

USI CORPORATION

Financial Statements and Independent Auditors' Report

For the Years Ended December 31, 2023 and 2022

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Independent Auditors' Report

To USI Corporation:

Audit Opinion

We have audited the Parent Company Only Balance Sheets of USI Corporation (USI) as of the years ended December 31, 2023 and 2022, and the Parent Company Only Statements of Comprehensive Income, Parent Company Only Statements of Changes in Equity, Parent Company Only Statements of Cash Flows and Notes to the Parent Company Only Financial Statements (including the Summary of Significant Accounting Policies) for the period from January 1 to December 31 of 2023 and 2022.

The accountant opinions are that the preparations of significant issues of the Parent Company Only Financial Statements are made in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. They fairly present the accompanying financial conditions as of December 31 of 2023 and 2022 of USI Corporation and the accompanying financial performance and accompanying cash flows for the months from January 1 to December 31 of 2023 and of 2022.

Basis for Audit Opinion

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

Key Audit Matters

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

The key audit matter identified in the audit of the Company's Parent Company Only Financial Statements for the year ended December 31, 2023 is as follows.

The Authenticity of Specific Sales Revenue

In 2023, USI Corporation's sales revenue from solar thin-film products to specific customers accounted for 29.83% of its individual sales revenue. Given the greater challenge in acquiring information from international markets in contrast to domestic ones, and the substantial influence of accurately recognizing sales revenue from specific customers on both the net revenue and financial performance of USI Corporation, this issue has been designated as a key audit concern for the present fiscal year.

For accounting policies relating to sales revenue and relevant disclosure information, please refer to Notes 4(1) and 23 to the Parent Company Only Financial Statements.

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

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

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the Parent Company Only Financial Statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers, and such internal control as the management determines is necessary to enable the preparation of the Parent Company Only Financial Statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements Section of Our Report.

Auditors' objectives for the audit of the Parent Company Only Financial Statements are to obtain reasonable assurance about whether the Parent Company Only Financial Statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards in the Republic of China will always detect a material misstatement when it exists. Misrepresentation may result from fraud or error. If,

individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Parent Company Only Financial Reports.

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

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

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

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

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

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

Deloitte & Touche

Taipei, Taiwan

Republic of China

March 8, 2024

Notice to Readers

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

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

USI CORPORATION
Parent Company Only Balance Sheets
December 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

Assets	December 31, 2023		December 31, 2022	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 3, 4 and 6)	\$ 1,889,021	6	\$ 1,318,585	4
Financial assets at fair value through profit or loss (FVTPL) - current (Notes 4 and 7)	852,542	3	533,166	2
Financial assets at amortized cost - current (Notes 3, 4, 9 and 31)	160,955	-	61,104	-
Notes receivable, net (Notes 4 and 10)	48,776	-	88,808	-
Accounts receivable, net (Notes 4 and 10)	670,023	2	2,267,755	7
Accounts receivable, related parties (Notes 4, 10 and 30)	67,912	-	118,818	-
Other receivables (Notes 4 and 10)	35,664	-	48,153	-
Other receivables, related parties (Notes 4, 10, 12 and 30)	591,078	2	422,770	1
Inventories (Notes 4 and 11)	1,262,040	4	1,413,526	4
Prepayments	220,408	1	208,866	1
Total current assets	<u>5,798,419</u>	<u>18</u>	<u>6,481,551</u>	<u>19</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income (FVTOCI) -non-current (Notes 4 and 8)	902,304	3	870,662	3
Investments accounted for using the equity method (Notes 4, 5 and 12)	18,116,918	57	19,855,669	58
Property, plant and equipment (Notes 4 and 13)	5,951,994	19	6,331,437	19
Right-of-use assets (Notes 4 and 14)	742	-	5,191	-
Investment properties, net (Notes 4, 15 and 30)	133,521	-	134,914	-
Intangible assets, net (Notes 4 and 16)	956	-	666	-
Deferred tax assets (Notes 4 and 25)	727,734	2	444,382	1
Other non-current assets (Note 31)	134,993	1	145,513	-
Total non-current assets	<u>25,969,162</u>	<u>82</u>	<u>27,788,434</u>	<u>81</u>
Total Assets	<u>\$ 31,767,581</u>	<u>100</u>	<u>\$ 34,269,985</u>	<u>100</u>
Liabilities and Equity				
CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss (FVTPL) - current (Notes 4 and 7)	\$ -	-	\$ 13,769	-
Accounts payable (Note 19)	1,062,391	4	985,157	3
Accounts payable, related parties (Notes 19 and 30)	107,310	-	304,917	1
Other payables (Note 20)	331,050	1	459,138	1
Other payables, related parties (Notes 20 and 30)	17,458	-	24,563	-
Current tax liabilities (Notes 4 and 25)	267,582	1	826,833	2
Lease liabilities - current (Notes 4 and 14)	28,578	-	32,249	-
Current portion of long-term borrowings (Note 18)	1,999,714	6	-	-
Other current liabilities (Notes 23 and 30)	29,733	-	149,749	1
Total current liabilities	<u>3,843,816</u>	<u>12</u>	<u>2,796,375</u>	<u>8</u>
NON-CURRENT LIABILITIES				
Bonds payable (Note 18)	3,994,990	13	5,992,228	18
Long-term borrowings (Note 17)	467,506	2	729,703	2
Deferred tax liabilities (Notes 4 and 25)	62,920	-	59,355	-
Lease liabilities - non-current (Notes 4 and 14)	56,528	-	85,188	-
Net defined benefit liabilities - non-current (Notes 4 and 21)	71,078	-	94,352	1
Other non-current liabilities (Note 17)	16,458	-	16,692	-
Total non-current liabilities	<u>4,669,480</u>	<u>15</u>	<u>6,977,518</u>	<u>21</u>
Total Liabilities	<u>8,513,296</u>	<u>27</u>	<u>9,773,893</u>	<u>29</u>
Equity (Notes 4, 8, 12, 21, 22 and 25)				
Share capital	11,887,635	37	11,887,635	35
Capital surplus	476,799	2	449,960	1
Retained Earnings				
Legal reserve	4,036,296	13	3,872,190	11
Special reserve	375,127	1	375,127	1
Unappropriated earnings	7,115,479	22	8,377,890	25
Total retained earnings	<u>11,526,902</u>	<u>36</u>	<u>12,625,207</u>	<u>37</u>
Other equity	(161,445)	(1)	8,896	-
Treasury shares	(475,606)	(1)	(475,606)	(2)
Total equity	<u>23,254,285</u>	<u>73</u>	<u>24,496,092</u>	<u>71</u>
Total Liabilities and Equity	<u>\$ 31,767,581</u>	<u>100</u>	<u>\$ 34,269,985</u>	<u>100</u>

The accompanying notes are an integral part of the Parent Company Only Financial Statements.

USI CORPORATION
Parent Company Statements of Comprehensive Income
For the years ended December 31, 2023 and 2022

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

	For the Year Ended December 31, 2023		For the Year Ended December 31, 2022	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 23 and 30)	\$ 11,449,372	100	\$ 15,632,151	100
COST OF GOODS SOLD (Notes 4, 11, 13, 16, 21, 24 and 30)	<u>9,820,042</u>	<u>86</u>	<u>11,437,888</u>	<u>73</u>
GROSS PROFIT	1,629,330	14	4,194,263	27
The unrealized profits with the subsidiaries (Notes 4 and 30)	(1,103)	-	(1,505)	-
The realized profits with the subsidiaries (Notes 4 and 30)	<u>1,505</u>	<u>-</u>	<u>1,175</u>	<u>-</u>
The realized gross profit	<u>1,629,732</u>	<u>14</u>	<u>4,193,933</u>	<u>27</u>
OPERATING EXPENSES (Notes 4, 13, 14, 16, 21, 24 and 30)				
Selling and marketing expenses	231,700	2	325,268	2
Administrative expenses	224,879	2	249,089	2
Research and development expenses	<u>144,359</u>	<u>1</u>	<u>150,870</u>	<u>1</u>
Total operating expenses	<u>600,938</u>	<u>5</u>	<u>725,227</u>	<u>5</u>
NET PROFIT FROM OPERATIONS	<u>1,028,794</u>	<u>9</u>	<u>3,468,706</u>	<u>22</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Notes 4, 24 and 30)	20,176	-	16,538	-
Other income (Notes 4, 8, 24 and 30)	217,054	2	168,587	1
Other gains and losses (Notes 4, 15, 24 and 30)	(42,625)	-	(29,622)	-
Finance costs (Notes 4, 14, 17, 18 and 24)	(58,644)	(1)	(73,666)	(1)
Share of profit or loss of subsidiaries, associates and joint ventures accounted for using equity method (Notes 4 and 12)	(1,424,426)	(12)	(1,618,808)	(10)
Total non-operating income and expenses	(1,288,465)	(11)	(1,536,971)	(10)
Net (loss) profit before income tax	(259,671)	(2)	1,931,735	12
Income tax (gain) expense (Notes 4 and 25)	(52,665)	-	376,638	2
Net (loss) profit for the year	(207,006)	(2)	1,555,097	10
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurements of the defined benefit plan (Notes 4 and 21)	1,178	-	41,282	-
Unrealized gain (loss) on the equity instruments at FVTOCI (Notes 4 and 22)	11,667	-	(34,862)	-
Share of profit or loss of other comprehensive income of subsidiaries accounted for using the equity method (Notes 4 and 22)	(106,127)	(1)	(325,781)	(2)
Income tax relating to items that will not be reclassified (Notes 4, 22 and 25)	(236)	-	(8,256)	-
	<u>(93,518)</u>	<u>(1)</u>	<u>(327,617)</u>	<u>(2)</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations (Notes 4 and 22)	(44,266)	-	294,953	2
Share of profit or loss of other comprehensive income of subsidiaries accounted for using the equity method (Notes 4 and 22)	(45,780)	-	103,818	-
Income tax relating to items that may be reclassified (Notes 4, 22 and 25)	<u>8,853</u>	<u>-</u>	<u>(58,991)</u>	<u>-</u>
	<u>(81,193)</u>	<u>-</u>	<u>339,780</u>	<u>2</u>
Other comprehensive income for the period, net of income tax	<u>(174,711)</u>	<u>(1)</u>	<u>12,163</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>(\$ 381,717)</u>	<u>(3)</u>	<u>\$ 1,567,260</u>	<u>10</u>
EARNINGS (LOSS) PER SHARE (Note 26)				
Basic (loss) earnings per share	(\$ 0.19)		\$ 1.45	
Dilution (loss) earnings per share	(\$ 0.19)		\$ 1.45	

The accompanying notes are an integral part of the Parent Company Only Financial Statements.

USI CORPORATION
Parent Company Statements of Changes in Equity
For the years ended December 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

	Capital surplus				Retained Earnings			Other equity		Treasury shares (Notes 4 and 22)	Total equity
	Ordinary Shares (Notes 4 and 22)	Treasury Share Transactions (Note 22)	Shares of Changes in Capital Surplus of Associates (Notes 4 and 22)	Others (Note 22)	Legal reserve (Note 22)	Special reserve (Note 22)	Unappropriated Earnings (Notes 4, 8, 12, 21, 22 and 25)	Exchange differences on translating the financial statements of foreign operations (Notes 4, 22 and 25)	Unrealized gain (loss) on financial assets at FVTOCI (Notes 4, 8 and 22)		
Balance as of January 1, 2022	\$ 11,887,635	\$ 302,976	\$ 41,902	\$ 21,307	\$ 3,343,086	\$ 375,127	\$ 9,881,214	(\$ 710,973)	\$ 795,331	(\$ 475,606)	\$ 25,461,999
Distribution of earnings in 2021											
Provision for legal reserve	-	-	-	-	529,104	-	(529,104)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	(2,615,280)	-	-	-	(2,615,280)
Net profit for the year ended December 31, 2022	-	-	-	-	-	-	1,555,097	-	-	-	1,555,097
Other comprehensive income for the year ended December 31, 2022, net of income tax	-	-	-	-	-	-	86,594	339,780	(414,211)	-	12,163
Total comprehensive income for the year ended December 31, 2022	-	-	-	-	-	-	1,641,691	339,780	(414,211)	-	1,567,260
Changes in equity of subsidiaries recognized by equity method	-	-	(1,955)	-	-	-	(1,662)	-	-	-	(3,617)
Changes in other capital surplus	-	-	-	1,405	-	-	-	-	-	-	1,405
Dividends distributed to subsidiaries to adjust capital reserve	-	84,325	-	-	-	-	-	-	-	-	84,325
Disposal of equity instruments measured at FVTOCI	-	-	-	-	-	-	1,031	-	(1,031)	-	-
Balance as of December 31, 2022	11,887,635	387,301	39,947	22,712	3,872,190	375,127	8,377,890	(371,193)	380,089	(475,606)	24,496,092
Distribution of earnings in 2023											
Provision for legal reserve	-	-	-	-	164,106	-	(164,106)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	(832,134)	-	-	-	(832,134)
Net loss for the year ended December 31, 2023	-	-	-	-	-	-	(207,006)	-	-	-	(207,006)
Other comprehensive income for the year ended December 31, 2023, net of income tax	-	-	-	-	-	-	725	(81,193)	(94,243)	-	(174,711)
Total comprehensive income for the year ended December 31, 2023	-	-	-	-	-	-	(206,281)	(81,193)	(94,243)	-	(381,717)
Changes in equity of subsidiaries recognized by equity method	-	-	(199)	-	-	-	(54,795)	-	-	-	(54,994)
Changes in other capital surplus	-	-	-	208	-	-	-	-	-	-	208
Dividends distributed to subsidiaries to adjust capital reserve	-	26,830	-	-	-	-	-	-	-	-	26,830
Disposal of equity instruments measured at FVTOCI	-	-	-	-	-	-	(5,095)	-	5,095	-	-
Balance as of December 31, 2023	<u>\$ 11,887,635</u>	<u>\$ 414,131</u>	<u>\$ 39,748</u>	<u>\$ 22,920</u>	<u>\$ 4,036,296</u>	<u>\$ 375,127</u>	<u>\$ 7,115,479</u>	<u>(\$ 452,386)</u>	<u>\$ 290,941</u>	<u>(\$ 475,606)</u>	<u>\$ 23,254,285</u>

The accompanying notes are an integral part of the Parent Company Only Financial Statements.

USI CORPORATION
Parent Company Only Statements of Cash Flows
For the years ended December 31, 2023 and 2022

	(In Thousands of New Taiwan Dollars)	
	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) profit before tax for the year	(\$ 259,671)	\$ 1,931,735
Income (expenses) items		
Depreciation expense	651,242	625,885
Amortization expense	8,105	14,455
Net (gain) loss on the financial assets and liabilities at FVTPL	(17,124)	61,309
Finance costs	58,644	73,666
Interest income	(20,176)	(16,538)
Dividend income	(35,893)	(65,750)
Share of profit or loss of subsidiaries, associates and joint ventures accounted for using equity method	1,424,426	1,618,808
Disposal and scrapping of property, plant and equipment (gain) loss	(700)	12,921
Loss on disposal of investments accounted for using equity method	13,850	-
Provision for write-downs of inventories and obsolescence losses	21,735	31,749
The unrealized profits with the subsidiaries	1,103	1,505
The realized profits with the subsidiaries	(1,505)	(1,175)
Changes in operating assets and liabilities		
(Increase) decrease in financial assets mandatorily classified at FVTPL	(316,021)	2,012,683
Decrease in notes receivable	40,032	30,571
Decrease (increase) in accounts receivable	1,597,732	(303,648)
Decrease (increase) in accounts receivable , related parties	50,906	(12,350)
Decrease in other receivables	12,894	58,529
(Increase) decrease in other receivables, related parties	(38,870)	46,083
Decrease (increase) in inventories	129,751	(192,884)
Decrease (increase) in prepayments	1,775	(4,471)
Increase (decrease) in accounts payable	77,234	(34,621)
Decrease in accounts payable, related parties decrease	(197,607)	(89,532)
Decrease in accounts payable	(107,193)	(43,147)
(Decrease) increase in other payables, related parties	(7,105)	8,368
Decrease in other current liabilities	(120,016)	(40,202)
Decrease in net defined benefit liabilities	(22,096)	(37,043)
Cash generated from operations	2,945,452	5,686,906
Interest received	19,771	16,274
Interest paid	(53,940)	(90,186)
Income tax paid	(777,756)	(739,262)
Net cash generated from operating activities	<u>2,133,527</u>	<u>4,873,732</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at FVTOCI	(19,975)	-
Return of capital from financial assets at FVTOCI	-	17,028
(Acquisition) disposal of financial assets at amortized cost	(99,851)	45
Acquisition of associate accounted for using the equity method (Note 12)	(10,000)	(90,000)
Acquisition of property, plant and equipment	(287,319)	(440,031)
Proceeds from disposal of property, plant and equipment	394	3,644
Increase in refundable deposits	(5,350)	(18,704)
Acquisitions of intangible assets	(791)	(750)
Other receivables - related parties decrease	-	125,000
Increase in other non-current assets	(5,051)	(19,525)
Dividends received	409,643	693,035
Net cash (outflow) inflow from investing activities	<u>(18,300)</u>	<u>269,742</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of bonds	-	(3,000,000)
Proceeds from mid- to long-term borrowings	35,575	794,412
Repayment of mid- to long-term borrowings	(300,000)	(100,000)
Increase in guarantee deposits received	632	78
Repayment of the principal portion of lease liabilities	(32,239)	(31,426)
Increase in other non-current liabilities	425	5,588
Cash dividends paid	(832,134)	(2,615,280)
Acquisition of the share of subsidiaries (Note 12)	(536,050)	(23)
Investees using equity method Return of the equity	119,000	-
Net cash used in financing activities	<u>(1,544,791)</u>	<u>(4,946,651)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS FOR THE YEAR	570,436	196,823
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR (Note 3)	<u>1,318,585</u>	<u>1,121,762</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (Note 3)	<u>\$ 1,889,021</u>	<u>\$ 1,318,585</u>

The accompanying notes are an integral part of the Parent Company Only Financial Statements.

USI CORPORATION

Notes to the Parent Company Financial Statements

For the Years Ended December 31, 2023 and 2022

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

1. GENERAL INFORMATION

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

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

2. APPROVAL OF FINANCIAL STATEMENTS

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

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

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

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

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

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

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

Note 2. A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

Note 3. When applying the amendments for the first time, certain disclosure requirements are exempted.

As of the date the accompanying financial statements were authorized for issue, the Company assessed that the aforesaid standards and the amendments of the interpretations would not have a significant impact on the Company's accompanying financial position and financial performance.

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

<u>New/Amended/Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture"	To be determined by IASB
IFRS 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 21 "Lack of Exchangeability"	January 1, 2025 (Note 2)

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

Note 2. Applicable for the annual reporting periods beginning on or after January 1, 2025. When applying the amendments, recognize the affected amount in retained earnings as of the initial application date. When the Company adopts a non-functional currency as the reporting currency, it will recognize the adjusted amount in the exchange differences of foreign operations under equity on the initial application date.

