16.6%	16.6%	16.6%	
TAITA (BVI) Holding Co., Ltd.			<u>5.4%</u>	<u>5.4%</u>	<u>5.4%</u>	
			<u>96.4%</u>	<u>90.0%</u>	<u>90.0%</u>	
Acme Electronics Corporation	Golden Amber Enterprises Limited	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
ACME Electronics (Cayman) Corp.	Acme Electronics (Kunshan) Co., Ltd. ("ACME Electronics (KS)")	Manufacturing and marketing of manganese-zinc soft ferrite core	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	ACME Components (Malaysia) Sdn.Bhd.	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	

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(Continued)

Investor	Name of Subsidiary	Nature of Activities	Proportion of Ownership (%)			Remark
			September 30, 2022	December 31, 2021	September 30, 2021	
Golden Amber Enterprises Limited	Acme Electronics (Guang-Zhou) Co., Ltd.	Manufacturing and marketing of manganese-zinc soft ferrite core	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Union Polymer Int'l Investment Corp.	Asia Polymer Corporation (APC)	Production and marketing of low-density polyethylene, medium-density polyethylene, ethylene vinyl acetate and importing and marketing of linear low-density polyethylene and high-density polyethylene	36.1%	36.1%	36.1%	
China General Terminal & Distribution Co.			0.9%	0.9%	0.9%	
USIFE Investment Co., Ltd.			0.3%	0.3%	0.3%	
Taiwan VCM Corporation			-	-	-	
Asia Polymer Corporation	APC (BVI) Holding Co., Ltd. (APC (BVI))	Reinvestment business	<u>37.3%</u>	<u>37.3%</u>	<u>37.3%</u>	14.
Asia Polymer Corporation	USI International Corporation	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
APC (BVI) Holding Co., Ltd.			70.0%	70.0%	70.0%	
Asia Polymer Corporation	APC Investment Corporation	Investment business	<u>30.0%</u>	<u>30.0%</u>	<u>30.0%</u>	
APC (BVI) Holding Co., Ltd.	USI Trading (Shanghai) Co., Ltd.	Management of chemical products, equipment and plastic products and whole sale of electronic materials, commission agency services and related supporting import and export services	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Union Polymer Int'l Investment Corp.	Taita Chemical Company, Limited (TTC)	Production and marketing of polystyrene, acrylonitrile, butadiene, ABS resin, SAN resin, glass wool insulation products and plastic materials	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
China General Terminal & Distribution Co.			36.8%	36.8%	36.8%	
USIFE Investment Co., Ltd.			0.6%	0.6%	0.6%	
Taita Chemical Company, Ltd.	TAITA (BVI) Holding Co, Ltd. ( TAITA (BVI) )	Reinvestment business	0.4%	0.4%	0.4%	
TAITA (BVI) Holding Co, Ltd.	Taita Chemical (Zhong Shan) Co., Ltd. ("TTC (ZS)")	Production and marketing of polystyrene derivatives	<u>37.8%</u>	<u>37.8%</u>	<u>37.8%</u>	14.
	Taita Chemical (Tianjin) Co., Ltd. ("TTC (TJ)")	Production and marketing of polystyrene derivatives	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	5.
	Zhangzhou Taita Chemical Company, Limited (ZTC)	Production and marketing of polystyrene derivatives	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	6.
Swanlake Traders Ltd.	Zhangzhou Taiju Trading Co., Ltd. (ZTC)	Sales of chemical products	<u>100.0%</u>	-	-	5.
APC (BVI) Holding Co., Ltd.			70.0%	-	-	
Union Polymer Int'l Investment Corp.	China General Plastics Corporation (CGPC)	Production and marketing of plastic cloths, plastic skins, plastic tubes, plastic pellets, plastic powder and other related products	<u>30.0%</u>	-	-	
Asia Polymer Corporation			<u>100.0%</u>	-	-	8.
Taita Chemical Company, Ltd.			25.0%	25.0%	25.0%	
China General Terminal & Distribution Co.			8.0%	8.0%	8.0%	
USIFE Investment Co., Ltd.			2.0%	2.0%	2.0%	
China General Plastics Corporation	Taiwan VCM Corporation (TVCM)	Manufacturing and marketing of vinyl chloride monomer and related petrochemical products	0.5%	0.5%	0.5%	
	CGPC (BVI) Holding Co., Ltd.	Reinvestment business	0.1%	0.1%	0.1%	
	CGPC America Corporation	Marketing of PVC two- or three-time processed products	<u>35.6%</u>	<u>35.6%</u>	<u>35.6%</u>	14.
	CGPC Polymer Corporation ("CGPCPOL")	Manufacturing and marketing of PVC powder	<u>87.3%</u>	<u>87.3%</u>	<u>87.3%</u>	7.
Taiwan VCM Corporation	Global Green Technology Corporation (GGC)	Environmental detection services	<u>100.0%</u>	-	-	

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(Continued)

Investor	Name of Subsidiary	Nature of Activities	Proportion of Ownership (%)			Remark
			September 30, 2022	December 31, 2021	September 30, 2021	
CGPC (BVI) Holding Co., Ltd.	Continental General Plastics (ZhongShan) Co.,Ltd. ("CGPC (ZS)")	Manufacturing and marketing of PVC film and third-time processed products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	10.
	CGPC Consumer Products Corporation	Manufacturing and sales of PVC film and third-time processed products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	10.
China General Plastics Corporation	China General Terminal & Distribution Corporation (CGTD)	Warehousing petrochemical raw materials	33.3%	33.3%	33.3%	
Taita Chemical Company, Ltd.			33.3%	33.3%	33.3%	
Asia Polymer Corporation			<u>33.4%</u>	<u>33.4%</u>	<u>33.4%</u>	
USIFE Investment Co., Ltd.	Taiwan United Venture Management Corp. (TUVM)	Business management consulting	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
ACME Components (Malaysia) Sdn.Bhd.	ACME Ferrite Products Sdn.Bhd ( ACME Ferrite )	Manufacturing and marketing of soft ferrite core	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Swanson Plastics Corporation	Curtana Company Ltd.	Reinvestment business	<u>-</u>	<u>-</u>	<u>-</u>	9.
	Forever Young Company Ltd.	Trading and agency businesses	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Swanson Plastics (Singapore) Pte., Ltd.	Production and marketing of plastic products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Swanson Plastics Corporation	Swanson International Ltd.	Import and export trade	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Swanson Plastics (Singapore) Pte., Ltd.	PT. Swanson Plastics Indonesia Ltd.	Production and marketing of plastic products	1.0%	1.0%	1.0%	
			<u>99.0%</u>	<u>99.0%</u>	<u>99.0%</u>	
Swanson Plastics Corporation	Swanson Technologies Corporation ("STC")	Production, marketing and development of EVA packaging film and other value added plastic products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
			70.0%	70.0%	70.0%	
APC Investment Corporation			15.0%	15.0%	15.0%	
USIFE Investment Co., Ltd.			<u>15.0%</u>	<u>15.0%</u>	<u>15.0%</u>	
			<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	Production and marketing of plastic products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Swanson Plastics (India) Private Limited	Production and marketing of plastic products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Swanson Plastics (Tianjin) Co., Ltd.	Production, sales and development of multi-functional film and light-solution film	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Swanson International Ltd.	A.S.Holdings (UK) Limited	Reinvestment business	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
	Swanson Plastics (Kunshan) Co., Ltd.	Production, marketing and development of multi-functional film and light-solution film	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
A.S. Holdings (UK) Limited	ASK-Swanson (Kunshan) Co., Ltd.	Production and sales of PE release film and other release products	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
The Company (Asia Polymer Corporation)	Ever Conquest Global Limited ("ECGL")	Investment business	59.1%	59.1%	59.1%	
			<u>40.9%</u>	<u>40.9%</u>	<u>40.9%</u>	
			<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	13.
Ever Conquest Global Limited	Ever Victory Global Limited ("EVGL")	Investment business	<u>67.4%</u>	<u>67.4%</u>	<u>67.4%</u>	13 and 14.
Ever Victory Global Limited	Dynamic Ever Investments Limited (DEIL)	Investment business	<u>85.0%</u>	<u>85.0%</u>	<u>85.0%</u>	13.

- 1) To simplify investing framework, the Company hanged its indirect investment in USIG (Shanghai) Co., Ltd. in China with approval of the Investment Commission, Ministry of Economics Affairs (Investment Commission) dated January 25, 2021, as such, with the approval, it was revised to be direct investment. And Cypress Epoch Limited has completed the dissolution and liquidation procedures on September 28, 2021.

- 2) In response to the government's green power policy, the Company purchased 100% of the equity from the non-related parties, Xuanju Co., Ltd. on July 5, 2021 at a purchase price of NT\$34,092 thousand, which was confirmed by the Board of Directors on July 8, 2021. Please refer to Note 31 for details. In addition, USIGE issued 7,000 thousand ordinary shares through cash capital increase by resolution of the board of directors on November 3, 2021, which was subscribed by the Company in full. The paid-up capital after capital increase was NT\$70,100 thousand.
- 3) USI Investment Co., Ltd. (USII) acquired 1.1% and 0.1% equity from external shareholders of Swanson Plastics Corporation (SPC) in 2021 and September, 2022 based on medium and long-term investment strategy, thus acquired a price of NT\$19,691 thousand and NT\$4,293 thousand, respectively.
- 4) On January 21, 2021 and September 1, 2022, Swanlake acquired 5.42% equity and 6.47% equity from the external shareholders of ACME Electronics (Cayman) Corp. approved by the Investment Commission, MOEA with the purchase price of US\$2,172 thousand and US\$2,879 thousand, respectively. After the purchase of equity, the proportion of equity held by the Group in ACME Electronics (Cayman) Corp. increased from 84.53% to 89.95% and from 89.95% to 96.42%, respectively. As these transactions did not change the Group's control over the subsidiary, it is deemed as an equity transaction. Differences generated from the aforementioned equity transaction were adjusted to increases in capital surplus of NT\$3,564 thousand and to decrease in capital surplus of NT\$4,071 thousand and retained earnings of NT\$1,662 thousand, respectively.
- 5) The board of directors of TTC decided on December 3, 2020 to invest RMB 314,000 thousand through TAITA (BVI) to establish ZTC Co. The company completed the establishment registration on June 28, 2021, and TAITA (BVI) has injected capital of RMB 306,950 thousand on March 8, 2022.
- 6) The management of TTC decided to suspend the main production of expanded polystyrene (EPS) by TTC (Tianjin) from April 2019 due to the assessment of the demand reduction of its subsidiary TTC (Tianjin) in the local market. Please refer to Note 14 for relevant explanation.
- 7) Based on the medium- and long- term investment strategy, the Group acquired 157 thousand shares of Taiwan VCM Corporation (TVCM) from external shareholders from March to September 2021 at a price of NT\$2,653 thousand.

After the purchase of shares, the equity proportion of the Group to Taiwan VCM Corporation (TVCM) increased from 87.22% to 87.27%. As these transactions did not change the Group's control over the subsidiary, it is deemed as an equity transaction. Differences generated from the aforementioned equity transaction were adjusted to increases in capital surplus of NT\$252 thousand.

- 8) In order to sell the products produced by Gulei, the Company and APC resolved on August 13, 2020 and August 12, 2020, respectively, to establish a joint venture company, Zhangzhou Taiju Trading Co., Ltd., in Fujian Province, China. The company completed registration on March 12, 2022 and the capital was invested by Swanlake and APC (BVI) on May 20, 2022 in the amount of RMB7,000 thousand and RMB3,000 thousand, respectively.
- 9) In August 2020, Swanson Plastics Corporation (SPC) resolved to dissolve and liquidate the subsidiary Curtana Company Ltd., with the dissolution and liquidation procedure completed on February 5, 2021.
- 10) CGPC disposed of CGPC (ZS) and CGPC Consumer Products Corporation (“CGPC (CP)”) by resolution as approved in the meeting of the board of directors in October 2011. However, since CGPC leased out the idle plant of the discontinued unit in 2021, considering that the operation of the plant is not substantially discontinued, the discontinued operation is reversed to continuing operation after evaluation.
- 11) To improve the financial structure and activate the company's capital utilization, TUVK passed the resolution of the extraordinary shareholders' meeting on November 25, 2021 to cover losses of NT\$100,000 thousand with retained earnings, and to cancel the issued shares of 10,000 thousand shares. The capital reduction ratio was 21.28%, and the base date for it was December 3, 2021. After the capital reduction, the paid-in share capital of TUVK was NT\$370,000 thousand.
- 12) In order to plan for future pollution remediation, testing and other related businesses and public works/public institution projects to be conducted by an independent company, TVCM invested in GGC as a single corporate shareholder and acquired 100% of the shares for NT\$50,000 thousand. The case was approved by the competent authority for registration on February 11, 2022, with a registered capital of NT\$168,880 thousand.

13) As of September 30, 2022, the Company and APC invested capital amounted to USD 246,670 thousand (around NT\$7,645,980 thousand) and USD 170,475 thousand (around NT\$5,255,587 thousand) in ECGL, respectively, and reinvested in EVGL via ECGL as well as in DEIL. The total ownership percentage of the Group in EVGL is 67.4%. For more detailed explanation, please refer to and Note 13.

14) This is a subsidiary with material non-controlling interests.

The financial statements of major subsidiaries CGPC, TTC, UPIIC, ECGL, EVGL and DEIL and some non-major subsidiaries as ACEM, ACME (Cayman), TVCM, CGPCPOL, APC and TAITA (ZS) and TAITA (TJ) included in the consolidated financial statements from January 1 to September 30, 2022 and 2021 have been reviewed by the accountants, and the financial statements of the remaining subsidiaries were reviewed by CPAs.

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

Subsidiary	Proportion of Ownership and Voting Rights Held by Non-controlling Interests		
	September 30, 2022	December 31, 2021	September 30, 2021
CGPC	64.4%	64.4%	64.4%
TTC	62.2%	62.2%	62.2%
ACME	55.4%	55.4%	55.4%
APC	62.7%	62.7%	62.7%
EVGL	32.6%	32.6%	32.6%

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

Subsidiary	Profit (Loss) Allocated to Non-controlling Interests				Non-controlling Interests		
	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021	September 30, 2022	December 31, 2021	September 30, 2021
CGPC	<u>(\$ 447,676)</u>	<u>\$ 325,288</u>	<u>(\$ 209,014)</u>	<u>\$ 1,228,283</u>	<u>\$ 6,010,621</u>	<u>\$ 7,063,369</u>	<u>\$ 6,611,990</u>
TTC	<u>\$ 22,914</u>	<u>\$ 233,607</u>	<u>\$ 287,892</u>	<u>\$ 886,380</u>	<u>\$ 4,485,716</u>	<u>\$ 4,715,783</u>	<u>\$ 4,482,175</u>
ACME	<u>\$ 5,040</u>	<u>\$ 13,303</u>	<u>\$ 16,755</u>	<u>\$ 24,284</u>	<u>\$ 766,038</u>	<u>\$ 720,250</u>	<u>\$ 711,191</u>
APC	<u>\$ 306,053</u>	<u>\$ 460,616</u>	<u>\$ 774,918</u>	<u>\$ 1,460,493</u>	<u>\$ 8,549,881</u>	<u>\$ 9,385,928</u>	<u>\$ 8,871,375</u>
EVGL	<u>(\$ 480,457)</u>	<u>(\$ 11,456)</u>	<u>(\$ 1,247,808)</u>	<u>(\$ 20,332)</u>	<u>\$ 4,701,740</u>	<u>\$ 5,740,914</u>	<u>\$ 5,869,456</u>

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

	September 30, 2022	December 31, 2021	September 30, 2021
Current assets	\$ 6,701,039	\$ 7,888,292	\$ 8,366,944
Non-current assets	9,770,365	9,087,023	8,880,435
Current liabilities	( 3,032,456 )	( 2,992,501 )	( 4,382,006 )
Non-current liabilities	( 3,472,779 )	( 2,147,545 )	( 1,607,276 )
Equity	<u>\$ 9,966,169</u>	<u>\$ 11,835,269</u>	<u>\$ 11,258,097</u>

Equity attributable to:

Owners of the Company	\$ 3,379,278	\$ 4,099,608	\$ 4,003,889
Non-controlling interests of CGPC	6,010,621	7,063,369	6,611,990
Non-controlling interests of CGPC's subsidiaries	<u>576,270</u>	<u>672,292</u>	<u>642,218</u>
	<u>\$ 9,966,169</u>	<u>\$ 11,835,269</u>	<u>\$ 11,258,097</u>

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Revenue	<u>\$ 3,983,857</u>	<u>\$ 5,545,124</u>	<u>\$ 14,130,620</u>	<u>\$ 15,099,697</u>
(Loss) profit for the period	( \$ 712,472 )	\$ 520,150	( \$ 300,224 )	\$ 2,000,210
OTHER				
COMPREHENSIVE INCOME (LOSS)	<u>20,281</u>	( <u>423</u> )	( <u>2,659</u> )	<u>40,501</u>
Total comprehensive income	( <u>\$ 692,191</u> )	<u>\$ 519,727</u>	( <u>\$ 302,883</u> )	<u>\$ 2,040,711</u>
Net (loss) profit attributable to:				
Owners of the Company	( \$ 233,205 )	\$ 169,451	( \$ 108,880 )	\$ 639,841
Non-controlling interests of CGPC	( 447,676 )	325,288	( 209,014 )	1,228,283
Non-controlling interests of CGPC's subsidiaries	( <u>31,591</u> )	<u>25,411</u>	<u>17,670</u>	<u>132,086</u>
	<u>( \$ 712,472 )</u>	<u>\$ 520,150</u>	<u>( \$ 300,224 )</u>	<u>\$ 2,000,210</u>
Total comprehensive income attributable to:				
Owners of the Company	( \$ 282,593 )	\$ 257,914	( \$ 214,967 )	\$ 817,052
Non-controlling interests of CGPC	( 378,059 )	236,210	( 105,449 )	1,091,161
Non-controlling interests of CGPC's subsidiaries	( <u>31,539</u> )	<u>25,603</u>	<u>17,533</u>	<u>132,498</u>
	<u>( \$ 692,191 )</u>	<u>\$ 519,727</u>	<u>( \$ 302,883 )</u>	<u>\$ 2,040,711</u>

	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Cash flow		
Operating activities	\$ 775,478	\$ 1,117,890
Investing activities	( 1,117,590 )	( 1,346,869 )
Financing activities	586,618	305,745
Effects of exchange rate changes	( 3,115 )	( 2,192 )
Net cash inflow	<u>\$ 241,391</u>	<u>\$ 74,574</u>
Dividends paid on non-controlling interests	<u>\$ 955,096</u>	<u>\$ 654,923</u>

#### TTC and TTC's subsidiaries

	September 30, 2022	December 31, 2021	September 30, 2021
Current assets	\$ 6,587,507	\$ 7,290,336	\$ 6,955,781
Non-current assets	3,178,912	3,454,323	3,577,259
Current liabilities	( 1,650,054 )	( 2,343,160 )	( 2,788,291 )
Non-current liabilities	( 891,731 )	( 739,686 )	( 422,257 )
Equity	<u>\$ 7,224,634</u>	<u>\$ 7,661,813</u>	<u>\$ 7,322,492</u>
Equity attributable to:			
Owners of the Company	\$ 2,738,918	\$ 2,946,030	\$ 2,840,317
Non-controlling interests of TTC	<u>4,485,716</u>	<u>4,715,783</u>	<u>4,482,175</u>
	<u>\$ 7,224,634</u>	<u>\$ 7,661,813</u>	<u>\$ 7,322,492</u>

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Revenue	<u>\$ 4,688,096</u>	<u>\$ 5,357,361</u>	<u>\$ 14,239,420</u>	<u>\$ 15,461,449</u>
Net profit for the period	\$ 36,184	\$ 368,891	\$ 454,612	\$ 1,399,688
Other comprehensive income (loss)	( 7,096 )	45,568	( 134,482 )	255,456
Total comprehensive income	<u>\$ 29,088</u>	<u>\$ 414,459</u>	<u>\$ 320,130</u>	<u>\$ 1,655,144</u>
Net profit attributable to:				
Owners of the Company	\$ 13,270	\$ 135,284	\$ 166,720	\$ 513,308
Non-controlling interests of TTC	<u>22,914</u>	<u>233,607</u>	<u>287,892</u>	<u>886,380</u>
	<u>\$ 36,184</u>	<u>\$ 368,891</u>	<u>\$ 454,612</u>	<u>\$ 1,399,688</u>
Total comprehensive income attributable to:				
Owners of the Company	\$ 2,406	\$ 151,120	\$ 86,352	\$ 617,125
Non-controlling interests of TTC	<u>26,682</u>	<u>263,339</u>	<u>233,778</u>	<u>1,038,019</u>
	<u>\$ 29,088</u>	<u>\$ 414,459</u>	<u>\$ 320,130</u>	<u>\$ 1,655,144</u>

	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Cash flow		
Operating activities	\$ 776,945	\$ 660,998
Investing activities	( 38,171 )	( 66,051 )
Financing activities	( 710,435 )	( 301,455 )
Effects of exchange rate changes	<u>47,375</u>	<u>( 29,945 )</u>
Net cash inflow	<u>\$ 75,714</u>	<u>\$ 263,547</u>
Dividends paid on non-controlling interests	<u>\$ 479,581</u>	<u>\$ 435,982</u>

### ACME and ACME's subsidiaries

	September 30, 2022	December 31, 2021	September 30, 2021
Current assets	\$ 2,515,445	\$ 2,335,126	\$ 2,170,192
Non-current assets	2,352,864	2,005,472	1,866,243
Current liabilities	( 1,623,492 )	( 1,600,758 )	( 1,305,591 )
Non-current liabilities	<u>( 1,249,915 )</u>	<u>( 804,698 )</u>	<u>( 833,225 )</u>
Equity	<u>\$ 1,994,902</u>	<u>\$ 1,935,142</u>	<u>\$ 1,897,619</u>
Equity attributable to:			
Owners of the Company	\$ 629,585	\$ 614,791	\$ 598,703
Non-controlling interests of ACME	766,038	720,250	711,191
Non-controlling interests of ACME's subsidiaries	<u>599,279</u>	<u>600,101</u>	<u>587,725</u>
	<u>\$ 1,994,902</u>	<u>\$ 1,935,142</u>	<u>\$ 1,897,619</u>

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Revenue	<u>\$ 783,878</u>	<u>\$ 828,361</u>	<u>\$ 2,312,766</u>	<u>\$ 2,273,304</u>
Net profit for the period	\$ 1,226	\$ 36,401	\$ 21,388	\$ 66,376
Other comprehensive income (loss)	<u>12,036</u>	<u>( 11,436 )</u>	<u>38,355</u>	<u>( 53,832 )</u>
Total comprehensive income	<u>\$ 13,262</u>	<u>\$ 24,965</u>	<u>\$ 59,743</u>	<u>\$ 12,544</u>
Net profit attributable to:				
Owners of the Company	\$ 4,024	\$ 10,620	\$ 13,376	\$ 19,388
Non-controlling interests of ACME	5,040	13,303	16,755	24,284
Non-controlling interests of ACME's subsidiaries	<u>( 7,838 )</u>	<u>12,478</u>	<u>( 8,743 )</u>	<u>22,704</u>
	<u>\$ 1,226</u>	<u>\$ 36,401</u>	<u>\$ 21,388</u>	<u>\$ 66,376</u>
Total comprehensive income attributable to:				
Owners of the Company	\$ 8,466	\$ 7,528	\$ 26,886	\$ 5,563
Non-controlling interests of ACME	10,605	9,429	33,679	6,967
Non-controlling interests of ACME's subsidiaries	<u>( 5,809 )</u>	<u>8,008</u>	<u>( 822 )</u>	<u>14</u>
	<u>\$ 13,262</u>	<u>\$ 24,965</u>	<u>\$ 59,743</u>	<u>\$ 12,544</u>



	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Cash flow		
Operating activities	(\$ 233,611)	\$ 41,314
Investing activities	( 460,037)	( 325,035)
Financing activities	470,302	288,802
Effects of exchange rate changes	<u>9,014</u>	<u>( 36,603)</u>
Net cash outflow	<u>(\$ 214,332)</u>	<u>(\$ 31,522)</u>

### APC and APC's subsidiaries

	September 30, 2022	December 31, 2021	September 30, 2021
Current assets	\$ 3,236,015	\$ 4,098,928	\$ 3,881,769
Non-current assets	12,906,519	14,879,618	15,533,995
Current liabilities	( 1,083,666)	( 1,942,077)	( 2,686,135)
Non-current liabilities	<u>( 1,192,306)</u>	<u>( 1,574,420)</u>	<u>( 1,625,964)</u>
Equity	<u>\$ 13,866,562</u>	<u>\$ 15,462,049</u>	<u>\$ 15,103,665</u>