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

d. Reclassification of Expression

The management of the company asserts that the limitations imposed on the utilization of funds repatriated under the "Regulations on the Management and Use of Overseas Funds Repatriated and Taxed" for significant investments and financial endeavors have not altered the essence of the deposit. They maintain the right to request these funds immediately upon receipt. Hence, it is deemed more appropriate to classify the special account deposit as cash and cash equivalents. Consequently, there have been changes in the presentation of both the individual balance sheet and the individual cash flow statement in 2023. As of December 31, 2023 and 2022, and January 1, 2022, the carrying amounts of financial assets measured at amortized cost reclassified as cash and cash equivalents were NT\$6,751 thousand, NT\$15,244 thousand, and NT\$12,968 thousand, respectively. The impact on cash flow items for the year 2022 is as follows:

	<u>Adjustment Amount</u>
Net cash inflow from investing activities	<u>\$ 2,276</u>
Net increase in cash and cash equivalents	<u>\$ 2,276</u>

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

These accompanying financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

b. Basis of preparation

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

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

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

When preparing the individual financial statements, the Company used the equity method to account for its investments in subsidiaries. In order for the amounts of the net profit for the year, other comprehensive income/equity for the year and total equity in the accompanying financial statements to be the same with the amounts attributable to the owners of the Company in its financial statements, adjustments arising from the differences in accounting treatments were made for "investments accounted for using the equity method", "the recognized share of profit or loss of subsidiaries by using the equity method", "the recognized share of other comprehensive income of subsidiaries by using the equity method" and other equity items.

c. Classification standard of current and non-current assets and liabilities

Current assets include:

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

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the balance sheet date; and

- 3) Liabilities for which the Company does not have an unconditional right to defer settlement for at least 12 months after the balance sheet date.

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

d. Foreign Currency

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

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

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

In presenting accompanying financial statements, the assets and liabilities of the Company's foreign operations (including subsidiaries in other countries that use currencies different from the functional currency of the Company) are translated into the presentation currency, the New Taiwan dollar. Income and expense items are translated at the average exchange rates on the balance sheet date. The resulting currency translation differences are recognized in other comprehensive income.

When disposing of all or part of the subsidiaries of foreign operations, which resulted in losing control of the foreign operations, all the accumulated exchange differences related to the foreign operations will be classified as profit and loss.

But when disposing of part of the subsidiaries and associates which did not result in losing control of the foreign operations, the accumulated exchange differences will be incorporated into the calculation of equity transactions rather than profit or loss. In other disposal of foreign operations, the accumulated exchange differences will be classified as profit and loss based on its proportion.

e. Inventories

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

f. Investment in subsidiaries

The Company uses the equity method to account for its investments in subsidiaries.

A subsidiary is an entity that is controlled by the Company.

Under the equity method, an investment in a subsidiary is initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the subsidiary. In addition, changes in the Company's interests of subsidiaries are recognized according to the ownership proportion.

Changes in the Company's ownership interest in a subsidiary that do not result in the Company losing control of the subsidiary are equity transactions. As for any differences between the carrying amount of the investment and the fair value of the consideration paid or received, the Company recognizes them directly as equity.

When the Company's shares of losses of a subsidiary equal or exceed its equity in that subsidiary (which includes any carrying amount of the investment accounted for by using the equity method and long-term equity that, in substance, form part of the Company's net investment in the subsidiary), the Company continues recognizing its losses according to the ownership proportion.

When the acquisition cost exceeds the net fair value of the Company's identifiable assets and liabilities of the subsidiary on the acquisition date, the exceeding amount is classified as goodwill, which is included in the carrying value of the investment and is not amortized; when the net fair value of the Company's net fair value of the subsidiary exceeds the acquisition cost, the exceeding amount is classified as current income.

When the Company assesses its investment for any impairment, it considers cash generating units on the entire financial statements and compares the carrying amount with the estimated recoverable amount. If the recoverable amount of the investment subsequently increases, the Company recognizes the reversal of the impairment loss as gain; however, the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized after deducting the amortization had no impairment loss been recognized. The impairment loss attributable to goodwill shall not be reversed in subsequent periods.

When the Company loses control over a subsidiary, it measures the investment retained in the former subsidiary at its fair value on the date when control is lost. The difference between the fair value of the retained investment plus any disposal proceeds and the carrying amount of the previous investment on the date when the control is lost is recognized as a profit or loss for the current period. Besides, the Company accounts for all amounts previously recognized in other comprehensive income related to that subsidiary on the same basis as would be required if the Company had directly disposed of the related assets or liabilities.

The unrealized profits or losses resulting from downstream transactions between the Company and the subsidiaries are eliminated in the accompanying financial statements. Profits and losses resulting from upstream transactions and transactions between subsidiaries are recognized in the accompanying financial statements only to the extent of interests in the subsidiaries of parties that are not related to the Company.

g. Property, plant and equipment

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

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

Except for self-owned land, depreciation of property, plant and equipment is recognized using the straight-line basis during useful life. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in estimates accounted for on a prospective basis.

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

h. Investment properties

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

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

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

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

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

i. Intangible assets

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at the amount of cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis during the useful life. The estimated useful life, residual value, and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

On de-recognition of an intangible asset, the difference between the net disposal proceeds

and the carrying amount of the asset is recognized in the current profit or loss.

j. Impairment of property, plant and equipment, right-of-use asset, investment property and intangible assets

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually.

The recoverable amount is the higher of fair value less costs of sale and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

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

k. Financial instruments

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

When financial assets and financial liabilities are initially measured, in case financial assets and financial liabilities are not measured at FVTPL, they are measured with the fair value added to transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1) Financial assets

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

a) Measurement categories

Financial assets held by the Company are classified into the following categories: financial assets measured at fair value through profit and loss, financial assets measured at amortized cost, investment in equity instruments measured at fair value through other comprehensive profits and losses.

i. Financial assets at FVTPL

Financial assets measured at fair value through profit and loss are financial assets that are forced to be measured at fair value through profit and loss. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI and derivative instruments and fund beneficiary certificates that do not meet the criteria to classify as at amortized cost or at FVTOCI.

Financial assets at FVTPL are measured at fair value, with the generated dividends and interest recognized in other income and interest income respectively, and with the profits or losses arising from re-measurement are recognized in other profits and losses. Please refer to Note 29 for the method of determining the fair value.

ii. Financial assets at amortized cost

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

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

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

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

- i) For credit-impaired financial assets purchased or initiated, the interest income is calculated based on the adjusted effective interest rate multiplying the amortized cost of the financial asset.
- ii) For the financial assets that are not purchased or initiated, but subsequently become credit-impaired, the interest income shall be calculated based on the effective interest rate multiplying the amortized cost of the financial asset from the next reporting period after the credit impairment.

Credit-impaired financial assets refer to the issuer or debtor who has major financial difficulties, defaults, and the debtor is likely to apply for bankruptcy or other financial restructuring, or the active market for financial assets disappear due to financial difficulties.

Equivalent cash includes time deposits which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

iii. Investments in equity instruments at FVTOCI

On initial recognition, the Company may make an irrevocable election to designate investments in equity instruments as at FVTOCI, if the equity investment is not held for trading or if it is not contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are measured at fair value, and subsequently gains and losses arising from changes in fair value are recognized in other comprehensive income and accumulated in other equity. The cumulative gains or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, they will be transferred to retained earnings.

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

b) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including account receivables) on each balance sheet date.

The Company always recognizes lifetime expected credit losses for amount receivables as losses allowance. For other financial assets, the Group evaluates if there has been a significant increase in credit risk since initial recognition. If the credit risk on the financial asset has not increased significantly, the Company recognizes the loss allowance for that financial asset at an amount equal to 12-

month expected credit losses. If there is a significant increase, the Company recognizes the lifetime expected credit losses accordingly.

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

For the purpose of internal credit risk management, the Company determines, in the following situations, that the default of financial assets have occurred without considering the collateral held by it:

- i. Internal or external information shows that the debtor is unlikely to pay its creditors.
- ii. After overdue for more than 90 days, unless there is reasonable and corroborative information showing that it will be more appropriate to postpone the default criteria.

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

c) De-recognition of financial assets

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

On de-recognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. Upon de-recognition of investment using equity instruments measured at fair value through other comprehensive profits and losses as a whole, the accumulated gains and losses are directly transferred to retained earnings and are not reclassified in profit and loss.

2) Equity instruments

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

Equity instruments issued by the Company are recognized at the proceeds received less the cost of direct issuance.

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

3) Financial liabilities

a) Subsequent measurement

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

Financial liabilities measured at fair value through profit and loss are financial liabilities held for trading. Related profits or losses are recognized in other profits and losses. Please refer to Note 29 for the method of determining the fair value.

b) De-recognition of financial liabilities

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

4) Derivatives

The derivatives signed by the Company are forward foreign exchange contracts used to manage the Company's exchange rate risk.

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

1. Revenue recognition

The Company identifies contracts with the customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

Revenue from the sale of goods mainly comes from sales of polyethylene plastic pellets and related plastic products. When the goods are delivered to customer, the customer has full discretion to set the price and use of the goods, and has the main responsibility for resale, and bears the risks of obsolescence. The Company recognizes revenue and accounts receivable concurrently.

When the material is removed for processing, the control of the ownership of the processed product has not been transferred, so the income is not recognized when the material is removed.

m. Lease

At the inception of a contract, the Company assesses whether the contract is a lease.

1) The Company as lessor

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

When the Company subleases the right-of-use asset, it uses the right-of-use asset (not the underlying asset) to determine the classification of sublease. However, if the main lease is a short-term lease for which the Company applies the recognition exemption, the sublease is classified as an operating lease.

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

2) The Company as lessee

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

The right-of-use asset is initially measured at cost (including the original measured amount of the lease liability and the lease payment paid before the lease start date), and subsequently measured at the amount after the cost less the accumulated depreciation, and the remeasured amount of the lease liability is adjusted. Except for those that meet the definition of investment property, the right-to-use assets are separately expressed on the accompanying balance sheets. For the recognition and measurement of right-of-use assets that meet the definition of investment property, please refer to the above (h) Accounting Policy for Investment Property.

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

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

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term leading to a change in future lease payments, the Company

re-measures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the re-measurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the accompanying balance sheets.

n. Borrowing costs

Borrowing costs directly attributable to an acquisition, construction or production of qualifying assets are added to the cost of those assets, until the time when the assets are substantially ready for their intended use or sale.

Other than the above-stated, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

o. Government subsidy

Government subsidies are recognized only when it is reasonably certain that the Company will comply with the conditions attached to the government subsidies and will receive such subsidies.

Government subsidies related to income are recognized in profit and loss on a systematic basis during the period when the relevant costs that they intend to compensate are recognized as expenses by the Company.

If the government subsidy is used to compensate for expenses or losses that have occurred or for the purpose of providing the Company with immediate financial support and there is no future related cost, it is recognized in the profit and loss during the period when it can be received.

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

p. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

Defined benefit costs (including service cost, net interest and re-measurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost and net interest on the net defined benefit liability (asset) are recognized as employee benefits expense in the period they occur. Re-

measurement (comprising actuarial gains and losses, and the return on plan assets excluding interest) is recognized in other comprehensive income in the period in which it occurs. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Net defined benefit liabilities represent the actual deficit in the Group's defined benefit plans.

q. Income tax

The income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

The Company determines the current income (loss) in accordance with the laws as well as regulations established by the income tax reporting jurisdiction, and calculates the payable (recoverable) income tax accordingly.

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

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

2) Deferred tax

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

Deferred tax liabilities are generally recognized for all taxable temporary differences.

Deferred tax assets are generally recognized for all deductible temporary differences.

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

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

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

3) Current tax and deferred tax for the year

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

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

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

ESTIMATE OF COMPENSATION FOR THE SUBSIDIARY'S GAS EXPLOSION INCIDENT

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

6. CASH AND CASH EQUIVALENTS

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Cash on hand and petty cash	\$ 490	\$ 490
Checking accounts and demand deposits	130,438	140,364
Cash equivalents		
Time deposits	574,810	887,810
Reserve repurchase agreements collateralized by bonds	<u>1,183,283</u>	<u>289,921</u>
	<u>\$ 1,889,021</u>	<u>\$ 1,318,585</u>

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

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Time deposits	1.40%~5.25%	0.95%~4.05%
Reserve repurchase agreements collateralized by bonds	1.51%~1.57 %	1.15%~1.38%

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

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Financial assets mandatorily at FVTPL</u>		
Derivative financial assets (not under hedge accounting)		
- Foreign exchange forward contracts	\$ 3,887	\$ 1,206
Non-derivative financial assets		
- Domestic listed (OTC) shares	94,008	61,362
- Fund beneficiary certificates	685,810	410,211
- Beneficiary securities	68,837	60,387
Subtotal	<u>848,655</u>	<u>531,960</u>
	<u>\$ 852,542</u>	<u>\$ 533,166</u>
<u>Financial liabilities held for trading</u>		
Derivative financial assets (not under hedge accounting)		
- Foreign exchange forward contracts	\$ -	\$ 13,769

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

	<u>Currency</u>	<u>Maturity date</u>	<u>Contract Amount (In Thousands)</u>
<u>December 31, 2023</u>			
Selling Foreign Exchange Forward Contracts	RMB/NTD	113.01.12-113.02.01	RMB 56,600 /NTD 248,682
<u>December 31, 2022</u>			
Selling Foreign Exchange Forward Contracts	RMB/NTD	112.01.09-112.03.30	RMB 409,600 /NTD 1,792,385

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

8. FINANCIAL ASSETS AT FVTOCI - NON-CURRENT

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Investments in equity instruments at FVTOCI</u>		
Domestic investments		
Listed (OTC) shares	\$ 761,381	\$ 735,386
Unlisted shares	<u>140,923</u>	<u>135,276</u>
	<u>\$ 902,304</u>	<u>\$ 870,662</u>

The Company invested the domestic listed shares and over-the-counter shares and unlisted shares for medium- to long-term strategic purposes, and expects to make a profit via long-term investment. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Company's strategy of holding these investments for long-term purposes.

For the years ended December 31, 2022, due to the reduction of capital and refund of shares by the invested company, the Company shall recover NT\$17,028 thousand according to the proportion of shares held, respectively.

The Company recognized dividend income of NT\$34,137 thousand and NT\$53,603 thousand, respectively, for the years ended December 31, 2023 and 2022.

9. FINANCIAL ASSETS MEASURED AT AMORTIZED COST - CURRENT

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Pledged time deposits	\$ 61,777	\$ 61,104
Reserve repurchase agreements collateralized by bonds with a maturity over 3 months	<u>99,178</u> <u>\$ 160,955</u>	<u>-</u> <u>\$ 61,104</u>
 The range of interest rate		
Pledged time deposits	1.405% ~ 1.530%	0.77% ~ 1.28%
Reserve repurchase agreements collateralized by bonds with a maturity over 3 months	1.61%	-

The trading partners of the Company's pledged time deposits and selling back bonds are financial institutions with good credit ratings. After assessing that the time deposits have low credit risk, no allowance for loss is recognized.

Please refer to Note 31 for the information related to financial assets at amortized cost pledged as security.

10. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Notes receivable (a)		
Operating	<u>\$ 48,776</u>	<u>\$ 88,808</u>
Accounts receivable (a)		
Measured at amortized cost		
Gross carrying amount	\$ 672,674	\$ 2,270,406
Less: allowance for loss	(<u>2,651</u>)	(<u>2,651</u>)
	<u>\$ 670,023</u>	<u>\$ 2,267,755</u>
Accounts receivable - related party (1)		
Operating (Note 30)	<u>\$ 67,912</u>	<u>\$ 118,818</u>

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Other receivables</u> (b)		
Tax refund receivable	\$ 33,800	\$ 45,990
Interest receivable	1,578	1,173
Lent material fees receivable	-	602
Others	<u>286</u>	<u>388</u>
	<u>\$ 35,664</u>	<u>\$ 48,153</u>
Other receivables - related party (Note 30)	<u>\$ 591,078</u>	<u>\$ 422,770</u>

a. Notes and accounts receivable

The average credit period of sales of goods was 10 to 90 days.

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

The Company recognizes the loss allowance of accounts receivable based on expected credit losses during the reporting period. ECLs over the life period are calculated using a reserve matrix, which takes into account the customer's past default record and current financial condition, industry economic situation and industry outlook.

The Company writes off a trade receivable when there is information indicating that the debtor is experiencing severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Company continues to

engage in enforcement activity to attempt to recover the receivables which are due. Where recoveries are made, they are recognized as profit or loss.

The following table details the loss allowance of notes receivable and accounts receivable (including related parties) based on the Company's allowance matrix:

December 31, 2023

Based on the number of days past due

	<u>Up to 60 Days</u>	<u>61~90 Days</u>	<u>Over 91 Days</u>	<u>Total</u>
Gross carrying amount	\$ 789,362	\$ -	\$ -	\$ 789,362
Loss allowance (Lifetime ECLs)	(<u>2,651</u>)	-	-	(<u>2,651</u>)
Amortized cost	<u>\$ 786,711</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 786,711</u>

December 31, 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	\$ 2,478,032	\$ -	\$ -	\$ 2,478,032
Loss allowance (Lifetime ECLs)	(<u>2,651</u>)	-	-	(<u>2,651</u>)
Amortized cost	<u>\$ 2,475,381</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,475,381</u>

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

The allowance for loss recognized on the Company's notes and accounts receivable for the years ended December 31, 2023 and 2022 was not changed:

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Balance between the start of the end	<u>\$ 2,651</u>	<u>\$ 2,651</u>

b. Other receivables

Other receivables were mainly tax refund receivable. The average aging of other receivables was less than 60 days based on the number of days past due from the invoice date, and an impairment loss was assessed based on the expected credit losses. There were no other overdue receivables with an unrecognized allowance for loss in the Company as of December 31, 2023 and 2022.

11. INVENTORIES

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Finished goods	\$ 957,223	\$ 991,447
Work in progress	37,918	54,696
Raw materials	96,783	175,945
Supplies	<u>170,116</u>	<u>191,438</u>
	<u>\$ 1,262,040</u>	<u>\$ 1,413,526</u>

The costs of inventories recognized as the cost of goods sold for the years ended December 31, 2023 and 2022 were NT\$9,820,042 thousand and NT\$11,437,888 thousand, respectively.

The net realizable value of inventory write-downs included in the cost of goods sold for the years ended December 31, 2023 and 2022 were NT\$21,735 thousand and NT\$31,749 thousand, respectively.

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Investment in subsidiaries	\$ 18,027,096	\$ 19,771,747
Investments in associates	<u>89,822</u>	<u>83,922</u>
	<u>\$ 18,116,918</u>	<u>\$ 19,855,669</u>

a. Investment in subsidiaries

	<u>December 31, 2023</u>		<u>December 31, 2022</u>	
	Carrying Amount	Ownership Equity and Voting Rights %	Carrying Amount	Ownership Equity and Voting Rights %
Over-the-counter (OTC) company				
Acme Electronics Corporation (ACME)	<u>\$ 497,097</u>	29.0	<u>\$ 355,454</u>	26.9
Non listed company				
USIFE Investment Co., Ltd.	919,983	100.0	956,056	100.0
Swanlake Traders Ltd.(Swanlake)	1,449,066	100.0	1,400,416	100.0
USI (Hong Kong) Company Ltd.	64,345	100.0	69,411	100.0
USI Management Consulting Corp.	6,672	100.0	3,212	100.0
Chong Loong Trading Co., Ltd. (CLT)	83,147	100.0	73,805	100.0
Union Polymer International Investment Corporation	9,794,851	100.0	10,289,873	100.0
Taiwan United Venture Capital Corp.(TUVC)	95,574	70.0	185,908	70.0
Swanson Plastics Corp. (SPC)	1,008,366	40.6	1,045,181	40.6
INOMA Corporation (INOMA)	11,030	94.4	13,347	94.4
Ever Conquest Global Limited (ECGL)	3,676,840	59.1	5,102,760	59.1
USI Optronics Corporation	27,214	50.9	34,009	50.9
USIG (Shanghai) Co., Ltd. (USIG)	-	-	130,756	100.0
USI Green Energy Corporation (USIGE)	<u>392,911</u>	100.0	<u>111,559</u>	100.0
	<u>17,529,999</u>		<u>19,416,293</u>	
	<u>\$ 18,027,096</u>		<u>\$ 19,771,747</u>	

The Company's shareholdings in ACME and SPC are 29.0% and 40.6%, respectively. Considering the absolute voting rights, relative size and distribution compared to those held by other shareholders, the Company has the substantial ability to dominate ACME and SPC. Therefore, they are listed as subsidiaries. As for the statements of subsidiaries held indirectly by the Company, refer to Note 34, Tables 7 and 8.

By using the equity method to account for its investments in the over-the-counter (OTC) company, the fair value based on the closing price for the years ended December 31, 2023 and 2022 was NT\$1,548,242 thousand and NT\$1,179,555 thousand, respectively.

Under the equity method, the Company's share of the profit or loss and other comprehensive income of the subsidiaries for the years ended December 31, 2023 and 2022 was recognized based on the financial reports of each subsidiary audited by accountants during the same period.

The board of directors of TTC decided on December 3, 2020 to invest RMB 314,000 thousand through TAITA (BVI) Holding Co, Ltd. to establish Zhangzhou Taita Chemical Company, Limited. The company completed the establishment registration on June 28, 2021 TAITA (BVI) has injected capital of RMB 306,950 thousand on March 8, 2022.

The Company acquired 0.1% equity (1,904 Shares) from the external shareholders of CLT in October 2022 based on the medium- and long-term investment strategy, at an acquisition price of NT\$23 thousand.

In order to sell the products produced by Fujian Gulei Petrochemical Co., Ltd. (Gulei) and Asia Polymer Corporation (APC), the board resolved on August 13, 2020 and August 12, 2020, respectively, to establish a joint venture company, Zhangzhou USI Trading Co., Ltd. in Fujian Province, China. The company completed registration on March 12, 2022 and the capital was invested by Swanlake and APC (BVI) Holding Co., Ltd. (APC (BVI)) on June 1, 2022 in the amount of RMB7,000 thousand and RMB3,000 thousand, respectively.

On June 14, 2022, the Board of Directors of ACME resolved to issue 3,000 thousand new shares at NT\$10 each for cash. The aforementioned cash capital increase was approved and reported by the FSC on July 22, 2022, with an issue price of NT\$20 per share and a capital increase base date on January 16, 2023. The company participated in the cash capital increase of 12,432 thousand shares of ACME with an amount of NT\$248,644 thousand, and its shareholding increased from 26.9% to 29.0% after the cash capital increase.

USIGE issued 28,741 thousand ordinary shares through cash capital increase by resolution of the board of directors on May 22, 2023 which was subscribed by the Company in full, with an amount of NT\$287,406 thousand. The paid-up capital after the capital increase was NT\$366,160 thousand.

Due to consideration of the fund utilization, TUVV passed the resolution of the extraordinary shareholders' meeting on June 28, 2023 to cash reduction and return the equity, cancel the issued shares of 17,000 thousand shares. The capital reduction ratio was 45.95%, and the base date for it was August 22, 2023. After the capital reduction, the paid-in share capital of TUVV was NT\$200,000 thousand. The company received capital of NT\$119,000 thousand through the redemption of shares based on its percentage of ownership.

According to the sale, the products produced by Gulei, Co., The Board of Directors of our company resolved on August 13, 2023, to establish a Xiamen joint venture company, Xiamen USI Trading Co., Ltd. in Fujian Province, China. The company completed registration on November 6, 2023, and established a capital of RMB10,000 thousand, and completed the capital verification on December 21, 2023, and the capital was invested by Swanlake and APC (BVI) on December 14, 2023 in the amount of RMB7,000 thousand and 3,000 thousand, respectively.

On November 7, 2023, the Company's board of directors approved the investment by Dynamic Ever Investments Limited to establish Zhangzhou Dynamic Ever Property Co., Ltd. The registration for the establishment was completed on August 29, 2023, with a registered capital of RMB21,000 thousand. DEIL completed its capital injection on September 27, 2023, and the verification of capital was completed on October 19, 2023.

To improve the financial structure and activate the company's capital utilization, INOMA Corporation passed the resolution of the extraordinary shareholders' meeting on November 30, 2023 to reduce capital with the aim to cover losses of NT\$83,806 thousand, cancel the issued shares of 8,381 thousand shares. The capital reduction ratio was 85.56%, and the base date for it was December 6, 2023. After the capital reduction, the paid-in share capital of INOMA Corporation was NT\$14,144 thousand. INOMA Corporation resolved to undergo liquidation on March 7, 2024. As of the date of approval of these individual financial statements, the liquidation process of INOMA Corporation has not been completed.

Because of the under achievement of the expected target, the board of directors resolved to dissolve and liquidate USIG on August 8, 2023, and finalized its dissolution and liquidation procedures on December 1, 2023.

The company recognized a loss of NT\$13,850 thousand on disposal of investments accounted for using the equity method due to the aforementioned transaction. Additionally, on January 16, 2024, the company received a distribution of NT\$129,438 thousand from the remaining assets of the liquidation (recorded as other receivables - related parties).

As of December 31, 2023, the Group and APC invested capital amounted to US\$246,670 thousand (around NT\$7,645,981 thousand) and US\$170,475 thousand (around NT\$5,255,587 thousand) in ECGL, respectively, and reinvested in Ever Victory Global Limited (EVGL) via ECGL as well as in Dynamic Ever Investments Ltd. (DEIL). The total ownership percentage of the Company in EVGL is 67.4%.

b. Investments in associates

	<u>December 31, 2023</u>		<u>December 31, 2022</u>	
	<u>Carrying Amount</u>	<u>%</u>	<u>Carrying Amount</u>	<u>%</u>
<u>Investments in associates that are not individually material</u>				
Delmind Inc. (Delmind)	\$ 79,987	30.0	\$ 83,922	30.0
Chem Union Renewable Energy Corporation (CURE)	9,835	33.3	-	-
	<u>\$ 89,822</u>		<u>\$ 83,922</u>	

The Company considered the need for transformation of the petrochemical industry in the future, and in line with the trend of energy saving, carbon reduction, and sustainable development, it established a joint venture with Delmind Inc. (Delmind) with Delta Electronics, Inc. through integration and connection knowledge and technology of both parties. It invests in assisting petrochemical and continuous process industries to develop and promote digital transformation, so as to improve industrial efficiency and continue to strengthen the industrial value of green and intelligent production. In April 2022, the Company invested NT\$90,000 thousand to acquire 30% of the share, as 9,000 thousand shares of DataWise, and the shares in the 2023 and 2022 fiscal years were net losses of NT\$3,935 thousand and NT\$6,078 thousand, respectively

The Company's board of directors approved the establishment of Chem Union Renewable Energy Corporation (CURE), a joint venture with Chang Chun Petrochemical Co., Ltd. and Chimei Corporation on November 3, 2022. CURE will purchase offshore wind power in an integrated manner to achieve the Group's carbon neutrality plan. In December 2022, the Company invested NT\$10,000 thousand in CURE. On April 13, 2023, the Company completed the formation registration of the establishment of CURE with an established capital of NT\$30,000 thousand and the Company holds 33.3% of the shares of CURE, the share in the year 2023 brings 165 thousand net loss.

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

	Freehold Land	Land improvements	Buildings and Improvements	Machinery and Equipment	Transportation equipment	Other equipment	Construction in progress and equipment under installation	Total
<u>Costs</u>								
Balance as of January 1, 2023	\$ 521,451	\$ 130,873	\$ 1,682,475	\$ 9,145,776	\$ 29,067	\$ 183,012	\$ 802,714	\$12,495,368
Addition	-	-	-	4,237	-	-	252,066	256,303
Disposal	-	-	-	(36,742)	(1,610)	(1,225)	-	(39,577)
Internal transfer	(26,292)	682	-	233,083	2,850	2,117	(228,403)	(15,963)
Balance as of December 31, 2023	<u>\$ 495,159</u>	<u>\$ 131,555</u>	<u>\$ 1,682,475</u>	<u>\$ 9,346,354</u>	<u>\$ 30,307</u>	<u>\$ 183,904</u>	<u>\$ 826,377</u>	<u>\$12,696,131</u>
<u>Accumulated depreciation</u>								
Balance as of January 1, 2023	\$ -	\$ 109,474	\$ 509,061	\$ 5,357,575	\$ 19,169	\$ 168,652	\$ -	\$ 6,163,931
Depreciation expense	-	3,340	46,393	562,464	2,535	4,468	-	619,200
Disposal	-	-	-	(36,159)	(1,610)	(1,225)	-	(38,994)
Balance as of December 31, 2023	<u>\$ -</u>	<u>\$ 112,814</u>	<u>\$ 555,454</u>	<u>\$ 5,883,880</u>	<u>\$ 20,094</u>	<u>\$ 171,895</u>	<u>\$ -</u>	<u>\$ 6,744,137</u>
Net amount as of December 31, 2023	<u>\$ 495,159</u>	<u>\$ 18,741</u>	<u>\$ 1,127,021</u>	<u>\$ 3,462,474</u>	<u>\$ 10,213</u>	<u>\$ 12,009</u>	<u>\$ 826,377</u>	<u>\$ 5,951,994</u>
<u>Costs</u>								
Balance as of January 1, 2022	\$ 495,159	\$ 112,594	\$ 1,585,969	\$ 8,886,336	\$ 28,982	\$ 173,667	\$ 833,096	\$12,115,803
Addition	-	-	-	-	-	-	418,902	418,902
Disposal	-	-	-	(26,931)	(9,606)	(2,681)	(13,375)	(52,593)
Internal transfer	26,292	18,279	96,506	286,371	9,691	12,026	(435,909)	13,256
Balance as of December 31, 2022	<u>\$ 521,451</u>	<u>\$ 130,873</u>	<u>\$ 1,682,475</u>	<u>\$ 9,145,776</u>	<u>\$ 29,067</u>	<u>\$ 183,012</u>	<u>\$ 802,714</u>	<u>\$12,495,368</u>
<u>Accumulated depreciation</u>								
Balance as of January 1, 2022	\$ -	\$ 107,769	\$ 465,625	\$ 4,835,938	\$ 26,929	\$ 168,513	\$ -	\$ 5,604,774
Depreciation expense	-	1,705	43,436	544,849	1,486	2,820	-	594,296
Disposal	-	-	-	(23,212)	(9,246)	(2,681)	-	(35,139)
Balance as of December 31, 2022	<u>\$ -</u>	<u>\$ 109,474</u>	<u>\$ 509,061</u>	<u>\$ 5,357,575</u>	<u>\$ 19,169</u>	<u>\$ 168,652</u>	<u>\$ -</u>	<u>\$ 6,163,931</u>
Net amount as of December 31, 2022	<u>\$ 521,451</u>	<u>\$ 21,399</u>	<u>\$ 1,173,414</u>	<u>\$ 3,788,201</u>	<u>\$ 9,898</u>	<u>\$ 14,360</u>	<u>\$ 802,714</u>	<u>\$ 6,331,437</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 returned on May 2, 2023

The Company did not make any impairment assessment for the years ended December 31, 2023 and 2022 since there were no signs of impairment.

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

Freehold Land - land improvements	7-10 Years
Buildings and Improvements	3-55 Years
Machinery and Equipment	2-15 Years
Transportation equipment	5-7 Years
Other equipment	3-5 Years

For the related capitalized interest, please refer to Note 24 (4) finance cost.

14. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31, 2023	December 31, 2022
Carrying amount of right-of-use assets		
Buildings	<u>\$ 742</u>	<u>\$ 5,191</u>

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Depreciation expense of right-of-use assets		
Buildings	<u>\$ 4,449</u>	<u>\$ 4,450</u>

The Company leased the office in Taipei and then subleased it to other companies with the way of operating leasing. The related right-of-use assets are accounted for as investment properties (please refer to Note 15). The amounts disclosed above with respect to the right-of-use assets do not include right-of-use assets that meet the definition of investment properties.

b. Lease liabilities

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Carrying amount of lease liabilities		
Current	<u>\$ 28,578</u>	<u>\$ 32,249</u>
Non-current	<u>\$ 56,528</u>	<u>\$ 85,188</u>

Range of discount rate for lease liabilities was as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Buildings	1.16% ~ 1.76%	1.16% ~ 1.76%

c. Material lease-in activities and terms

The Company leases the buildings for using as the offices and research center. The leases terms are 4 to 7 years. When the leases terms expire, the Company has the leasehold option to part of the office's lease.

d. Other lease information

Lease arrangements under operating leases for leasing out of investment properties are set out in Note 15. Other information of the Company as lessee is as follows:

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Expenses relating to short-term leases	<u>\$ 7,915</u>	<u>\$ 6,442</u>
Expenses relating to low-value asset leases	<u>\$ 95</u>	<u>\$ 99</u>
Total cash (outflow) for leases	<u>(\$ 41,445)</u>	<u>(\$ 39,507)</u>

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

15. INVESTMENT PROPERTIES

	<u>December 31, 2023</u>		<u>December 31, 2022</u>	
Completed investment properties				
Land	\$	26,292	\$	-
Buildings		27,377		28,340
Right-of-use assets		<u>79,852</u>		<u>106,574</u>
		<u>\$ 133,521</u>		<u>\$ 134,914</u>
			Right-of-use	
	Land	Buildings	assets	Total
	<u>Land</u>	<u>Buildings</u>	<u>assets</u>	<u>Total</u>
<u>Costs</u>				
Balance as of January 1, 2023	\$	-	\$	210,995
Disposal	-	-	(114)
Internal transfer	<u>26,292</u>	<u>-</u>	<u>-</u>	<u>26,292</u>
Balance as of December 31, 2023	<u>\$ 26,292</u>	<u>\$ 69,805</u>	<u>\$ 210,881</u>	<u>\$ 306,978</u>
<u>Accumulated depreciation</u>				
Balance as of January 1, 2023	\$	-	\$	104,421
Depreciation expense	-	963	26,630	27,593
Disposal	<u>-</u>	<u>-</u>	<u>(</u>	<u>22)</u>
Balance as of December 31, 2023	<u>\$ -</u>	<u>\$ 42,428</u>	<u>\$ 131,029</u>	<u>\$ 173,457</u>
Net amount as of December 31, 2023	<u>\$ 26,292</u>	<u>\$ 27,377</u>	<u>\$ 79,852</u>	<u>\$ 133,521</u>
<u>Costs</u>				
Balance as of January 1, 2022	\$	-	\$	208,655
Addition	<u>-</u>	<u>-</u>	<u>2,340</u>	<u>2,340</u>
Balance as of December 31, 2022	<u>\$ -</u>	<u>\$ 69,805</u>	<u>\$ 210,995</u>	<u>\$ 280,800</u>
<u>Accumulated depreciation</u>				
Balance as of January 1, 2022	\$	-	\$	78,245
Depreciation expense	<u>-</u>	<u>963</u>	<u>26,176</u>	<u>27,139</u>
Balance as of December 31, 2022	<u>\$ -</u>	<u>\$ 41,465</u>	<u>\$ 104,421</u>	<u>\$ 145,886</u>
Net amount as of December 31, 2022	<u>\$ -</u>	<u>\$ 28,340</u>	<u>\$ 106,574</u>	<u>\$ 134,914</u>

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

The Company leases the investments properties with the way of operating leasing and the total future leases payments which it will receive are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Year 1	\$ 14,292	\$ 24,178
Year 2	6,116	14,308
Year 3	<u>-</u>	<u>6,116</u>
	<u>\$ 20,408</u>	<u>\$ 44,602</u>

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

Buildings	5-50 years
Right-of-use assets	4-8 years

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

The fair values of investment properties as of December 31, 2023 and 2022 were as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Fair Value	<u>\$ 366,912</u>	<u>\$ 428,534</u>

16. INTANGIBLE ASSETS

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Computer software	\$ 956	\$ 666
Technology royalties and patent right	<u>-</u>	<u>-</u>
	<u>\$ 956</u>	<u>\$ 666</u>

	<u>Technology royalties and patent right</u>	<u>Computer software</u>	<u>Total</u>
<u>Costs</u>			
Balance as of January 1, 2023	\$ 174,850	\$ 1,285	\$ 176,135
Addition	<u>-</u>	<u>791</u>	<u>791</u>
Balance as of December 31, 2023	<u>\$ 174,850</u>	<u>\$ 2,076</u>	<u>\$ 176,926</u>

(Continued)

(Continued)

	Technology royalties and patent right	Computer software	Total
<u>Accumulated amortization and impairment</u>			
Balance as of January 1, 2023	\$ 174,850	\$ 619	\$ 175,469
Amortization expense	<u>-</u>	<u>501</u>	<u>501</u>
Balance as of December 31, 2023	<u>\$ 174,850</u>	<u>\$ 1,120</u>	<u>\$ 175,970</u>
Net amount as of December 31, 2023	<u>\$ -</u>	<u>\$ 956</u>	<u>\$ 956</u>
<u>Costs</u>			
Balance as of January 1, 2022	\$ 174,850	\$ 535	\$ 175,385
Addition	<u>-</u>	<u>750</u>	<u>750</u>
Balance as of December 31, 2022	<u>\$ 174,850</u>	<u>\$ 1,285</u>	<u>\$ 176,135</u>
<u>Accumulated amortization and impairment</u>			
Balance as of January 1, 2022	\$ 174,850	\$ 495	\$ 175,345
Amortization expense	<u>-</u>	<u>124</u>	<u>124</u>
Balance as of December 31, 2022	<u>\$ 174,850</u>	<u>\$ 619</u>	<u>\$ 175,469</u>
Net amount as of December 31, 2022	<u>\$ -</u>	<u>\$ 666</u>	<u>\$ 666</u>

Except for the recognition of amortization expense, no impairment assessment was performed periodically as there was no indication of impairment on the Company's intangible assets for the years ended December 31, 2023 and 2022.

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

Technology royalties and patent right	3-7 years
Computer software	3 years

17. BORROWINGS

Long-term borrowings

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Unsecured borrowings</u>		
Credit borrowings	<u>\$ 467,506</u>	<u>\$ 729,703</u>
The range of interest rate		
Credit borrowings	1.05%~1.09%	0.93%~1.41%

The Company entered into medium- and long-term credit contracts with banks to replenish the medium- and long-term working capital. The contracts will be effective up to October 2026 with a total credit limit of NT\$4,100,000 thousand, which is used cyclically during the validity period. As of December 31, 2023, the company has not used its credit limit.

According to the part loan contracts of the financial report of the Company, the current ratio, bank loan ratio, debt ratio, and interest protection multiples should not be less than the specified percentage. The Company should provide improvements to the bank if the requirements were not met. As of December 31, 2023, the Company did not violate the requirements.

The Company has acquired a special low-interest bank loan line of NT\$1,204,800 thousand in accordance with the "Action Plan for Accelerated Investment by Domestic Corporations" in 2021 and has used NT\$470,800 thousand as of December 31, 2023, recognized and measured the loan at market interest rate. The difference between the market interest rate and the actual preferential repayment rate is treated as a government subsidy.

18. Bonds payable

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Domestic unsecured bonds 108-1 - issuance on April 26, 2019, 5 years, total amount NT\$2,000,000 thousand, coupon rate 0.98%, bullet repayment	\$ 2,000,000	\$ 2,000,000
Domestic unsecured bonds A 110-1 - issuance on June 23 2021, 5 years, total amount NT\$1,000,000 thousand, coupon rate 0.63%, bullet repayment, repaid NT\$500,000 thousand in the 4th and 5th years respectively from the issuance date	1,000,000	1,000,000
Domestic unsecured bonds B 110-1- issuance on June 23 2021, 7 years, total amount NT\$1,000,000 thousand, coupon rate 0.73%, bullet repayment, repaid NT\$500,000 thousand in the 6th and 7th years respectively from the issuance date	1,000,000	1,000,000

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	<u>December 31, 2023</u>	<u>December 31, 2022</u>
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> 6,000,000	<u>1,300,000</u> 6,000,000
Discounts on bonds payable	(<u>5,296</u>) 5,994,704	(<u>7,772</u>) 5,992,228
Less: Maturity within one year	<u>1,999,714</u> <u>\$ 3,994,990</u>	<u>-</u> <u>\$ 5,992,228</u>

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

In October 2017, the Company applied for the first issuance of unsecured ordinary corporate bonds issued in 2017 with the amount of NT\$2,000,000 thousand in order to reimburse the bank loans, and the unsecured ordinary corporate bonds with a 5-year maturity, due for repayment, were all issued in October 2017. The Company repaid due in October 2022.