#### Equity attributable to:

Owners of the Company	\$ 5,316,681	\$ 6,076,121	\$ 6,232,290
Non-controlling interests of APC	<u>8,549,881</u>	<u>9,385,928</u>	<u>8,871,375</u>
	<u>\$ 13,866,562</u>	<u>\$ 15,462,049</u>	<u>\$ 15,103,665</u>

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Revenue	<u>\$ 2,821,671</u>	<u>\$ 2,462,953</u>	<u>\$ 7,311,466</u>	<u>\$ 6,651,233</u>
Net profit for the period	\$ 452,393	\$ 680,859	\$ 1,145,445	\$ 2,158,827
Other comprehensive income (loss)	<u>( 143,062)</u>	<u>28,915</u>	<u>( 959,714)</u>	<u>1,533,787</u>
Total comprehensive income	<u>\$ 309,331</u>	<u>\$ 709,774</u>	<u>\$ 185,731</u>	<u>\$ 3,692,614</u>

#### Net profit attributable to:

Owners of the Company	\$ 146,340	\$ 220,243	\$ 370,527	\$ 698,334
Non-controlling interests of APC	<u>306,053</u>	<u>460,616</u>	<u>774,918</u>	<u>1,460,493</u>
	<u>\$ 452,393</u>	<u>\$ 680,859</u>	<u>\$ 1,145,445</u>	<u>\$ 2,158,827</u>

#### Total comprehensive income attributable to:

Owners of the Company	\$ 187,012	\$ 550,794	(\$ 169,027)	\$ 1,881,016
Non-controlling interests of APC	<u>122,319</u>	<u>158,980</u>	<u>354,758</u>	<u>1,811,598</u>
	<u>\$ 309,331</u>	<u>\$ 709,774</u>	<u>\$ 185,731</u>	<u>\$ 3,692,614</u>

	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Cash flow		
Operating activities	\$ 2,550,117	\$ 1,504,104
Investing activities	157,843	13,139
Financing activities	( 2,662,187 )	( 1,584,544 )
Effects of exchange rate changes	<u>20,773</u>	<u>( 4,548 )</u>
Net cash Inflows (outflow)	<u>\$ 66,546</u>	<u>( \$ 71,849 )</u>
Dividends paid on non-controlling interests	<u>\$ 1,205,042</u>	<u>\$ 472,565</u>

### EVGL and EVGL's subsidiaries

	September 30, 2022	December 31, 2021	September 30, 2021
Current assets	\$ 1,420,112	\$ 1,253,726	\$ 1,261,011
Non-current assets	15,393,827	19,335,554	19,787,280
Current liabilities	<u>( 13,561 )</u>	<u>( 15,576 )</u>	<u>( 11,514 )</u>
Equity	<u>\$ 16,800,378</u>	<u>\$ 20,573,704</u>	<u>\$ 21,036,777</u>

#### Equity attributable to:

Owners of the Company	\$ 9,721,957	\$ 11,870,694	\$ 12,136,483
Non-controlling interests of EVGL	4,701,740	5,740,914	5,869,456
Non-controlling interests of EVGL's subsidiaries	<u>2,376,681</u>	<u>2,962,096</u>	<u>3,030,838</u>
	<u>\$ 16,800,378</u>	<u>\$ 20,573,704</u>	<u>\$ 21,036,777</u>

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Loss for the period	<u>( \$ 1,734,939 )</u>	<u>( \$ 41,406 )</u>	<u>( \$ 4,504,784 )</u>	<u>( \$ 73,598 )</u>
Other comprehensive income (loss)	<u>249,391</u>	<u>( 85,136 )</u>	<u>731,458</u>	<u>( 354,290 )</u>
Total comprehensive income	<u>( \$ 1,485,548 )</u>	<u>( \$ 126,542 )</u>	<u>( \$ 3,773,326 )</u>	<u>( \$ 427,888 )</u>
Loss attributable to:				
Owners of the Company	( \$ 993,458 )	( \$ 23,687 )	( \$ 2,580,136 )	( \$ 42,041 )
Non-controlling interests of EVGL	( 480,457 )	( 11,456 )	( 1,247,808 )	( 20,332 )
Non-controlling interests of EVGL's subsidiaries	<u>( 261,024 )</u>	<u>( 6,263 )</u>	<u>( 676,840 )</u>	<u>( 11,225 )</u>
	<u>( \$ 1,734,939 )</u>	<u>( \$ 41,406 )</u>	<u>( \$ 4,504,784 )</u>	<u>( \$ 73,598 )</u>
Total comprehensive income attributable to:				
Owners of the Company	( \$ 844,409 )	( \$ 72,494 )	( \$ 2,148,738 )	( \$ 246,921 )
Non-controlling interests of EVGL	( 408,374 )	( 35,059 )	( 1,039,174 )	( 119,416 )
Non-controlling interests of EVGL's subsidiaries	<u>( 232,765 )</u>	<u>( 18,989 )</u>	<u>( 585,414 )</u>	<u>( 61,551 )</u>
	<u>( \$ 1,485,548 )</u>	<u>( \$ 126,542 )</u>	<u>( \$ 3,773,326 )</u>	<u>( \$ 427,888 )</u>

	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Cash flow		
Operating activities	\$ 512	(\$ 9,135)
Effects of exchange rate changes	<u>180,818</u>	<u>( 28,498 )</u>
Net cash Inflows (outflow)	<u>\$ 181,330</u>	<u>( \$ 37,633 )</u>

### 13. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	September 30, 2022	December 31, 2021	September 30, 2021
Investments in joint ventures			
Associates that are individually material			
Fujian Gulei Petrochemical Co., Ltd. (Gulei)	\$ 15,393,828	\$ 19,335,554	\$ 19,787,280
Investments in associates			
Investments in associates that are not individually material			
Delmind Inc. (Delmind)	<u>87,189</u>	<u>-</u>	<u>-</u>
	<u>\$ 15,481,017</u>	<u>\$ 19,335,554</u>	<u>\$ 19,787,280</u>

The aforementioned investments are accounted for using the equity method.

a. Associates that are individually material - Fujian Gulei Petrochemical Co., Ltd.

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

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

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

In order to enrich the working capital of Gulay, EVGL signed a joint venture agreement with the Hong Kong-based company DOR PO INVESTMENT COMPANY LIMITED (hereinafter referred to as “DOR PO”) on June 5, 2019 to jointly invest in Xutent. In accordance with the terms of the joint venture agreement, DOR PO shall contribute US\$109,215 thousand to increase the capital of DEIL, of which US\$103,915 thousand has been contributed as of September 30, 2022 to acquire 15% equity in DEIL.

As of September 30, 2022, the Company and APC cumulatively invested USD 246,670 thousand (approximately NT\$7,645,981 thousand) and USD 170,475 thousand (approximately NT\$5,255,587 thousand) in Ever Conquest Global Limited (ECGL), respectively, and reinvested in EVGL via ECGL as well as in DEIL. The Company and APC together hold 67.4% shares in EVGL in total. DEIL has invested capital amounted to RMB 4,657,200 thousand in Gulei.

The percentage of the Group’s ownership and voting rights were all 50% of the outstanding shares of Gulei as of September 30, 2022, December 31, 2021 and September 30, 2021.

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

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

	September 30, 2022	December 31, 2021	September 30, 2021
Cash	<u>\$ 2,896,701</u>	<u>\$ 5,030,725</u>	<u>\$ 6,532,255</u>
Current assets	\$ 29,694,519	\$ 20,980,740	\$ 19,170,201
Non-current assets	106,429,450	103,618,406	91,676,515
Current liabilities	( 42,835,101 )	( 28,893,712 )	( 18,640,105 )
Non-current liabilities	( 62,501,212 )	( 57,034,326 )	( 52,632,051 )
Equity	30,787,656	38,671,108	39,574,560
Proportion of the Group's ownership	<u>50%</u>	<u>50%</u>	<u>50%</u>
Equity attributable to the Group	<u>\$ 15,393,828</u>	<u>\$ 19,335,554</u>	<u>\$ 19,787,280</u>
Carrying amount	<u>\$ 15,393,828</u>	<u>\$ 19,335,554</u>	<u>\$ 19,787,280</u>

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
The Group's share of: Loss for the period	<u>( \$ 1,733,771 )</u>	<u>( \$ 36,153 )</u>	<u>( \$ 4,492,366 )</u>	<u>( \$ 56,958 )</u>

Gulei has been in operation since November 2021 with revenue.

The share of profit and loss and other comprehensive income of a joint venture and the Group using the equity method from January 1 to September 30, 2022 and 2021 shall be calculated on the basis of the financial statements which have not been reviewed by CPAs.

b. Associates that are not individually material - Delmind Inc.

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

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

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
The Group's share of: Loss for the period	( \$ <u>1,967</u> )	\$ <u>-</u>	( \$ <u>2,811</u> )	\$ <u>-</u>

The share of profit and loss and other comprehensive income of an associate and the Group using the equity method from January 1 to September 30, 2022 shall be calculated on the basis of the financial statements which have not been reviewed by CPAs.

The Company's Board of Directors approved the establishment of Huameng Renewable Energy Co., Ltd. (Huameng), a joint venture with Chang Chun Petrochemical Co., Ltd. and Chimei Corporation on November 3, 2022. Huameng will purchase offshore wind power in an integrated manner to achieve the Group's carbon neutrality plan. The total registered capital of Huameng was planned to be NT\$30,000 thousand, and the Company planned to contribute NT\$10,000 thousand to acquire a 33.3% equity interest in Huameng.

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

	September 30, 2022	December 31, 2021	September 30, 2021
Freehold Land	\$ 4,689,001	\$ 4,682,237	\$ 4,682,237
Land improvements	7,438	5,623	5,948
Buildings and Improvements	3,783,441	3,809,068	3,824,396
Machinery and Equipment	10,925,229	10,940,540	10,838,553
Transportation equipment	37,736	33,559	35,279
Other equipment	310,464	294,331	289,749
Construction in progress and equipment under installation	<u>5,556,703</u>	<u>4,705,653</u>	<u>4,318,437</u>
	<u>\$ 25,310,012</u>	<u>\$ 24,471,011</u>	<u>\$ 23,994,599</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 submitted for redeveloping and is expected to be returned in 2023.

In cooperation with the Taiwan International Ports Corporation, Ltd. (Ports Co.), Ministry of Transportation and Communications, to relocate the petrochemical oil storage tank facilities of the old port area operators, CGTD leased the port facilities and storage areas of the

Kaohsiung Port Intercontinental Container Center Second Phase Petrochemical Oil Storage and Transportation Center from Ports Co., the lease period being from August 1, 2017 to July 31, 2042, rent paid quarterly. In addition, the boards of directors of the Company, CGTD, APC and TVCM, resolved in 2019 to build the second phase of the Intercontinental Petrochemical Oil Products Center. As of September 30, 2022, the Group had paid NT\$2,352,356 thousand for the project, which was accounted for under construction in progress.

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

No impairment or reversal was made on the property, plant and equipment of the Group from January 1 to September 30, 2022 and 2021.

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

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

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

For property, plant and equipment pledged as collateral for bank borrowings, please refer to Note 36.

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

#### 15. LEASE ARRANGEMENTS

##### a. Right-of-use assets

	September 30, 2022	December 31, 2021	September 30, 2021
Carrying amount of right-of-use assets			
Leasehold land	\$ 1,106,782	\$ 156,928	\$ 181,243
Land use rights	405,105	406,802	319,473
Buildings	82,199	90,272	131,185
Machinery and Equipment	75,633	71,521	46,642
Transportation equipment	1,376	1,818	2,070
	<u>\$ 1,671,095</u>	<u>\$ 727,341</u>	<u>\$ 680,613</u>
	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022
Addition for right-of-use assets			<u>\$ 983,886</u>
Depreciation expense of right-of-use assets			<u>\$ 38,844</u>
Leasehold land	\$ 8,406	\$ 4,932	\$ 17,040
Land use rights	4,479	4,013	13,263
Buildings	6,486	5,686	19,280
Machinery and Equipment	3,505	2,006	10,481
Transportation equipment	147	270	442
	<u>\$ 23,023</u>	<u>\$ 16,907</u>	<u>\$ 60,506</u>
			<u>\$ 50,286</u>



Except for the recognition of depreciation expense, the Group's right-of-use assets did not experience significant sub-lease or impairments for the years ended January 1 to September 30, 2022 and 2021.

The Group leases the office in Taipei and sublets it to another company on a operating lease basis. The related right-of-use assets are presented as investment properties, 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 36.

b. Lease liabilities

	September 30, 2022	December 31, 2021	September 30, 2021
Carrying amount of lease liabilities			
Current	<u>\$ 104,566</u>	<u>\$ 73,065</u>	<u>\$ 72,081</u>
Non-current	<u>\$ 1,282,511</u>	<u>\$ 387,502</u>	<u>\$ 367,134</u>

Range of discount rate for lease liabilities was as follows:

	September 30, 2022	December 31, 2021	September 30, 2021
Leasehold land	0.83%~9.25%	0.83%~9.25%	0.83%~9.25%
Buildings	1.04%~1.25%	1.04%~2.00%	1.04%~2.00%
Machinery and Equipment	1.04%~1.25%	1.04%~1.25%	1.04%~1.16%
Transportation equipment	1.06%~1.25%	1.06%~1.25%	1.06%~1.25%

c. Material lease-in activities and terms

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

d. Other lease information

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

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Expenses relating to short-term leases	\$ 6,540	\$ 13,440	\$ 28,669	\$ 40,536
Expenses relating to low-value asset leases	\$ 721	\$ 220	\$ 799	\$ 700
Expenses relating to variable lease payments not included in the measurement of lease liabilities	\$ 23,661	\$ 11,539	\$ 62,998	\$ 30,850
Total cash (outflow) for leases			( \$ 159,499 )	( \$ 129,397 )

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

	September 30, 2022	December 31, 2021	September 30, 2021
Completed investment properties			
Land	\$ 198,296	\$ 204,024	\$ 200,781
Buildings	300,674	357,945	363,361
Right-of-use assets	138,456	149,376	153,177
	<u>\$ 637,426</u>	<u>\$ 711,345</u>	<u>\$ 717,319</u>

	Land	Buildings	Right-of-use assets	Total
<u>Cost</u>				
Balance as of January 1, 2022	\$ 207,993	\$ 732,677	\$ 203,304	\$ 1,143,974
Additions	1,036	2,214	-	3,250
Reclassification	( 6,764 )	( 54,890 )	-	( 61,654 )
Net foreign currency exchange differences	-	21,662	2,874	24,536
Balance as of September 30, 2022	<u>\$ 202,265</u>	<u>\$ 701,663</u>	<u>\$ 206,178</u>	<u>\$ 1,110,106</u>
<u>Accumulated depreciation and impairment</u>				
Balance as of January 1, 2022	\$ 3,969	\$ 374,732	\$ 53,928	\$ 432,629
Depreciation expense	-	18,747	13,469	32,216
Reclassification	-	( 4,845 )	-	( 4,845 )
Net foreign currency exchange differences	-	12,355	325	12,680
Balance as of September 30, 2022	<u>\$ 3,969</u>	<u>\$ 400,989</u>	<u>\$ 67,722</u>	<u>\$ 472,680</u>
Net amount as of September 30, 2022	<u>\$ 198,296</u>	<u>\$ 300,674</u>	<u>\$ 138,456</u>	<u>\$ 637,426</u>

	Land	Buildings	Right-of-use assets	Total
<u>Cost</u>				
Balance as of January 1, 2021	\$ 204,695	\$ 736,810	\$ 203,817	\$ 1,145,322
Additions	55	-	-	55
Net foreign currency exchange differences	-	( 7,015 )	( 1,553 )	( 8,568 )
Balance as of September 30, 2021	<u>\$ 204,750</u>	<u>\$ 729,795</u>	<u>\$ 202,264</u>	<u>\$ 1,136,809</u>
<u>Accumulated depreciation and impairment</u>				
Balance as of January 1, 2021	\$ 3,969	\$ 352,327	\$ 35,806	\$ 392,102
Depreciation expense	-	18,622	13,412	32,034
Net foreign currency exchange differences	-	( 4,515 )	( 131 )	( 4,646 )
Balance as of September 30, 2021	<u>\$ 3,969</u>	<u>\$ 366,434</u>	<u>\$ 49,087</u>	<u>\$ 419,490</u>
Net amount as of September 30, 2021	<u>\$ 200,781</u>	<u>\$ 363,361</u>	<u>\$ 153,177</u>	<u>\$ 717,319</u>

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

The total amount of lease payments to be collected in the future for investment property as operating lease as of September 30, 2022, December 31, 2021, and September 30, 2021 is as follows:

	September 30, 2022	December 31, 2021	September 30, 2021
Year 1	\$ 88,298	\$ 53,620	\$ 76,961
Year 2	51,715	46,713	58,721
Year 3	23,020	37,577	43,500
Year 4	16,382	17,734	21,956
Year 5	12,914	10,776	12,216
More than 5 years	<u>19,197</u>	<u>26,940</u>	<u>29,634</u>
	<u>\$ 211,526</u>	<u>\$ 193,360</u>	<u>\$ 242,988</u>

Except for the recognition of depreciation expense, the Group's investment properties did not experience significant additions, disposals, and impairments for the nine months ended September 30, 2022 and 2021.

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 in the Toufen and Linyuan Industrial District. As these districts are designated for industrial use, the information on comparable market transactions are uncommon and alternative reliable measurements of the fair value estimates are not available. Hence, the Group determined that the fair value of these investment properties cannot be reliably determined. The fair values of the remaining investment properties were not assessed by independent appraisers; instead, they were arrived at by using the valuation model that most market participants would use in determining fair value by using Level 3 inputs, with reference to the transaction prices of similar properties in the vicinity. The fair value of right-of-use assets was determined by adding back the amount of related lease liabilities recognized to the net amount of the expected lease income after deducting all the expected payments.

The fair values of investment properties as of September 30, 2022, December 31, 2021 and September 30, 2021 were as follows:

	September 30, 2022	December 31, 2021	September 30, 2021
Fair Value	<u>\$ 1,568,030</u>	<u>\$ 1,556,205</u>	<u>\$ 1,480,969</u>

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

For the investment properties pledged as collateral for bank borrowings, please refer to Note 36.

#### 17. GOODWILL AND OTHER INTANGIBLE ASSETS

	September 30, 2022	December 31, 2021	September 30, 2021
Goodwill a.	<u>\$ 270,211</u>	<u>\$ 270,211</u>	<u>\$ 270,211</u>
Other intangible assets b.			
Technology royalties and patent right	\$ 633	\$ 933	\$ 1,130
Computer software	6,870	7,134	7,674
Plant design fee	2,401	3,601	4,001
Field project	<u>31,072</u>	<u>32,315</u>	<u>32,730</u>
	<u>\$ 40,976</u>	<u>\$ 43,983</u>	<u>\$ 45,535</u>

a. Goodwill

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

The goodwill of the Group is regularly assessed for impairment at the end of each year. There is no impairment sign as of September 30, 2022 and 2021 so the impairment assessment is not carried out.

b. Other intangible assets

Except for the recognition of amortization expenses and the field project classified as intangible asset according to the acquisition price apportion evaluation analysis report, the Group's investment properties did not experience significant addition, disposal or impairment from January 1 to September 30, 2022 and 2021.

The above-mentioned intangible assets with limited service life are amortized on a straight-line basis over their estimated useful lives as follows:

Technology royalties and patent right	6 to 10 Years
Computer software	2 to 10 Years
Field project	20 years
Plant design fee	10 years

## 18. BORROWINGS

a. Short-term borrowings

	September 30, 2022	December 31, 2021	September 30, 2021
<u>Unsecured borrowings</u>			
- Line of credit borrowings	<u>\$ 2,559,190</u>	<u>\$ 2,498,041</u>	<u>\$ 2,483,306</u>
Range of Interest Rates	1.06%~5.45%	0.51%~1.90%	0.52%~1.78%

b. Short-term bills payable

	September 30, 2022	December 31, 2021	September 30, 2021
Commercial note payable	\$ 406,000	\$ 280,000	\$ 626,000
Less: Unamortized discount on bills payable	( <u>224</u> )	( <u>365</u> )	( <u>280</u> )
	<u>\$ 405,776</u>	<u>\$ 279,635</u>	<u>\$ 625,720</u>
Range of Interest Rates	1.11%~1.448%	0.98%~1.018%	0.64%~1.068%

c. Long-term borrowings

	September 30, 2022	December 31, 2021	September 30, 2021
Secured loans	\$ 1,000,000	\$ 400,000	\$ 400,000
Credit borrowings	<u>5,270,623</u>	<u>3,873,493</u>	<u>3,720,000</u>
Sub-total	<u>6,270,623</u>	<u>4,273,493</u>	<u>4,120,000</u>
Commercial note payable	-	240,000	100,000
Unamortized discount on bills payable	<u>-</u>	<u>( 253 )</u>	<u>( 36 )</u>
Sub-total	<u>-</u>	<u>239,747</u>	<u>99,964</u>
	6,270,623	4,513,240	4,219,964
Less: Maturity within one year	<u>-</u>	<u>( 59,917 )</u>	<u>-</u>
Long-term borrowings	<u>\$ 6,270,623</u>	<u>\$ 4,453,323</u>	<u>\$ 4,219,964</u>
Range of interest rates			
Secured loans	1.19%	1.11%	1.11%
Credit borrowings	0.63%~1.80%	0.30%~0.94%	0.74%~1.06%
Commercial note payable	-	0.97%~1.09%	0.948%

The Company entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to August 2025 with a total credit limit of NT\$5,093,750 thousand, which is used cyclically during the validity period. As of September 30, 2022, the Company has not made any drawdown from the line of credit.

UPIIC entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to November 2025 with a total credit limit of NT\$1,600,000 thousand, which is used cyclically during the validity period. As of September 30, 2022, UPIIC has not made any drawdown from the line of credit.

CGPC entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to March 2025 with a total credit limit of NT\$1,100,000 thousand, which is used cyclically during the validity period. As of September 30, 2022, \$300,000 thousand had been spent.

CGPCPOL entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to August 2023 with a total credit limit of NT\$300,000 thousand, which is used cyclically during

the validity period. As of September 30, 2022, CGPCPOL has not made any drawdown from the line of credit.

TVCM entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to November 2025 with a total credit limit NT\$300,000 thousand, which is used cyclically during the validity period. As of September 30, 2022, TVCM has not made any drawdown from the line of credit.

TTC entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to July 2025 with a total credit limit of NT\$2,613,040 thousand, which is used cyclically during the validity period. As of September 30, 2022, \$450,000 thousand had been spent.

APC entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to July 2025 with a total credit limit of NT\$6,200,000 thousand, which is used cyclically during the validity period. As of September 30, 2022, \$550,000 thousand had been spent.

ACME entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to March 2027 with a total credit limit of NT\$1,800,000 thousand, which is used cyclically during the validity period. As of September 30, 2022, \$1,000,000 thousand had been spent.

SPC entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to September, 2025 with a total credit limit of NT\$1,350,000 thousand, which is used cyclically during the validity period. As of September 30, 2022, \$786,000 thousand had been spent.

USIGE entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contract will be effective up to January 2025 with a total credit limit of NT\$500,000 thousand, which is used cyclically during the validity period. As of September 30, 2022, \$210,000 thousand had been spent.

According to the loan contracts of part of subsidiaries, the current ratio, bank loan ratio, debt ratio, and interest protection multiples should not be less than the specified percentage. The subsidiaries should provide improvements to the bank if the requirements were not met. As of September 30, 2022, the subsidiaries did not violate the requirements.

The Group has acquired a special low-interest bank loan line of NT\$6,586,000 thousand in accordance with the “Action Plan for Accelerated Investment by Domestic

Corporations” and “Action Plan for Accelerated Investment by SMEs”, and has used NT\$3,019,100 thousand in September 2022, recognized and measured the loan at the market interest rate of. The difference between the market interest rate and the actual preferential repayment rate is recognized as government subsidy.