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

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

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

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

19. ACCOUNTS PAYABLE

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Accounts payable</u>		
Operating	<u>\$ 1,062,391</u>	<u>\$ 985,157</u>
Accounts payable, related parties (Notes 30)		
Operating	<u>\$ 107,310</u>	<u>\$ 304,917</u>

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

20. OTHER PAYABLES

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Non-related party		
Payables for salaries and bonuses	\$141,147	\$240,324
Payables for utilities	71,469	66,105
Payable for annual leave	23,499	23,290
Payables for interests	23,077	23,077
Payables for purchases of equipment	14,674	35,361
Payables for fares	13,159	22,007
Others	<u>44,025</u>	<u>48,974</u>
	<u>\$331,050</u>	<u>\$459,138</u>
Related party (Note 30)	<u>\$ 17,458</u>	<u>\$ 24,563</u>

21. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The company adopted a pension plan under the "Labor Pension Act" of ROC (the "LPA"), which is a defined contribution plan. Based on the LPA, the Company makes monthly contributions to employees' individual pension accounts in Bureau of Labor Insurance at 6% of monthly salaries and wages.

b. Defined benefit plans

The Company with the pension mechanism under the "Labor Standards Act" is considered a defined benefit plan under government administration. Where it is paid based on average salary of 6 months prior to the approved retirement day and seniority. The Company contributes an amount 9% (from November 10, 2016, the contribution rate raises to 12%) of salaries paid each month to their respective pension funds, which are administered by the Labor Pension Fund Supervisory Committee and deposited in the names of the Committee in the Bank of Taiwan. Entities are required to contribute the difference in one appropriation to the Funds before the end of next March when the balance of the Funds is insufficient to pay employees who will meet the retirement eligibility criteria within next year. The plan assets are held in a commingled fund which is operated and managed by the government's designated authorities; as such, the Company does not have any right to intervene in the investments of the funds.

The amounts included in the accompanying balance sheets arising from the Company's obligation in respect of its defined benefit plans were as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Present value of funded defined benefit obligation	(\$ 395,175)	(\$ 439,292)
Fair value of plan assets	<u>324,097</u>	<u>344,940</u>
Net defined benefit liabilities - non-current	<u>(\$ 71,078)</u>	<u>(\$ 94,352)</u>

Change in net defined benefits liabilities - non-current were as follows:

	Present value of funded defined benefit obligation	Fair value of plan assets	Net defined benefit liabilities
January 1, 2022	(\$ 530,808)	\$ 358,131	(\$ 172,677)
Current service cost	(3,256)	-	(3,256)
Interest (expense) revenue	(2,237)	1,415	(822)
Amounts recognized in profit or loss	(5,493)	1,415	(4,078)
Re-measurement on the net defined benefit liability			
Return on plan assets (excluding amounts included in net interest)	-	29,421	29,421
Actuarial gains recognized from changes in financial assumptions	22,337	-	22,337
Actuarial losses recognized from experience adjustments	(10,476)	-	(10,476)
Amounts recognized in other comprehensive income	<u>11,861</u>	<u>29,421</u>	<u>41,282</u>
Contributions from employer	-	40,855	40,855
Benefits paid	84,882	(84,882)	-
Payment for provisions	<u>266</u>	<u>-</u>	<u>266</u>
December 31, 2022	<u>(\$ 439,292)</u>	<u>\$ 344,940</u>	<u>(\$ 94,352)</u>

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	Present value of funded defined benefit obligation	Fair value of plan assets	Net defined benefit liabilities
January 1, 2023	(\$ 439,292)	\$ 344,940	(\$ 94,352)
Current service cost	(2,566)	-	(2,566)
Interest (expense) revenue	(4,644)	3,558	(1,086)
Amounts recognized in profit or loss	(7,210)	3,558	(3,652)
Re-measurement on the net defined benefit liability			
Return on plan assets (excluding amounts included in net interest)	-	3,830	3,830
Actuarial losses recognized from experience adjustments	(2,652)	-	(2,652)
Amounts recognized in other comprehensive income	(2,652)	3,830	1,178
Contributions from employer	-	25,666	25,666
Benefits paid	53,897	(53,897)	-
Payment for provisions	82	-	82
December 31, 2023	(\$ 395,175)	\$ 324,097	(\$ 71,078)

The Company is exposed to following risks for the defined benefits plans under the "Labor Standards Act":

- 1) Investment risk: Through its own use and entrusting operation, Bureau of Labor Funds, MOL invested labor pension funds in domestic (foreign) equity and debt securities and bank deposits. But the allocated amounts of the plan assets shall not be lower than the gain calculated by the average interest rate on a two-year time deposit.
- 2) Interest rate risk: The decline in government bond interest rate will increase the present value of the obligation on the defined benefit plan, while the return on plan assets will increase. The net effect on the present value of the obligation on defined benefit plan is partially offset by the return on plan assets.
- 3) Salary risk: Present value of defined benefit obligations is calculated from future salary of member participants; Hence, the increase in plan participants' salary will increase the present value of the defined benefit obligation.

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

	December 31, 2023	December 31, 2022
Discount rate	1.25%	1.25%
Expected rates of salary increase	2.25%	2.25%

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

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Discount rate		
Increase 0.25%	(\$ <u>6,181</u>)	(\$ <u>7,023</u>)
Decrease 0.25%	<u>\$ 6,358</u>	<u>\$ 7,229</u>
Expected rates of salary increase		
Increase 0.25%	<u>\$ 6,181</u>	<u>\$ 7,029</u>
Decrease 0.25%	(\$ <u>6,040</u>)	(\$ <u>6,864</u>)

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

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
The expected contributions to the plan for the next year	<u>\$ 13,456</u>	<u>\$ 14,787</u>
The average duration of the defined benefit obligation	6.7 years	7.1 years

22. EQUITY

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Share capital	\$ 11,887,635	\$ 11,887,635
Capital surplus	476,799	449,960
Retained Earnings	11,526,902	12,625,207
Other equity	(161,445)	8,896
Treasury shares	(<u>475,606</u>)	(<u>475,606</u>)
	<u>\$ 23,254,285</u>	<u>\$ 24,496,092</u>

a. Share capital

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Number of shares authorized (in thousands)	<u>1,342,602</u>	<u>1,342,602</u>
Share capital authorized	<u>\$ 13,426,024</u>	<u>\$ 13,426,024</u>
Number of shares issued and fully paid (in thousands)	<u>1,188,763</u>	<u>1,188,763</u>
Share capital issued	<u>\$ 11,887,635</u>	<u>\$ 11,887,635</u>

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

b. Capital surplus

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

c. Retained earnings and dividends policy

In accordance with the dividends policy as set forth in the Company's Articles of Incorporation, where there is a profit in a fiscal year, the profit after tax shall be first utilized for offsetting losses of previous years, setting aside as a legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of employees' compensation and remuneration of directors after the amendment, please refer to employees' compensation and remuneration of directors in Note 24(g).

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

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

The appropriations of earnings for the years ended December 31, 2022 and 2021 as approved in the shareholders' meetings on May 31, 2023 and May 31, 2022, respectively, were as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	For the Year Ended December 31, 2022	For the Year Ended December 31, 2021	For the Year Ended December 31, 2022	For the Year Ended December 31, 2021
Legal reserve	\$ 164,106	\$ 529,104		
Cash dividends	<u>832,134</u>	<u>2,615,280</u>	\$ 0.7	\$ 2.2
	<u>\$ 996,240</u>	<u>\$ 3,144,384</u>		

The appropriations of earnings for the year ended December 31, 2023 had been proposed by the Company's Board of Directors on March 8, 2024. The appropriations were as follows:

	Appropriation of Earnings	Dividends Per Share (NT\$)
Cash dividends	<u>\$ 416,067</u>	<u>\$ 0.35</u>

The appropriations of earnings for the year ended December 31, 2023 are subject to the resolution of the shareholders' meeting to be held on May 31, 2024.

d. Other equity

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

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Balance at January 1	(\$ 371,193)	(\$ 710,973)
Recognized during the period		
Exchange differences on translating the financial statements of foreign operations	(56,122)	294,953
Related income tax of the profits and losses on translating the financial statements of foreign operations	8,853	(58,991)
Share from subsidiaries for using the equity method	(45,780)	103,818
Reclassification Adjustment		
Disposal Shares from subsidiaries accounted for using the equity method	<u>11,856</u>	<u>-</u>
Balance at December 31	<u>(\$ 452,386)</u>	<u>(\$ 371,193)</u>

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

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Balance at January 1	\$ 380,089	\$ 795,331
Recognized during the period		
Unrealized gains (losses)		
Equity instruments	11,667	(34,862)
Share from subsidiaries for using the equity method	(105,910)	(379,349)
Cumulative unrealized gain (loss) of equity instruments transferred to retained earnings due to disposals		
Share from subsidiaries for using the equity method	<u>5,095</u>	<u>(1,031)</u>
Balance at December 31	<u>\$ 290,941</u>	<u>\$ 380,089</u>

e. Treasury shares

Purpose of Buy-Back	Number of Shares at January 1 (In Thousands of Shares)	Increase During the Year Ended	Decrease During the Year Ended	Number of Shares at December 31 (In Thousands of Shares)
<u>For the Year Ended</u>				
<u>December 31, 2023</u>				
Transfer from investment shares to treasury shares held by subsidiaries under equity method	<u>116,466</u>	-	-	<u>116,466</u>
<u>For the Year Ended</u>				
<u>December 31, 2022</u>				
Transfer from investment shares to treasury shares held by subsidiaries under equity method	<u>116,466</u>	-	-	<u>116,466</u>

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

Name of Subsidiary	Number of Shares Held (In Thousands of Shares)	Carrying Amount	Market Price
<u>December 31, 2023</u>			
APC	101,356	\$ 1,377,381	\$ 2,001,775
TTC	15,110	<u>81,875</u>	<u>298,421</u>
		<u>\$ 1,459,256</u>	<u>\$ 2,300,196</u>
<u>December 31, 2022</u>			
APC	101,356	\$ 1,377,381	\$ 2,239,960
TTC	15,110	<u>81,875</u>	<u>333,929</u>
		<u>\$ 1,459,256</u>	<u>\$ 2,573,889</u>

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

The Company's shares held by APC and TTC were carried as unrealized gain (loss) on financial assets at FVTOCI and valued at the closing price of December 31, 2023 and 2022. The carrying amounts of investments accounted for using the equity method and unrealized the gain on financial assets at FVTOCI were NT\$281,399 thousand and NT\$371,473 thousand, respectively.

23. REVENUE

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Revenue from the sale of goods For the Year Ended Plastic Raw Materials	<u>\$ 11,449,372</u>	<u>\$ 15,632,151</u>

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

a. Contract balances

	<u>December 31, 2023</u>	<u>December 31, 2022</u>	<u>January 1, 2022</u>
Notes and accounts receivable (including related parties) (Note 10 and 30)	<u>\$ 786,711</u>	<u>\$ 2,475,381</u>	<u>\$ 2,189,954</u>
Contract liabilities (presented in other current liabilities) Merchandise sales	<u>\$ 23,983</u>	<u>\$ 144,066</u>	<u>\$ 184,368</u>

b. Please refer to Statement 18 for revenue breakdown list.

24. NET (LOSS) PROFIT FOR THE YEAR

Net (loss) profit for the year includes the following:

a. Interest income

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Bank deposits	\$ 12,440	\$ 8,757
Financial assets at FVTPL	1,548	1,237
Reserve repurchase agreements collateralized by bonds	6,073	2,437
Others	<u>115</u>	<u>4,107</u>
	<u>\$ 20,176</u>	<u>\$ 16,538</u>

b. Other income

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Settlement income	\$ 84,030	\$ 489
Rental income	51,793	51,414
Dividend income	35,893	65,750
Income from management services (Note 30)	35,702	35,863
Others	<u>9,636</u>	<u>15,071</u>
	<u>\$217,054</u>	<u>\$168,587</u>

c. Other gains and losses

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Gain on disposal of property, plant and equipment (Loss)— net	\$ 700	(\$ 12,921)
Foreign exchange gain - net	1,926	91,746
(Loss) gain on financial assets at FVTPL - net	33,644	(11,397)
Loss on financial liabilities at FVTPL - net	(16,520)	(49,912)
Disposal investments loss accounted for using the equity method	(13,850)	-
Depreciation expense of investment properties (Note 15)	(27,593)	(27,139)
Other expenses	<u>(20,932)</u>	<u>(19,999)</u>
	<u>(\$ 42,625)</u>	<u>(\$ 29,622)</u>

d. Finance costs

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Interest on bonds payable	\$ 50,096	\$ 71,119
Interest on bank loans	8,646	3,441
Other interest expense	228	46
Interest on lease liabilities	1,196	1,540
Less: Capitalized interest (presented under construction in progress)	<u>(1,522)</u>	<u>(2,480)</u>
	<u>\$ 58,644</u>	<u>\$ 73,666</u>

Information about capitalized interest is as follows:

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Capitalized interest	\$ 1,522	\$ 2,480
Capitalization rate	0.8358%	0.8358%~1.1570%

e. Depreciation and amortization

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Property, plant and equipment	\$ 619,200	\$ 594,296
Right-of-use assets	4,449	4,450
Investment properties	27,593	27,139
Intangible assets	501	124
Others	<u>7,604</u>	<u>14,331</u>
	<u>\$ 659,347</u>	<u>\$ 640,340</u>

(Continued)

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	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Summary of depreciation by function		
Operating costs	\$ 585,524	\$ 575,244
Operating expenses	38,125	23,502
Other gains and losses	<u>27,593</u>	<u>27,139</u>
	<u>\$ 651,242</u>	<u>\$ 625,885</u>
An analysis of amortization by function		
Operating costs	\$ 7,604	\$ 14,331
Administrative expenses	<u>501</u>	<u>124</u>
	<u>\$ 8,105</u>	<u>\$ 14,455</u>

f. Employee benefits expense

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Post-employment benefits (Note 21)		
Defined contribution plans	\$ 20,277	\$ 19,783
Defined benefit plans	<u>3,652</u>	<u>4,078</u>
	23,929	23,861
Other employee benefits	<u>610,653</u>	<u>738,175</u>
Total employee benefits expenses	<u>\$ 634,582</u>	<u>\$ 762,036</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 496,132	\$ 583,534
Operating expenses	<u>138,450</u>	<u>178,502</u>
	<u>\$ 634,582</u>	<u>\$ 762,036</u>

g. Employees' compensation and remuneration of directors

The Company accrued employees' compensation and remuneration of directors at the rate of no less than 1% and no higher than 1%, respectively, of net profit before income tax.

In 2023, due to the company's net loss, employees' compensation and remuneration of directors were not estimated.

The employees' compensation and remuneration of directors for the years ended December 31, 2022 were resolved by the Company's board of directors on March 7, 2023, as follows:

Accrual rate

	<u>For the Year Ended December 31, 2022</u>
Employees' compensation	1.00%
Remuneration of Directors	0.15%

Amount

	<u>For the Year Ended December 31, 2022</u>
Employees' compensation	<u>\$ 19,543</u>
Remuneration of Directors	<u>\$ 3,000</u>

If there is a change in the amounts after the annual accompanying financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate and recognized in the next year.

There was no difference between the actual amounts of employees' compensation and remuneration of directors for the years ended December 31, 2022 and 2021 paid and the amounts recognized in the financial statements for the years ended December 31, 2022 and 2021.

Information on the employees' compensation and remuneration of directors for the years ended December 31, 2023 and 2022 resolved by the Company's board of directors is available at the "Market Observation Post System" website of the Taiwan Stock Exchange.

h. Gain or loss on foreign currency exchange

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Gross foreign exchange gains	\$ 14,153	\$216,717
Foreign exchange losses	(12,227)	(124,971)
Net profit	<u>\$ 1,926</u>	<u>\$ 91,746</u>

25. INCOME TAX

a. Income tax recognized in profit or loss

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

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Current tax		
In respect of the current year	\$214,988	\$699,635
Surtax on undistributed earnings	21,974	107,333
Adjustments for previous years	(18,457)	(20,100)
	<u>218,505</u>	<u>786,868</u>
Deferred tax		
In respect of the current year	(271,170)	(410,159)
Adjustments for previous years	-	(71)
	<u>(271,170)</u>	<u>(410,230)</u>
Income tax (Gain) expense recognized in profit or loss	<u>(\$ 52,665)</u>	<u>\$376,638</u>

The reconciliation of accounting profit and income tax (Gain) expenses is as follows:

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Net (loss) profit before tax for the year	(<u>\$ 259,671</u>)	<u>\$ 1,931,735</u>
Income tax (Gain) expense of net (loss) profit before tax calculated at statutory tax rate (20%)	(\$ 51,934)	\$ 386,347
Non-deductible expenses loss in tax returns	932	689
Tax-exempt income	(8,775)	(21,167)
Financial asset evaluation (Gain) loss	(351)	13,776
The share of profits and losses of domestic subsidiaries accounted for using the equity method	19,634	(90,253)
The invested company's capital reduction and liquidation loss	(15,878)	-
Surtax on undistributed earnings	21,974	107,333
Adjustments of current income tax expenses for prior year	(18,457)	(20,171)
Others	<u>190</u>	<u>84</u>
Income tax (Gain) expense recognized in profit or loss	(<u>\$ 52,665</u>)	<u>\$ 376,638</u>

b. Income tax recognized in other comprehensive income

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
<u>Deferred tax</u>		
In respect of the current year		
— Translation of foreign operations	\$ 10,816	(\$ 58,991)
— Remeasurements of defined benefit plan	(236)	(8,256)
Reclassification Adjustment		
— Disposal subsidiaries accounted for using the equity method	(<u>1,963</u>)	<u>-</u>
Income tax gain(expense) recognized in other comprehensive income	<u>\$ 8,617</u>	(<u>\$ 67,247</u>)

c. Current income tax assets and liabilities

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current income tax liabilities		
Income tax payable	<u>\$267,582</u>	<u>\$826,833</u>

d. Deferred tax assets and liabilities

The movement of deferred tax assets and liabilities were as follows:

For the Year Ended December 31, 2023

	Balance at January 1	Amounts recognized in profit or loss	Amounts recognized in other comprehensive income	Balance at December 31
<u>Deferred tax asset</u>				
Temporary difference				
Allowance for inventory valuation and obsolescence losses	\$ 18,225	\$ 4,347	\$ -	\$ 22,572
Defined benefit retirement plan	17,156	-	(236)	16,920
Payable for annual leave	4,658	42	-	4,700
Unrealized sales profits	11,724	(7,849)	-	3,875
Impairment loss on financial assets measured at FVTPL	6,095	-	-	6,095
Amortization of intangible assets due to fiscal and taxation difference over amortization period	1,298	(1,120)	-	178
Amortization of depreciation due to fiscal and taxation difference over amortization period	785	-	-	785
Unrealized evaluation Loss of financial assets measured at fair value through profit and loss	2,513	(2,513)	-	-
Exchange differences on translating the financial statements of foreign operations	17,247	-	8,853	26,100
The share of profits of foreign subsidiaries recognized by using equity method	364,681	263,801	-	628,482
Unrealized exchange Loss	-	2,984	-	2,984
Profit-making enterprises recognized controlled foreign enterprises	-	15,043	-	15,043
	<u>\$ 444,382</u>	<u>\$ 274,735</u>	<u>\$ 8,617</u>	<u>\$ 727,734</u>
<u>Deferred tax liabilities</u>				
Temporary difference				
Pension expenditures due to fiscal and taxation difference	\$ 14,144	\$ 4,419	\$ -	\$ 18,563
Unrealized exchange gains	1,631	(1,631)	-	-
Land revaluation surplus	43,580	-	-	43,580
Unrealized evaluation Gain of financial assets measured at FVTPL	-	777	-	777
	<u>\$ 59,355</u>	<u>\$ 3,565</u>	<u>\$ -</u>	<u>\$ 62,920</u>

For the Year Ended December 31, 2022

	Balance at January 1	Amounts recognized in profit or loss	Amounts recognized in other comprehensive income	Balance at December 31
<u>Deferred tax asset</u>				
Temporary difference				
Allowance for inventory valuation and obsolescence losses	\$ 11,875	\$ 6,350	\$ -	\$ 18,225
Defined benefit retirement plan	25,412	-	(8,256)	17,156
Payable for annual leave	4,870	(212)	-	4,658
Unrealized sales profits	14,872	(3,148)	-	11,724
Impairment loss on financial assets measured at FVTPL	6,095	-	-	6,095
Amortization of intangible assets due to fiscal and taxation difference over amortization period	2,440	(1,142)	-	1,298
Amortization of depreciation due to fiscal and taxation difference over amortization period	785	-	-	785
Unrealized evaluation gains or losses of financial assets measured at FVTPL	226	2,287	-	2,513
Exchange differences on translating the financial statements of foreign operations	76,238	-	(58,991)	17,247
The share of profits of foreign subsidiaries recognized by using equity method	-	364,681	-	364,681
	<u>\$ 142,813</u>	<u>\$ 368,816</u>	<u>(\$ 67,247)</u>	<u>\$ 444,382</u>
<u>Deferred tax liabilities</u>				
Temporary difference				
Pension expenditures due to fiscal and taxation difference	\$ 6,735	\$ 7,409	\$ -	\$ 14,144
The share of profits of foreign subsidiaries recognized by using equity method	49,334	(49,334)	-	-
Unrealized exchange gains	1,120	511	-	1,631
Land revaluation surplus	43,580	-	-	43,580
	<u>\$ 100,769</u>	<u>(\$ 41,414)</u>	<u>\$ -</u>	<u>\$ 59,355</u>

e. Income tax assessments

The Company's income tax returns through 2021 have been assessed by the tax authorities.