19. BONDS PAYABLE

	September 30, 2022	December 31, 2021	September 30, 2021
Domestic unsecured bonds B 104-1 - issuance on February 12, 2015, 7 years, total amount NT\$1,000,000 thousand, coupon rate 1.90%, bullet repayment	\$ -	\$ 1,000,000	\$ 1,000,000
Domestic unsecured bonds 105-1 - issuance on October 28, 2016, 5 years, total amount NT\$2,000,000 thousand, coupon rate 0.80%, bullet repayment	-	-	2,000,000
Domestic unsecured bonds 106-1 - issuance on October 27, 2017, 5 years, total amount NT\$2,000,000 thousand, coupon rate 1.10%, bullet repayment	2,000,000	2,000,000	2,000,000
Domestic unsecured bonds 108-1 - issuance on April 26, 2019, 5 years, total amount NT\$2,000,000 thousand, coupon rate 0.98%, bullet repayment	2,000,000	2,000,000	2,000,000
Domestic unsecured bonds A 110-1 - issuance on June 23 2021, 5 years, total amount NT\$1,000,000 thousand, coupon rate 0.63%, bullet repayment, repaid NT\$500,000 thousand in the 4th and 5th years respectively from the issuance date	1,000,000	1,000,000	1,000,000
Domestic unsecured bonds B 110-1 - issuance on June 23 2021, 7 years, total amount NT\$1,000,000 thousand, coupon rate 0.73%, bullet repayment, repaid NT\$500,000 thousand in the 6th and 7th years respectively from the issuance date	1,000,000	1,000,000	1,000,000

(Continued)



(Continued)

	September 30, 2022	December 31, 2021	September 30, 2021
Domestic unsecured bonds A 110-2 - issuance on October 26, 2021, 5 years, total amount NT\$700,000 thousand, coupon rate 0.63%, repaid NT\$350,000 thousand in the 4th and 5th years respectively from the issuance date	\$ 700,000	\$ 700,000	\$ -
Domestic unsecured bonds B 110-2 - issuance on October 26, 2021, 7 years, total amount NT\$1,300,000 thousand, coupon rate 0.77%, repaid NT\$650,000 thousand in the 6th and 7th years respectively from the issuance date	<u>1,300,000</u> 8,000,000	<u>1,300,000</u> 9,000,000	<u>-</u> 9,000,000
Discounts on bonds payable	( <u>8,453</u> ) 7,991,547	( <u>11,028</u> ) 8,988,972	( <u>7,592</u> ) 8,992,408
Less: Portion due within one year	( <u>1,999,934</u> ) <u>\$ 5,991,613</u>	( <u>2,999,199</u> ) <u>\$ 5,989,773</u>	( <u>2,999,830</u> ) <u>\$ 5,992,578</u>

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

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

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

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

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

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

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

	September 30, 2022	December 31, 2021	September 30, 2021
<u>Operating</u>			
Accounts payable	<u>\$ 3,172,473</u>	<u>\$ 3,528,998</u>	<u>\$ 4,128,166</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

	September 30, 2022	December 31, 2021	September 30, 2021
<u>Current</u>			
Other payables			
Payables for salaries and bonuses	\$ 832,873	\$ 1,385,691	\$ 1,316,173
Payables for water and electricity and gas	304,144	241,903	277,833
Payables for purchases of equipment	293,423	293,455	242,392
Payables for fares	219,445	251,643	313,471

	September 30, 2022	December 31, 2021	September 30, 2021
Payable for taxes	\$ 81,397	\$ 36,317	\$ 94,367
Payables for interests	50,723	45,605	60,484
Payables for insurance	38,949	34,394	29,668
Dividends payable	23,063	20,551	1,476,464
Others	<u>508,163</u>	<u>585,259</u>	<u>483,492</u>
	2,352,180	2,894,818	4,294,344
Other liabilities			
Refund liabilities	<u>25,209</u>	<u>28,630</u>	<u>35,658</u>
	<u>\$ 2,377,389</u>	<u>\$ 2,923,448</u>	<u>\$ 4,330,002</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

	September 30, 2022	December 31, 2021	September 30, 2021
<u>Non-current</u>			
Litigation provision	<u>\$ 136,375</u>	<u>\$ 136,375</u>	<u>\$ 136,375</u>

Litigation provision is a result of the first-instance judgment and reconciliation of the Kaohsiung gas explosion case on July 31, 2014 for which cash outflows may be recognized in the near future. Please refer to Note 37 for the explanation related to the provision.

## 23. RETIREMENT BENEFIT PLANS

For the periods from July 1 to September 30, 2022 and 2021 and from January 1 to September 30, 2022 and 2021 the pension costs associated with the defined benefit plan are calculated at the pension cost rates as determined by actuarial calculations as at 31 December, 2021 and 2020 and are separately recognized as the following items:

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Operating costs	\$ 5,267	\$ 6,137	\$ 15,561	\$ 18,527
Selling and marketing expenses	550	606	1,664	1,809
Administrative expenses	3,857	1,005	5,130	6,427
Research and development expenses	<u>235</u>	<u>252</u>	<u>690</u>	<u>784</u>
	<u>\$ 9,909</u>	<u>\$ 8,000</u>	<u>\$ 23,045</u>	<u>\$ 27,547</u>

## 24. GOVERNMENT SUBSIDY

- a. ACME Electronics (KS) reached an agreement with Kunshan Zhoushizhen People's Government in 2006 in which Acme Electronics Corporation (Kunshan) promised to relocate its new plant and raise its investment amount. Furthermore, Kunshan Zhoushizhen People's Government subsidized ACME Electronics (KS)'s acquisition of the land for its new plant and the external line project for high voltage power during the relocation process. As of September 30, 2022, December 31, 2021 and September 30, 2021, the amounts of deferred income (booked under other non-current liabilities) that had not been amortized were RMB7,435 thousand (NT\$33,250 thousand), RMB7,833 thousand (NT\$34,005 thousand) and RMB7,965 thousand (NT\$34,205 thousand), respectively.
- b. ACME applied for a subsidy of the Taiwan Industry Innovation Platform Program from the Taiwan government. As of September 30, 2022, it has received NT\$5,500 thousand, booked under operating expense as a reduction.

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

## 25. EQUITY

	September 30, 2022	December 31, 2021	September 30, 2021
Share capital	\$ 11,887,635	\$ 11,887,635	\$ 11,887,635
Capital surplus	446,542	366,185	363,807
Retained earnings	12,046,539	13,599,427	12,009,323
Other Equity	282,238	84,358	197,924
Treasury shares	( 475,606)	( 475,606)	( 475,606)
Non-controlling Interests	27,196,864	30,182,962	28,629,553
	<u>\$ 51,384,212</u>	<u>\$ 55,644,961</u>	<u>\$ 52,612,636</u>

### a. Share capital

	September 30, 2022	December 31, 2021	September 30, 2021
Number of shares authorized (in thousands)	<u>1,342,602</u>	<u>1,342,602</u>	<u>1,342,602</u>
Share capital 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 capital issued	<u>\$ 11,887,635</u>	<u>\$ 11,887,635</u>	<u>\$ 11,887,635</u>

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

b. Capital surplus

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

c. Retained earnings and dividends policy

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

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

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

The appropriations of earnings for the years ended December 31, 2022 and 2021 as approved in the shareholders' meetings on May 31, 2022 and July 26, 2021, respectively, were as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	2021	2020	2021	2020
Legal reserve	\$ 529,104	\$ 233,461		
Special reserve (reversed)	-	( 405,932)		
Cash dividends	<u>2,615,280</u>	<u>1,188,763</u>	\$ 2.2	\$ 1
	<u>\$ 3,144,384</u>	<u>\$ 1,016,292</u>		

d. Other equity

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

	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Beginning balance	(\$ 710,973)	(\$ 583,855)
Recognized for the period		
Exchange differences on translating the financial statements of foreign operations	652,810	( 255,253)
Related income tax	( 111,364)	45,745
Ending Balance	<u>(\$ 169,527)</u>	<u>(\$ 793,363)</u>

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

	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Beginning balance	\$ 795,331	\$ 343,660
Recognized for the period		
Unrealized gains (losses)		
Equity instruments	( 342,659)	749,183
Related income tax	124	( 1,102)
Cumulative unrealized gain (loss) of equity instruments transferred to retained earnings due to disposals	<u>( 1,031)</u>	<u>( 100,454)</u>
Ending Balance	<u>\$ 451,765</u>	<u>\$ 991,287</u>

e. Non-controlling Interests

	<u>For the Nine Months Ended September 30, 2022</u>	<u>For the Nine Months Ended September 30, 2021</u>
Beginning balance	\$ 30,182,962	\$ 27,732,865
Cash dividends distributed by subsidiaries	( 2,804,905)	( 1,714,633)
Net profit for the period	( 1,060,743)	3,769,581
Other comprehensive income (loss) in the period		
Exchange differences on translating the financial statements of foreign operations	704,627	( 326,565)
Income tax relating to exchange difference on translating foreign operations	( 53,698)	26,113
Unrealized gain (loss) on financial assets at FVTOCI	267,022	( 718,225)
Income tax relating to unrealized gain (loss) on financial assets at FVTOCI	260	( 2,305)
Adjustments relating to changes accounted for using the equity method	98	239
Change in non-controlling interests	<u>( 38,759)</u>	<u>( 137,517)</u>
Ending Balance	<u>\$ 27,196,864</u>	<u>\$ 28,629,553</u>

f. Treasury shares

<u>Purpose of Buy-Back</u>	<u>Number of Shares at, Beginning (In Thousands of Shares)</u>	<u>Increase During the Period</u>	<u>Decrease During the Period</u>	<u>Number of Shares at, Ending (In Thousands of Shares)</u>
<u>For the Nine Months Ended September 30, 2022</u>				
Transfer from investment shares to treasury shares held by subsidiaries under equity method	<u>116,466</u>	<u>-</u>	<u>-</u>	<u>116,466</u>
<u>For the Nine Months Ended September 30, 2021</u>				
Transfer from investment shares to treasury shares held by subsidiaries under equity method	<u>116,466</u>	<u>-</u>	<u>-</u>	<u>116,466</u>

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

Name of Subsidiary	Number of Shares Held (In Thousands of Shares)	Carrying Amount	Market Price
<u>September 30, 2022</u>			
APC	101,356	\$ 1,377,381	\$ 2,082,859
TTC	15,110	81,875	310,508
		\$ 1,459,256	\$ 2,393,367
 <u>December 31, 2021</u>			
APC	101,356	\$ 1,377,381	\$ 3,197,772
TTC	15,110	81,875	476,717
		\$ 1,459,256	\$ 3,674,489
 <u>September 30, 2021</u>			
APC	101,356	\$ 1,377,381	\$ 3,821,109
TTC	15,110	81,875	569,643
		\$ 1,459,256	\$ 4,390,752

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

The Company's shares held by APC and TTC were carried as unrealized gain (loss) on financial assets at FVTOCI and valued at the closing price as of September 30, 2022, December 31, 2021 and September 30, 2021. The carrying amounts of investments accounted for using the equity method and the unrealized gain or loss on financial assets at FVTOCI were NT\$312,062 thousand, NT\$733,685 thousand and NT\$969,411 thousand, respectively.

## 26. REVENUE

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Revenue from the sale of goods				
Plastic raw materials	\$ 15,420,975	\$ 17,498,381	\$ 48,571,801	\$ 49,738,741
Electronic materials	729,953	814,071	2,197,744	2,236,285
Others	187,597	151,309	518,503	429,671
	\$ 16,338,525	\$ 18,463,761	\$ 51,288,048	\$ 52,404,697

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



## Contract balances

	September 30, 2022	December 31, 2021	September 30, 2021	January 1, 2021
Notes and accounts receivables (Note 10)	<u>\$ 7,354,975</u>	<u>\$ 9,391,222</u>	<u>\$ 9,420,499</u>	<u>\$ 7,481,916</u>
Contract liabilities (presented in other current liabilities)				
Merchandise sales	<u>\$ 295,976</u>	<u>\$ 363,049</u>	<u>\$ 278,342</u>	<u>\$ 212,751</u>

## 27. NET PROFIT FROM CONTINUING OPERATIONS

Net profit from continuing operations was attributable to:

### a. Interest income

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Interest income				
Cash and cash equivalents	\$ 34,311	\$ 17,575	\$ 80,855	\$ 54,123
Financial assets at FVTPL	-	-	4,790	3,109
Financial assets measured at amortized cost	159	1,016	590	1,295
Others	<u>3,182</u>	<u>36</u>	<u>4,331</u>	<u>132</u>
	<u>\$ 37,652</u>	<u>\$ 18,627</u>	<u>\$ 90,566</u>	<u>\$ 58,659</u>

### b. Other income

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Dividend income	\$ 111,763	\$ 229,908	\$ 445,066	\$ 334,156
Settlement income	11,703	-	253,196	-
Rental income	36,526	25,912	107,360	74,290
Income from management services (Note 35)	7,367	9,127	23,717	27,846
Income from grants (Note 24)	990	2,331	7,744	11,192
Other	<u>18,435</u>	<u>17,113</u>	<u>46,288</u>	<u>64,237</u>
	<u>\$ 186,784</u>	<u>\$ 284,391</u>	<u>\$ 883,371</u>	<u>\$ 511,721</u>

c. Other gains and losses

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Gain (loss) on disposal of property, plant and equipment—net	\$ 6,918	\$ 2,732	\$ 11,757	(\$ 69,555)
Foreign exchange gain (loss) - net	227,338	21,081	565,116	( 113,086)
(Loss) gain on financial assets at FVTPL - net	( 9,961)	( 102,322)	( 159,531)	308,445
Depreciation expense	( 12,852)	( 11,453)	( 35,329)	( 34,583)
Gain on revised lease	-	-	-	660
Other gains and losses	( 3,408)	( 9,839)	( 44,652)	( 31,347)
	<u>\$ 208,035</u>	<u>(\$ 99,801)</u>	<u>\$ 337,361</u>	<u>\$ 60,534</u>

d. Finance costs

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Interest on bank loans	\$ 28,588	\$ 17,396	\$ 61,095	\$ 59,499
Interest on bonds payable	17,564	23,505	54,981	63,625
Other interest expense	34,215	82	35,585	102
Interest on lease liabilities	3,198	1,723	6,528	5,112
Less: Capitalized interest (presented under construction in progress)	( 875)	( 543)	( 2,300)	( 2,084)
	<u>\$ 82,690</u>	<u>\$ 42,163</u>	<u>\$ 155,889</u>	<u>\$ 126,254</u>

Information about capitalized interest is as follows:

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Capitalized interest	\$ 875	\$ 543	\$ 2,300	\$ 2,084
Capitalization rate	0.50%~1.24%	0.83%~1.14%	0.50%~1.24%	0.83%~1.14%

e. Depreciation and amortization

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Property, plant and equipment	\$ 554,047	\$ 542,963	\$ 1,652,347	\$ 1,626,858
Right-of-use assets	23,023	16,907	60,506	50,286
Investment properties	10,695	10,650	32,216	32,034
Intangible assets	1,578	2,438	4,639	4,253
Others	13,093	10,874	36,929	40,132
	<u>\$ 602,436</u>	<u>\$ 583,832</u>	<u>\$ 1,786,637</u>	<u>\$ 1,753,563</u>

(Continued)

(Continued)

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
An analysis of depreciation by function				
Operating costs	\$ 538,556	\$ 525,708	\$ 1,600,097	\$ 1,573,266
Operating expenses	36,357	33,359	109,643	101,329
Other gains and losses	<u>12,852</u>	<u>11,453</u>	<u>35,329</u>	<u>34,583</u>
	<u>\$ 587,765</u>	<u>\$ 570,520</u>	<u>\$ 1,745,069</u>	<u>\$ 1,709,178</u>
An analysis of amortization by function				
Operating costs	\$ 13,121	\$ 11,714	\$ 37,045	\$ 40,092
Selling and marketing expenses	1	-	2	-
Administrative expenses	1,449	1,336	4,221	3,462
Research and development expenses	<u>100</u>	<u>262</u>	<u>300</u>	<u>831</u>
	<u>\$ 14,671</u>	<u>\$ 13,312</u>	<u>\$ 41,568</u>	<u>\$ 44,385</u>

f. Employee benefits expense

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Post-employment benefits (Note 23)				
Defined contribution plans	\$ 40,551	\$ 41,725	\$ 127,129	\$ 118,883
Defined benefit plans	<u>9,909</u>	<u>8,000</u>	<u>23,045</u>	<u>27,547</u>
	50,460	49,725	150,174	146,430
Other employee benefits	<u>1,097,382</u>	<u>1,234,327</u>	<u>3,443,375</u>	<u>3,750,284</u>
Total employee benefits expenses	<u>\$ 1,147,842</u>	<u>\$ 1,284,052</u>	<u>\$ 3,593,549</u>	<u>\$ 3,896,714</u>
An analysis of employee benefits expense by function				
Operating costs	\$ 784,391	\$ 909,435	\$ 2,458,754	\$ 2,763,550
Operating expenses	<u>363,451</u>	<u>374,617</u>	<u>1,134,795</u>	<u>1,133,164</u>
	<u>\$ 1,147,842</u>	<u>\$ 1,284,052</u>	<u>\$ 3,593,549</u>	<u>\$ 3,896,714</u>

g. Employees' compensation and remuneration of directors

The Company accrued employees' compensation and remuneration of directors at the rate of no less than 1% and no higher than 1%, respectively, of net profit before income tax. For the three months ended September 30, 2022 and 2021, and for the nine months

ended September 30, 2022 and 2021, the remuneration of employees and directors were as follows:

Accrual rate

	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Employees' compensation	1.00%	1.00%
Remuneration of Directors	0.17%	0.05%

Amount

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Employees' compensation	<u>\$ 2,220</u>	<u>\$ 11,785</u>	<u>\$ 13,624</u>	<u>\$ 41,332</u>
Remuneration of Directors	<u>\$ 750</u>	<u>\$ 750</u>	<u>\$ 2,250</u>	<u>\$ 2,250</u>

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate. The employees' compensation and remuneration of directors for the years ended December 31, 2021 and 2020 were resolved by the Company's board of directors on March 10, 2022 and March 8, 2021, respectively, as follows:

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

There was no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2021 and 2020.

Information on the employees' compensation and remuneration of directors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

h. Gain or loss on foreign currency exchange

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Foreign exchange gains	\$ 369,716	\$ 77,759	\$ 943,556	\$ 224,323
Foreign exchange losses	( 142,378 )	( 56,678 )	( 378,440 )	( 337,409 )
Net gain (loss)	<u>\$ 227,338</u>	<u>\$ 21,081</u>	<u>\$ 565,116</u>	<u>( \$ 113,086 )</u>

## 28. INCOME TAX RELATING TO CONTINUING OPERATIONS

### a. Income tax recognized in profit or loss

The major components of income tax expense were as follows:

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Current tax				
In respect of the current year	\$ 324,954	\$ 517,079	\$ 1,121,878	\$ 1,796,419
Surtax on undistributed earnings	-	40,731	192,520	106,650
Adjustments for previous years	<u>1,454</u>	<u>( 212 )</u>	<u>( 27,971 )</u>	<u>( 11,782 )</u>
	<u>326,408</u>	<u>557,598</u>	<u>1,286,427</u>	<u>1,891,287</u>
Deferred tax				
In respect of the current year	( \$ 304,331 )	\$ 16,571	( \$ 614,626 )	\$ 91,473
Adjustments for previous years	<u>-</u>	<u>40</u>	<u>633</u>	<u>920</u>
	<u>( 304,331 )</u>	<u>16,611</u>	<u>( 613,993 )</u>	<u>92,393</u>
Income tax expense recognized in profit or loss	<u>\$ 22,077</u>	<u>\$ 574,209</u>	<u>\$ 672,434</u>	<u>\$ 1,983,680</u>

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

### b. Income tax recognized in other comprehensive income

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
<u>Deferred tax</u>				
Recognized for the period				
- Translation of foreign operations	( \$ 64,344 )	\$ 14,776	( \$ 165,062 )	\$ 71,858
- Unrealized gain (loss) on financial assets at FVTOCI	<u>2,090</u>	<u>( 1,085 )</u>	<u>384</u>	<u>( 3,407 )</u>
Income tax benefits (expenses) recognized in other comprehensive income	<u>( \$ 62,254 )</u>	<u>\$ 13,691</u>	<u>( \$ 164,678 )</u>	<u>\$ 68,451</u>

c. Income tax assessments

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

29. EARNINGS PER SHARE

	Unit: NT\$ Per Share			
	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Basic earnings per share	<u>\$ 0.16</u>	<u>\$ 0.98</u>	<u>\$ 0.99</u>	<u>\$ 3.36</u>
Diluted earnings per share	<u>\$ 0.16</u>	<u>\$ 0.97</u>	<u>\$ 0.99</u>	<u>\$ 3.35</u>

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

Net profit for the period

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Net profit attributable to owners of the Company (used to calculate the net profit from basic and diluted earnings per share)	<u>\$ 174,252</u>	<u>\$ 1,046,015</u>	<u>\$ 1,063,023</u>	<u>\$ 3,600,486</u>

Number of Shares

	Unit: In Thousands of Shares			
	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Weighted average number of ordinary shares used in the computation of basic earnings per share	1,072,298	1,072,298	1,072,298	1,072,298
Effect of potentially dilutive ordinary shares:				
Employees' compensation	<u>663</u>	<u>1,096</u>	<u>1,198</u>	<u>1,389</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>1,072,961</u>	<u>1,073,394</u>	<u>1,073,496</u>	<u>1,073,687</u>

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

30. SHARE-BASED PAYMENT ARRANGEMENTS

USIO didn't issue employee share options as of January 1 to September 30, 2022 and 2021. Information on employee share options which were issued was as follows:

	For the Nine Months Ended September 30, 2022		For the Nine Months Ended September 30, 2021	
	Unit	Weighted average Exercise Price (NT\$)	Unit	Weighted average Exercise Price (NT\$)
Employee share options				
Options exercised at January 1 and September 30	<u>133</u>	10.8	<u>133</u>	10.8

31. BUSINESS COMBINATION (FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022: NONE)

a. Acquisition of subsidiaries

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

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

b. Transfer consideration

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

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

d. Goodwill generated from the acquisition

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

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

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

e. Net cash outflows from acquisition of subsidiaries

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

f. The impact of business combination on operating results

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

	<u>USIGE</u>
Revenue	<u>\$ -</u>
Loss of the period	( <u>\$ 276</u> )

If the acquisition of USIGE in July 2021 took place on January 1, 2021, the proposed operating revenues of the Group for the three months ended September 30, 2021 and for the nine months ended September 30, 2021 were NT\$18,463,761 thousand and



NT\$52,404,697 thousand, respectively, and the proposed net profit was NT\$2,095,422 thousand and NT\$7,369,843 thousand, respectively. These amounts do not reflect the actual revenues and operating results of the Group that would have been generated had the combination been completed on the commencement date of the year of acquisition and shall not be used as a projection of future operating results.

## 32. 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 September 30, 2022 and 2021 were as follows:

- 1) As of September 30, 2022, December 31, 2021 and September 30, 2021, the amounts of payables for purchases of equipment were NT\$293,423 thousand, NT\$293,455 thousand and NT\$242,392 thousand, respectively.
- 2) As of September 30, 2022, December 31, 2021 and September 30, 2021, the amounts of payables for dividends declared but not issued were NT\$23,063 thousand, NT\$20,551 thousand and NT\$1,476,464 thousand, respectively.

### b. Changes in liabilities arising from financing activities

	Non-cash Changes						September 30, 2022
	January 1, 2022	Cash Flows	New Leases	Amortization of Finance Costs	Changes in Foreign Currency Exchange Rates	Others	
Short-term borrowings	\$ 2,498,041	\$ 61,149	\$ -	\$ -	\$ -	\$ -	\$ 2,559,190
Short-term bills payable	279,635	126,000	-	-	-	141	405,776
Bonds payable (including those due within 1 year)	8,988,972	( 1,000,000)	-	2,575	-	-	7,991,547
Long-term borrowings (including those due within 1 year)	4,513,240	1,749,245	-	8,138	-	-	6,270,623
Guarantee deposits received	29,528	12,981	-	-	-	-	42,509
Lease liabilities (including those due within 1 year)	460,567	( 60,505)	983,886	6,528	3,129	( 6,528)	1,387,077
Other non-current liabilities	65,243	21,930	-	-	-	-	87,173
	<u>\$ 16,835,226</u>	<u>\$ 910,800</u>	<u>\$ 983,886</u>	<u>\$ 17,241</u>	<u>\$ 3,129</u>	<u>(\$ 6,387)</u>	<u>\$ 18,743,895</u>

	Non-cash Changes						September 30, 2021
	January 1, 2021	Cash Flows	New Leases	Amortization of Finance Costs	Changes in Foreign Currency Exchange Rates	Others	
Short-term borrowings	\$ 2,726,270	(\$ 242,964)	\$ -	\$ -	\$ -	\$ -	\$ 2,483,306
Short-term bills payable	656,704	( 31,000)	-	-	-	16	625,720
Bonds payable (including those due within 1 year)	6,994,302	1,995,634	-	2,472	-	-	8,992,408
Long-term borrowings (including those due within 1 year)	7,590,000	( 3,370,000)	-	-	-	( 36)	4,219,964
Guarantee deposits received	23,342	3,434	-	-	-	-	26,776
Lease liabilities (including those due within 1 year)	459,686	( 52,199)	38,844	5,112	( 210)	( 12,018)	439,215
Other non-current liabilities	41,000	( 1,620)	-	-	-	-	39,380
	<u>\$ 18,491,304</u>	<u>(\$ 1,698,715)</u>	<u>\$ 38,844</u>	<u>\$ 7,584</u>	<u>(\$ 210)</u>	<u>(\$ 12,038)</u>	<u>\$ 16,826,769</u>

### 33. 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.

### 34. FINANCIAL INSTRUMENTS

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

#### September 30, 2022

	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
- Domestic corporate bonds	<u>\$ 7,991,547</u>	<u>\$ -</u>	<u>\$ 8,007,236</u>	<u>\$ -</u>	<u>\$ 8,007,236</u>

#### December 31, 2021

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

#### September 30, 2021

	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
- Domestic corporate bonds	<u>\$ 8,992,408</u>	<u>\$ -</u>	<u>\$ 9,017,435</u>	<u>\$ -</u>	<u>\$ 9,017,435</u>

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

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

1) Fair value hierarchy

September 30, 2022

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivatives	\$ -	\$ 23,694	\$ -	\$ 23,694
Domestic listed (OTC) shares	215,751	-	-	215,751
Fund beneficiary certificates	2,097,935	-	-	2,097,935
Beneficiary securities	232,794	-	-	232,794
Foreign listed stocks	96	-	-	96
Total	<u>\$ 2,546,576</u>	<u>\$ 23,694</u>	<u>\$ -</u>	<u>\$ 2,570,270</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
- Domestic listed (OTC) shares	\$ 1,787,877	\$ -	\$ -	\$ 1,787,877
- Domestic unlisted shares and emerging market shares	-	-	382,489	382,489
- Foreign listed (OTC) shares	27,260	-	-	27,260
- Overseas unlisted equity investments	-	-	148,180	148,180
Total	<u>\$ 1,815,137</u>	<u>\$ -</u>	<u>\$ 530,669</u>	<u>\$ 2,345,806</u>
<u>Financial liabilities at FVTPL</u>				
Derivatives	<u>\$ -</u>	<u>\$ 19,060</u>	<u>\$ -</u>	<u>\$ 19,060</u>

December 31, 2021

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

September 30, 2021

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivatives	\$ -	\$ 4,292	\$ -	\$ 4,292
Domestic listed (OTC) shares	655,879	-	-	655,878
Fund beneficiary certificates	5,166,479	-	-	5,166,479
Beneficiary securities	221,803	-	-	221,804
Foreign listed stocks	514	-	-	514
Total	<u>\$ 6,044,675</u>	<u>\$ 4,292</u>	<u>\$ -</u>	<u>\$ 6,048,967</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
- Domestic listed (OTC) shares	\$ 1,606,793	\$ -	\$ -	\$ 1,606,793
- Domestic emerging stocks	-	-	14,834	14,834
- Domestic unlisted shares and emerging market shares	-	-	557,958	557,958
- Foreign listed (OTC) shares	42,058	-	-	42,058
- Overseas unlisted equity investments	-	-	111,175	111,175
Total	<u>\$ 1,648,851</u>	<u>\$ -</u>	<u>\$ 683,967</u>	<u>\$ 2,332,818</u>
<u>Financial liabilities at FVTPL</u>				
Derivatives	<u>\$ -</u>	<u>\$ 11,522</u>	<u>\$ -</u>	<u>\$ 11,522</u>

There were no transfers between Levels 1 and 2 for the nine months ended September 30, 2022 and 2021.

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

	For the Nine Months Ended <u>September 30, 2022</u>	For the Nine Months Ended <u>September 30, 2021</u>
<u>Financial assets at FVTOCI</u>		
Beginning balance	\$ 573,021	\$ 833,285
Purchase	43	24
Recognized in other comprehensive income (included in unrealized gain (loss) on financial assets at FVTOCI)	( 13,996)	( 97,098)
Disposal	( 28,399)	-
Return of capital	<u>-</u>	<u>( 52,244)</u>
Ending Balance	<u>\$ 530,669</u>	<u>\$ 683,967</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 expiration date through interpolation method.
Derivatives - foreign exchange forward contracts	Discounted cash flow: Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

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

The Group applied the valuation techniques and inputs for Level 3 fair value measurement for its independent fair value authentication of financial instruments which was carried out by the financial department. Through information from independent resources, the Group keeps the results close to the market state and reviews such results periodically to ensure that they are reasonable. The fair values of domestic and foreign unlisted equity securities were determined using the asset-based approach. In this approach, the fair value is determined by the latest net value of the investee company and the financial and business conditions of its observable company. If the discount for the lack of marketability decreases, the fair value of investments will increase. When the discount for lack of marketability increases/decreases by 10%, the fair value will decrease/increase by \$53,067 thousand and \$68,397 thousand, respectively from January 1 to September 30, 2022 and 2021.

c. Categories of financial instruments

	September 30, 2022	December 31, 2021	September 30, 2021
<u>Financial assets</u>			
Financial assets at FVTPL			
Financial assets mandatorily classified as at FVTPL	\$ 2,570,270	\$ 5,742,266	\$ 6,048,967
Financial assets measured at amortized cost			
Cash and cash equivalents	11,998,427	10,365,353	9,997,770
Pledged time and demand deposits	740,173	731,638	740,200
Notes receivable	513,470	875,475	559,092
Accounts receivable	6,841,505	8,515,477	8,861,407
Other receivables (including related parties)	71,520	211,810	410,149
Refundable deposits	190,845	173,394	172,769
Financial assets at FVTOCI – investments in equity instruments	2,345,806	2,432,738	2,232,818
<u>Financial liabilities</u>			
Financial liabilities at FVTPL			
- held for trading	19,060	3,380	11,522
Financial liabilities measured at amortized cost			
Short-term borrowings	2,559,190	2,498,041	2,483,306
Short-term bills payable	405,776	279,635	625,720
Accounts payable	3,172,473	3,528,998	4,128,166
Other payables (not including salaries payable or taxes payable)	1,437,910	1,472,810	2,883,804
Current portion of long-term borrowings	1,999,934	3,059,116	2,999,830
Bonds payable	5,991,613	5,989,773	5,992,578
Long-term borrowings	6,270,623	4,453,323	4,219,964
Guarantee deposits received	42,509	29,528	26,776

d. Financial Risk Management Objectives and Policies

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

1) Market risk

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

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

a) Foreign currency risk

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

For the carrying amount of monetary assets and monetary liabilities denominated in non-functional currencies of the Group as of the balance sheet date, please refer to Note 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 (U.S. dollar and RMB denominated items). When the functional currency of the entities of the Group relative to the USD and RMB appreciates/depreciates by 3%, the Group's profit before tax for period from January 1 to September 30, 2022 and 2021 will decrease/increase by NT\$130,984 thousand and NT\$167,385 thousand, respectively.

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

b) Interest rate risk

The Group was exposed to the fair value risk of interest rate fluctuations for the fixed interest rate bearing financial assets and financial liabilities; the

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

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

	September 30, 2022	December 31, 2021	September 30, 2021
Fair value interest rate risk			
- Financial assets	\$ 9,510,454	\$ 7,781,222	\$ 7,799,097
- Financial liabilities	13,641,838	12,819,174	13,451,473
Cash flow interest rate risk			
- Financial assets	2,949,518	3,050,945	2,558,837
- Financial liabilities	4,972,375	3,921,281	3,309,140

#### Sensitivity analysis

Regarding the sensitivity analysis of interest risk, the Group's computation was based on financial assets and financial liabilities with cash flow interest rate risk. A 0.5% increase/decrease of market interest was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rate. If interest rates had been 0.5% higher/lower and all other variables were held constant, the Group's profit before tax for period from January 1 to September 30, 2022 will decrease/increase by \$7,586 thousand; the profit before tax for period from January 1 to September 30, 2021 will decrease/increase by \$2,814 thousand.

#### c) Other price risks

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



### Sensitivity analysis

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

If the equity price had increased/decreased by 5%, the pre-tax profit from January 1 to September 30, 2022 and 2021 would have increased/decreased by NT\$22,432 thousand and NT\$43,910 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL (excluding mutual fund beneficiary certificates); The pre-tax other comprehensive income from January 1 to September 30, 2022 and 2021 would have increased/decreased by NT\$117,290 thousand and NT\$116,641 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

#### 2) Credit risk

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

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

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

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

3) Liquidity risk

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

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

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

September 30, 2022

	Weighted Average Interest Rate (%)	On Demand or Less than 1 Year	1-5 Years	More than 5 years
<u>Non-derivative</u>				
<u>financial liabilities</u>				
Non-interest bearing				
liabilities		\$ 4,610,383	\$ -	\$ -
Lease liabilities	0.83-9.25	129,966	458,766	1,159,943
Floating interest rate				
liabilities	0.63-5.43	960,395	4,899,528	-
Fixed interest rate				
liabilities	0.63-3.77	<u>4,297,999</u>	<u>5,839,651</u>	<u>2,308,412</u>
		<u>\$ 9,998,743</u>	<u>\$ 11,197,945</u>	<u>\$ 3,468,355</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>\$ 129,966</u>	<u>\$ 458,766</u>	<u>\$ 359,324</u>	<u>\$ 353,297</u>	<u>\$ 347,270</u>	<u>\$ 100,052</u>

December 31, 2021

	Weighted Average Interest Rate (%)	On Demand or Less than 1 Year	1-5 Years	More than 5 years
<u>Non-derivative</u>				
<u>financial liabilities</u>				
Non-interest bearing				
liabilities		\$ 5,001,808	\$ -	\$ -
Lease liabilities	0.83-9.25	79,836	246,828	288,585
Floating interest rate				
liabilities	0.10-1.90	970,600	2,986,558	-
Fixed interest rate				
liabilities	0.63-1.90	<u>4,877,712</u>	<u>5,209,600</u>	<u>2,300,000</u>
		<u>\$ 10,929,956</u>	<u>\$ 8,442,986</u>	<u>\$ 2,588,585</u>

Additional information about the maturity analysis for lease liabilities:

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

September 30, 2021

	Weighted Average Interest Rate (%)	On Demand or Less than 1 Year	1-5 Years	More than 5 years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities				
Lease liabilities	0.83-9.25	\$ 8,422,510 77,472	\$ - 242,416	\$ - 303,900
Floating interest rate liabilities				
Fixed interest rate liabilities	0.52-1.78	1,189,176	2,119,964	-
	0.63-1.90	<u>4,920,130</u>	<u>8,100,000</u>	<u>-</u>
		<u>\$ 14,609,288</u>	<u>\$ 10,462,380</u>	<u>\$ 303,900</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>\$ 77,472</u>	<u>\$ 242,416</u>	<u>\$ 74,607</u>	<u>\$ 57,185</u>	<u>\$ 57,825</u>	<u>\$ 114,283</u>

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

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

September 30, 2022

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year
<u>Gross settled</u>			
Foreign exchange forward contracts			
- Inflows	\$ 870,089	\$ 1,219,299	\$ 11,735
- Outflows	( 859,181)	( 1,230,740)	( 12,553)
	<u>\$ 10,908</u>	<u>( \$ 11,441)</u>	<u>( \$ 818)</u>

December 31, 2021

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

September 30, 2021

	<u>On Demand or Less than 1 Month</u>	<u>1-3 Months</u>	<u>3 Months to 1 Year</u>
<u>Gross settled</u>			
Foreign exchange forward contracts			
- Inflows	\$ 1,270,488	\$ 2,452,803	\$ 43,536
- Outflows	( <u>1,271,716</u> )	( <u>2,460,456</u> )	( <u>45,107</u> )
	( <u>\$ 1,228</u> )	( <u>\$ 7,653</u> )	( <u>\$ 1,571</u> )

c) Financing facilities

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

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Bank loan facilities			
- Amount unused	<u>\$ 40,008,349</u>	<u>\$ 38,572,010</u>	<u>\$ 37,801,941</u>

35. TRANSACTIONS WITH RELATED PARTIES

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

a. Name of the related party and their relationship

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

b. Purchase (classified as cost of goods sold)

Related Party Category/Name	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Joint ventures	<u>\$ 554,966</u>	<u>\$ -</u>	<u>\$ 1,800,706</u>	<u>\$ -</u>

Purchases from related parties had no material differences from those of general purchase transactions.

c. Donation costs (recorded as administrative expenses)

Related Party Category/Name	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Other related parties USIF	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ 16,000</u>

d. Management services income (classified as other income)

Related Party Category/Name	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Joint ventures	<u>\$ 6,444</u>	<u>\$ 9,127</u>	<u>\$ 21,336</u>	<u>\$ 27,846</u>

e. Rental income (accounting for other income)

The Group lease the office buildings to the associates and the rent is calculated on a monthly basis based on the contract. The associates has no options to lease at the end of the lease terms.

Related Party Category/Name	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Associate	<u>\$ 167</u>	<u>\$ -</u>	<u>\$ 167</u>	<u>\$ -</u>

f. Other receivables

Related Party Category/Name	September 30, 2022	December 31, 2021	September 30, 2021
Joint ventures	\$ 6,110	\$ 21,083	\$ 8,198
Associate	88	-	-
	<u>\$ 6,198</u>	<u>\$ 21,083</u>	<u>\$ 8,198</u>

g. Compensation of key management personnel

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

	For the Three Months Ended September 30, 2022	For the Three Months Ended September 30, 2021	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Short-term employee benefits	\$ 6,662	\$ 8,781	\$ 26,000	\$ 26,151
Retirement benefits	<u>157</u>	<u>155</u>	<u>666</u>	<u>317</u>
	<u>\$ 6,819</u>	<u>\$ 8,936</u>	<u>\$ 26,666</u>	<u>\$ 26,468</u>

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

36. COLLATERALIZED ASSETS

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

	September 30, 2022	December 31, 2021	September 30, 2021
Pledged time deposits (classified as financial assets measured at amortized cost)	\$ 695,057	\$ 679,083	\$ 678,263
Financial assets at FVTPL	7,312	9,085	-
Property, plant and equipment	207,984	160,158	483,072
Land use right (classified as right-of-use assets)	20,587	20,578	20,550
Refundable deposits (classified as other non-current assets)	<u>126,928</u>	<u>121,685</u>	<u>70,837</u>
	<u>\$ 1,057,868</u>	<u>\$ 990,589</u>	<u>\$ 1,252,722</u>

37. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACTUAL COMMITMENTS

- a. As of September 30, 2022, December 31, 2021, and September 30, 2021, the Group's unused letters of credit amounted to NT\$3,031,040 thousand, NT\$3,177,888 thousand and NT\$3,585,608 thousand, respectively.
- b. Regarding the Company's associate, China General Terminal & Distribution Corporation ("CGTD"), who was commissioned to operate the propylene pipeline of LCY Chemical Corp. ("LCY") resulting in a gas explosion on July 31, 2014, the appeal was dismissed by the Supreme Court on September 15, 2021, and all three employees of CGTD were innocent.

On February 12, 2015, CGTD entered into an agreement with the Kaohsiung City Government to provide the Kaohsiung City Government with pledge right set of a bank deposit certificate of NT\$227,803 thousand (including interests) as the guarantee for the loss caused by the gas explosion. Kaohsiung City Government has also filed civil lawsuits against LCY, CGTD and CPC Corporation. Taiwan Power Company applied for provisional attachment against CGTD's property on August 27 and November 26, 2015. CGTD had deposited cash of NT\$99,207 thousand to the court to avoid provisional attachment. Taiwan Water Corporation also applied for provisional attachment against CGTD's property on February 3 and March 2, 2017. As of October 28, 2022, the provisionally attached properties were worth NT\$10,198 thousand.

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

For the severely injured, CGTD, LCY and the Kaohsiung City Government signed a tripartite agreement for severe injuries on October 25, 2017 agreeing to negotiate the compensation first with the 65 severely injured victims. The compensation was paid by CGTD and the Kaohsiung City Government, and CGTD was in charge of negotiating the compensation with the seriously injured victims' families and signing the settlement agreement on behalf of the three parties with the 64 seriously injured victims' families. As of October 28, 2022, the victims and victims' families had written letters or filed civil lawsuits (including criminal lawsuits) against LCY, CGTD and CPC Corporation for compensation claims. To reduce the lawsuit costs, CGTD came to a compromise and reduced the original claim of NT\$46,677 thousand and settled for a compensation amount of NT\$4,519 thousand instead. Along with the case still under litigation and the above-mentioned compensation, the accumulated amount of compensation is NT\$3,856,447 thousand. The first-instance judgments of some of the above-mentioned civil cases (with a total amount of compensation of approximately NT\$1,440,672 thousand) have been gradually announced, starting from June 22, 2018. The proportion of fault liability of the Kaohsiung City Government, LCY and CGTD is 4:3:3 in most judgments. The total amount of compensation that CGTD, LCY and the other defendants should pay is around NT\$401,979 thousand. (In particular, CGTD was exempted to pay NT\$6,194 thousand according to the court's judgment.) For the civil cases that have been sentenced but not settled, CGTD has filed an appeal and has started the second trial procedure one after another. The remaining cases are still pending in the Court of First Instance (the amount claimed is approximately NT\$1,912,949 thousand). CGTD and its insurance company signed a settlement agreement, covering the proportion of the liability for negligence determined in the first-instance judgment, the estimated amount of the settlement with the victims and the severely injured, and the amount of compensation in civil cases (including cases that have been settled); after the maximum insurance claims is deducted, the estimated amount that should be borne by CGTD and has been recognized is NT\$136,375 thousand. However, the actual amount of the aforementioned relevant settlements and compensation will not be confirmed until the proportion of the liabilities that should be borne by CGTD is determined in the civil case judgment in the future.



### 38. SIGNIFICANT CONTRACTS

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

b. Key operation contracts

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

<u>Commissioning Company</u>	<u>Operation Contract Period</u>
Taita Chemical Company, Ltd.	2022.01.01-2022.12.31
Taiwan VCM Corporation	2022.01.01-2022.12.31
USI Corporation	2022.01.01-2022.12.31
Asia Polymer Corporation	2022.01.01-2022.12.31
LCY Chemical Corp.	2022.01.01-2022.12.31
TSRC Corporation	2022.01.01-2022.12.31
Nantex Industry Co., Ltd.	2022.01.01-2022.12.31
En Chuan Chemical Industries Co., Ltd.	2022.01.01-2022.12.31
Xin Long Guang Plastics Co., Ltd.	2022.01.01-2022.12.31
Oriental Union Chemical Corporation	2022.01.01-2022.12.31
Formosa Plastics Corporation	2022.01.01-2022.12.31
Chi Shen Transportation Co., Ltd.	2022.01.01-2022.12.31
LCY Grit Corp.	2022.01.01-2022.12.31
Shin Foong Specialty And Applied Materials Co., Ltd.	2022.01.01-2022.12.31

The aforesaid operation contracts may be renewed upon expiration.

### 39. SIGNIFICANT FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

Unit: Foreign and Functional Currencies in Thousands

September 30, 2022

	Foreign Currency	Exchange Rate (In Single Dollars)	Functional Currencies	NT\$
<u>Foreign currency assets</u>				
<u>Monetary items</u>				
USD	\$ 144,082	31.75 (USD/NTD)	\$ 4,574,621	\$ 4,574,621
USD	4,525	7.10 (USD/RMB)	32,123	143,654
USD	4,651	4.81 (USD/MYR)	22,386	147,657
RMB	423,850	4.47 (RMB/NTD)	1,895,458	1,895,458
RMB	3,664	0.14 (RMB/USD)	516	16,399
AUD	956	20.66 (AUD/NTD)	19,758	19,758
EUR	1066	31.26 (EUR/NTD)	33,339	33,339
<u>Foreign currency assets</u>				
<u>Non-monetary items</u>				
Joint Ventures Using the Equity Method				
RMB	3,442,302	0.14 (RMB/USD)	484,845	15,393,828
Derivatives				
Purchase USD	15,640	31.75 (USD/NTD)	22,880	22,880
Sell USD	100	4.81 (USD/MYR)	-	1
Purchase JPY	85,000	0.01 (JPY/USD)	26	813
<u>Foreign currency liabilities</u>				
<u>Monetary items</u>				
USD	48,672	31.75 (USD/NTD)	1,545,304	1,545,304
USD	20,922	7.10 (USD/RMB)	148,541	664,280
USD	3,033	4.81 (USD/MYR)	14,602	96,313
RMB	23,653	4.47 (RMB/NTD)	105,775	105,775
<u>Non-monetary items</u>				
Derivatives				
Purchase USD	520	31.75 (USD/NTD)	35	35
Sell USD	1,000	31.75 (USD/NTD)	1,988	1,988
Sell USD	1,050	4.81 (USD/MYR)	110	723
Sell RMB	339,200	4.47 (RMB/NTD)	16,302	16,302
Sell EUR	300	4.74 (EUR/MYR)	2	12

December 31, 2021

	Foreign Currency	Exchange Rate (In Single Dollars)	Functional Currencies	NT\$
<u>Foreign currency assets</u>				
<u>Monetary items</u>				
USD	\$ 220,029	27.68 (USD/NTD)	\$ 6,090,148	\$ 6,090,148
USD	5,174	6.38 (USD/RMB)	32,987	143,214
USD	4,570	4.36 (USD/MYR)	19,906	126,505
RMB	495,301	4.34 (RMB/NTD)	2,150,425	2,150,425
RMB	1,611	0.16 (RMB/USD)	253	7,004
AUD	1,000	20.08 (AUD/NTD)	20,078	20,078
EUR	774	31.32 (EUR/NTD)	24,223	24,223
<u>Non-monetary items</u>				
Joint Ventures Using the Equity Method				
RMB	4,453,674	0.16 (RMB/USD)	698,539	19,335,554
Derivatives				
Sell USD	49,930	27.68 (USD/NTD)	6,308	6,308
Sell USD	1,850	4.36 (USD/MYR)	49	313
Sell RMB	137,000	4.34 (RMB/NTD)	1,133	1,133
Sell EUR	60	4.93 (EUR/MYR)	22	143
Purchase JPY	100,000	0.01 (JPY/USD)	14	400
<u>Foreign currency liabilities</u>				
<u>Monetary items</u>				
USD	76,741	27.68 (USD/NTD)	2,124,188	2,124,188
USD	19,106	6.38 (USD/RMB)	528,864	528,864
USD	1,209	4.36 (USD/MYR)	5,265	33,462
RMB	20,782	4.34 (RMB/NTD)	90,223	90,223
<u>Non-monetary items</u>				
Derivatives				
Sell USD	300	4.36 (USD/MYR)	4	28
Sell RMB	238,900	4.34 (RMB/NTD)	3,352	3,352

September 30, 2021

	Foreign Currency	Exchange Rate (In Single Dollars)	Functional Currencies	NT\$
<u>Foreign currency assets</u>				
<u>Monetary items</u>				
USD	\$ 224,862	27.85 (USD/NTD)	\$ 6,262,403	\$ 6,262,403
USD	4,174	6.49 (USD/RMB)	27,064	116,223
USD	5,039	4.37 (USD/MYR)	22,002	140,327
RMB	438,163	4.29 (RMB/NTD)	1,881,600	1,881,600
RMB	3,077	0.15 (RMB/USD)	474	13,209
AUD	721	20.07 (AUD/NTD)	14,474	14,474
EUR	1,138	32.32 (EUR/NTD)	36,756	36,756

(Continued)

(Continued)

	September 30, 2021			
	Foreign Currency	Exchange Rate (In Single Dollars)	Functional Currencies	NT\$
<u>Non-monetary items</u>				
Joint Ventures Using the Equity Method				
RMB	\$ 4,607,843	0.15 (RMB/USD)	\$ 710,495	\$ 19,787,280
Derivatives				
Purchase USD	30,510	27.85 (USD/NTD)	3,006	3,006
Sell USD	13,020	27.85 (USD/NTD)	620	620
Sell USD	1,150	4.37 (USD/MYR)	49	316
Sell RMB	16,000	4.29 (RMB/NTD)	15	15
Sell EUR	90	5.07 (EUR/MYR)	20	126
Purchase JPY	40,000	0.01 (JPY/USD)	365	209
<u>Foreign currency liabilities</u>				
<u>Monetary items</u>				
USD	79,519	27.85 (USD/NTD)	2,214,576	2,214,576
USD	17,212	6.49 (USD/RMB)	111,626	479,356
USD	1,096	4.37 (USD/MYR)	4,785	30,516
RMB	25,573	4.29 (RMB/NTD)	109,818	109,818
<u>Non-monetary items</u>				
Derivatives				
Purchase USD	3,400	27.85 (USD/NTD)	586	586
Sell USD	30,370	27.85 (USD/NTD)	2,723	2,723
Sell USD	400	4.37 (USD/MYR)	8	48
Sell RMB	349,700	4.29 (RMB/NTD)	8,165	8,165

The net realized and unrealized foreign currency exchange gain or loss of the Group for the three months ended September 30, 2022 and 2021 and the nine months ended September 30, 2022 and 2021 were NT\$227,338 thousand (gain), NT\$21,081 thousand (gain), NT\$565,116 thousand (gain) and NT\$113,086 thousand (loss), respectively. Due to the wide variety of foreign currency transactions and functional currencies of the Group's individual entities, thus the exchange gains and losses were not disclosed by currency of significant impact.