26. EARNINGS (LOSS) PER SHARE

	For the Year Ended December 31, 2023	Unit: NT\$ Per Share For the Year Ended December 31, 2022
Basic (Loss) earnings per share	(<u>\$ 0.19</u>)	<u>\$ 1.45</u>
Diluted (Loss) earnings per share	(<u>\$ 0.19</u>)	<u>\$ 1.45</u>

The (Loss) earnings and weighted average number of ordinary shares outstanding in the computation of (Loss) earnings per share were as follows:

Net (loss) profit for the year

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Net profit (loss) attributable to owners of the Company used to calculate the net profit from basic and diluted (loss) earnings per share	(\$ <u>207,006</u>)	<u>\$ 1,555,097</u>

Share

Unit: thousands of shares

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Weighted average number of ordinary shares used in the computation of basic (loss) earnings per share	1,072,298	1,072,298
Effect of potentially dilutive ordinary shares:		
Employees' compensation	<u>-</u>	<u>1,285</u>
Weighted average number of ordinary shares used in the computation of diluted (loss) earnings per share	<u>1,072,298</u>	<u>1,073,583</u>

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

In the fiscal year 2023, the company incurred a net loss. Employees' compensation was excluded from the calculation of diluted loss per share due to its anti-dilutive effect.

27. CASH FLOW INFORMATION

a. Non-cash transactions

Non-cash transactions In the years 2023 and 2022, the Company entered into the following non-cash investing and financing activities:

- 1) As of December 31, 2023 and 2022, the amounts of payables for purchases of equipment were NT\$14,674 thousand and NT\$35,361 thousand, respectively.
- 2) As of December 31, 2023 and 2022, the amounts of payables for dividends declared but not issued were NT\$11,337 thousand and NT\$6,748 thousand, respectively.

b. Changes in liabilities arising from financing activities

	January 1, 2023	Cash flow	Non-cash Changes			December 31, 2023
			New Leases	Amortization of Finance Costs	Others	
Bonds payable (including those due within 1 year)	\$ 5,992,228	\$ -	\$ -	\$ 2,476	\$ -	\$ 5,994,704
Long-term borrowings (including those due within 1 year)	729,703	(264,425)	-	2,228	-	467,506
Guarantee deposits received	6,715	632	-	-	-	7,347
Lease liabilities (including those due within 1 year)	117,437	(32,239)	24	1,196	(1,312)	85,106
Other non-current liabilities	6,104	425	-	-	-	6,529
	<u>\$ 6,852,187</u>	<u>(\$ 295,607)</u>	<u>\$ 24</u>	<u>\$ 5,900</u>	<u>(\$ 1,312)</u>	<u>\$ 6,561,192</u>

	January 1, 2022	Cash flow	Non-cash Changes			December 31, 2022
			New Leases	Amortization of Finance Costs	Others	
Bonds payable (including those due within 1 year)	\$ 8,988,972	(\$ 3,000,000)	\$ -	\$ 3,256	\$ -	\$ 5,992,228
Long-term borrowings (including those due within 1 year)	34,310	694,412	-	981	-	729,703
Guarantee deposits received	6,637	78	-	-	-	6,715
Lease liabilities (including those due within 1 year)	146,523	(31,426)	2,340	1,540	(1,540)	117,437
Other non-current liabilities	516	5,588	-	-	-	6,104
	<u>\$ 9,176,958</u>	<u>(\$ 2,331,348)</u>	<u>\$ 2,340</u>	<u>\$ 5,777</u>	<u>(\$ 1,540)</u>	<u>\$ 6,852,187</u>

28. CAPITAL MANAGEMENT

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

The capital structure of the Company consists of its net debt and equity.

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

29. FINANCIAL INSTRUMENTS

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

December 31, 2023

Carrying Amount	Fair Value			
	Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>				
Financial liabilities at amortized cost				
- Domestic corporate bonds	<u>\$ 5,994,704</u>	<u>\$ -</u>	<u>\$ 5,939,899</u>	<u>\$ -</u>
				<u>\$ 5,939,899</u>

December 31, 2022

Carrying Amount	Fair Value			
	Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>				
Financial liabilities at amortized cost				
- Domestic corporate bonds	<u>\$ 5,992,228</u>	<u>\$ -</u>	<u>\$ 5,950,888</u>	<u>\$ -</u>
				<u>\$ 5,950,888</u>

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

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

1) Fair value hierarchy

December 31, 2023

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivatives	\$ -	\$ 3,887	\$ -	\$ 3,887
Domestic listed (OTC) shares	94,008	-	-	94,008
Fund beneficiary certificates	685,810	-	-	685,810
Beneficiary securities	<u>68,837</u>	<u>-</u>	<u>-</u>	<u>68,837</u>
	<u>\$ 848,655</u>	<u>\$ 3,887</u>	<u>\$ -</u>	<u>\$ 852,542</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
- Domestic listed (OTC) shares	\$ 761,381	\$ -	\$ -	\$ 761,381
- Domestic unlisted shares and emerging market shares	<u>-</u>	<u>-</u>	<u>140,923</u>	<u>140,923</u>
	<u>\$ 761,381</u>	<u>\$ -</u>	<u>\$ 140,923</u>	<u>\$ 902,304</u>

December 31, 2022

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivatives	\$ -	\$ 1,206	\$ -	\$ 1,206
Domestic listed (OTC) shares	61,362	-	-	61,362
Fund beneficiary certificates	410,211	-	-	410,211
Beneficiary securities	<u>60,387</u>	<u>-</u>	<u>-</u>	<u>60,387</u>
	<u>\$ 531,960</u>	<u>\$ 1,206</u>	<u>\$ -</u>	<u>\$ 533,166</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
- Domestic listed (OTC) shares	\$ 735,386	\$ -	\$ -	\$ 735,386
- Domestic unlisted shares and emerging market shares	<u>-</u>	<u>-</u>	<u>135,276</u>	<u>135,276</u>
	<u>\$ 735,386</u>	<u>\$ -</u>	<u>\$ 135,276</u>	<u>\$ 870,662</u>
<u>Financial liabilities at FVTPL</u>				
Derivatives	<u>\$ -</u>	<u>\$ 13,769</u>	<u>\$ -</u>	<u>\$ 13,769</u>

There were no transfers between Levels 1 and 2 fair value measurement for Year 2023 and 2022.

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

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
<u>Financial assets at FVTOCI</u>		
Balance at January 1	\$ 135,276	\$ 164,720
Purchase	19,975	-
Recognized in other comprehensive income (included in unrealized gain (loss) on financial assets at FVTOCI)	(14,328)	(29,444)
Balance at December 31	<u>\$ 140,923</u>	<u>\$ 135,276</u>

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

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

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

The Company applied the valuation techniques and inputs for Level 3 fair value measurement for its independent fair value authentication of financial instruments which was carried out by the financial department. Through information from independent resources, the Company keeps the results close to the market state and reviews such results periodically to ensure that they are reasonable. The fair values of domestic and foreign unlisted equity securities were determined using the asset-based approach. In this approach, the fair value is determined by the latest net value of the investee company and the financial and business conditions of its observable company. If the discount for the lack of marketability decreases, the fair value of investments will increase. When the discount for lack of marketability increases/decreases by 10%, the fair value would have decreased/increased by NT\$14,092 thousand and NT\$13,528 thousand, respectively for the year ended December 31, 2023 and 2022.

c. Categories of financial instruments

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Financial assets</u>		
Financial assets at FVTPL		
Financial assets mandatorily classified at FVTPL	\$ 852,542	\$ 533,166
Financial assets measured at amortized cost (Note 1)	3,429,629	4,280,003
Financial assets at FVTOCI – investments in equity instruments	902,304	870,662
Refundable deposits	73,631	68,281
<u>Financial liabilities</u>		
Financial assets at FVTPL		
Held for trading	-	13,769
Financial liabilities measured at amortized cost (Note 2)	7,813,438	8,226,813
Guarantee deposits received	7,347	6,715

Note 1. Balance is the financial assets measured at amortized cost, including cash and equivalent cash, pledged time deposit, back bonds with a maturity date exceeding 3 months, notes receivable and amounts receivable (including related parties), other receivables (including related parties, excluding tax refund receivable).

Note 2. Balance is the financial liabilities measured at amortized cost, including long-term loans, amounts receivable (including related parties and excluding advanced compensations and taxes), other receivables (including related parties) and bonds payable.

d. Financial Risk Management Objectives and Policies

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

1) Market risk

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

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

a) Foreign currency risk

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

For the carrying amount of monetary assets and monetary liabilities denominated in non-functional currencies of the Company as of the balance sheet date, please refer to Note 33. For the carrying amount of derivatives exposed to exchange rate risk, please refer to Note 7.

Sensitivity analysis

The sensitivity analysis of foreign currency risk mainly focuses on the computation of foreign currency monetary items at the end of the financial reporting period (U.S. dollar and RMB denominated items). When the functional currency of the entities of the Company relative to the USD and RMB appreciates/depreciates by 3%, the Company's Net loss before tax for the years ended December 31, 2023 and 2022 would have decreased/increased by NT\$19,594 thousand and NT\$69,867 thousand respectively.

In management's opinion, the sensitivity analysis was unrepresentative of the inherent foreign currency risk because the exposure at the end of the reporting period did not reflect the exposure during the period.

b) Interest rate risk

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

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

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Fair value interest rate risk		
- Financial assets	\$ 1,946,320	\$ 1,281,054
- Financial liabilities	6,079,810	6,109,665
Cash flow interest rate risk		
- Financial assets	119,844	120,410
- Financial liabilities	467,506	729,703

Sensitivity analysis

Regarding the sensitivity analysis of interest risk, the Company's computation was based on financial assets and financial liabilities with cash flow interest rate risk. A 0.5% increase/decrease of market interest was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rate. If interest rates had been 0.5% higher/lower and all other variables were held constant, the company's net losses before tax for the year 2023 would have increased/decreased by NT\$1,738 thousand; the net profit before tax for the year 2022 would have decreased/increased by NT\$3,046 thousand.

c) Other price risks

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

Sensitivity analysis

The following sensitivity analysis was determined based on the price of equity securities on the balance sheet date. However, since the fund beneficiary certificates held by the Company are mainly money market funds and its risk of price fluctuations is very low, they are not included in sensitivity analysis.

If the equity price had increased/decreased by 5%, the net losses before tax for the year 2023 would have increased/decreased by NT\$ 8,142 thousand, as a result of the changes in the fair value of financial assets at FVTPL (excluding fund beneficiary certificates); the net profit before tax for the year 2022 would have increased/decreased by NT\$6,087 thousand. as a result of the changes in the fair value of financial assets at FVTPL (excluding fund beneficiary certificates); The pre-tax other comprehensive income for the years 2023 and 2022 would have increased/decreased by NT\$45,115 thousand and NT\$43,533 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

2) Credit risk

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

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

The Company adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit ratings of its counterparties are continuously monitored. In addition, the financial guarantee provided by the Company is customs duties and endorsement guarantee for the loan of the subsidiary. As of December 31, 2023 and 2022, the amounts for endorsement guarantee are NT\$1,300,000 thousand and NT\$4,223,550 thousand. Based on the expectation of the balance sheet, the subsidiaries are in good operation, hence, it is unlikely that the Company will have to pay endorsement guarantee amounts due to the subsidiaries' breach of contract.

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

3) Liquidity risk

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

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

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

December 31, 2023

	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		\$ 1,351,228	\$ -	\$ -
Lease liabilities	1.16~1.76	29,408	57,212	-
Floating interest rate liabilities	1.05~1.09	5,043	475,710	-
Fixed interest rate liabilities	0.63~0.98	<u>2,034,553</u>	<u>4,067,447</u>	-
		<u>\$ 3,420,232</u>	<u>\$ 4,600,369</u>	<u>\$ -</u>

December 31, 2022

	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		\$ 1,504,880	\$ -	\$ -
Lease liabilities	1.16~1.76	33,452	86,723	-
Floating interest rate liabilities	0.93~1.41	8,549	751,159	-
Fixed interest rate liabilities	0.63~0.98	<u>47,620</u>	<u>4,946,004</u>	<u>1,155,996</u>
		<u>\$ 1,594,501</u>	<u>\$ 5,783,886</u>	<u>\$ 1,155,996</u>

b) Liquidity of derivative financial liabilities and the interest risk table

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

December 31, 2023

	On Demand or Less than 1 Month	1-3 Months	3 months to 1 year
<u>Gross settled</u>			
Foreign exchange forward contracts			
- Inflows	\$ 231,108	\$ 17,574	\$ -
- Outflows	(<u>228,033</u>)	(<u>17,341</u>)	-
	<u>\$ 3,075</u>	<u>\$ 233</u>	<u>\$ -</u>

December 31, 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	\$ 610,367	\$ 1,182,018	\$ -
- Outflows	(<u>611,137</u>)	(<u>1,194,937</u>)	-
	(<u>\$ 770</u>)	(<u>\$ 12,919</u>)	<u>\$ -</u>

c) Financing facilities

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

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Bank loan facilities		
- Amount unused	<u>\$ 11,213,144</u>	<u>\$ 11,680,712</u>

30. RELATED PARTY TRANSACTIONS

Besides information disclosed elsewhere in other notes, details of transactions between the Company and related parties are disclosed as follows.

a. Name of the related party and their relationship

<u>Name of the related party</u>	<u>Relationship with the Parent Company</u>
Swanson Plastics Corp. (SPC)	Subsidiary
Acme Electronics Corporation (ACME)	Subsidiary
Chong Loong Trading Co., Ltd. (CLT)	Subsidiary
Union Polymer International Investment Corporation (UPIIC)	Subsidiary
USI (Hong Kong) Company Limited (USI (Hong Kong))	Subsidiary
USI Management Consulting Corp (UM)	Subsidiary
Forever Young Company Limited (Forever Young)	Subsidiary
Swanson Plastics (Kunshan) SPC	Subsidiary
Swanson Plastics (Malaysia) Sdn. Bhd.	Subsidiary
Swanson Technologies Corporation	Subsidiary
Taiwan United Venture Management Corp. (TUVVM)	Subsidiary
China General Plastics Corporation (CGPC)	Subsidiary
Taita Chemical Company, Limited (TTC)	Subsidiary
Asia Polymer Corporation (APC)	Subsidiary
Taiwan VCM Corporation (TVCM)	Subsidiary
CGPC Polymer Corporation	Subsidiary
China General Terminal & Distribution Corporation (CGTD)	Subsidiary
INOMA Corporation	Subsidiary
USIG (Shanghai) Co., Ltd. (USIG)	Subsidiary
USI Trading (Shanghai) Co., Ltd. (USI Trading (Shanghai))	Subsidiary
USI Optronics Corporation	Subsidiary

(Continued)

(Continued)

<u>Name of the related party</u>	<u>Relationship with the Parent Company</u>
Dynamic Ever Limited (DEIL)	Subsidiary
USI Green Energy Corporation (USIGE)	Subsidiary
USI Educational Foundation (USIF)	Other related parties
Delmind Inc. (Delmind)	Associate
Fujian Gulei Petrochemical Co., Ltd. (Gulei)	Joint ventures

b. Sale

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Subsidiary	<u>\$ 466,041</u>	<u>\$ 737,799</u>

As of the end of 2023 and 2022, the deferred unrealized gross profit to subsidiaries is NT\$1,103 thousand and NT\$1,505 respectively.

Sales from related parties had no material difference from those of general purchase transactions.

c. Purchase

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Subsidiary		
APC	\$ 813,447	\$ 1,436,927
Others	<u>82,402</u>	<u>91,307</u>
	895,849	1,528,234
Joint ventures		
Gulei	<u>730,951</u>	<u>669,088</u>
	<u>\$ 1,626,800</u>	<u>\$ 2,197,322</u>

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

d. Allotment of ethylene outside

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Subsidiary		
TVCM	\$ 368,150	\$ 158,204
APC	<u>353,812</u>	<u>262,209</u>
	<u>\$ 721,962</u>	<u>\$ 420,413</u>

e. Allotment of ethylene inside

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Subsidiary		
TVCM	\$ 11,287	\$ 62,143
APC	<u>-</u>	<u>42,176</u>
	<u>\$ 11,287</u>	<u>\$ 104,319</u>

f. Rental income (classified as other income)

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Subsidiary		
SPC	\$ 7,518	\$ 7,540
TTC	5,082	5,250
CGPC	4,819	4,895
ACME	3,194	3,068
APC	2,408	2,505
TVCM	1,652	1,802
UM	1,450	1,043
CGTD	1,404	1,515
Others	<u>1,466</u>	<u>1,034</u>
	28,993	28,652
Associate		
Delmind	<u>318</u>	<u>251</u>
	<u>\$ 29,311</u>	<u>\$ 28,903</u>

The Company leases the office buildings to the associates and related parties and the rental income is received monthly according to the contract. The associates and related parties have no rights of first refusal at the end of the lease terms.

g. Management service income (classified as other revenue)

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Subsidiary		
DEIL	\$ 12,044	\$ 14,722
APC	9,255	9,631
SPC	8,500	7,171
CGPC	4,225	3,710
Others	<u>1,678</u>	<u>629</u>
	<u>\$ 35,702</u>	<u>\$ 35,863</u>

In response to management needs and integrating the corporate resources, the Company signed a resource support contract with UM, a subsidiary, in July 2002. UM would coordinate resources and services of the Group's common service department. The fees are calculated and charged based on the contract.