#### 40. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions and b. reinvestment business:

- 1) Financing provided to others. (Table 1)
- 2) Endorsements/guarantees provided. (Table 2)
- 3) Marketable securities held (excluding investment in subsidiaries, associates and joint ventures). (Table 3)
- 4) Total Purchases from or Sales to Related Parties of Marketable Securities Amounting to at Least NT\$300 Million or 20% of the Paid-in Capital. (Table 4)
- 5) Acquisitions of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital. (None)

- 6) Disposals of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital. (None)
  - 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 5)
  - 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 6)
  - 9) Trading in derivative instruments. (Notes 7 and 34)
  - 10) Others: The Business Relationships and Significant Transactions and Amounts between Parent and Subsidiaries and between Subsidiaries. (Table 9)
  - 11) Information on investees. (Table 7)
- c. Information on Investments in Mainland China:
- 1) Information on investee company in mainland China, including the company names, major business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, current profit and loss and recognized investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China. (Table 8)
  - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:
    - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: Tables 5 and 9.
    - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: Tables 5 and 9.
    - c) The amount of property transactions and the amount of the resultant gains or losses: None.
    - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: Table 2.
    - e) The highest balance during the period, the end of period balance, the interest rate range, and total current period interest with respect to the financing of funds: Table 1.
    - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services: None.

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

#### 41. SEGMENT INFORMATION

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

##### a. Profit or Loss of Reporting Segment

	For the Nine Months Ended September 30, 2022						Total
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Others	
Segment revenue	\$ 11,638,338	\$ 14,130,620	\$ 14,239,420	\$ 2,312,766	\$ 7,311,466	\$ 3,656,860	\$ 53,289,470
Interest income	11,739	5,950	30,488	5,685	7,524	29,221	90,607
Finance costs	( 57,407 )	( 14,097 )	( 3,703 )	( 20,937 )	( 7,870 )	( 55,641 )	( 159,655 )
Depreciation and amortization	( 477,398 )	( 529,943 )	( 156,467 )	( 171,014 )	( 227,749 )	( 251,637 )	( 1,814,208 )
Pre-tax profit (loss) of reporting segment	1,346,485	( 433,907 )	606,460	58,125	1,438,880	( 4,006,973 )	( 990,930 )
Income tax (expenses) profits of reporting segment	( 283,462 )	133,683	( 151,848 )	( 36,737 )	( 293,435 )	( 40,635 )	( 672,434 )
Net profit (loss) of reporting segment	1,063,023	( 300,224 )	454,612	21,388	1,145,445	( 4,047,608 )	( 1,663,364 )

	For the Nine Months Ended September 30, 2021						Total
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Others	
Segment revenue	\$ 11,299,797	\$ 15,099,697	\$ 15,461,449	\$ 2,273,304	\$ 6,651,233	\$ 3,543,330	\$ 54,328,810
Interest income	4,482	1,868	31,223	6,886	3,479	10,721	58,659
Finance costs	( 71,116 )	( 2,998 )	( 3,836 )	( 11,806 )	( 18,528 )	( 21,972 )	( 130,256 )
Depreciation and amortization	( 465,838 )	( 528,455 )	( 150,250 )	( 151,338 )	( 234,708 )	( 266,688 )	( 1,797,277 )
Pre-tax profit of reporting segment	4,089,594	2,491,153	1,837,285	107,244	2,588,090	1,972,890	13,086,256
Income tax expenses of reporting segment	( 489,108 )	( 490,943 )	( 437,597 )	( 40,868 )	( 429,263 )	( 95,901 )	( 1,983,680 )
Net profit of reporting segment	3,600,486	2,000,210	1,399,688	66,376	2,158,827	1,876,989	11,102,576

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

1) Segment revenue and results

	For the Nine Months Ended September 30, 2022	For the Nine Months Ended September 30, 2021
Pre-tax profit of reporting segment	\$ 3,016,043	\$ 11,113,366
Income tax expenses of reporting segment	( 631,799 )	( 1,887,779 )
Total of net after-tax profit of reporting segment	2,384,244	9,225,587
(Loss) profit of other non-reporting segments	( 4,047,608 )	1,876,989
Deduction of inter-segment loss (profit)	<u>1,665,644</u>	<u>( 3,732,509 )</u>
Consolidated net after-tax profit	<u>\$ 2,280</u>	<u>\$ 7,370,067</u>

2) Other major adjustments

For the Nine Months Ended September 30, 2022								
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Others	Adjustments	Total
Interest income	\$ 11,739	\$ 5,950	\$ 30,488	\$ 5,685	\$ 7,524	\$ 29,221	(\$ 41)	\$ 90,566
Finance costs	( 57,407 )	( 14,097 )	( 3,703 )	( 20,937 )	( 7,870 )	( 55,641 )	1,466	( 158,189 )
Depreciation and amortization	( 477,398 )	( 529,943 )	( 156,467 )	( 171,014 )	( 227,749 )	( 251,637 )	27,571	( 1,786,637 )

  

For the Nine Months Ended September 30, 2021								
	USI	CGPC and CGPC's subsidiaries	TTC and TTC's subsidiaries	ACME and ACME's subsidiaries	APC and APC's subsidiaries	Others	Adjustments	Total
Interest income	\$ 4,482	\$ 1,868	\$ 31,223	\$ 6,886	\$ 3,479	\$ 10,721	\$ -	\$ 58,659
Finance costs	( 71,116 )	( 2,998 )	( 3,836 )	( 11,806 )	( 18,528 )	( 21,972 )	1,918	( 128,338 )
Depreciation and amortization	( 465,838 )	( 528,455 )	( 150,250 )	( 151,338 )	( 234,708 )	( 266,688 )	43,714	( 1,753,563 )

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

USI CORPORATION AND SUBSIDIARIES  
FINANCING PROVIDED TO OTHERS  
For the nine months ended September 30, 2022

Table 1

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

No.	Lender	Borrower	Financial Statement Account	Related Party (Yes/No)	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Range of Interest Rates (%)	Nature of Financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)	Remark
													Item	Value			
0	USI Corporation	USI Green Energy Corporation	Other receivables - related parties	Yes	\$ 200,000	\$ 200,000	\$ -	-	2	\$ -	Business turnover	\$ -	-	-	\$ 9,674,939	\$ 9,674,939	

Note 1: The total capital loans shall not exceed 40% of the net value of the Company's most recent financial statements certified or audited by CPAs. The maximum capital loans is calculated on the net value as of September 30, 2022.

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

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



USI CORPORATION AND SUBSIDIARIES  
(Swanson Plastics Corporation)  
FINANCING PROVIDED TO OTHERS  
For the nine months ended September 30, 2022

Table 1-1

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

No.	Lender	Borrower	Financial Statement Account	Related Party (Yes/No)	Highest Balance for the Period	Ending Balance (Note 3)	Actual Borrowing Amount (Notes 3 and 4)	Range of Interest Rates (%)	Nature of Financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)	Remark
													Item	Value			
1	Forever Young Company Limited	Swanson International Ltd.	Other receivables	Yes	\$ 47,636	\$ 47,636	\$ 47,636	-	2	\$ -	Business turnover	\$ -	-	-	\$ 79,914	\$ 119,871	
2	ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	Other receivables	Yes	171,350	169,936	169,936	3.85	2	-	Business turnover	-	-	-	531,619	531,619	

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

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

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

Note 3: The calculation was based on the spot exchange rate of September 30, 2022.

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

USI CORPORATION AND SUBSIDIARIES  
 ENDORSEMENTS/GUARANTEES PROVIDED  
 For the nine months ended September 30, 2022

Table 2

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

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/Guarantee Made for Each Party (Note 1)	Maximum Amount Endorsed/Guaranteed During the Period (Note 2)	Outstanding Endorsement/Guarantee at the End of the Period (Note 2)	Actual Borrowing Amount	Amount Endorsed/Guaranteed by Collateral	Ratio of Accumulated Endorsement/Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/Guarantee Limit (Note 1)	Endorsement/Guarantee Made by Parent for Subsidiaries	Endorsement/Guarantee Made by Subsidiaries for Parent	Endorsement/Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	USI Corporation	Union Polymer Int'l Investment Corp.	Subsidiary which directly held more than 50% of ordinary shares	\$ 12,093,674	\$ 2,600,000	\$ 2,600,000	\$ -	\$ -	10.75	\$ 14,512,409	Yes	No	No	
0	USI Corporation	USI Green Energy Corporation	Subsidiary which directly held more than 50% of ordinary shares	12,093,674	500,000	500,000	210,000	-	2.07	14,512,409	Yes	No	No	
0	USI Corporation	Chong Loong Trading Co., Ltd.	Subsidiary which directly held more than 50% of ordinary shares	12,093,674	328,750 (USD 5,000 thousand) (NTD170,000 thousand)	328,750 (USD 5,000 thousand) (NTD 170,000 thousand)	29,023	-	1.36	14,512,409	Yes	No	No	

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

Note 2: The calculation was based on the spot exchange rate of September 30, 2022.

USI CORPORATION AND SUBSIDIARIES  
(Acme Electronics Corporation)  
ENDORSEMENTS/GUARANTEES PROVIDED  
For the nine months ended September 30, 2022

Table 2-1

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

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/Guaranteed During the Period (Note 3)	Outstanding Endorsement/Guarantee at the End of the Period (Note 3)	Actual Borrowing Amount (Note 3)	Amount Endorsed/Guaranteed by Collateral	Ratio of Accumulated Endorsement/Guarantee to Net Equity in Latest Financial Statements (%) (Note 1)	Aggregate Endorsement/Guarantee Limit (Note 2)	Endorsement/Guarantee Made by Parent for Subsidiaries	Endorsement/Guarantee Made by Subsidiaries for Parent	Endorsement/Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	Subsidiary of ACME (Cayman)	\$ 2,093,435	\$ 515,813 (USD 17,500 thousand)	\$ 333,375 (USD10,000 thousand)	\$ 285,750 (USD9,000 thousand)	\$ -	23.89	\$ 2,791,246	No	No	Yes	
		Acme Electronics (Guang-Zhou) Co., Ltd.	Subsidiary of GAEL	2,093,435	95,250 (USD 3,000 thousand)	95,250 (USD 3,000 thousand)	-	-	18.20	2,791,246	No	No	Yes	
		ACME Electronics (Cayman) Corp.	Subsidiary of Acme Electronics Corporation	2,093,435	254,000 (USD 8,000 thousand)	254,000 (USD 8,000 thousand)	254,000 (USD 8,000 thousand)	-	6.82	2,791,246	No	No	No	

Note 1: The rate was calculated by the equity of ACME as of September 30, 2022.

Note 2: The maximum amount of total endorsement/guarantee shall not exceed 200% of the equity attributable to owners of ACME. The maximum amount of endorsement/guarantee for an individual entity shall not exceed 150% of the equity attributable to owners of ACME. The maximum amount of endorsement/guarantee was calculated based on the equity of the endorser/guarantor as of September 30, 2022.

Note 3: The calculation was based on the spot exchange rate of September 30, 2022.

USI CORPORATION AND SUBSIDIARIES  
(Swanson Plastics Corporation)  
ENDORSEMENTS/GUARANTEES PROVIDED  
For the nine months ended September 30, 2022

Table 2-2

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

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Made for Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period (Note 2)	Actual Borrowing Amount (Note 2)	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 1)	Endorsement/ Guarantee Made by Parent for Subsidiaries	Endorsement/ Guarantee Made by Subsidiaries for Parent	Endorsement/ Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	Swanson Plastics Corporation	Forever Young Company Limited	Subsidiary	\$ 5,290,204	\$ 1,476,698	\$ 1,362,075	\$ 7,938	\$ -	51.49	\$ 6,612,755	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Singapore) Pte., Ltd.	Subsidiary	5,290,204	56,833	56,833	-	-	2.15	6,612,755	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Malaysia) Sdn. Bhd.	Sub-subsubsidiary	5,290,204	38,100	38,100	-	-	1.44	6,612,755	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Kunshan) Co., Ltd.	Sub-subsubsidiary	5,290,204	95,250	95,250	-	-	3.60	6,612,755	No	No	Yes	
0	Swanson Plastics Corporation	Swanson Technologies Corporation	Subsidiary	5,290,204	294,550	294,550	18,000	-	11.14	6,612,755	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Tianjin) Co., Ltd.	Sub-subsubsidiary	5,290,204	31,750	31,750	-	-	1.20	6,612,755	No	No	Yes	
0	Swanson Plastics Corporation	PT. Swanson Plastics Indonesia	Subsidiary	5,290,204	63,500	63,500	-	-	2.40	6,612,755	No	No	No	

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

Note 2: The calculation was based on the spot exchange rate of September 30, 2022.

USI CORPORATION AND SUBSIDIARIES  
(China General Plastics Corporation)  
ENDORSEMENTS/GUARANTEES PROVIDED  
For the nine months ended September 30, 2022

Table 2-3

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

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/Guaranteed During the Period	Outstanding Endorsement/Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/Guaranteed by Collateral	Ratio of Accumulated Endorsement/Guarantee to Net Equity in Latest Financial Statements (%) (Note 1)	Aggregate Endorsement/Guarantee Limit (Note 2)	Endorsement/Guarantee Made by Parent for Subsidiaries	Endorsement/Guarantee Made by Subsidiaries for Parent	Endorsement/Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	China General Plastics Corporation	CGPC Polymer Corporation	Subsidiary	\$ 5,633,939	\$ 1,000,000	\$ 700,000	\$ 200,000	\$ -	7.45	\$ 9,389,899	No	No	No	

Note 1: The ratio was calculated by the equity of CGPC as of September 30, 2022.

Note 2: The total amount of guarantee that may be provided to any external enterprises by CGPC shall not exceed 100% of its net worth stated on the latest financial statements; The total amount of guarantee that may be provided to any single entity by CGPC shall not exceed 60% of its net worth stated on the latest financial statements.

USI CORPORATION AND SUBSIDIARIES  
(Taita Chemical Company, Ltd.)  
ENDORSEMENTS/GUARANTEES PROVIDED  
For the nine months ended September 30, 2022

Table 2-4

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

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/Guaranteed During the Period (Note 1)	Outstanding Endorsement/Guarantee at the End of the Period (Note 1)	Actual Borrowing Amount	Amount Endorsed/Guaranteed by Collateral	Ratio of Accumulated Endorsement/Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/Guarantee Limit (Note 2)	Endorsement/Guarantee Made by Parent for Subsidiaries	Endorsement/Guarantee Made by Subsidiaries for Parent	Endorsement/Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	Taita Chemical Company, Ltd.	TAITA (BVI) Holding Co., Ltd.	Subsidiaries that the Company holds 100% of common equity directly	\$ 7,224,634	\$ 190,500 (USD 6,000 thousand)	\$ 190,500 (USD 6,000 thousand)	\$ -	\$ -	2.64	\$ 10,836,951	No	No	No	
0	Taita Chemical Company, Ltd.	Taita Chemical (Zhongshan) Co., Ltd.	Subsidiaries that TTC's subsidiaries hold 100% of common equity directly	7,224,634	581,360 (RMB 130,000 thousand)	357,760 (RMB 80,000 thousand)	-	-	4.95	10,836,951	No	No	Yes	

Note 1: The calculation was based on the spot exchange rate of September 30, 2022.

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

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

USI CORPORATION AND SUBSIDIARIES  
MARKETABLE SECURITIES HELD

September 30, 2022

Table 3

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Ending			Fair Value	Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)		
USI CORPORATION	Shares							
	CTCI Corporation	—	Financial assets at FVTOCI – non-current	15,130,656	\$ 689,958	1.93	\$ 689,958	
	KHL IB Venture Capital Co., Ltd.	—	"	9,954,950	144,477	11.90	144,477	
	AU Optronics Corporation	—	"	8,514,006	125,156	0.11	125,156	
	Evergreen Marine Corporation	—	Financial assets at FVTPL – current	194,500	28,397	-	28,397	
	Tungho Steel Corporation	—	"	224,500	11,101	-	11,101	
	China Steel Corporation	—	"	350,000	9,345	-	9,345	
	UPC Technology Corporation	—	"	390,000	4,778	-	4,778	
	Quanta Storage Inc.	—	"	86,000	3,251	-	3,251	
	Teratech Corporation	—	Financial assets at FVTPL – non-current	110,000	-	-	-	Note 2
	Beneficiary certificates							
	Taishin 1699 Money Market Fund	—	Financial assets at FVTPL – current	46,258,239	634,977	-	634,977	
	SinoPac TWD Money Market Fund	—	"	7,101,315	100,062	-	100,062	
	Yuanta Wan Tai Money Market Fund	—	"	5,235,979	80,264	-	80,264	
	Taishin Ta-Chong Money Market Fund	—	"	4,171,591	60,038	-	60,038	
	Capital Money Market Fund	—	"	551,765	9,020	-	9,020	
Beneficiary securities								
Cathay No. 1 Real Estate Investment Trust	—	Financial assets at FVTPL – current	3,340,000	60,120	-	60,120		

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Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Ending				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Union Polymer Int'l Investment Corp.	Shares							
	Asia Polymer Corporation	Investments accounted for using the equity method	Financial assets at FVTOCI - non-current	22,182,486	\$ 628,873	3.74	\$ 628,873	
	China General Plastics Corporation	"	"	4,469,307	91,621	0.77	91,621	
	Taita Chemical Company, Ltd.	"	"	456,253	9,832	0.11	9,832	
Swanlake Traders Ltd.	Shares							
	SOHOware Inc.	—	Financial assets at FVTOCI - non-current	1,150,000	-	1.05	-	Note 2
	TGF Linux Communications Inc.	—	"	300,000	-	2.14	-	Note 2
	Neurosky Inc. Preferred Stock D	—	"	2,397,364	-	0.70	-	
USIFE Investment Co., Ltd.	Shares							
	AU Optronics Corporation	—	Financial assets at FVTOCI - current	1,266,061	18,611	0.02	18,611	
	AU Optronics Corporation	—	Financial assets at FVTOCI - non-current	1,266,061	18,611	0.02	18,611	
	Wafer Works Corporation	—	"	1,502,433	59,271	0.28	59,271	
	Solargiga Energy Holdings Limited	—	"	11,876,111	11,670	0.37	11,670	
	Dah Chung Bills Finance Corp.	—	"	482,757	6,652	0.10	6,652	
	Swanson Plastics Corporation	Same chairman	"	9,529,725	142,851	6.18	142,851	
	USI Optronics Corporation	"	"	165,279	155	0.25	155	
	Digimax Inc.	—	"	23,234	-	0.05	-	Note 2
	Silicon Technology Investment (Cayman) Corp.	—	"	911,849	65,855	1.77	65,855	
	China General Plastics Corporation	Same chairman	Financial assets at FVTPL - current	550,722	11,290	0.09	11,290	
	Asia Polymer Corporation	"	"	1,714,180	48,597	0.29	48,597	
	Taita Chemical Company, Ltd.	"	"	1,415,368	30,501	0.36	30,501	
	UPC Technology Corporation	—	"	277,000	3,393	0.02	3,393	
	China Steel Corporation	—	"	175,000	4,673	-	4,673	
	Tungho Steel Corporation	—	"	112,250	5,551	0.02	5,551	
Evergreen Marine Corporation	—	"	64,566	9,427	-	9,427		
Quanta Storage Inc.	—	"	36,000	1,361	0.01	1,361		
Acme Electronics Corporation	Same chairman	"	500,000	14,650	0.27	14,650		
Superactive Group Company Limited	—	"	678,000	96	-	96		

(Continued)



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Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Ending				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Taiwan United Venture Capital Corp.	Beneficiary certificates							
	Yuanta De-Li Money Market Fund	—	Financial assets at FVTPL - current	4,907,988	\$ 81,105	-	\$ 81,105	
	Fuh Hwa Money Market	—	"	3,440,659	50,226	-	50,226	
	Cathay Taiwan Money Market Fund	—	"	5,844,200	73,585	-	73,585	
	Beneficiary certificates							
	Fuh Hwa Money Market	—	Financial assets at FVTPL - current	3,399,556	49,626	-	49,626	
	Cathay Taiwan Money Market Fund	—	"	4,391,849	55,299	-	55,299	
	Shares							
	Innovation & Infinity Global Corp.	—	Financial assets at FVTPL - non-current	720,804	-	0.73	-	Note 2
	Teratech Corporation	—	"	90,000	-	0.58	-	Note 2
	MiTAC Holdings Corporation	—	Financial assets at FVTOCI - current	2,062,000	55,675	0.17	55,675	
	Leadwell Cnc Machines Mfg., Corp.	—	Financial assets at FVTOCI - non-current	419,753	13,520	0.68	13,520	
	Digimax Inc.	—	"	518,898	-	1.18	-	Note 2
	Hexawave Inc.	—	"	109,109	655	0.27	655	
Uranus Chemicals Co., Ltd.	—	"	15,351	491	0.03	491		
Neuro Sky, Inc. Preferred Stock A	—	"	10,000,000	-	1.42	-	Note 2	
Neuro Sky, Inc. Preferred Stock B	—	"	12,595,523	-	1.78	-	Note 2	
Neuro Sky, Inc. Preferred Stock C	—	"	4,532,823	-	0.64	-	Note 2	
Taiwan United Venture Management Corporation	Beneficiary certificates							
	Fuh Hwa Money Market	—	Financial assets at FVTPL - current	91,730	1,339	-	1,339	
INOMA Corporation	Beneficiary certificates							
	Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	305,270	4,190	-	4,190	

(Continued)

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Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Ending				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
USI Optronics Corporation	Beneficiary certificates							
	Jih Sun Money Market Fund	—	Financial assets at FVTPL - current	609,973	\$ 9,171	-	\$ 9,171	
	Taishin Ta-Chong Money Market Fund	—	"	417,233	6,005	-	6,005	
	Taishin 1699 Money Market Fund	—	"	887,541	12,183	-	12,183	
	Yuanta De-Bao Money Market Fund	—	"	498,596	6,068	-	6,068	

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

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

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

USI CORPORATION AND SUBSIDIARIES  
(China General Plastics Corporation)  
MARKETABLE SECURITIES HELD  
September 30, 2022

Table 3-1

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Ending			Fair Value	Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)		
China General Plastics Corporation	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust	—	Financial assets at FVTPL - current	2,997,000	\$ 53,946	-	\$ 53,946	Note 1
	Fund beneficiary certificates							
	Jih Sun Money Market Fund	—	Financial assets at FVTPL - current	3,325,729	50,003	-	50,003	Note 1
	Capital Money Market Fund	—	"	3,058,815	50,002	-	50,002	Note 1
	Shares							
	China Steel Corporation	—	Financial assets at FVTPL - current	350,000	9,345	-	9,345	Note 1
	Tungho Steel Corporation	—	"	95,500	4,722	-	4,722	Note 1
Quanta Storage Inc.	—	"	86,000	3,251	-	3,251	Note 1	
KHL IB Venture Capital Co., Ltd.	—		Financial assets at FVTOCI - non-current	4,977,475	72,223	5.95	72,223	Note 1
Taiwan VCM Corporation	Fund beneficiary certificates							
	Yuanta De-Li Money Market Fund	—	Financial assets at FVTPL - current	15,130,058	250,024	-	250,024	Note 1
	Taishin 1699 Money Market Fund	—	"	7,301,402	100,225	-	100,225	Note 1
	Shares							
	Asia Polymer Corporation	With the same main shareholders as CGPC	Financial assets at FVTOCI - non-current	130,244	3,693	0.02	3,693	Note 1
CGPC (BVI) Holding Co., Ltd.	Shares							
	Teratech Corporation	—	Financial assets at FVTPL - non-current	112,000	-	0.67	-	Notes 1 and 3
	SOHOWare, Inc - preferred shares	—	"	100,000	-	-	-	Notes 1, 2, and 3

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

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

Note 3: As of September 30, 2022, the fair value of CGPC's equity investment in the company was evaluated as 0.

USI CORPORATION AND SUBSIDIARIES

(Taita Chemical Company, Ltd.)

MARKETABLE SECURITIES HELD

September 30, 2022

Table 3-2

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Ending			Fair Value	Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)		
Taita Chemical Company, Ltd.	Shares USI CORPORATION	Ultimate parent company	Financial assets at FVTOCI— non-current	15,109,901	\$ 310,508	1.27	\$ 310,508	Note 1
	Harbinger Venture Capital Corp.	—	"	990	7	0.50	7	Note 3
	UPC Technology Corporation	—	Financial assets at FVTPL – current	432,000	5,292	0.03	5,292	Note 1
	China Steel Corporation	—	"	350,000	9,345	0.03	9,345	Note 1
	Tungho Steel Corporation	—	"	91,500	4,525	0.01	4,525	Note 1
	Quanta Storage Inc.	—	"	86,000	3,251	0.03	3,251	Note 1
	ShunSin Technology Holdings Limited	—	"	2,000	169	-	169	Note 1
	Beneficiary securities Cathay No. 1 Real Estate Investment Trust	—	Financial assets at FVTPL – current	3,280,000	59,040	-	59,040	Note 1
	Fund beneficiary certificates Yuanta De-Bao Money Market Fund	—	"	7,646,769	93,060	-	93,060	Note 2
	TAITA (BVI) Holding Co., Ltd.	Shares Budworth Investment Ltd.	—	Financial assets at FVTOCI – non-current	20,219	6 (USD – thousand )	2.22	6 (USD thousand )
Teratech Corporation		—	Financial assets at FVTPL – non-current	112,000	-	0.73	-	Note 4
Sohoware Inc. – Preferred Shares		—	"	100,000	-	-	-	Note 4

Note 1: The fair value was based on the Taiwan Stock Exchange closing price on the last trading day of September 2022.

Note 2: The fair value was calculated based on the net asset value on the last trading day of September 2022.

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

Note 4: As of September 30, 2022, the fair value of equity investment was evaluated by TTC as 0.

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

USI CORPORATION AND SUBSIDIARIES  
(Asia Polymer Corporation)  
MARKETABLE SECURITIES HELD  
September 30, 2022

Table 3-3

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Ending				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Asia Polymer Corporation	Shares							
	Harbinger Venture Capital Corp.	—	Financial assets at FVTOCI - non-current	2,377	\$ 17	1.20	\$ 17	
	KHL IB Venture Capital Co., Ltd.	—	"	9,954,950	144,446	11.90	144,446	
	USI CORPORATION	Ultimate parent company	"	101,355,673	2,082,859	8.53	2,082,859	
	CTCI Corporation	—	"	14,446,107	658,743	1.84	658,743	
	AU Optronics Corporation	—	"	9,618,516	141,392	0.12	141,392	
	Wafer Works Corporation	—	Financial assets at FVTOCI - current	518,668	20,461	0.10	20,461	
	UPC Technology Corporation	—	Financial assets at FVTPL - current	393,000	4,814	0.03	4,814	
	Evergreen Marine Corporation	—	"	194,500	28,397	0.01	28,397	
	Tungho Steel Corporation	—	"	224,500	11,102	0.03	11,102	
	China Steel Corporation	—	"	350,000	9,345	-	9,345	
	Quanta Storage Inc.	—	"	86,000	3,251	0.03	3,251	
	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust	—	"	3,316,000	59,688	-	59,688	
	Beneficiary certificates							
	Jih Sun Money Market Fund	—	"	9,317,246	140,085	-	140,085	
	Taishin Ta-Chong Money Market Fund	—	"	4,519,224	65,041	-	65,041	
SinoPac TWD Money Market Fund	—	"	7,101,315	100,063	-	100,063		

(Continued)

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Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Ending				Remark
				Share/Unit	Carrying amount	Percentage of Ownership (%)	Fair Value	
APC (BVI) Holding Co., Ltd.	Shares							
	Budworth Investment Ltd.	—	Financial assets at FVTOCI - non-current	40,467	\$ 7	4.45	\$ 7	
	Silicon Technology Investment (Cayman) Corp. - Preferred Shares	—	"	1,139,776	82,313	2.21	82,313	
	Neurosky Inc. - Preferred Stock D	—	"	2,397,364	-	0.37	-	Note 1
	Solargiga Energy Holdings Ltd.	—	"	15,863,333	15,589	0.48	15,589	
	Teratech Corporation	—	"	112,000	-	0.67	-	Note 1
	TGF Linux Communication, Inc. - Preferred Shares	—	Financial assets at FVTPL - non-current	300,000	-	-	-	Note 1
	Sohoware Inc. - Preferred Shares	—	"	450,000	-	-	-	Note 1
	Boldworks, Inc. - Preferred Shares	—	"	689,266	-	-	-	Note 1
APC Investment Corporation	Shares							
	USI CORPORATION	Ultimate parent company	Financial assets at FVTPL - current	44,808	921	-	921	
	Evergreen Marine Corporation	—	"	64,966	9,485	-	9,485	
	Tungho Steel Corporation	—	"	112,250	5,551	0.02	5,551	
	China Steel Corporation	—	"	175,000	4,672	-	4,672	
	Quanta Storage Inc.	—	"	36,000	1,361	0.01	1,361	
	UPC Technology Corporation	—	"	266,000	3,258	0.02	3,258	
	Beneficiary certificates							
Cathay Taiwan Money Market Fund	—	"	1,292,518	16,274	-	16,274		

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

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

USI CORPORATION AND SUBSIDIARIES  
(China General Terminal & Distribution Co.)  
MARKETABLE SECURITIES HELD  
September 30, 2022

Table 3-4

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Ending				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
China General Terminal & Distribution Co.	Shares Asia Polymer Corporation	Investee Companies Using Equity Method for CGTD	Financial assets at FVTOCI - non-current	5,290,482	\$ 149,985	0.89	\$ 149,985	Note 1
	China General Plastics Corporation	"	"	2,940,788	60,286	0.51	60,286	Note 1
	Taita Chemical Company, Ltd.	"	"	2,278,217	49,096	0.57	49,096	Note 1
	China Steel Corporation	—	Financial assets at FVTPL - current	499,552	13,338	-	13,338	Note 2

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

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

USI CORPORATION AND SUBSIDIARIES  
MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL  
For the nine months ended September 30, 2022

Table 4

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

Buyer/Seller	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Purchase		Sale			Ending (Note)		
					Unit / Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
USI CORPORATION	Beneficiary certificates													
	FSITC Money Market Fund	Financial assets at FVTPL - current	—	—	971,287	\$ 175,000	-	\$ -	971,287	\$ 175,082	\$ 175,000	\$ 82	-	\$ -
	FSITC Taiwan Money Market Fund	"	—	—	15,516,171	240,000	12,921,358	200,000	28,437,529	440,525	440,000	525	-	-
	Yuanta Wan Tai Money Market Fund	"	—	—	5,235,979	80,000	-	-	-	-	-	-	5,235,979	80,000
	UPAMC James Bond Money Market Fund	"	—	—	7,942,704	134,000	7,109,510	120,000	15,052,215	254,144	254,000	144	-	-
	Shin Kong Chi-Shin Money-market Fund	"	—	—	-	-	12,629,652	200,000	12,629,652	200,112	200,000	112	-	-
	Hua Nan Phoenix Money Market Fund	"	—	—	20,046,518	329,000	15,212,652	250,000	35,259,170	579,741	579,000	741	-	-
	Hua Nan Kirin Money Market Fund	"	—	—	19,031,543	230,000	4,131,583	50,000	23,163,125	280,603	280,000	603	-	-
	Capital Money Market Fund	"	—	—	6,136,287	100,000	9,198,204	150,000	14,782,726	241,193	241,000	193	551,765	9,000
	Jih Sun Money Market Fund	"	—	—	16,702,410	250,000	6,670,358	100,000	23,372,767	350,797	350,000	797	-	-
	Taishin Ta-Chong Money Market Fund	"	—	—	16,379,377	235,000	20,880,619	300,000	33,088,404	475,219	475,000	219	4,171,591	60,000
	SinoPac TWD Money Market Fund	"	—	—	7,833,977	110,000	7,101,315	100,000	7,833,977	110,056	110,000	56	7,101,315	100,000
	Taishin 1699 Money Market Fund	"	—	—	19,245,740	263,000	34,323,585	470,000	7,311,085	100,276	100,000	276	46,258,239	633,000
	Taiwan Cooperative Bank Money Market Fund	"	—	—	-	-	19,485,772	200,000	19,485,772	200,278	200,000	278	-	-
	Shares													
	Ever Conquest Global Limited	Investments accounted for using equity method	—	Subsidiary	246,670,000	7,019,488	-	-	-	-	-	-	246,670,000	5,748,877
Ever Conquest Global Limited	Shares													
	Ever Victory Global Limited	Investments accounted for using equity method	—	Subsidiary	417,145,000	11,870,694	-	-	-	-	-	-	417,145,000	9,721,957
Ever Victory Global Limited	Shares													
	Dynamic Ever Investments Limited	Investments accounted for using equity method	—	Subsidiary	588,850,000	16,785,159	-	-	-	-	-	-	588,850,000	13,467,820
Dynamic Ever Investments Limited	Shares													
	Fujian Gulei Petrochemical Co., Ltd.	Investments accounted for using equity method	—	Joint venture	Note 3	19,335,554	Note 3	-	-	-	-	-	Note 3	15,393,827
USIFE Investment Co., Ltd.	Beneficiary certificates													
	Yuanta De-Li Money Market Fund	Financial assets at FVTPL - current	—	—	4,907,988	80,284	-	-	-	-	-	4,907,988	80,284	-

(Continued)



(Continued)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Purchase		Sale				Ending (Note)											
					Unit / Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount										
Taiwan United Venture Capital Corp.	Beneficiary certificates	Financial assets at FVTPL - current	—	—	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	\$ -										
USI Optronics Corporation	Beneficiary certificates	Financial assets at FVTPL - current	—	—	1,016,620	15,000	-	-	406,648	6,101	6,000	101	609,973	9,000										
	Jih Sun Money Market Fund														-	-	556,417	8,000	139,184	2,003	2,000	3	417,233	6,000
	Taishin Ta-Chong Money Market Fund														-	-	-	-	-	-	-	-	-	-
INOMA Corporation	Beneficiary certificates	Trading purpose - beneficiary certificates (A)	—	—	-	-	-	-	141,469	1,940	1,900	40	305,270	4,100										
	Taishin 1699 Money Market Fund														-	-	-	-	-	-	-	-	-	-

Note 1: The carrying cost includes the original acquisition cost, profit and loss of investments accounted for using equity method, exchange rate conversion and net value change adjustments.

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

Note 3: Type of limited company without number of shares.

USI CORPORATION AND SUBSIDIARIES

(China General Plastics Corporation)

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

For the nine months ended September 30, 2022

Table 4-1

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

Buyer/Seller	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Purchase		Sale			Ending (Note)		
					Unit / Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
China General Plastics Corporation	Beneficiary certificates	Financial assets at FVTPL - current	-	-	5,172,035	\$ 80,000	11,305,661	\$ 175,000	16,477,696	\$ 255,057	\$ 255,000	\$ 57	-	\$ -
	FSITC Taiwan Money Market Fund													
	UPAMC James Bond Money Market Fund													
	Hua Nan Phoenix Money Market Fund													
	Yuanta De-Li Money Market Fund													
	Capital Money Market Fund													
	Jih Sun Money Market Fund													
	Taishin 1699 Money Market Fund													
	Taiwan Cooperative Bank Money Market Fund													
Taiwan VCM Corporation	Beneficiary certificates	Financial assets at FVTPL - current	-	-	-	-	-	-	-	-	-	-	-	-
	FSITC Taiwan Money Market Fund													
	UPAMC James Bond Money Market Fund													
	Shin Kong Chi-Shin Money-market Fund													
	Hua Nan Phoenix Money Market Fund													
	Yuanta De-Li Money Market Fund													
	Capital Money Market Fund													
	Jih Sun Money Market Fund													
	Taishin Ta-Chong Money Market Fund													
	SinoPac TWD Money Market Fund													
	Taishin 1699 Money Market Fund													
	Taiwan Cooperative Bank Money Market Fund													

(Continued)

(Continued)

Buyer/Seller	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Purchase		Sale			Ending (Note)			
					Unit / Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount	
CGPC Polymer Corporation	Beneficiary certificates	Financial assets at FVTPL - current	—	—	-	\$ -	332,919	\$ 60,000	332,919	\$ 60,002	\$ 60,000	\$ 2	-	\$ -	
	FSITC Money Market Fund				"	6,464,876	100,000	15,826,464	245,000	22,291,340	345,074	345,000	74	-	-
	FSITC Taiwan Money Market Fund				"	8,774,597	144,000	8,215,712	135,000	16,990,310	279,113	279,000	113	-	-
	Hua Nan Phoenix Money Market Fund				"	4,715,381	57,000	6,116,623	74,000	10,832,005	131,020	131,000	20	-	-
	Hua Nan Kirin Money Market Fund				"	971,782	16,000	7,891,153	130,000	8,862,935	146,026	146,000	26	-	-
	Yuanta De-Li Money Market Fund				"	-	-	4,601,227	75,000	4,601,227	75,008	75,000	8	-	-
	Capital Money Market Fund				"	6,968,690	100,000	13,234,768	190,000	20,203,458	290,034	290,000	34	-	-
	Taishin Ta-Chong Money Market Fund				"	-	-	3,557,757	50,000	3,557,757	50,010	50,000	10	-	-
	SinoPac TWD Money Market Fund				"	4,386,606	60,000	10,592,781	145,000	14,979,387	205,039	205,000	39	-	-
	Taishin 1699 Money Market Fund				"	2,437,835	25,000	-	-	2,437,835	25,002	25,000	2	-	-
	Taiwan Cooperative Bank Money Market Fund				"										

Note 1: The carrying cost includes the original acquisition cost, profit and loss of investments accounted for using equity method, exchange rate conversion and net value change adjustments.

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

USI CORPORATION AND SUBSIDIARIES

(Taita Chemical Company, Ltd.)

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

For the nine months ended September 30, 2022

Table 4-2

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

Buyer/Seller	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Purchase		Sale			Ending (Note)					
					Unit / Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount			
Taita Chemical Company, Ltd.	Beneficiary certificates	Financial assets at FVTPL - current	—	—	554,887	\$ 100,000	-	\$ -	554,887	\$ 100,003	\$ 100,000	\$ 3	-	\$ -			
	FSITC Money Market Fund				-	-	6,460,492	100,000	6,460,492	100,047	100,000	47	-	-			
	FSITC Taiwan Money Market Fund				-	-	8,827,935	135,000	8,827,935	135,091	135,000	91	-	-			
	Yuanta Wan Tai Money Market Fund				-	-	2,963,490	50,000	2,962,893	50,000	5,926,383	100,047	100,000	47	-	-	
	UPAMC James Bond Money Market Fund				-	-	3,777,217	62,000	3,651,279	60,000	7,428,496	122,125	122,000	125	-	-	
	Hua Nan Phoenix Money Market Fund				-	-	3,036,468	50,000	16,869,938	278,000	19,906,406	328,362	328,000	362	-	-	
	Yuanta De-Li Money Market Fund				-	-	6,136,099	100,000	-	-	6,136,099	100,155	100,000	155	-	-	
	Capital Money Market Fund				-	-	-	-	5,333,298	80,000	5,333,298	80,010	80,000	10	-	-	
	Jih Sun Money Market Fund				-	-	-	-	2,437,071	35,000	2,437,071	35,019	35,000	19	-	-	
	Taishin Ta-Chong Money Market Fund				-	-	7,310,690	100,000	-	-	7,310,690	100,033	100,000	33	-	-	
	Taishin 1699 Money Market Fund				-	-	-	-	9,748,584	100,000	9,748,584	100,014	100,000	14	-	-	
	Taiwan Cooperative Bank Money Market Fund				-	-	-	-	-	-	-	-	-	-	-	-	-

Note 1: The carrying cost includes the original acquisition cost, profit and loss of investments accounted for using equity method, exchange rate conversion and net value change adjustments.

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

USI CORPORATION AND SUBSIDIARIES

(Asia Polymer Corporation)

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

For the nine months ended September 30, 2022

Table 4-3

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

Buyer/Seller	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Purchase		Sale			Ending (Note)				
					Unit / Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount		
Asia Polymer Corporation	Beneficiary certificates	Financial assets at FVTPL - current	—	—	6,466,507	\$ 100,000	11,303,791	\$ 175,000	17,770,298	\$ 275,605	\$ 275,000	\$ 605	-	\$ -		
	FSITC Taiwan Money Market Fund				-	-	14,574,944	223,000	14,574,944	223,256	223,000	256	-	-		
	Yuanta Wan Tai Money Market Fund				-	-	7,596,014	125,000	7,596,014	125,079	125,000	79	-	-		
	Hua Nan Phoenix Money Market Fund				-	-	14,478,773	175,000	-	-	14,478,773	175,093	175,000	93	-	-
	Hua Nan Kirin Money Market Fund				-	-	-	-	19,930,656	325,000	19,930,656	325,350	325,000	350	-	-
	Capital Money Market Fund				-	-	20,955,933	311,600	15,976,321	240,000	27,615,009	414,566	411,600	2,965	9,317,246	140,000
	Jih Sun Money Market Fund				-	-	-	-	24,290,544	349,000	19,771,320	284,071	284,000	71	4,519,224	65,000
	Taishin Ta-Chong Money Market Fund				-	-	-	-	13,508,057	190,000	6,406,743	90,023	90,000	23	7,101,315	100,000
	SinoPac TWD Money Market Fund				-	-	4,388,163	60,000	7,307,965	100,000	11,696,128	160,070	160,000	70	-	-
	Taishin 1699 Money Market Fund				-	-	-	-	-	-	-	-	-	-	-	-

Note 1: The carrying cost includes the original acquisition cost, profit and loss of investments accounted for using equity method, exchange rate conversion and net value change adjustments.

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

USI CORPORATION AND SUBSIDIARIES

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

For the nine months ended September 30, 2022

Table 5

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark
			Purchase (Sale)	Amount	Ratio to Total Purchase (Sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	Ratio to Total Notes or Accounts Receivable (Payable) (%)	
USI CORPORATION	Asia Polymer Corporation	Subsidiary	Purchase	\$ 1,125,027	14.91	Within 60 days after purchasing on credit	No significant difference	No significant difference	(\$ 224,262)	( 24.26)	Note
	Asia Polymer Corporation	Subsidiary	Sale	( 197,199)	( 1.69)	Within 60 days after selling on credit	"	"	132,501	8.63	Note
	Fujian Gulei Petrochemical Co., Ltd.	Joint ventures	Purchase	477,090	6.32	Current Letter of Credit	"	"	-	-	
	USI (Hong Kong) Company Ltd.	Subsidiary	Sale	( 270,140)	( 2.32)	Within 60 days after selling on credit	"	"	36,805	2.40	Note
	USI Trading (Shanghai) Co., Ltd.	Subsidiary	Sale	( 112,437)	( 0.97)	Within 60 days after selling on credit	"	"	19,703	1.28	Note
	Forever Young Company Limited	Subsidiary	Sale	( 103,685)	( 0.89)	Within 60 days after selling on credit	"	"	31,692	2.06	Note
USI (Hong Kong) Company Ltd.	USI CORPORATION	Parent company	Purchase	270,140	3.58	Within 60 days after purchasing on credit	"	"	( 36,805)	( 3.98)	Note
USI Trading (Shanghai) Co., Ltd.	USI Corporation	Parent company	Purchase	112,437	1.49	Within 60 days after purchasing on credit	"	"	( 19,703)	( 2.13)	Note

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

USI CORPORATION AND SUBSIDIARIES

(Acme Electronics Corporation)

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

For the nine months ended September 30, 2022

Table 5-1

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark
			Purchase (Sale)	Amount	Ratio to Total Purchase (Sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	Ratio to Total Notes or Accounts Receivable (Payable) (%)	
Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	Subsidiary	Purchase	\$ 303,411	32	55 days	No significant difference	No significant difference	( \$ 105,735 )	( 58 )	Note
Acme Electronics (Guang-Zhou) Co., Ltd.	Acme Electronics Corporation	Subsidiary	Sale	( 303,411 )	( 34 )	55 days	"	"	105,735	28	Note
Acme Electronics (Kunshan) Co., Ltd.	Acme Electronics Corporation	Subsidiary	Purchase	210,526	82	55 days	"	"	( 94,814 )	( 89 )	Note
Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	Subsidiary	Sale	( 210,526 )	( 20 )	55 days	"	"	94,814	28	Note
Acme Electronics (Guang-Zhou) Co., Ltd.	Acme Electronics Corporation	Subsidiary	Purchase	116,482	68	55 days	"	"	( 6,735 )	( 37 )	Note
Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	Subsidiary	Sale	( 116,482 )	( 11 )	55 days	"	"	6,735	2	Note
ACME Ferrite Product Sdn. Bhd.	Acme Electronics (Kunshan) Co., Ltd.	Subsidiary	Purchase	146,557	46	55 days	"	"	( 77,918 )	( 66 )	Note
Acme Electronics (Kunshan) Co., Ltd.	ACME Ferrite Product Sdn. Bhd.	Subsidiary	Sale	( 146,557 )	( 19 )	55 days	"	"	77,918	24	Note

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

USI CORPORATION AND SUBSIDIARIES

(Swanson Plastics Corporation)

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

For the nine months ended September 30, 2022

Table 5-2

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark
			Purchase (Sale)	Amount	Ratio to Total Purchase (Sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	Ratio to Total Notes or Accounts Receivable (Payable) (%)	
Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	Subsidiary	Purchase	\$ 134,166	75	90 days	No significant difference	No significant difference	Accounts payable to related parties (\$ 28,329)	( 74 )	
Forever Young Company Limited	USI Corporation	Ultimate parent company	Purchase	106,709	15	75 days	"	"	Trade payables to related parties ( 21,801)	( 14 )	
Forever Young Company Limited	Swanson Plastics (Kunshan) Co., Ltd.	Have the same ultimate parent company	Sale	( 280,794 )	( 39 )	90 days	"	"	Trade receivables from related parties 39,482	21	
Forever Young Company Limited	Swanson Plastics (Malaysia) Sdn. Bhd.	Have the same ultimate parent company	Sale	( 230,070 )	( 32 )	90 days	"	"	Trade receivables from related parties 31,769	17	
Forever Young Company Limited	PT. Swanson Plastics Indonesia	Have the same ultimate parent company	Sale	( 117,117 )	( 16 )	90 days	"	"	Trade receivables from related parties 23,654	13	
Swanson Plastics (Kunshan) Co., Ltd.	ASK-Swanson (Kunshan) Co., Ltd.	Have the same ultimate parent company	Sale	( 131,860 )	( 18 )	60 days	"	"	Trade receivables from related parties 39,286	16	
Swanson Plastics (Kunshan) Co., Ltd.	Forever Young Company Limited	Have the same ultimate parent company	Purchase	280,794	41	90 days	"	"	Trade payables to related parties ( 39,482)	( 25 )	
Swanson Plastics (Malaysia) Sdn. Bhd.	Forever Young Company Limited	Have the same ultimate parent company	Purchase	230,070	37	90 days	"	"	Trade payables to related parties ( 31,769)	( 44 )	
Swanson Plastics (Malaysia) Sdn. Bhd.	Swanson Plastics Company Ltd. (Singapore)	Parent company	Sale	( 134,166 )	( 19 )	90 days	"	"	Trade receivables from related parties 28,329	18	
ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Kunshan) Co., Ltd.	Have the same ultimate parent company	Purchase	131,860	65	60 days	"	"	Trade payables to related parties ( 39,286)	( 88 )	
PT. Swanson Plastics Indonesia	Forever Young Company Limited	Have the same ultimate parent company	Purchase	117,117	43	90 days	"	"	Trade payables to related parties ( 23,654)	( 92 )	

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



USI CORPORATION AND SUBSIDIARIES  
(China General Plastics Corporation)

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

For the nine months ended September 30, 2022

Table 5-3

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark
			Purchase (Sale)	Amount	Ratio to Total Purchase (Sales) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	Ratio to Total Notes or Trade Receivable (payable) (%)	
China General Plastics Corporation	CGPC America Corporation	Subsidiary	Sale	(\$ 373,911)	( 5)	90 days	No significant difference	No significant difference	Trade receivables from related parties \$ 237,942	24	(Note)
Taiwan VCM Corporation	China General Plastics Corporation	Parent company	Sale	( 5,040,099)	( 49)	45 days	"	"	Trade receivables from related parties 821,813	49	(Note)
	CGPC Polymer Corporation	Fellow company	Sale	( 4,482,948)	( 44)	45 days	"	"	Trade receivables from related parties 666,357	40	(Note)
	Fujian Gulei Petrochemical Co., Ltd.	Related party in substance	Purchase	815,525	9	Current Letter of Credit	"	"	Accounts payables to related parties -	-	—

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

USI CORPORATION AND SUBSIDIARIES

(Asia Polymer Corporation)

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

For the nine months ended September 30, 2022

Table 5-4

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark
			Purchase (Sale)	Amount	Ratio to Total Purchase (Sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	Ratio to Total Notes or Accounts Receivable (Payable) (%)	
Asia Polymer Corporation	USI CORPORATION	Ultimate parent company	Sale	( \$ 1,124,632 )	( 15.38 )	60 days	No significant difference	No significant difference	Trade receivables from related parties	\$229,411	21.11
	USI Corporation Fujian Gulei Petrochemical Co., Ltd.	Ultimate parent company	Purchase	197,199	5.21	30 days	"	"	Trade payables to related parties	(23,564)	( 11.40 )
		Related party in substance	Purchase	508,090	13.43	Letter of Credit	"	"	Accounts payables to related parties	-	-
USI Trading (Shanghai) Co., Ltd.	USI Corporation	Ultimate parent company	Purchase	113,496	3.00	30 days	"	"	Trade payables to related parties	(19,703)	( 9.53 )

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

USI CORPORATION AND SUBSIDIARIES  
RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
September 30, 2022

Table 6

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

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance (Note 3)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
USI Corporation	Asia Polymer Corporation	Subsidiary	Other receivables from related parties \$ 132,501	-	\$ -	—	\$ -	Note 1

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

Note 2: The subsequent period refers to the period from October 1 to November 2, 2022.