In response to management needs, the Company signed a management service contract with DEIL in May 2015, and the Company would provide the service of management consultation. The fees are calculated and charged based on the contract.

h. Management service fees - investment (classified as other gains and losses)

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Subsidiary		
TUVM	<u>\$ 243</u>	<u>\$ 177</u>

i. Management service fees - management (classified as administrative expenses and research and development expenses)

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Subsidiary		
UM	\$ 149,998	\$ 161,606
Others	<u>8,057</u>	<u>6,583</u>
	<u>\$ 158,055</u>	<u>\$ 168,189</u>

j. Rent expenses (classified as operating expenses)

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Subsidiary		
APC	\$ 2,995	\$ 3,015
TTC	<u>-</u>	<u>306</u>
	<u>\$ 2,995</u>	<u>\$ 3,321</u>

Based on the rental contract between the Company and the related parties, the rents refer to the market rents of the neighboring building and are calculated based on the square feet and service proportion. The rental income was paid monthly according to the contract.

k. Commissions expense (classified as selling and marketing expenses)

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Subsidiary		
USI Trading (Shanghai)	<u>\$ 425</u>	<u>\$ 248</u>

l. Storage tank operation expense (classified as cost of goods sold)

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Subsidiary		
CGTD	<u>\$ 57,990</u>	<u>\$ 33,680</u>

m. Processing costs (classified as cost of goods sold)

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Subsidiary		
SPC	\$ <u>9,727</u>	\$ <u>14,815</u>

n. Donation (classified as administrative expenses)

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Other related parties		
USI Education Foundation	\$ <u>5,000</u>	\$ <u>5,000</u>

o. Other (classified as operating expenses, and other gain and loss)

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Subsidiary	\$ <u>446</u>	(\$ <u>182</u>)

p. Revenue from selling raw materials (classified as other revenues)

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Subsidiary		
APC	\$ 201,867	\$ 252,526
Others	<u>2,308</u>	<u>500</u>
	\$ <u>204,175</u>	\$ <u>253,026</u>

q. Revenue from survey fee of importing ethylene (classified as other revenues)

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Subsidiary		
CGTD	\$ 976	\$ 792
Others	<u>20</u>	<u>20</u>
	\$ <u>996</u>	\$ <u>812</u>

r. Gains on disposals of property, plant and equipment (classified as other gain and loss)

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Subsidiary		
USI (Hong Kong)	\$ <u>889</u>	\$ <u>889</u>

The Hong Kong branch of the Company sold property, plant and equipment to USI (Hong Kong) in August 2005 for NT\$18,049 thousand (HKD 4,180 thousand). As of the end of 2023 and 2022, the unrealized gain is NT\$1,479 thousand and NT\$2,368 thousand, respectively, which have been deferred and are reversed and recognized based on the equipment's estimated useful life.

s. Accounts receivable

<u>Related Party Category/Name</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Subsidiary		
USI Trading (Shanghai) Swanson Kunshan Corporation, Ltd.	\$ 31,651	\$ 30,630
SPC	15,737	-
Forever Young	7,230	8,977
USI (Hong Kong)	5,217	69,238
Swanson Malaysia Sdn. Bhd.	4,618	9,955
Others	3,434	-
	<u>25</u>	<u>18</u>
	<u>\$ 67,912</u>	<u>\$ 118,818</u>

No collateral has been received for the accounts receivable outstanding from related parties. No allowance for losses was provided for the accounts receivable for the years ended 2023 and 2022.

t. Other receivables

<u>Related Party Category/Name</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Subsidiary		
APC	\$ 235,113	\$ 185,661
TVCM	216,415	222,544
USIG (Note 12)	129,438	-
Others	<u>10,112</u>	<u>14,565</u>
	<u>\$ 591,078</u>	<u>\$ 422,770</u>

u. Accounts payable

<u>Related Party Category/Name</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Subsidiary		
APC	\$ 97,256	\$ 184,404
SPC	5,854	10,161
TTC	<u>4,200</u>	<u>-</u>
	107,310	194,565
Joint ventures		
Gulei	<u>-</u>	<u>110,352</u>
	<u>\$ 107,310</u>	<u>\$ 304,917</u>

No collateral has been received for the accounts payable outstanding from related parties.

v. Other payables

<u>Related Party Category/Name</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Subsidiary		
CGTD	\$ 9,642	\$ 4,763
UM	4,559	12,480
TTC	1,511	1,035
TVCM	1,044	2,193
APC	255	1,261
SPC	-	2,722
Others	447	109
	<u>\$ 17,458</u>	<u>\$ 24,563</u>

w. Other unearned revenue (classified as other current liabilities)

<u>Related Party Category/Name</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Subsidiary		
SPC	<u>\$ 284</u>	<u>\$ 284</u>

x. Loans to related parties (classified as other receivables)

Interest income

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Subsidiary		
USIGE	<u>\$ -</u>	<u>\$ 41</u>

In 2021, the Company's funds loaned to USIGE were unsecured loans at interest rates similar to market rates. The loans were recovered in 2022.

y. Endorsement and Guarantees (customs and bank loans)

<u>Related Party Category/Name</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Subsidiary		
USIGE	\$ 1,300,000	\$ 1,300,000
UPIIC	-	2,600,000
CLTC	-	323,550
	<u>\$ 1,300,000</u>	<u>\$ 4,223,550</u>

z. Compensation of key management personnel

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

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
Short-term employee benefits	\$ 42,884	\$ 47,802
Retirement benefits	<u>738</u>	<u>810</u>
	<u>\$ 43,622</u>	<u>\$ 48,612</u>

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

31. COLLATERALIZED ASSETS

The following assets of the Company were provided as guarantees for the purchase payment and outward documentary bill:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Time deposits		
— classified as financial assets measured at amortized cost - current	\$ 61,777	\$ 61,104
— Classified as other non-current assets	<u>27,272</u>	<u>26,975</u>
	<u>\$ 89,049</u>	<u>\$ 88,079</u>

32. SIGNIFICANT CONTINGENT LIABILITY AND UNRECOGNIZED CONTRACTUAL COMMITMENTS

- a. As of December 31, 2023 and 2022, the Company's unused letter of credit amounted to NT\$1,779,980 thousand and NT\$1,186,389 thousand, respectively. The margins of endorsement of the related parties amounted to NT\$1,300,000 thousand and NT\$4,223,550 thousand, respectively. Please refer to Notes 29 and 30.
- b. Regarding the Company's associate, China General Terminal & Distribution Corporation ("CGTD"), who was commissioned to operate the propylene pipeline of LCY Chemical Corp. ("LCY") resulting in a gas explosion on July 31, 2014, the appeal was dismissed by the Supreme Court on September 15, 2021, and all three employees of CGTD were innocent.

On February 12, 2016, CGTD entered into an agreement with the Kaohsiung City Government to provide the Kaohsiung City Government with a pledge right set of a bank deposit certificate of NT\$231,585 thousand (including interests) as the guarantee for the

loss caused by the gas explosion. Kaohsiung City Government has also filed civil lawsuits against CGTD, LCY and CPC Corporation, Taiwan. Taiwan Power Company applied for provisional attachment against CGTD's property on August 27 and November 26, 2015.

CGTD had deposited cash of NT\$99,207 thousand to the court to avoid provisional attachment. Taiwan Water Corporation also applied for provisional attachment against CGTD's property on February 3 and March 2, 2017. As of February 27, 2023, the provisionally attached property of CGTD was worth NT\$9,555 thousand.

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

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

As of February 27, 2024, the victims and victims' families had written letters or filed civil lawsuits (including criminal lawsuits) against CGTD, LCY, and CPC for compensation claims. To reduce the lawsuit costs, CGTD to a compromise and reduced the original claim of NT\$46,677 thousand and settled for a compensation amount of NT\$4,519 thousand instead. Along with the case still under litigation and the above-mentioned compensation, the accumulated amount of compensation is NT\$3,856,447 thousand. The first-instance judgments of some of the above-mentioned civil cases (with a total amount of compensation of approximately NT\$1,470,793 thousand) have been gradually announced, starting from June 22, 2018. The proportion of fault liability of the Kaohsiung City Government, LCY and CGTD is 4 : 3 : 3 in most judgments. The total amount of compensation that CGTD, LCY and the other defendants should pay is around

NT\$401,979 thousand. (In particular, CGTD was exempted from paying NT\$6,194 thousand according to the court's judgment.) For the civil cases that have been sentenced but not settled, CGTD has filed an appeal and has started the second trial procedure one after another. The remaining cases are still pending in the Court of First Instance (the amount claimed is approximately NT\$1,882,829 thousand). CGTD and its insurance company signed a settlement agreement, covering the proportion of the liability for negligence determined in the first-instance judgment, the estimated amount of the settlement with the victims and the severely injured, and the amount of compensation in civil cases (including cases that have been settled); after the maximum insurance claims is deducted, the estimated amount that should be borne by CGTD and has been recognized is NT\$136,375 thousand. However, the actual amount of the aforementioned relevant settlements and compensation will not be confirmed until the proportion of the liabilities that should be borne by CGTD is determined in the civil case judgment in the future.

33. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

Unit: Foreign and Functional Currencies in Thousands

	December 31, 2023		
	Foreign Currency	Exchange Rate	Carrying Amount
<u>Foreign currency assets</u>			
<u>Monetary items</u>			
USD	\$ 28,208	30.71	\$ 866,118
RMB	72,058	4.34	312,388
<u>Non-monetary items</u>			
Joint ventures accounted for using the equity method			
USD	167,385	30.71	5,139,552
HKD	16,377	3.93	64,345
Derivatives			
Sell RMB	56,600	4.34	3,887
<u>Foreign currency liabilities</u>			
<u>Monetary items</u>			
USD	17,118	30.71	525,364
<u>Non-monetary items</u>			
Derivatives			
Sell RMB	15	4.34	63

	December 31, 2022		
	Foreign Currency	Exchange Rate	Carrying Amount
<u>Foreign currency assets</u>			
<u>Monetary items</u>			
USD	\$ 34,051	30.71	\$ 1,045,717
RMB	445,984	4.41	1,966,522
<u>Non-monetary items</u>			
Joint ventures accounted for using the equity method			
USD	212,205	30.71	6,516,822
HKD	17,626	3.94	69,412
RMB	29,654	4.41	130,756
Derivatives			
Sell RMB	61,200	4.41	1,206
<u>Foreign currency liabilities</u>			
<u>Monetary items</u>			
USD	22,252	30.71	683,350
<u>Non-monetary items</u>			
Derivatives			
Sell RMB	348,400	4.41	13,769

The net realized and unrealized foreign exchange gain or loss of the Company for the years ended December 31, 2023 and 2022, were NT\$1,926 thousand (gain) and NT\$91,746 thousand (loss), respectively. Due to the wide variety of foreign currency transactions and functional currencies of the Company's entities, thus the exchange gains were not disclosed by currency of significant impact.

34. 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) Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital. (Table 4)
- 5) Acquisitions of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital. (None)
- 6) Disposals of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital. (None)
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 5)

8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 6)

9) Trading in derivative instruments:

As of the end of the year 2023, the related information of the Company and the subsidiaries that applied the forward exchange transaction is as follows:

<u>December 31, 2023</u>	<u>Currency</u>	<u>Maturity date</u>	<u>Contract Amount (In Thousands)</u>		
Selling Foreign Exchange Forward Contracts	RMB/NTD	113.01.03-113.02.01	RMB	71,700 /NTD	315,018
Selling Foreign Exchange Forward Contracts	USD/ MYR	113.01.08-113.07.11	USD	1,800 /MYR	8,281
Buy	USD/NTD	113.01.02-113.01.08	USD	1,400 /NTD	43,839
Buy	NTD/USD	113.01.10-113.02.20	NTD	92,539 /USD	3,000
Buy	JPN/USD	113.01.26-113.02.22	JPY	120,000 /USD	816

10) Information on investees. (Table 7)

c. Information on investments in mainland China

1) Information on the investee company in mainland China, including the company names, major business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, current profit and loss and recognized investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China. (Table 8)

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: Tables 5 and 6.

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: Tables 5 and 6.

c) The amount of property transactions and the amount of the resultant gains or losses: None.

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: Table 2.

e) The highest balance during the period, the end of period balance, the interest rate range, and total current period interest with respect to the financing of funds: Table 1.

f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services: None.

d. Information on major shareholders: Name, number of shares held, and shareholding percentage of shareholders with shareholding percentage exceeding 5%. (Table 9)

USI CORPORATION AND INVESTEE COMPANIES

Acme Electronics Corporation

FINANCING PROVIDED TO OTHERS

For the Year Ended December 31, 2023

Table 1

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

No.	Lender	Borrower	Financial Statement Account	Related Party (Yes/No)	Highest Balance for the year	Balance at December 31 (Notes 3 and 4)	Actual Borrowing Amount (Notes 3 and 4)	The range of interest rate (%)	Nature of Financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)	Remark
													Item	Value			
1	Acme Electronics (Guang-Zhou) Co., Ltd.	Acme Electronics (Kunshan) Co., Ltd.	Other receivables - related parties	Yes	\$ 176,040 (RMB40,000 thousand)	\$ 173,048 (RMB40,000 thousand)	\$ 104,045 (RMB24,000 thousand)	3.45	2	\$ -	Business turnover	\$ -	—	—	\$ 383,828	\$ 383,828	

Note 1. The total financing amounts for Acme Electronics (Guang-Zhou) Co., Ltd. to others shall not exceed 40% of its net value, and the highest aggregate financing limits were calculated by the net value as of December 31, 2023.

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

(1)Business relationship is coded "1."

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

Note 3. The foreign currency amount was calculated based on the spot exchange rate of December 31, 2023.

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

USI CORPORATION AND INVESTEE COMPANIES

Swanson Plastics Corporation

FINANCING PROVIDED TO OTHERS

For the Year Ended December 31, 2023

Table 1-1

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

No.	Lender	Borrower	Financial Statement Account	Related Party (Yes/No)	Highest Balance for the year	Balance at December 31 (Notes 3 and 4)	Actual Borrowing Amount (Note 3)	Range of Interest Rates (%)	Nature of Financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)	Remark
													Item	Value			
1	ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	Other receivables	Yes	\$ 258,440	\$ 190,749	\$ 190,749	3.45	2	\$ -	Business turnover	\$ -	-	-	\$ 538,042	\$ 538,042	

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

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

(1) Business relationship is coded "1."

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

Note 3. The calculation was based on the spot exchange rate of December 31, 2023.

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

USI CORPORATION AND INVESTEE COMPANIES

China General Plastics Corporation
FINANCING PROVIDED TO OTHERS
For the Year Ended December 31, 2023

Table 1-2

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

No.	Lender	Borrower	Financial Statement Account	Related Party (Yes/No)	Highest Balance for the year (Note 3)	Balance at December 31	Actual Borrowing Amount	Range of Interest Rates (%)	Nature of Financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)	Remark
													Item	Value			
0	China General Plastics Corporation	CGPC Polymer Corporation	receivables from related parties	Yes	\$ 300,000	\$ -	\$ -	-	2	\$ -	Business turnover	\$ -	-	-	\$ 3,832,591	\$ 3,832,591	

Note 1. The total amount of funds lent by CGPC to others shall not exceed 40% of the most recent CGPC's financial statements' net worth audited or reviewed by CPA.

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

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

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

USI CORPORATION AND INVESTEE COMPANIES
ENDORSEMENTS/GUARANTEES PROVIDED
For the Year Ended December 31, 2023

Table 2

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

No.	Endorsement and guarantee Company Name	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 International Investment Corporation	Subsidiary which directly held more than 50% of ordinary shares	\$ 11,627,143	\$ 2,600,000	\$ -	\$ -	\$ -	-	\$ 13,952,571	Yes	No	No	
0	USI Corporation	USI Green Energy Corporation	Subsidiary which directly held more than 50% of ordinary shares	11,627,143	1,300,000	1,300,000	150,000	-	5.59	13,952,571	Yes	No	No	
0	USI Corporation	Chong Loong Trading Co., Ltd.	Subsidiary which directly held more than 50% of ordinary shares	11,627,143	323,525 (US\$5,000 thousand) (NT\$170,000 thousand)	-	-	-	-	13,952,571	Yes	No	No	

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

Note 2. The calculation was based on the spot exchange rate of December 31, 2023.

USI CORPORATION AND INVESTEE COMPANIES

Acme Electronics Corporation

ENDORSEMENTS/GUARANTEES PROVIDED

For the Year Ended December 31, 2023

Table 2-1

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

No.	Endorsement and guarantee Company Name	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period (Note 3)	Actual Borrowing Amount (Note 3)	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%) (Note 1)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Made by Parent for Subsidiaries	Endorsement/ Guarantee Made by Subsidiaries for Parent	Endorsement/ Guarantee Made for Companies in Mainland China	Remark
		Company Name	Relationship											
0	Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	Subsidiary of ACME (Cayman)	\$ 2,654,198	\$ 778,716 (US\$ 18,500 thousand) (RMB49,000 thousand)	\$ 365,950 (US\$5,000 thousand) (RMB 49,000 thousand)	\$ 151,732 (RMD35,000 thousand)	\$ -	20.68	\$ 3,538,930	No	No	Yes	
		Acme Electronics (Guang-Zhou) Co., Ltd.	Subsidiary of GAEL	2,654,198	64,850 (US\$2,000 thousand)	-	-	-	-	3,538,930	No	No	Yes	
		ACME Electronics (Cayman) Corp.	Subsidiary of ACME	2,654,198	314,200 (US\$ 10,000 thousand)	-	-	-	-	3,538,930	No	No	No	
1	ACME Components (Malaysia) Sdn.Bhd.	ACME Ferrite Products Sdn. Bhd.	Subsidiary of ACME (MA)	480,703	115,597 (MYR17,584 thousand)	112,731 (MYR17,584 thousand)	64,271 (MYR10,025 thousand)	-	16.42	549,375	No	No	No	

Note 1. The rate was calculated by the equity of ACME as of December 31, 2023.

Note 2. The maximum amount of total Endorsement/

Note 3. Guarantee shall not exceed 200% of the equity attributable to owners of ACME. The maximum amount of Endorsement/

Note 4. Guarantee for an individual entity shall not exceed 150% of the equity attributable to owners of ACME. The maximum amount of Endorsement/

Note 5. Guarantee was calculated based on the equity of the endorser guarantor as of December 31, 2023. The total amount of ACME (MA)'s external Endorsement/

Note 6. Guarantee shall not exceed 80% of its net worth; the limit of ACME (MA)'s Endorsement/

Note 7. Guarantee for a single company shall not exceed 70% of its net worth. The maximum amount of Endorsement/

Note 8. Guarantee was calculated based on the equity of the endorser guarantor as of December 31, 2023.

Note 9. The calculation was based on the spot exchange rate of December 31, 2023.

USI CORPORATION AND INVESTEE COMPANIES

Swanson Plastics Corporation

ENDORSEMENTS/GUARANTEES PROVIDED

For the Year Ended December 31, 2023

Table 2-2

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

No.	Endorsement and guarantee Company Name	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Made for Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Year	Outstanding Endorsement/ Guarantee at the End of the Year (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	Swanson Plastics Corporation	Swanson Plastics (Singapore) Pte., Ltd.	Subsidiary	\$ 4,994,574	\$ 58,041	\$ 54,962	\$ -	\$ -	2.20	\$ 6,243,218	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Malaysia) Sdn. Bhd.	Sub-subsidiary Corporation	4,994,574	38,910	36,846	-	-	1.48	6,243,218	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Kunshan) Co., Ltd.	Sub-subsidiary Corporation	4,994,574	90,105	61,410	-	-	2.46	6,243,218	No	No	Yes	
0	Swanson Plastics Corporation	Swanson Technologies Corporation	Subsidiary	4,994,574	579,354	499,063	69,000	-	19.98	6,243,218	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Tianjin) Co., Ltd.	Sub-subsidiary Corporation	4,994,574	32,425	30,705	-	-	1.23	6,243,218	No	No	Yes	
0	Swanson Plastics Corporation	PT. Swanson Plastics Indonesia	Subsidiary	4,994,574	64,850	61,410	-	-	2.46	6,243,218	No	No	No	
0	Swanson Plastics Corporation	Forever Young Company Limited	Subsidiary	4,994,574	1,391,033	1,317,245	-	-	52.75	6,243,218	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (India) Private Limited	Subsidiary	4,994,574	31,160	29,520	-	-	1.18	6,243,218	No	No	No	

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

Note 2. The calculation was based on the spot exchange rate of December 31, 2023.