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

USI CORPORATION AND SUBSIDIARIES  
(Acme Electronics Corporation)  
RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
September 30, 2022

Table 6-1

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

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance (Note 2)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Acme Electronics Corporation	ACME Electronics (Cayman) Corp.	ACME's Subsidiaries	Other receivables from related parties \$ 105,735	4.17	\$ -	—	\$ 49,703	Note 1

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

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

USI CORPORATION AND SUBSIDIARIES  
(Swanson Plastics Corporation)

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

September 30, 2022

Table 6-2

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

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance (Note 3)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	Have the same ultimate parent company	Other receivables \$ 175,660 (RMB 39,280 thousand)	\$ -	-	\$ -	-	\$ -

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

Note 2: It refers to the period from October 1 to November 2, 2022.

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

USI CORPORATION AND SUBSIDIARIES

(China General Plastics Corporation)

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

September 30, 2022

Table 6-3

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

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance (Note 3)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
China General Plastics Corporation	CGPC America Corporation	Subsidiary	Trade receivables from related parties <u>\$ 237,942</u>	2.33	\$ -	—	\$ 47,614	Note 1
Taiwan VCM Corporation	China General Plastics Corporation	Parent company	Trade receivables from related parties <u>\$ 821,813</u>	5.81	-	—	367,549	Note 1
	CGPC Polymer Corporation	Fellow company	Trade receivables from related parties <u>\$ 666,357</u>	5.89	-	—	336,508	Note 1

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

Note 2: The subsequent period refers to the period from October 1 to October 26, 2022.

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

USI CORPORATION AND SUBSIDIARIES  
(Taita Chemical Company, Ltd.)

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

September 30, 2022

Table 6-4

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

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance (Note 3)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
Taita Chemical Company, Ltd.	Taita Chemical (Tianjin) Co., Ltd.	Sub-subsidiary	Other receivables NT\$ 291,408 (USD 9,178 thousand) (Notes 1 and 3)	-	\$ 291,408	Continuous Collection	\$ -	\$ -

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

Note 2: There was no amount received as of November 2, 2022.

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

USI CORPORATION AND SUBSIDIARIES  
(Asia Polymer Corporation)

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

September 30, 2022

Table 6-5

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

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance (Note 3)	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
Asia Polymer Corporation	USI Corporation	Ultimate parent company	Accounts receivable from related parties \$229,411	14.30	\$ -	—	\$ 121,283	Note 1
			Other receivables from related parties \$18		-	—	18	Note 1

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

Note 2: The subsequent period refers to the period from October 1 to November 2, 2022.

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



USI CORPORATION AND SUBSIDIARIES  
INFORMATION ON INVESTEES  
For the nine months ended September 30, 2022

Table 7

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark
				Ending Balance for Current Period	December 31, 2021	Number of Shares	Percentage (%)	Carrying Amount			
USI Corporation	USIFE Investment Co., Ltd.	12F., No. 37, Jihu Rd., Taipei City	Investments in production, transportation, warehousing, construction, banking, securities investment companies and trading companies	\$ 550,000	\$ 550,000	87,250,800	100.00	\$ 966,320	(\$ 47,663)	(\$ 47,663)	Subsidiary
	Swanlake Traders Ltd.	Citco Building, Wickhamo Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands	Trading and investment	728,439	728,439	30,000,000	100.00	1,424,155	3,971	3,971	Subsidiary
	USI (Hong Kong) Company Ltd.	6/F., Caltex House, 258 Hennessy Road, Hong Kong	Trading and investment	63,482	63,482	159,999	100.00	72,549	26	26	Subsidiary
	Union Polymer Int'l Investment Corp.	12F., No. 37, Jihu Rd., Taipei City	Investment (focused on "production and service industry")	3,490,255	3,490,255	897,354,122	100.00	10,206,618	533,190	448,865	Subsidiary
	Taiwan United Venture Capital Corp.	10F., No. 37, Jihu Rd., Taipei City	Venture capital (focused on "high technology industry")	471,800	471,800	25,900,000	70.00	183,050	3,034	2,124	Subsidiary
	Chong Loong Trading Co., Ltd.	12F., No. 37, Jihu Rd., Taipei City	Import and export trade	28,323	28,323	5,747,158	99.93	74,022	12,842	12,833	Subsidiary
	Swanson Plastics Corporation	12F., No. 37, Jihu Rd., Taipei City	Production and marketing of stretch film, embossed film and industrial-use multilayer wrap	171,210	171,210	62,616,299	40.58	1,099,630	( 45,814)	( 18,590)	Subsidiary
	Acme Electronics Corporation	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and marketing of manganese-zinc soft ferrite powder	221,513	221,513	49,250,733	26.91	360,277	30,131	8,109	Subsidiary
	INOMA Corporation	12F., No. 37, Jihu Rd., Taipei City	Optical products and fireproof materials	250,354	250,354	9,243,369	94.37	13,765	( 3,273)	( 3,089)	Subsidiary
	USI Management Consulting Corp.	12F., No. 37, Jihu Rd., Taipei City	Providing management services	1,000	1,000	671,400	100.00	( 1,193)	3	3	Subsidiary
	Ever Conquest Global Limited	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110	Investment	7,645,980	7,645,980	246,670,000	59.13	5,748,877	( 2,580,136)	( 1,525,710)	Subsidiary
	USI Optronics Corporation	12F., No. 37, Jihu Rd., Taipei City	Manufacturing and marketing of sapphire single crystal	330,000	330,000	33,000,000	50.85	36,634	( 22,684)	( 11,534)	Subsidiary
	USI Green Energy Corporation	12F., No. 37, Jihu Rd., Taipei City	Solar power generation business	70,100	70,100	7,010,000	100.00	112,899	7,770	6,527	Subsidiary
	Delmind Inc.	Xinglong Rd., Taoyuan Dist., Taoyuan City	Manufacturing of machinery and equipment	90,000	-	9,000,000	30.00	87,189	( 9,369)	( 2,811)	Affiliates
Ever Conquest Global Limited	Ever Victory Global Limited	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110	Investment business	13,244,354 (USD 417,145 thousand)	13,244,354 (USD 417,145 thousand)	417,145,000	67.40	9,721,957 (USD 306,203 thousand)	( 3,827,944) (USD -130,115 thousand)		Sub-subsiary
Ever Victory Global Limited	Dynamic Ever Investments Limited	6/F, Caltex House, 258 Hennessy Road, Hong Kong	Investment business	18,695,988 (USD 588,850 thousand)	18,695,988 (USD 588,850 thousand)	588,850,000	85.00	13,467,820 (USD 424,183 thousand)	( 4,512,257) (USD -153,369 thousand)		Sub-subsiary
Union Polymer Int'l Investment Corp.	Taita Chemical Company, Ltd.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Production and marketing of polystyrene, propylene, butadiene, ABS resin, SAN resin, glass wool insulation products and plastic materials	1,749,212	1,749,212	145,807,006	36.67	2,862,488	454,611		Sub-subsiary
	Asia Polymer Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Production and marketing of low-density polyethylene, medium-density polyethylene, ethylene vinyl acetate and importing and marketing of linear low-density polyethylene and high-density polyethylene	1,965,437	1,965,437	192,063,336	32.35	4,985,008	1,145,445		Sub-subsiary
	China General Plastics Corporation	12F., No. 37, Jihu Rd., Taipei City	Production and marketing of plastic cloths, plastic skins, plastic tubes, plastic pellets, plastic powder and other related products	1,320,045	1,320,045	140,609,929	24.20	2,401,962	( 317,894)		Sub-subsiary

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Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark
				Ending Balance for Current Period	December 31, 2021	Number of Shares	Percentage (%)	Carrying Amount			
USIFE Investment Co., Ltd.	Acme Electronics Corporation	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and marketing of manganese-zinc soft ferrite powder	\$ 155,632	\$ 155,632	16,424,242	8.98	\$ 134,733	\$ 30,131		Subsidiary
	Swanson Technologies Corporation	12F., No. 37, Jihu Rd., Taipei City	Manufacturing of plastic film (bag), industrial plastic products and reinforced plastic products	22,500	22,500	2,250,015	15.00	1,296	( 20,410 )		Sub-sub-sidiary
	Taiwan United Venture Management Corporation	12F., No. 37, Jihu Rd., Taipei City	Corporate management consulting	8,000	8,000	800,000	100.00	15,689	692		Sub-sub-sidiary
Swanlake Traders Ltd.	ACME Electronics (Cayman) Corp.	Ugland House P.O. Box 309 George Town, Grand Cayman, Cayman Islands	Corporate investments	272,691 (USD 8,589 thousand)	181,275 (USD 5,709 thousand)	11,553,462	23.12	283,685 (USD 8,935 thousand)	( 20,258 ) (USD -651 thousand)		Sub-sub-sidiary

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

Note 2: Except for Delmind Inc., all the transactions were written off when preparing the consolidated financial statements.

USI CORPORATION AND SUBSIDIARIES  
(Acme Electronics Corporation)  
INFORMATION ON INVESTEEES  
For the nine months ended September 30, 2022

Table 7-1

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount (Note 2)		Hold at End of Period			Net Income (Loss) of the Investee for the Period (Note 3)	Share of Profit (Loss) (Note 3)	Remark
				Ending Balance for Current Period	December 31, 2021	Number of Shares	Percentage (%)	Carrying Amount (Note 2)			
Acme Electronics Corporation	ACME Electronics (Cayman) Corp.	Ugland House P.O. Box 309 George Town, Grand Cayman, Cayman Islands	Corporate investments	\$ 605,182 (USD 18,336 thousand)	\$ 605,182 (USD 18,336 thousand)	25,621,692	51.27	\$ 674,780	(\$ 20,258) (USD -651 thousand)	(\$ 32,779) (USD -1,088 thousand)	
	Golden Amber Enterprises Limited	CITCO Building, Wickhams Cay Road Town, Tortola, British Virgin Islands	Corporate investments	669,072 (USD 20,800 thousand)	669,072 (USD 20,800 thousand)	20,800,000	100.00	1,090,847	49,561	44,698	
	USI Optronics Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City	Manufacturing and marketing of sapphire single crystal	646,200	646,200	22,064,224	34.00	24,494	( 22,684)	( 7,712)	
ACME Electronics (Cayman) Corp.	ACME Components (Malaysia) Sdn. Bhd.	Plot 15, Jalan Industri 6 Kawasan Perindustrian Jelapang II (ZPB) Jelapang 30020 Ipoh, Perak, Malaysia.	Corporate investments	377,539 (USD 11,891 thousand)	377,539 (USD 11,891 thousand)	42,600,000	100.00	672,573 (USD 21,183 thousand)	25,789 (MYR 3,980 thousand)		
ACME Components (Malaysia) Sdn. Bhd.	ACME Ferrite Products Sdn. Bhd.	Plot 15, Jalan Industri 6 Kawasan Perindustrian Jelapang II (ZPB) Jelapang 30020 Ipoh, Perak, Malaysia.	Manufacturing and marketing of manganese-zinc soft ferrite core	250,411 (MYR 37,964 thousand)	250,411 (MYR 37,964 thousand)	9,120,000	100.00	662,990 (MYR 100,514 thousand)	26,213 (MYR 4,045 thousand)		

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

Note 2: The foreign currency amount was calculated based on the spot exchange rate of September 30, 2022.

Note 3: The amount is calculated based on the average exchange rate from January 1 to September 30, 2022.

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

USI CORPORATION AND SUBSIDIARIES  
(Swanson Plastics Corporation)  
INFORMATION ON INVESTEES  
For the nine months ended September 30, 2022

Table 7-2

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at End of Period			Net Income (Loss) of the Investee for the Period (Note 3)	Share of Profit (Loss) (Note 3)	Remark
				Ending Balance for Current Period (Note 1)	December 31, 2021 (Note 1)	Number of Shares (In Thousands of Shares)	Percentage (%)	Carrying Amount (Note 2)			
Swanson Plastics Corporation	Swanson Plastics (Singapore) Pte., Ltd.	2 Venture Drive Vision Exchange #12-10 Singapore 608526	Production and marketing of plastic products	\$ 808,506	\$ 808,506	36,863	100.00	\$ 1,871,742	\$ 37,416	\$ 37,416	
	Forever Young Company Limited	Skelton Building Main Street P.O. Box 3136 Road Town, Tortola British Virgin Islands	Trading and agency businesses	1,297	1,297	50	100.00	36,886	( 2,971)	( 2,971)	
	Swanson International Ltd.	Ugland House, P.O.Box 309 George Town, Grand Cayman, Cayman Islands, British West Indies	Investment	454,134	454,134	14,541	100.00	1,658,215	6,268	6,268	
	Swanson Technologies Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Planting agriculture, marketing, research and development of agricultural products, production, sale, and development of EVA packaging films and other high value-added plastic products	105,001	105,001	10,500	70.00	6,048	( 20,410)	( 14,287)	
Swanson Plastics (Singapore) Pte., Ltd.	PT. Swanson Plastics Indonesia	Ngoro Industrial Park Blok D2-3 Ds. Lolawang Kec. Ngoro Kab. Mojokerto	Manufacturing and marketing of plastic products	7,979	7,979	261	1.00	8,173	22,095	221	
	Swanson Plastics (Malaysia) Sdn. Bhd.	Plot 505, Tingkat Perusahaan 4A, Kawasan Perusahaan Perai, Zon Perdagangan Bebas, 13600 Perai, Seberang Perai, Malaysia	Manufacturing and marketing of plastic products	209,340 (USD 6,593 thousand)	209,340 (USD 6,593 thousand)	20,000	100.00	564,861 (USD 17,791 thousand)	31,924 (USD 1,106 thousand)		
	Swanson Plastics (India) Private Ltd.	PLOT No.2, GDDIDC. Honda, Bhuipal Sattari-403 506, Goa-India	Manufacturing and marketing of plastic products	524,220 (USD 16,511 thousand)	524,220 (USD 16,511 thousand)	107,351	100.00	301,193 (USD 9,486 thousand)	2,174 (INR 5,983 thousand)		
	PT. Swanson Plastics Indonesia	Ngoro Industrial Park Blok D2-3 Ds. Lolawang Kec. Ngoro Kab. Mojokerto	Manufacturing and marketing of plastic products	820,421 (USD 25,840 thousand)	820,421 (USD 25,840 thousand)	25,840	99.00	809,161 (USD 25,485 thousand)	22,095 (IDR 11,047,670 thousand)		
Swanson International Ltd.	A.S. Holdings (UK) Limited	United Kingdom	Investment	225,237 (USD 7,094 thousand)	225,237 (USD 7,094 thousand)	3,157	100.00	565,197 (USD 17,801 thousand)	32,417 (USD 1,109 thousand)		

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

Note 2: Original investment amount and book amounts were calculated using the spot exchange rate of September 30, 2022.

Note 3: The amount is calculated based on the average exchange rate from January 1 to September 30, 2022.

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

USI CORPORATION AND SUBSIDIARIES  
(China General Plastics Corporation)  
INFORMATION ON INVESTEEES  
For the nine months ended September 30, 2022

Table 7-3

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark
				Ending Balance for Current Period	December 31, 2021	Number of Shares	Percentage (%)	Carrying Amount			
China General Plastics Corporation	Taiwan VCM Corporation	No. 1, Gongye 1st Rd., Linyuan Dist., Kaohsiung City 832, Taiwan (R.O.C.)	Manufacturing and marketing of VCM	\$ 2,933,648	\$ 2,933,648	259,591,005	87.27	\$ 3,952,141	(\$ 95,218)	\$ 121,184	Subsidiary
	CGPC Polymer Corporation	12F., No. 37, Jihu Rd., Taipei City	Manufacturing and marketing of PVC resins	800,000	800,000	80,000,000	100.00	852,463	( 371,287)	( 371,287)	Subsidiary
	CGPC (BVI) Holding Co., Ltd.	Citco Building, Wickhams Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands	Reinvestment	1,073,906	1,073,906	16,308,258	100.00	337,153	( 27,223)	( 27,223)	Subsidiary
	China General Terminal & Distribution Co.	No. 1, Jianji St., Qianzhen Dist., Kaohsiung City 806, Taiwan (R.O.C.)	Warehousing and transportation of petrochemical raw materials	41,106	41,106	23,892,872	33.33	344,840	24,865	8,288	Associate accounted for using the equity method
	CGPC America Corporation	1181 California Ave., Suite 235 Corona, CA 92881	Marketing of PVC two- or three-time processed products	648,931	648,931	100	100.00	216,877	( 17,236)	( 17,236)	Subsidiary
	Acme Electronics Corporation	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Manufacturing & marketing of Mn-Zn and Ni-Zn ferrite cores	33,995	33,995	3,176,019	1.74	24,222	30,131	523	Associate accounted for using the equity method
Taiwan VCM Corporation	Global Green Technology Corporation	12F., No. 37, Jihu Rd., Taipei City	Environmental detection services	50,000	-	5,000,000	100.00	60,119	10,119	-	Subsidiary

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

Note 2: Please refer to Table 8-3 for relevant information of mainland investee companies.

USI CORPORATION AND SUBSIDIARIES  
(Taita Chemical Company, Ltd.)  
INFORMATION ON INVESTEES  
For the nine months ended September 30, 2022

Table 7-4

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark
				Ending Balance for Current Period	December 31, 2021	Number of Shares	Percentage (%)	Carrying Amount			
Taita Chemical Company, Ltd.	TAITA (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment	\$ 2,849,182 (USD 89,738 thousand)	\$ 2,849,182 (USD 89,738 thousand)	89,738,000	100.00	\$ 3,214,301 (USD 101,238 thousand)	( \$ 11,413 ) ( Loss in USD-311 thousand )	( \$ 11,413 ) (USD -311 thousand)	Subsidiary (Notes 1 and 3)
	China General Plastics Corporation	Taipei City	Production and marketing of PVC tape and other plastic products	65,365	65,365	11,516,174	1.98	186,104	( 317,894 )	( 6,301 )	Investee companies using equity method (Note 1)
	China General Terminal & Distribution Co.	Taipei City	Warehousing of petrochemical raw materials	41,082	41,082	23,892,871	33.33	344,840	24,865	8,289	Investee companies using equity method (Note 2)
	Acme Electronics Corporation	Taipei City	Production and marketing of manganese-zinc soft ferrite powder	44,771	44,771	4,445,019	2.43	33,900	30,131	732	Investee companies using equity method (Note 1)
TAITA (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment	53,976 (USD 1,700 thousand)	53,976 (USD 1,700 thousand)	2,695,619	5.39	66,189 (USD 2,085 thousand)	( 20,258 ) ( Loss in USD-651 thousand )	-	Investee companies using equity method (Note 1)

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

Note 2: The calculation is based on the financial statements of the investee company during the same period which have not been reviewed by CPAs.

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

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

USI CORPORATION AND SUBSIDIARIES  
(Asia Polymer Corporation)  
INFORMATION ON INVESTEEES  
For the nine months ended September 30, 2022

Table 7-5

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at End of Period			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark
				At the end of this year	The end of last year	Number of share	Percentage (%)	Carrying Amount			
Asia Polymer Corporation	APC (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment business	\$ 437,350 (USD 13,775 thousand)	\$ 437,350 (USD 13,775 thousand)	11,342,594	100.00%	\$ 588,914	\$ 8,141	\$ 8,141	Subsidiary
	APC Investment Corporation	Taipei City	Investment business	200,000	200,000	20,000,000	100.00%	155,695	( 12,709 )	( 12,709 )	Subsidiary
	USI International Corp.	British Virgin Islands	Reinvestment business	66,675 (USD 2,100 thousand)	66,675 (USD 2,100 thousand)	2,100,000	70.00%	71,604	( 18 )	( 13 )	Subsidiary
	China General Plastics Corporation	Taipei City	Production and marketing of PVC films, PVC leather, PVC pipes, PVC compounds, PVC resins, construction products, chlor-alkali products and other relevant products	247,412	247,412	46,886,185	8.07%	757,691	( 317,894 )	( 25,652 )	Investments accounted for using the equity method
	China General Terminal & Distribution Co.	Taipei City	Petrochemical materials storage and transportation operations	41,082	41,082	23,892,871	33.33%	344,840	24,865	8,288	Investments accounted for using the equity method
	Swanson Plastics Corporation	Taipei City	Production and marketing of stretch films and industrial use multi-layer films	75,242	75,242	12,266,779	7.95%	216,397	( 45,814 )	( 3,642 )	Investments accounted for using the equity method
	Acme Electronics Corporation	Taipei City	Manufacturing & marketing of Mn-Zn and Ni-Zn ferrite cores	61,348	61,348	6,056,623	3.31%	46,191	30,131	997	Investments accounted for using the equity method
	Taiwan United Venture Capital Corp.	Taipei City	Investments in high-tech undertakings	52,791	52,791	3,080,866	8.33%	21,774	3,034	253	Investments accounted for using the equity method
	USI Optronics Corporation	Taipei City	Manufacturing and marketing of sapphire single crystal	59,725	59,725	5,972,464	9.20%	6,630	( 22,684 )	( 2,087 )	Investments accounted for using the equity method
	Ever Conquest Global Ltd.	British Virgin Islands	Reinvestment business	5,412,581 ( USD 170,475 thousand )	5,412,581 ( USD 170,475 thousand )	170,475,000	40.87%	3,973,081	( 2,580,136 )	( 1,054,426 )	Investments accounted for using the equity method
APC (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment business	166,526 (USD 5,245 thousand)	166,526 (USD 5,245 thousand)	8,316,450	16.64%	204,203	( 20,258 )		APC (BVI) Holding Co., Ltd. Investments accounted for using the equity method
	USI International Corp.	British Virgin Islands	Reinvestment business	28,575 (USD 900 thousand)	28,575 (USD 900 thousand)	900,000	30.00%	30,687	( 18 )		APC (BVI) Holding Co., Ltd. Investments accounted for using the equity method
APC Investment Corporation	Acme Electronics Corporation	Taipei City	Manufacturing & marketing of Mn-Zn and Ni-Zn ferrite cores	14,889	14,889	1,884,548	1.03%	14,373	30,131		APC Investment Corporation Investments accounted for using the equity method
	Swanson Technologies Corporation	Taipei City	Production and marketing of EVA packaging films	22,500	22,500	2,250,015	15.00%	1,296	( 20,410 )		APC Investment Corporation Investments accounted for using the equity method
Ever Conquest Global Ltd.	Ever Victory Global Ltd.	British Virgin Islands	Reinvestment business	13,244,354 (USD 417,145 thousand)	13,244,354 (USD 417,145 thousand)	417,145,000	67.40%	9,721,957 (USD 306,203 thousand)	( 3,827,944 ) (USD -130,115 thousand)		Ever Conquest Global Ltd. Investments accounted for using the equity method
Ever Victory Global Ltd.	Dynamic Ever Investments Ltd.	Hong Kong	Reinvestment business	18,695,988 (USD 588,850 thousand)	18,695,988 (USD 588,850 thousand)	588,850,000	85.00%	13,467,820 (USD 424,183 thousand)	( 4,512,257 ) (USD -153,369 thousand)		Ever Victory Global Ltd. Investments accounted for using the equity method

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

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

USI CORPORATION AND SUBSIDIARIES  
INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
For the nine months ended September 30, 2022

Table 8

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 7)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of the beginning of period (Note 7)	Outward or Inward Remittance for Investment for the Period (Note 7)		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period (Note 7)	Net Income (Loss) of the Investee for the Period (Note 9)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Notes 6 and 9)	Carrying Amount as of the End of Period (Note 7)	Accumulated Repatriation of Investment Income as of the End of Period
					Outflow	Inflow						
Acme Electronics (Kunshan) Co., Ltd.	Manufacturing and marketing of manganese-zinc soft ferrite core	\$ 975,519 (USD 30,725 thousand)	Note 1	\$ 89,457 (USD 2,818 thousand)	\$ -	\$ -	\$ 89,457 (USD 2,818 thousand)	(\$ 38,855) (USD -1,279 thousand)	23.12	(\$ 8,093) (USD -266 thousand)	\$ 135,145 (USD 4,256 thousand)	\$ -
Zhangzhou Taiju Trading Co., Ltd.	Import and distribution of various types of chemical raw materials and products	44,720 (RMB 10,000 thousand)	Note 1	-	30,341 (RMB 7,000 thousand)	-	30,341 (RMB 7,000 thousand)	( 1,505) (USD -50 thousand)	70.00	( 1,054) (USD -35 thousand)	30,246 (USD 953 thousand)	-
USIG (Shanghai) Co., Ltd.	Import and distribution of various types of chemical raw materials and products	158,750 (USD 5,000 thousand)	Note 2	158,750 (USD 5,000 thousand)	-	-	158,750 (USD 5,000 thousand)	( 2,155) (USD -72 thousand)	100.00	( 2,155) (USD -72 thousand)	132,021 (USD 4,158 thousand)	-
Fujian Gulei Petrochemical Co., Ltd.	Crude oil processing and petroleum products manufacturing	41,653,997 (RMB 9,314,400 thousand)	Note 3	7,253,279 (USD 228,450 thousand)	-	-	7,253,279 (USD 228,450 thousand)	( 8,984,792) (USD -305,381 thousand)	16.94	( 1,521,956) (USD -51,729 thousand)	5,215,209 (USD 164,259 thousand)	-

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period (Note 7)	Investment Amounts Authorized by Investment Commission, MOEA (Notes 5 and 7)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$ 7,796,864 ( USD 245,571 thousand )	\$ 9,809,109 (USD 308,948 thousand)	\$ -(Note 4)

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

Note 2: Mainland companies with 100% direct investment.