USI CORPORATION AND INVESTEE COMPANIES

China General Plastics Corporation

ENDORSEMENTS/GUARANTEES PROVIDED

For the Year Ended December 31, 2023

Table 2-3

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

No.	Endorsement and guarantee Company Name	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Year	Outstanding Endorsement/ Guarantee at the End of the Year	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	\$ 5,748,886	\$ 1,361,717	\$ 1,061,717	\$ 400,307	\$ -	11.08	\$ 9,581,477	No	No	No	

Note 1. The ratio was calculated by the equity of CGPC as of December 31, 2023.

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

USI CORPORATION AND INVESTEE COMPANIES

Taita Chemical Company, Ltd.

ENDORSEMENTS/GUARANTEES PROVIDED

For the Year Ended December 31, 2023

Table 2-4

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

No.	Endorsement and guarantee Company Name	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Year (Note 1)	Outstanding Endorsement/ Guarantee at the End of the Year (Note 1)	Actual Borrowing Amount (Note 1)	Amount Endorsed/ Guaranteed by Collateral	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	\$ 6,647,991	\$ 184,230 (US\$6,000 thousand)	\$ 92,115 (US\$3,000 thousand)	\$ -	\$ -	1.39	\$ 9,971,987	No	No	No	
0	Taita Chemical Company, Ltd.	Taita Chemical (Zhongshan) Co., Ltd.	Subsidiaries that TTC's subsidiaries hold 100% of common equity directly	6,647,991	346,816 (RMB80,000 thousand)	216,760 (RMB50,000 thousand)	-	-	3.26	9,971,987	No	No	Yes	

Note 1. The calculation was based on the spot exchange rate of December 31, 2023.

Note 2. The total amount of guarantee that may be provided by TTC shall not exceed 150% of TTC's net worth stated on its latest financial statements; the total amount of guarantee provided by TTC to any individual entity shall not exceed 100% of TTC's net worth stated on its latest financial statements. The Total of guarantee that may be provided by TTC and the subsidiaries shall not exceed 200% of TTC's net worth stated on the latest financial statements; the total amount of guarantee provided Latest Financial Statements and its subsidiaries to any individual entity shall not exceed 150% of TTC's net worth stated on the latest financial statements.

USI CORPORATION AND INVESTEE COMPANIES

MARKETABLE SECURITIES HELD

December 31, 2023

Table 3

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
USI Corporation	Shares							
	CTCI Corporation	—	Financial assets at FVTOCI - non-current	15,130,656	\$ 637,757	1.89	\$ 637,757	
	KHL IB Venture Capital Co., Ltd.	—	"	13,132,193	120,948	11.90	120,948	
	AU Optronics Corporation	—	"	6,811,204	123,624	0.09	123,624	
	PELL Bio-Med Technology Co. Ltd.	—	"	235,000	19,975	0.44	19,975	
	UPC Technology Corporation	—	Financial assets at FVTPL - current	290,000	4,408	0.02	4,408	
	Taiwan Cement Corporation	—	"	2,000,000	69,700	0.03	69,700	
	Hon Hai Precision Industry Co., Ltd.	—	"	100,000	10,450	-	10,450	
	China Steel Corporation	—	"	350,000	9,450	-	9,450	
	Teratech Corporation	—	Financial assets at FVTPL - non-current	110,000	-	0.65	-	Note 2
	Fund beneficiary certificates							
	Hua Nan Phoenix Money Market Fund	—	Financial assets at FVTPL - current	1,503,362	25,143	-	25,143	
	Capital Money Market Fund	—	"	11,526,061	191,182	-	191,182	
	Taishin 1699 Money Market Fund	—	"	7,262,234	101,254	-	101,254	
	Jih Sun Money Market Fund	—	"	10,284,152	156,879	-	156,879	
SinoPac TWD Money Market Fund	—	"	14,778,813	211,352	-	211,352		
Beneficiary securities								
Cathay No. 1 Real Estate Investment Trust Fund Fund	—	Financial assets at FVTPL - current	4,054,000	68,837	-	68,837		

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Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Union Polymer International Investment Corporation	Shares							
	Asia Polymer Corporation	Investments accounted for using the equity method	Financial assets at FVTOCI - non-current	22,182,486	\$ 519,070	3.74	\$ 519,070	
	China General Plastics Corporation	"	"	4,469,307	99,666	0.77	99,666	
	Taita Chemical Company, Ltd.	"	"	456,253	7,505	0.11	7,505	
	Fund beneficiary certificates							
	Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	644,079	8,980	-	8,980	
Swanlake Traders Ltd.	Shares							
	Sohoware Inc.	—	Financial assets at FVTOCI - non-current	1,150,000	-	1.05	-	Note 2
	TGF Linux Communications Inc.	—	"	300,000	-	2.14	-	Note 2
	Neurosky Inc. Preferred Stock D	—	"	2,397,364	-	0.70	-	Note 2
USIFE Investment Co., Ltd.	Shares							
	AU Optronics Corporation	—	Financial assets at FVTOCI - current	1,012,849	18,383	0.01	18,383	
	AU Optronics Corporation	—	Financial assets at FVTOCI - non-current	1,012,849	18,383	0.01	18,383	
	Wafer Works Corporation	—	"	1,502,433	65,055	0.28	65,055	
	Solargiga Energy Holdings Limited	—	"	11,876,111	7,046	0.37	7,046	
	Dah Chung Bills Finance Corp.	—	"	482,757	7,188	0.10	7,188	
	Swanson Plastics Corporation	Same chairman	"	10,155,875	139,643	6.58	139,643	
	USI Optronics Corporation	"	"	165,279	116	0.25	116	
	Digimax Inc.	—	"	23,234	-	0.05	-	
	Silicon Technology Investment (Cayman) Corp.	—	"	911,849	67,222	1.77	67,222	
	Taiwan Cement Corporation	—	Financial assets at FVTPL - current	1,000,000	34,850	0.01	34,850	
	China General Plastics Corporation	Same chairman	"	550,722	12,281	0.09	12,281	
	Asia Polymer Corporation	"	"	1,714,180	40,112	0.29	40,112	
Taita Chemical Company, Ltd.	"	"	1,415,368	23,283	0.36	23,283		
UPC Technology Corporation	—	"	127,000	1,930	0.01	1,930		

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Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Taiwan United Venture Capital Corp.	China Steel Corporation	—	Financial assets at FVTPL - current	175,000	\$ 4,725	-	\$ 4,725	
	Hon Hai Precision Industry Co., Ltd.	—	"	50,000	5,225	-	5,225	
	Acme Electronics Corporation	Same chairman	"	500,000	12,550	0.23	12,550	
	Fund beneficiary certificates							
	Yuanta De-Li Money Market Fund	—	Financial assets at FVTPL - current	3,707,988	62,167	-	62,167	
	Fuh Hwa Money Market	—	"	3,440,659	50,882	-	50,882	
	Cathay Taiwan Money Market Fund	—	"	5,044,200	64,378	-	64,378	
	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
	Leadwell Cnc Machines Mfg., Corp.	—	Financial assets at FVTOCI - non-current	419,753	15,611	0.68	15,611	
	Digimax Inc.	—	"	518,898	-	1.18	-	Note 2
	Hexawave Inc.	—	"	109,109	546	0.27	546	
	Uranus Chemicals Co., Ltd.	—	"	15,351	320	0.03	320	
	Neuro Sky, Inc. Preferred Stock A	—	"	10,000,000	-	1.42	-	Note 2
	Neuro Sky, Inc. Preferred Stock B	—	"	12,595,523	-	1.78	-	Note 2
	Neuro Sky, Inc. Preferred Stock C	—	"	4,532,823	-	0.64	-	Note 2
	Fund beneficiary certificates							
	Cathay Taiwan Money Market Fund	—	Financial assets at FVTPL - current	2,721,146	34,729	-	34,729	
Taiwan United Venture Management Corporation	Fund beneficiary certificates							
	Fuh Hwa Money Market	—	Financial assets at FVTPL - current	91,730	1,357	-	1,357	
INOMA Corporation	Fund beneficiary certificates							
	Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	186,139	2,595	-	2,595	

(Continued)

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Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
USI Optronics Corporation	Fund beneficiary certificates Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	776,598	\$ 10,828	-	\$ 10,828	
Chong Loong Co., Ltd.	Fund beneficiary certificates Fubon Chi-Hsiang Money Market Fund	—	Financial assets at FVTPL - current	1,741,498	28,044	-	28,044	
USI Green Energy Corporation	Fund beneficiary certificates Fubon Chi-Hsiang Money Market Fund	—	Financial assets at FVTPL - current	2,374,323	38,235	-	38,235	

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

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

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

USI CORPORATION AND INVESTEE COMPANIES
China General Plastics Corporation
MARKETABLE SECURITIES HELD
December 31, 2023

Table 3-1

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
China General Plastics Corporation	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust Fund	—	Financial assets at FVTPL - current	3,964,000	\$ 67,309	-	\$ 67,309	Note 1
	Fund beneficiary certificates							
	CTBC Hwa-win Money Market Fund	—	Financial assets at FVTPL - current	2,651,301	30,000	-	30,000	Note 1
	KGI Money Market	—	"	2,521,602	30,000	-	30,000	Note 1
	Prudential Financial Money Market	—	"	1,845,166	30,000	-	30,000	Note 1
	Hua Nan Phoenix Money Market Fund	—	"	1,793,765	30,000	-	30,000	Note 1
	UPAMC James Bond Money Market Fund	—	"	583,216	10,000	-	10,000	Note 1
	Taiwan Cooperative Bank Money Market Fund	—	"	960,227	30,000	-	10,000	Note 1
	Shares							
	Taiwan Cement Corporation	—	Financial assets at FVTPL - current	2,000,000	69,700	0.03	69,700	Note 1
	Hon Hai Precision Industry Co., Ltd.	—	"	100,000	10,450	-	10,450	Note 1
	China Steel Corporation	—	"	350,000	9,450	-	9,450	Note 1
Shares								
KHL IB Venture Capital Co., Ltd.	—	Financial assets at FVTOCI - non-current	6,566,096	60,474	5.95	60,474	Note 1	
Taiwan VCM Corporation	Fund beneficiary certificates							
	SinoPac TWD Money Market Fund	—	Financial assets at FVTPL - current	10,792,282	154,340	-	154,340	Note 1
	Hua Nan Phoenix Money Market Fund	—	"	5,994,413	100,254	-	100,254	Note 1
	Taishin 1699 Money Market Fund	—	"	6,787,013	94,628	-	94,628	Note 1
	Capital Money Market Fund	—	"	3,018,394	50,066	-	50,066	Note 1
Jih Sun Money Market Fund	—	"	1,967,394	30,012	-	30,012	Note 1	

(Continued)

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
CGPC Polymer Corporation	Shin Kong Chi-Shin Money-Market Fund	—	Financial assets at FVTPL - current	1,887,208	\$ 30,011	-	\$ 30,011	Note 1
	Fubon Chi-Hsiang Money Market Fund	—	"	1,863,655	30,011	-	30,011	Note 1
	Shares							
	Asia Polymer Corporation	With the same main shareholders as CGPC	Financial assets at FVTOCI - non-current	130,244	3,047	0.02	3,047	Note 1
	Fund beneficiary certificates							
	SinoPac TWD Money Market Fund	—	Financial assets at FVTPL - current	7,007,081	100,208	-	100,208	Note 1
	Shin Kong Chi-Shin Money-Market Fund	—	"	2,201,438	35,009	-	35,009	Note 1
CGPC (BVI) Holding Co., Ltd.	Fubon Chi-Hsiang Money Market Fund	—	"	1,243,588	20,026	-	20,026	Note 1
	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.

Note 3. As of December 31, 2023, the fair value of CGPC's equity investment in the company was evaluated as 0.

Note 4. For information about investments in subsidiaries and associates, please refer to Tables 7-3 and 8-3.

USI CORPORATION AND INVESTEE COMPANIES

Taita Chemical Company, Ltd.

MARKETABLE SECURITIES HELD

December 31, 2023

Table 3-2

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Taita Chemical Company, Ltd.	Shares							
	USI Corporation	Ultimate parent company	Financial assets at FVTOCI - non-current	15,109,901	\$ 298,421	1.27	\$ 298,421	Note 1
	Harbinger Venture Capital Corp.	—	"	990	6	0.50	6	Note 2
	Taiwan Cement Corporation	—	Financial assets at FVTPL - current	2,000,000	69,700	0.03	69,700	Note 1
	UPC Technology Corporation	—	"	282,000	4,286	0.02	4,286	Note 1
	China Steel Corporation	—	"	350,000	9,450	-	9,450	Note 1
	Hon Hai Precision Industry Co., Ltd.	—	"	100,000	10,450	-	10,450	Note 1
	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust Fund	—	Financial assets at FVTPL - current	3,963,000	67,292	-	67,292	Note 1
TAITA (BVI) Holding Co., Ltd	Shares							
	Budworth Investment Ltd.	—	Financial assets at FVTOCI - non-current	20,219	-	2.22	-	Note 3
	Teratech Corporation	—	Financial assets at FVTPL - non-current	112,000	-	0.74	-	Note 3
	Sohoware — Inc. - Preferred Shares	—	"	100,000	-	-	-	Note 3

Note 1. The fair value was based on the Taiwan Stock Exchange closing price on the last trading day of December 2023.

Note 2. The fair value is evaluated by the asset method, and is determined by referring to the most recent net worth of the investee company and its observable financial and operating status.

Note 3. As of December 31, 2023, the fair value of equity investment was evaluated by TTC as 0.

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

USI CORPORATION AND INVESTEE COMPANIES

Asia Polymer Corporation

MARKETABLE SECURITIES HELD

December 31, 2023

Table 3-3

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				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	\$ 14	1.20	\$ 14	
	KHL IB Venture Capital Co., Ltd.	—	"	13,132,193	120,948	11.90	120,948	
	PELL Bio-Med Technology Co. Ltd.	—	"	235,000	19,975	0.44	19,975	
	USI Corporation	Ultimate parent company	"	101,355,673	2,001,775	8.53	2,001,775	
	CTCI Corporation	—	"	14,446,107	608,903	1.80	608,903	
	AU Optronics Corporation	—	"	7,694,812	139,661	0.10	139,661	
	Wafer Works Corporation	—	Financial assets at FVTOCI - current	518,668	22,458	0.10	22,458	
	Taiwan Cement Corporation	—	Financial assets at FVTPL - current	2,000,000	69,700	0.03	69,700	
	Hon Hai Precision Industry Co., Ltd.	—	"	100,000	10,450	-	10,450	
	China Steel Corporation	—	"	350,000	9,450	-	9,450	
	UPC Technology Corporation	—	"	293,000	4,454	0.02	4,454	
	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust Fund	—	"	4,053,000	68,820	-	68,820	
	Fund beneficiary certificates							
	Jih Sun Money Market Fund	—	"	3,953,746	60,312	-	60,312	
Taishin 1699 Money Market Fund	—	"	18,260,735	254,600	-	254,600		
Capital Money Market Fund	—	"	2,897,690	48,064	-	48,064		
CITIC Huaying Money Market Fund	—	"	1,771,181	20,041	-	20,041		
SinoPac TWD Money Market Fund	—	"	11,202,715	160,210	-	160,210		

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(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				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	\$ 2	4.45	\$ 2	
	Silicon Technology Investment (Cayman) Corp. - Preferred Shares	—	"	1,139,776	84,022	2.21	84,022	
	Neurosky Inc. - Preferred Stock D	—	"	2,397,364	-	0.37	-	Note 1
	Solargiga Energy Holdings Ltd.	—	"	15,863,333	9,411	0.48	9,411	
	Teratech Corporation	—	"	112,000	-	0.67	-	Note 1
	TGF Linux Communication, Inc. -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	885	-	885	
	UPC Technology Corporation	—	"	116,000	1,763	0.01	1,763	
	China Steel Corporation	—	"	175,000	4,725	-	4,725	
	Taiwan Cement Corporation	—	"	1,000,000	34,850	0.01	34,850	
	Hon Hai Precision Industry Co., Ltd.	—	"	50,000	5,225	-	5,225	
	Fund beneficiary certificates							
	Cathay Taiwan Money Market Fund	—	Financial assets at FVTPL - current	2,274,563	29,030	-	29,030	

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

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

USI CORPORATION AND INVESTEE COMPANIES
China General Terminal & Distribution Corporation
MARKETABLE SECURITIES HELD
December 31, 2023

Table 3-4

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
China General Terminal & Distribution Corporation	Shares	Investee Companies Using Equity Method for CGTD	Financial assets at FVTOCI - non-current					
	Asia Polymer Corporation			5,290,482	\$ 123,797	0.89	\$ 123,797	Note 1
	China General Plastics Corporation			2,940,788	65,580	0.51	65,580	Note 1
	Taita Chemical Company, Ltd.			2,278,217	37,477	0.57	37,477	Note 1
	China Steel Corporation	—	Financial assets at FVTPL - current	499,552	13,488	-	13,488	Note 2
	Fund beneficiary certificates	—	Financial assets at FVTPL - current					
	Taishin 1699 Money Market Fund			1,405,621	20,225	-	20,225	

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

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

USI CORPORATION AND INVESTEE COMPANIES

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

For the Year Ended December 31, 2023

Table 4

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

Buyer/Seller	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Acquisition		Disposal			End of the Year (Note)		
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
USI Corporation	Shares													
	Acme Electronics Corporation	Investments accounted for using the equity method	—	Subsidiary	61,682,967	\$ 898,361	12,432,234	\$ 248,645	-	-	\$ -	\$ -	74,115,201	\$ 1,147,006
	Taiwan Cement Corporation	Financial assets at FVTPL - current	—	—	-	-	2,000,000	67,866	-	-	-	-	2,000,000	67,866
	Fund beneficiary certificates													
	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	—	—	-	-	10,656,986	170,000	10,656,986	170,765	170,000	765	-	-
	Hua Nan Phoenix Money Market Fund	"	—	—	-	-	9,634,916	160,000	8,131,554	135,122	135,000	122	1,503,362	25,000
	Yuanta De-Li Money Market Fund	"	—	—	10,265,239	170,000	7,837,289	130,000	18,102,528	300,950	300,000	950	-	-
	Capital Money Market Fund	"	—	—	-	-	11,526,061	190,000	-	-	-	-	11,526,061	190,000
	Jih Sun Money Market Fund	"	—	—	-	-	10,284,152	156,000	-	-	-	-	10,284,152	156,000
	Taishin Ta-Chong Money Market Fund	"	—	—	-	-	13,839,873	200,000	13,839,873	200,693	200,000	693	-	-
	SinoPac TWD Money Market Fund	"	—	—	3,540,976	50,000	19,713,464	280,000	8,475,627	120,069	120,000	69	14,778,813	210,000
	CTBC Hwa-win Money Market Fund	"	—	—	-	-	8,887,318	100,000	8,887,318	100,113	100,000	113	-	-
	Taishin 1699 Money Market Fund	"	—	—	12,357,362	170,000	11,608,020	160,000	16,703,148	231,090	230,000	1,090	7,262,234	100,000
USIFE Investment Co., Ltd.	Shares													
	Acme Electronics Corporation	Investments accounted for using the equity method	—	Associate	19,780,230	167,099	3,355,988	67,120	-	-	-	-	23,136,218	234,219
	Taiwan Cement Corporation	Financial assets at FVTPL - current	—	—	-	-	1,000,000	33,931	-	-	-	-	1,000,000	33,931
	Fund beneficiary certificates													
	Yuanta De-Li Money Market Fund	Financial assets at FVTPL - current	—	—	4,907,988	80,284	-	-	1,200,000	19,904	19,630	274	3,707,988	60,654
USI Optronics Corporation	Fund beneficiary certificates													
	Jih Sun Money Market Fund	Financial assets at FVTPL - current	—	—	338,874	5,000	-	-	338,874	5,110	5,000	110	-	-
	Taishin Ta-Chong Money Market Fund	"	—	—	417,233	6,000	138,179	2,000	555,412	8,085	8,000	85	-	-
	Taishin 1699 Money Market Fund	"	—	—	887,541	12,000	-	-	110,943	1,533	1,500	33	776,598	10,500

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Buyer/Seller	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Acquisition		Disposal				End of the Year (Note)	
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
Union Polymer International Investment Corporation	Fund beneficiary certificates													
	Taishin Ta-Chong Money Market Fund	Financial assets at FVTPL - current	—	—	-	\$ -	6,911,997	\$ 100,000	6,911,997	\$ 100,032	\$ 100,000	\$ 32	-	\$ -
	Taishin 1699 Money Market Fund	"	—	—	726,718	10,000	2,168,319	30,000	2,250,958	31,156	31,100	56	644,079	8,900
Chong Loong Trading Co., Ltd.	Fund beneficiary certificates													
	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	—	—	-	-	5,114,388	82,000	3,372,891	54,066	54,000	66	1,741,498	28,000
China General Terminal & Distribution Corporation	Fund beneficiary certificates													
	Taishin 1699 Money Market Fund	Financial assets at FVTPL - current	—	—	-	-	1,450,621	20,000	-	-	-	-	1,450,621	20,000
INOMA Corporation	Fund beneficiary certificates													
	Taishin 1699 Money Market Fund	Financial assets at FVTPL - current	—	—	230,813	3,100	-	-	44,674	618	600	18	186,139	2,500

Note 1: The beginning and ending amounts of investments accounted for by the equity method include the original acquisition cost, investment income or loss recognized by the equity method, exchange rate translation and adjustments for changes in net worth.