Note 3: To reinvest 67.40% Ever Victory Global Ltd. ("EVGL") via 59.13% Ever Conquest Global Limited ("ECGL") in the third region, as well as reinvest 85.00% Dynamic Ever Investments Limited ("DEIL"), to indirectly invest 50% in Fujian Gulei Petrochemical Co., Ltd.

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

Note 5: It includes the investment amounted to US\$257,939 thousand in Fujian Gulei Petrochemical Co., Ltd. in the mainland region through the third region as approved by the Investment Commission, MOEA (2) No. 10500116380 dated on September 1, 2016, Investment Commission, MOEA (2) No. 10500234240 dated on December 29, 2016 and Investment Commission, MOEA (2) No. 10800262920 dated on February 26, 2020, the investment in Zhangzhou Taiju Trading Co., Ltd. in Mainland region amounted to US\$32,200 thousand through a third region as approved by the Investment Commission, MOEA (2) No. 10900245220 dated on October 5, 2020, and the investment amounted to US\$1,422 thousand in Acme Electronics (Kunshan) Co., Ltd. through a third region as approved by the Investment Commission, MOEA (2) No. 11000010830 dated on January 21, 2021.

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

Note 7: The calculation was based on the spot exchange rate of September 30, 2022.

Note 8: Except that the calculation of Acme Electronics (Kunshan) Co., Ltd. is based on the financial statements reviewed and approved by CPAs of its parent company in Taiwan, the rest are based on the financial statements not reviewed and approved by CPAs.

Note 9: The amount is calculated based on the average exchange rate from January 1 to September 30, 2022.



USI CORPORATION AND SUBSIDIARIES  
(Acme Electronics Corporation)  
INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
For the nine months ended September 30, 2022

Table 8-1

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 7)	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of the beginning of period (Note 5)	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period (Note 5)	Net Income (Loss) of the Investee for the Period (Note 6)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Notes 4, 6 and 8)	Carrying Amount as of the End of Period (Notes 7 and 8)	Accumulated Repatriation of Investment Income as of the End of Period
					Outflow	Inflow						
Acme Electronics (Kunshan) Co., Ltd.	Manufacture and sale of soft ferrite cores	\$ 975,519 (USD 30,725 thousand )	(II)	\$ 374,188 (USD 11,144 thousand)	\$	\$	\$ 374,188 (USD 11,144 thousand)	(\$ 38,854) (RMB -8,707 thousand)	51.27	(\$ 19,922 ) ( RMB -4,464 thousand )	\$ 416,265 (RMB 93,082 thousand)	\$ -
Acme Electronics (Guang-Zhou) Co., Ltd.	Manufacture and sale of soft ferrite cores	609,600 (USD 19,200 thousand )	(II)	619,676 (USD 19,200 thousand)			619,676 (USD 19,200 thousand)	49,307 (RMB 11,079 thousand)	100.00	49,307 (RMB 11,079 thousand)	1,059,440 (RMB 236,905 thousand)	-

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period	Investment Amounts Authorized by Investment Commission, MOEA	Maximum Amount of Investments in Mainland China Authorized by Investment Commission, MOEA
\$963,422 (US\$30,344 thousand) (Notes 3 and 5)	\$1,163,098 (US\$36,633 thousand) (Notes 3 and 7)	\$ -(Note 2)

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

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

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

Note 4: The investment gain (loss) recognized for this period are converted on the basis of financial statements reviewed and approved by CPAs of the parent company in Taiwan.

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

Note 6: The amount is calculated based on the average exchange rate from January 1 to September 30, 2022.

Note 7: The foreign currency amount was calculated based on the spot exchange rate of September 30, 2022.

Note 8: The carrying amount and the recognized investment gain (loss) for the period have been fully written off when preparing the consolidated financial statements.

USI CORPORATION AND SUBSIDIARIES  
(Swanson Plastics Corporation)  
INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
For the nine months ended September 30, 2022

Table 8-2

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of the Beginning of Period	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period	Net Income (Loss) of the Investee for the Period (Note 4)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 4)	Carrying Amount as of the End of Period (Note 5)	Accumulated Repatriation of Investment Income as of the End of Period	Remark
					Outflow	Inflow							
Swanson Plastics (Kunshan) Co., Ltd.	Production, sales and development of multi-functional film, optical film, etc.	\$ 421,958 (USD 13,290 thousand)	Indirect investment via Swanson International Ltd. of British Cayman Islands.	\$ 223,930	\$ -	\$ -	\$ 223,930	(\$ 26,055) (USD -856 thousand)	100.00	(\$ 26,055) (USD -856 thousand)	\$ 1,140,641 (USD 35,926 thousand)	\$ -	
ASK-Swanson (Kunshan) Co., Ltd.	Production and sales of PE release film and other release products	288,925 (USD 9,100 thousand)	Indirect investment in A.S. Holdings (UK) Limited via Swanson International Ltd. of British Cayman Islands.	193,447	-	-	193,447	32,636 (USD 1,116 thousand)	100.00	32,636 (USD 1,116 thousand)	564,510 (USD 17,780 thousand)	64,395 (USD 2,327 thousand)	Note 6
Swanson Plastics (Tianjin) Co., Ltd.	Production, sales and development of multi-functional film, optical film, etc.	339,725 (USD 10,700 thousand)	Indirect investment via Swanson (Singapore) Private Ltd. in the third region.	170,754	-	-	170,754	( 17,084) (USD -584 thousand)	100.00	( 17,084) (USD -584 thousand)	59,037 (USD 1,859 thousand)	-	

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period	Investment Amounts Authorized by Investment Commission, MOEA (Note 1)	Maximum Amount of Investments in Mainland China Authorized by Investment Commission, MOEA
\$ 588,131	\$1,040,948 (USD32,786 thousand)	\$ -(Note 2)

Note 1: The paid-in capital and the investment amount approved by the Industrial Development Bureau, MOEA were calculated using the spot exchange rate on September 30, 2022.

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

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

Note 4: The amount is calculated based on the average exchange rate from January 1 to September 30, 2022.

Note 5: The calculation was based on the spot exchange rate of September 30, 2022.

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

USI CORPORATION AND SUBSIDIARIES  
(China General Plastics Corporation)  
INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
For the nine months ended September 30, 2022

Table 8-3

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of the beginning of period (Note 1)	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period (Note 1)	Net Income (Loss) of the Investee for the Period (Note 4)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 4)	Carrying Amount as of the End of Period (Notes 1 and 4)	Accumulated Repatriation of Investment Income as of the End of Period
					Outflow	Inflow						
Continental General Plastics (Zhong Shan) Co., Ltd. ("CGPC (ZS)") (Note 4)	Manufacturing and marketing of PVC film and third-time processed products	\$ 635,000 (USD 20,000 thousand)	Investment through CGPC (BVI) Holding Co., Ltd. (CGPC (BVI))	\$ 635,000 (USD 20,000 thousand)	\$ -	\$ -	\$ 635,000 (USD 20,000 thousand)	(\$ 28,551) (USD -931 thousand)	100.00	(\$ 28,551) (USD -931 thousand)	\$ 241,534 (USD 7,607 thousand)	\$ -
CGPC Consumer Products Corporation (CGPC (CP)) (Note 4)	Manufacturing and sales of PVC third-time processed products	47,625 (USD 1,500 thousand)	Investment through CGPC (BVI) Holding Co., Ltd. (CGPC (BVI))	47,625 (USD 1,500 thousand)	-	-	47,625 (USD 1,500 thousand)	689 (USD 23 thousand)	100.00	689 (USD 23 thousand)	14,557 (USD 459 thousand)	-

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period (Notes 1 and 3)	Investment Amounts Authorized by Investment Commission, MOEA (Note 1)	Maximum Amount of Investments in Mainland China Authorized by Investment Commission, MOEA (Note 2)
\$ 859,854 (USD27,082 thousand)	\$ 996,950 (USD31,400 thousand)	\$ -

Note 1: The calculation was based on the spot exchange rate of September 30, 2022.

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

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

Note 4: All the transactions were written off when preparing the consolidated financial statements; the investment income was calculated based on the financial statements not reviewed by an auditor.

USI CORPORATION AND SUBSIDIARIES  
(Taita Chemical Company, Ltd.)  
INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
For the nine months ended September 30, 2022

Table 8-4

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

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of the Beginning of Period	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period	Net Income (Loss) of the Investee for the Period (Note 6)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 6)	Carrying Amount as of the End of Period (Note 6)	Accumulated Repatriation of Investment Income as of the End of Period
					Outflow	Inflow						
Taita Chemical (Zhongshan) Co., Ltd. ("TAITA (ZS)")	Production and marketing of polystyrene derivatives	\$ 1,468,438 (USD 46,250 thousand) (Note 1)	Reinvest in the mainland companies by establishing a company through investment in the third region	\$ 1,365,250 (USD 43,000 thousand)	\$ -	\$ -	\$ 1,365,250 (USD 43,000 thousand)	\$ 12,911 (USD 480 thousand)	100.00	\$ 12,911 (USD 480 thousand) (Note 6)	\$ 1,885,326 (USD 59,380 thousand) (Note 6)	\$ -
Taita Chemical (Tianjin) Co., Ltd. ("TAITA (TJ)")	Production and marketing of polystyrene derivatives	868,363 (USD 27,350 thousand) (Note 2)	Reinvest in the mainland companies by establishing a company through investment in the third region	825,500 (USD 26,000 thousand)	-	-	825,500 (USD 26,000 thousand)	(39,412) (USD -1,321 thousand)	100.00	(39,412) (USD -1,321 thousand) (Note 6)	(157,183) (USD -4,951 thousand) (Note 6)	-
Zhangzhou Taita Chemical Company, Limited (ZTC)	Production and sales of polystyrene derivatives	1,542,401 (USD 48,580 thousand) (Note 3)	Reinvest in the mainland companies by establishing a company through investment in the third region	-	-	-	-	7,357 (USD 245 thousand)	100.00	7,357 (USD 245 thousand) (Note 7)	1,380,069 (USD 43,467 thousand) (Note 7)	-
Acme Electronics (Kunshan) Co., Ltd. ("ACME (KS)")	Manufacturing and marketing of manganese-zinc soft ferrite core	975,519 (USD 30,725 thousand)	Reinvest in a mainland company by reinvesting in the existing company in the third region, ACME Electronics (Cayman) Corp.	42,990 (USD 1,354 thousand)	-	-	42,990 (USD 1,354 thousand)	(38,855) (USD -1,279 thousand)	5.39	(2,096) (USD -69 thousand)	43,795 (USD 1,379 thousand)	-

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period	Investment Amounts Authorized by Investment Commission, MOEA	Maximum Amount of Investments in Mainland China Authorized by Investment Commission, MOEA
\$ 2,233,740 (USD 70,354 thousand)	\$ 3,994,700 (USD 125,817 thousand) (Note 4)	\$ -(Note 5)

Note 1: Taita Zhongshan increased capital from surplus of USD 3,250 thousand in 2007.

Note 2: Taita Tianjin increased capital from surplus of USD 1,350 thousand in 2012.

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

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

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

Note 6: The calculation is based on the financial statements reviewed and approved by CPAs of the parent company in Taiwan calculated.

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

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

USI CORPORATION AND INVESTEE COMPANIES  
(Asia Polymer Corporation)  
INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
For the nine months ended September 30, 2022

Table 8-5

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 4)	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of the Beginning of Period	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period	Net Income (Loss) of the Investee for the Period (Note 3)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 3)	Ending carrying amount of investment (Note 4)	Accumulated Repatriation of Investment Income as of the End of Period
					Outflow	Inflow						
Acme Electronics (Kunshan) Co., Ltd.	Manufacturing and marketing of manganese-zinc ferrite core	\$ 975,519 (USD 30,725 thousand)	(2) ACME Electronics (Cayman) Corp.	\$ 132,631 (USD 4,177 thousand)	\$ -	\$ -	\$ 132,631 (USD 4,177 thousand)	B (\$ 38,855)	16.64	(\$ 6,466)	\$ 135,114	\$
USI Trading (Shanghai) Co., Ltd.	Sales of chemical products and equipment, etc.	79,375 (USD 2,500 thousand)	(2) APC (BVI) Holding Co., Ltd.	96,380 (USD 3,036 thousand)	-	-	96,380 (USD 3,036 thousand)	C 11,345	100.00	11,345	151,608	
Fujian Gulei Petrochemical Co., Ltd.	Crude oil processing and petroleum products manufacturing	41,653,997 (RMB9,314,400 thousand)	(2) Dynamic Ever Investments Ltd., (Note 2)	5,012,781 (USD 157,883 thousand)	-	-	5,012,781 (USD 157,883 thousand)	C ( 8,984,792)	11.71	( 1,052,119)	3,625,109	
Zhangzhou Taiju Trading Co., Ltd.	Sales of chemical products	44,720 (RMB 10,000 thousand)	(2) APC (BVI) Holding Co., Ltd.	-	13,416 (USD 3,000 thousand)	-	13,416 (USD 3,000 thousand)	C ( 1,505)	30.00	( 451)	12,963	

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period	Investment Amounts Authorized by Investment Commission, MOEA	Maximum Amount of Investments in Mainland China Authorized by Investment Commission, MOEA
\$ 5,408,937 (Note 5) (USD170,360 thousand)	\$ 7,106,781 (USD223,836 thousand)	\$ - (Note 6)

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

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

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

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

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

Note 4: The calculation was based on the spot exchange rate of September 30, 2022.

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

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

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

USI CORPORATION AND SUBSIDIARIES  
INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS  
For the nine months ended September 30, 2022

Table 9

Unit: In Thousands of New Taiwan Dollars

No. (Note 1)	Trading Company	Counterparty	Relationships with trader (Note 2)	Transactions Details			% of Total Consolidated Operating Revenue or Total Asset (%) (Note 4)
				Financial Statement Accounts	Amount (Note 3)	Transaction Terms	
0	USI Corporation	Swanson Plastics Corporation	1	Sales revenue	\$ 75,240	No significant difference	0.15%
0	USI CORPORATION	Forever Young Company Limited	1	Sales revenue	103,685	No significant difference	0.20%
0	USI CORPORATION	USI Trading (Shanghai) Co., Ltd.	1	Sales revenue	112,437	No significant difference	0.22%
0	USI CORPORATION	USI (Hong Kong) Company Ltd.	1	Sales revenue	270,140	No significant difference	0.53%
0	USI CORPORATION	Asia Polymer Corporation	1	Purchase	1,125,027	No significant difference	2.19%
0	USI CORPORATION	Swanson Plastics Corporation	1	Purchase	49,674	No significant difference	0.10%
0	USI CORPORATION	Dynamic Ever Investments Limited	1	Management service revenue	11,627	No significant difference	0.02%
0	USI CORPORATION	Asia Polymer Corporation	1	Sales revenue	197,199	No significant difference	0.25%
0	USI CORPORATION	Swanson Plastics Corporation	1	Accounts receivable	12,690	No significant difference	0.02%
0	USI CORPORATION	Forever Young Company Limited	1	Accounts receivable	31,692	No significant difference	0.04%
0	USI CORPORATION	USI (Hong Kong) Company Ltd.	1	Accounts receivable	36,805	No significant difference	0.05%
0	USI CORPORATION	USI Trading (Shanghai) Co., Ltd.	1	Accounts receivable	19,703	No significant difference	0.02%
0	USI CORPORATION	Asia Polymer Corporation	1	Other receivables	132,501	No significant difference	0.17%
0	USI CORPORATION	Taiwan VCM Corporation	1	Other receivables	76,411	No significant difference	0.10%
0	USI CORPORATION	USI Management Consulting Corp.	1	Management service expenses	118,120	No significant difference	0.23%
0	USI CORPORATION	Asia Polymer Corporation	1	Accounts payable	224,262	No significant difference	0.28%
0	USI CORPORATION	China General Terminal & Distribution Co.	1	Storage tank operating expenses	22,788	No significant difference	0.04%
0	USI CORPORATION	Taiwan VCM Corporation	1	Accounts receivable	76,411	No significant difference	0.10%
1	Asia Polymer Corporation	China General Terminal & Distribution Co.	3	Storage tank operating expenses	22,298	No significant difference	0.03%
1	Asia Polymer Corporation	Swanson Plastics Corporation	3	Purchase	32,281	No significant difference	0.06%
1	Asia Polymer Corporation	Swanson Plastics Corporation	3	Sales revenue	17,351	No significant difference	0.03%
1	Asia Polymer Corporation	USI Trading (Shanghai) Co., Ltd.	3	Accounts receivable	75,268	No significant difference	0.09%
1	Asia Polymer Corporation	USI Trading (Shanghai) Co., Ltd.	3	Sales revenue	164,074	No significant difference	0.32%
2	China General Plastics Corporation	Swanson Plastics Corporation	3	Purchase	46,748	No significant difference	0.06%
2	China General Plastics Corporation	Swanson Plastics Corporation	3	Accounts payable	10,528	No significant difference	0.02%
2	China General Plastics Corporation	USI Management Consulting Corp.	3	Management service expenses	57,382	No significant difference	0.07%
2	China General Plastics Corporation	Taiwan VCM Corporation	3	Accounts payable	821,813	No significant difference	1.60%
2	China General Plastics Corporation	Taiwan VCM Corporation	3	Purchase	5,040,099	No significant difference	9.83%
2	China General Plastics Corporation	CGPC America Corporation	3	Accounts receivable	237,942	No significant difference	0.30%
2	China General Plastics Corporation	CGPC America Corporation	3	Sales revenue	374,332	No significant difference	0.73%

(Continued)

(Continued)

No. (Note 1)	Trading Company	Counterparty	Relationships with trader (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 3)	Transaction Terms	% of Total Consolidated Operating Revenue or Total Asset (%) (Note 4)
2	China General Plastics Corporation	CGPC Polymer Corporation	3	Purchase	\$ 40,538	No significant difference	0.08%
3	Taita Chemical Company, Ltd.	USI Management Consulting Corp.	3	Management service expenses	54,526	No significant difference	0.07%
3	Taita Chemical Company, Ltd.	Taita Chemical (Tianjin) Co., Ltd.	3	Other receivables	291,408	No significant difference	0.57%
4	USI Management Consulting Corp.	Taiwan VCM Corporation	3	Management service revenue	21,916	No significant difference	0.04%
4	USI Management Consulting Corp.	Asia Polymer Corporation	3	Management service revenue	45,377	No significant difference	0.09%
4	USI Management Consulting Corp.	Swanson Plastics Corporation	3	Management service revenue	23,102	No significant difference	0.05%
4	USI Management Consulting Corp.	China General Terminal & Distribution Co.	3	Management service revenue	18,016	No significant difference	0.02%
4	USI Management Consulting Corp.	USI CORPORATION	2	Management service revenue	118,119	No significant difference	0.15%
5	CGPC Polymer Corporation	Taiwan VCM Corporation	3	Accounts payable	666,357	No significant difference	0.83%
5	CGPC Polymer Corporation	Taiwan VCM Corporation	3	Other payables	30,635	No significant difference	0.04%
5	CGPC Polymer Corporation	Taiwan VCM Corporation	3	Purchase	4,482,948	No significant difference	5.59%
6	China General Terminal & Distribution Co.	Taiwan VCM Corporation	3	Storage tank operating expenses	71,876	No significant difference	0.14%
7	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Sales revenue	210,702	No significant difference	0.41%
7	Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Sales revenue	116,537	No significant difference	0.23%
7	Acme Electronics Corporation	ACME Ferrite Product Sdn. Bhd.	3	Sales revenue	22,333	No significant difference	0.04%
7	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Cost of goods sold	27,831	No significant difference	0.03%
7	Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Processing costs (classified as cost of goods sold)	300,442	No significant difference	0.59%
7	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Royalty revenue	21,461	No significant difference	0.03%
7	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Accounts receivable	94,814	No significant difference	0.12%
7	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	3	Other receivables	24,752	No significant difference	0.03%
8	Acme Electronics (Kunshan) Co., Ltd.	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Sales revenue	40,910	No significant difference	0.05%
8	Acme Electronics (Kunshan) Co., Ltd.	Acme Electronics (Guang-Zhou) Co., Ltd.	3	Cost of goods sold	31,483	No significant difference	0.06%
8	Acme Electronics (Kunshan) Co., Ltd.	ACME Ferrite Product Sdn. Bhd.	3	Sales revenue	146,557	No significant difference	0.18%
8	Acme Electronics (Kunshan) Co., Ltd.	ACME Ferrite Product Sdn. Bhd.	3	Accounts receivable	77,918	No significant difference	0.10%
9	Swanson Plastics Corporation	Forever Young Company Limited	3	Sales revenue	17,143	No significant difference	0.03%
9	Swanson Plastics Corporation	Forever Young Company Limited	3	Other income	15,659	No significant difference	0.02%
9	Swanson Plastics Corporation	Swanson Plastics (Kunshan) Co., Ltd.	3	Accounts receivable	14,189	No significant difference	0.02%
10	Forever Young Company Limited	Swanson Plastics (India) Private Ltd.	3	Accounts receivable	41,869	No significant difference	0.08%
10	Forever Young Company Limited	Swanson Plastics (India) Private Ltd.	3	Sales revenue	54,902	No significant difference	0.11%
10	Forever Young Company Limited	Swanson Plastics (Kunshan) Co., Ltd.	3	Accounts receivable	39,482	No significant difference	0.05%
10	Forever Young Company Limited	Swanson Plastics (Kunshan) Co., Ltd.	3	Sales revenue	280,794	No significant difference	0.35%
10	Forever Young Company Limited	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Accounts receivable	31,769	No significant difference	0.04%
10	Forever Young Company Limited	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Cost of goods sold	41,029	No significant difference	0.05%

(Continued)

(Continued)

No. (Note 1)	Trading Company	Counterparty	Relationships with trader (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 3)	Transaction Terms	% of Total Consolidated Operating Revenue or Total Asset (%) (Note 4)
10	Forever Young Company Limited	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Sales revenue	\$ 230,070	No significant difference	0.29%
10	Forever Young Company Limited	PT. Swanson Plastics Indonesia	3	Accounts receivable	23,654	No significant difference	0.03%
10	Forever Young Company Limited	PT. Swanson Plastics Indonesia	3	Sales revenue	117,117	No significant difference	0.15%
10	Forever Young Company Limited	SWANSON INTERNATIONAL LTD.	3	Other receivables	47,636	No significant difference	0.06%
11	Swanson Plastics (Singapore) Pte., Ltd.	PT. Swanson Plastics Indonesia	3	Cost of goods sold	43,531	No significant difference	0.05%
11	Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Accounts payable	28,329	No significant difference	0.04%
11	Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	3	Cost of goods sold	134,166	No significant difference	0.17%
12	Swanson Plastics (Kunshan) Co., Ltd.	ASK-Swanson (Kunshan) Co., Ltd.	3	Accounts receivable	39,286	No significant difference	0.05%
12	Swanson Plastics (Kunshan) Co., Ltd.	ASK-Swanson (Kunshan) Co., Ltd.	3	Sales revenue	131,860	No significant difference	0.16%
12	Swanson Plastics (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	3	Accounts payable	50,403	No significant difference	0.06%
13	ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	3	Other receivables	175,660	No significant difference	0.22%

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

1. The parent company: 0.
2. The subsidiaries were marked from 1 in order of numeric characters by the companies.

Note 2: Investment types are as follows:

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

Note 3: The ratio of transactions related to total sales revenue or assets is calculated as follows: a. Assets or liabilities: The ratio was calculated based on the ending balance of total consolidated assets; and b. Income or loss: The ratio was calculated based on the ending accumulated amount of total consolidated sales revenue.



USI CORPORATION  
INFORMATION ON MAJOR SHAREHOLDERS  
September 30, 2022

Table 10

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

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

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