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

USI CORPORATION AND INVESTEE COMPANIES

China General Plastics Corporation

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

For the Year Ended December 31, 2023

Table 4-1

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

Buyer/Seller	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Acquisition		Disposal				End of the Year (Note)		
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount	
China General Plastics Corporation	Shares														
	Acme Electronics Corporation	Investments accounted for using the equity method	—	Associate	3,566,526	\$ 54,497	390,507	\$ 7,820	-	\$ -	\$ -	\$ -	3,957,033	\$ 62,307	
	Taiwan Cement Corporation	Financial assets at FVTPL - current	—	—	-	-	2,000,000	67,865	-	-	-	-	2,000,000	67,865	
	Fund beneficiary certificates														
	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	—	—	-	-	9,991,880	160,000	9,991,880	160,064	160,000	64	-	-	
	Hua Nan Phoenix Money Market Fund	"	—	—	-	-	18,861,293	313,000	17,067,528	283,246	283,000	246	1,793,765	30,000	
	Yuanta De-Li Money Market Fund	"	—	—	3,019,311	50,000	6,029,036	100,000	9,048,347	150,104	150,000	104	-	-	
	Capital Money Market Fund	"	—	—	-	-	7,888,079	130,000	7,888,079	130,055	130,000	55	-	-	
	Jih Sun Money Market Fund	"	—	—	7,974,063	120,000	3,297,892	50,000	11,271,955	170,246	170,000	246	-	-	
	Taishin Ta-Chong Money Market Fund	"	—	—	-	-	6,920,176	100,000	6,920,176	100,028	100,000	28	-	-	
	SinoPac TWD Money Market Fund	"	—	—	-	-	14,091,991	200,000	14,091,991	200,138	200,000	138	-	-	
	CTBC Hwa-win Money Market Fund	"	—	—	4,475,635	50,000	11,550,282	130,000	13,374,616	150,082	150,000	82	2,651,301	30,000	
	Taishin 1699 Money Market Fund	"	—	—	9,445,668	130,000	9,059,935	125,000	18,505,603	255,575	255,000	575	-	-	
	Taiwan VCM Corporation	Fund beneficiary certificates													
		Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	—	—	-	-	31,264,720	500,000	29,401,065	470,561	470,000	561	1,863,655	30,000
Hua Nan Phoenix Money Market Fund		"	—	—	2,119,619	35,000	22,881,593	380,000	19,006,799	315,541	315,000	541	5,994,413	100,000	
Yuanta De-Li Money Market Fund		"	—	—	6,037,918	100,000	3,010,452	50,000	9,048,370	150,166	150,000	166	-	-	
Capital Money Market Fund		"	—	—	-	-	15,134,948	250,000	12,116,554	200,193	200,000	193	3,018,394	50,000	
Jih Sun Money Market Fund		"	—	—	-	-	8,549,648	130,000	6,582,254	100,141	100,000	141	1,967,394	30,000	
Taishin Ta-Chong Money Market Fund		"	—	—	8,593,337	123,800	6,896,340	100,000	15,489,677	224,234	223,800	434	-	-	
SinoPac TWD Money Market Fund		"	—	—	-	-	28,431,994	404,000	17,639,712	251,432	250,000	1,432	10,792,282	154,000	
CTBC Hwa-win Money Market Fund		"	—	—	-	-	21,330,619	240,000	21,330,619	240,246	240,000	246	-	-	
Taishin 1699 Money Market Fund		"	—	—	8,735,968	120,000	19,528,079	270,000	21,477,034	297,534	296,000	1,534	6,787,013	94,000	

(Continued)

(Continued)

Buyer/Seller	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Acquisition		Disposal				End of the Year (Note)	
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
CGPC Polymer Corporation	Fund beneficiary certificates													
	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	—	—	-	\$ -	3,862,564	\$ 62,000	2,618,976	\$ 42,034	\$ 42,000	\$ 34	1,243,588	\$ 20,000
	Hua Nan Phoenix Money Market Fund	"	—	—	-	-	6,002,924	100,000	6,002,924	100,092	100,000	92	-	-
	Yuanta De-Li Money Market Fund	"	—	—	1,811,091	30,000	-	-	1,811,091	30,053	30,000	53	-	-
	Capital Money Market Fund	"	—	—	-	-	9,311,739	154,000	9,311,739	154,252	154,000	252	-	-
	Taishin Ta-Chong Money Market Fund	"	—	—	-	-	19,716,800	285,000	19,716,800	285,125	285,000	125	-	-
	SinoPac TWD Money Market Fund	"	—	—	-	-	29,715,575	423,000	22,708,494	323,258	323,000	258	7,007,081	100,000
	Taishin 1699 Money Market Fund	"	—	—	-	-	3,605,111	50,000	3,605,111	50,021	50,000	21	-	-

Note 1: The beginning and ending amounts of investments accounted for by the equity method include the original acquisition cost, investment income or loss recognized by the equity method, exchange rate translation and adjustments for changes in net worth.

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

USI CORPORATION AND INVESTEE COMPANIES

Taita Chemical Company, Ltd.

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

For the Year Ended December 31, 2023

Table 4-2

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

Buyer/Seller	Type and Name of Marketable Securities	Financial Statement Account	Transaction Counterparty	Relationship	Beginning (Note)		Acquisition		Disposal				End of the Year (Note)	
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
Taita Chemical Company, Ltd.	Shares													
	Acme Electronics Corporation	Financial assets at FVTPL - current	—	Associate	4,991,556	\$ 76,353	546,537	\$ 10,931	-	\$ -	\$ -	\$ -	5,538,093	\$ 87,284
	Taiwan Cement Corporation	Investments accounted for using the equity method	—	—	-	-	2,000,000	67,868	-	-	-	-	2,000,000	67,868
	Fund beneficiary certificates													
	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	—	—	-	-	3,121,196	50,000	3,121,196	50,020	50,000	20	-	-
	Hua Nan Phoenix Money Market Fund	"	—	—	1,816,596	30,000	5,723,053	95,000	7,539,649	125,064	125,000	64	-	-
	Yuanta De-Li Money Market Fund	"	—	—	3,018,303	50,000	-	-	3,018,303	50,077	50,000	77	-	-
	Capital Money Market Fund	"	—	—	-	-	9,341,669	154,000	9,341,669	154,117	154,000	117	-	-
	Taishin Ta-Chong Money Market Fund	"	—	—	3,465,868	50,000	-	-	3,465,868	50,087	50,000	87	-	-
	SinoPac TWD Money Market Fund	"	—	—	-	-	4,215,733	60,000	4,215,733	60,082	60,000	82	-	-
	Taishin 1699 Money Market Fund	"	—	—	6,539,203	90,000	6,526,342	90,000	13,065,545	180,303	180,000	303	-	-

Note 1: The beginning and ending amounts of investments accounted for by the equity method include the original acquisition cost, investment income or loss recognized by the equity method, exchange rate translation and adjustments for changes in net worth.

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

USI CORPORATION AND INVESTEE COMPANIES

Asia Polymer Corporation

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

For the Year Ended December 31, 2023

Table 4-3

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

Buyer/Seller	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning (Note)		Acquisition		Disposal				End of the Year (Note)	
					Unit/Share	Amount	Unit/Share	Amount	Unit/Share	Selling price	Carrying Cost	Gain on disposal	Unit/Share	Amount
Asia Polymer Corporation	Shares													
	Acme Electronics Corporation	Financial assets at FVTPL - current	—	Associate	6,801,315	\$ 104,951	744,692	\$ 14,894	-	\$ -	\$ -	\$ -	7,546,007	\$ 119,845
	Taiwan Cement Corporation	Investments accounted for using the equity method	—	—	-	-	2,000,000	67,866	-	-	-	-	2,000,000	67,866
	Fund beneficiary certificates													
	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	—	—	-	-	9,102,494	145,000	9,102,494	145,818	145,000	818	-	-
	Hua Nan Phoenix Money Market Fund	"	—	—	605,752	10,000	3,011,323	50,000	3,617,075	60,196	60,000	196	-	-
	Yuanta De-Li Money Market Fund	"	—	—	-	-	3,016,264	50,000	3,016,264	50,207	50,000	207	-	-
	Capital Money Market Fund	"	—	—	-	-	7,448,119	123,000	4,550,429	75,448	75,000	448	2,897,690	48,000
	Jih Sun Money Market Fund	"	—	—	9,317,246	140,000	8,236,971	125,000	13,600,471	206,116	205,000	1,116	3,953,746	60,000
	Taishin Ta-Chong Money Market Fund	"	—	—	4,519,224	65,000	12,448,775	180,000	16,967,999	246,070	245,000	1,070	-	-
	SinoPac TWD Money Market Fund	"	—	—	7,101,315	100,000	4,101,400	58,000	-	-	-	-	11,202,715	158,000
	CTBC Hwa-win Money Market Fund	"	—	—	-	-	7,099,541	80,000	5,328,360	60,068	60,000	68	1,771,181	20,000
Taishin 1699 Money Market Fund	"	—	—	726,470	10,000	17,534,265	242,000	-	-	-	-	18,260,735	252,000	
APC Investment Corporation	Shares													
	Acme Electronics Corporation	Financial assets at FVTPL - current	—	Associate	3,116,262	29,533	1,231,714	24,634	-	-	-	-	4,347,976	54,167
	Taiwan Cement Corporation	Investments accounted for using the equity method	—	—	-	-	1,000,000	33,932	-	-	-	-	1,000,000	33,932

Note 1: The beginning and ending amounts of investments accounted for by the equity method include the original acquisition cost, investment income or loss recognized by the equity method, exchange rate translation and adjustments for changes in net worth.

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

USI CORPORATION AND INVESTEE COMPANIES

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

For the Year Ended December 31, 2023

Table 5

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

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 Accounts Receivable (Payable) (%)	
USI Corporation	Asia Polymer Corporation	Subsidiary	Purchase	\$ 813,477	10.31	Within 60 days after purchasing on credit	No significant difference	No significant difference	(\$ 97,256)	(8.31)	Note
	Asia Polymer Corporation	Subsidiary	Sale	(201,867)	(1.76)	Within 60 days after selling on credit	"	"	235,113	29.89	Note
	Fujian Gulei Petrochemical Co., Ltd.	Joint ventures	Purchase	730,951	9.26	Current Letter of Credit	"	"	-	-	—
	USI (Hong Kong) Company Ltd.	Subsidiary	Sale	(130,924)	(1.23)	Within 60 days after selling on credit	"	"	4,618	0.59	Note
	USI Trading (Shanghai) Co., Ltd.	Subsidiary	Sale	(118,333)	(1.14)	Within 60 days after selling on credit	"	"	31,651	4.02	Note
	Forever Young Company Limited	Subsidiary	Sale	(141,160)	(1.03)	Within 60 days after selling on credit	"	"	5,217	0.66	Note
USI (Hong Kong) Company Ltd.	USI Corporation	Parent company	Purchase	130,924	1.66	Within 60 days after purchasing on credit	"	"	(4,618)	(0.39)	Note
USI Trading (Shanghai) Co., Ltd.	USI Corporation	Parent company	Purchase	118,333	1.50	Within 60 days after purchasing on credit	"	"	(31,651)	(2.71)	Note
Forever Young Company Limited	USI Corporation	Parent company	Purchase	141,160	1.79	Within 60 days after purchasing on credit	"	"	(5,217)	(0.45)	Note

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

USI CORPORATION AND INVESTEE COMPANIES

Acme Electronics Corporation

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

For the Year Ended December 31, 2023

Table 5-1

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

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 Accounts Receivable (Payable) (%)	
Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	Subsidiary of GAEL	Purchase (including processing expenses)	\$ 242,598	39	55 天	No significant difference	No significant difference	(\$ 22,477)	(32)	Note 2
Acme Electronics (Guang-Zhou) Co., Ltd.	Acme Electronics Corporation	Subsidiary of GAEL	Sale (including processing expenses)	(242,598)	(29)	55 天	"	"	22,477	9	Note 2
Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	Subsidiary of GAEL	Sale	(129,989)	(11)	55 天	"	"	22,560	7	Note 2
Acme Electronics (Guang-Zhou) Co., Ltd.	Acme Electronics Corporation	Subsidiary of GAEL	Purchase	129,989	77	55 天	"	"	(22,560)	(67)	Note 2
Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	Subsidiary of ACME (Cayman)	Sale	(173,680)	(15)	55 天	"	"	47,271	15	Note 2
Acme Electronics (Kunshan) Co., Ltd.	Acme Electronics Corporation	Subsidiary of ACME (Cayman)	Purchase	173,680	75	55 天	"	"	(47,271)	(70)	Note 2

Note 1: There is no significant difference in payment terms or selling prices for the transactions between ACME and its subsidiaries. ACME Electronics Corporation sold products to its subsidiaries at prices that vary according to the group's operational strategy, which may differ from typical transactions.

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

USI CORPORATION AND INVESTEE COMPANIES

Swanson Plastics Corporation

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

For the Year Ended December 31, 2023

Table 5-2

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

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 Accounts Receivable (Payable) (%)	
Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	Subsidiary	Purchase	\$ 191,218	78	90 days	No significant difference	No significant difference	Accounts receivable - related parties	(\$ 28,624)	(88)	Note
Forever Young Company Limited	Swanson Plastics (Kunshan) Co., Ltd.	Have the same ultimate parent company	Sale	(338,837)	(43)	90 days	"	"	Accounts receivables - related parties	8,818	30	Note
	Swanson Plastics (Malaysia) Sdn. Bhd.	Have the same ultimate parent company	Sale	(259,996)	(33)	90 days	"	"	Accounts receivables - related parties	3,796	13	Note
	USI Corporation	Ultimate parent company	Purchase	150,651	20	75 days	"	"	Accounts payable - related party	(5,217)	(14)	Note
Swanson Plastics (Kunshan) Co., Ltd.	Forever Young Company Limited	Have the same ultimate parent company	Purchase	338,837	34	90 days	"	"	Accounts payable - related party	(8,818)	(5)	Note
	ASK-Swanson (Kunshan) Co., Ltd.	Have the same ultimate parent company	Sale	(163,799)	(16)	60 days	"	"	Accounts receivables - related parties	34,641	13	Note
Swanson Plastics (Malaysia) Sdn. Bhd.	Forever Yong Company Limited	Have the same ultimate parent company	Purchase	259,996	41	90 days	"	"	Accounts payable - related party	(3,796)	(8)	Note
	Swanson Plastics (Singapore) Pte., Ltd.	Parent company	Sale	(191,218)	(23)	90 days	"	"	Accounts receivables - related parties	28,264	22	Note
ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Kunshan) Co., Ltd.	Have the same ultimate parent company	Purchase	163,799	57	60 days	"	"	Accounts payable - related party	(34,641)	(74)	Note

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

USI CORPORATION AND INVESTEE COMPANIES

China General Plastics Corporation

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

For the Year Ended December 31, 2023

Table 5-3

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Ratio to Total Notes or Accounts Receivable (Payable) (%)	Remark
			Purchase (Sale)	Amount	Ratio to Total Purchase (Sales) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance			
China General Plastics Corporation	CGPC America Corporation	Subsidiary	Sale	(\$ 455,735)	(6)	90 days	No significant difference	No significant difference	Accounts receivables - related parties	\$ 158,345	21	Note
Taiwan VCM Corporation	China General Plastics Corporation	Parent company	Sale	(4,052,178)	(46)	45 days	"	"	Accounts receivables - related parties	646,641	37	Note
	CGPC Polymer Corporation	Fellow company	Sale	(4,048,292)	(46)	75 days	"	"	Accounts receivables - related parties	1,015,436	58	Note
	Fujian Gulei Petrochemical Co., Ltd.	related party in substance	Purchase	769,160	12	Current Letter of Credit	"	"	Accounts receivable - related parties	-	-	—

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

USI CORPORATION AND INVESTEE COMPANIES

Asia Polymer Corporation

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

For the Year Ended December 31, 2023

Table 5-4

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction and Normal Transaction Difference and Reason		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/Accounts Receivable (Payable) OF Percentage (%)		
Asia Polymer Corporation	USI Corporation	Ultimate parent company	Sale	(\$ 813,245)	(12.43)	60 days	No significant difference	No significant difference	Accounts receivables - related parties	\$ 98,763	19.49	Note
	USI Trading (Shanghai) Co., Ltd.	Subsidiary	Sale	(336,955)	(5.15)	90 days	"	"	Accounts receivables - related parties	102,062	20.15	Note
	USI Corporation	Ultimate parent company	Purchase	201,867	5.28	30 days	"	"	Accounts receivable - related parties	(17,007)	(9.27)	Note
	Fujian Gulei Petrochemical Co., Ltd.	Associate	Purchase	651,304	17.05	Letter of Credit	"	"	—	-	-	—
USI Trading (Shanghai) Co., Ltd.	USI Corporation	Ultimate parent company	Purchase	119,854	23.91	30 days	"	"	Accounts receivable - related parties	(31,650)	(23.31)	Note

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

USI CORPORATION AND INVESTEE COMPANIES

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

December 31, 2023

Table 6

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

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	Taiwan VCM Corporation	Subsidiary	Other receivables - related parties \$ 216,415	-	\$ -	-	\$ 109,072	Note 1
	Asia Polymer Corporation	Subsidiary	Other receivables - related parties 235,113	-	-	-	235,113	Note 1

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

Note 2. The subsequent period refers to the period from January 1 to March 8, 2024.

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

USI CORPORATION AND INVESTEE COMPANIES

Acme Electronics Corporation

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

December 31, 2023

Table 6-1

(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		
Acme Electronics (Guang-Zhou) Co., Ltd.	Acme Electronics (Kunshan) Co., Ltd.	Subsidiary of GAEL	Other receivables - related parties \$ 104,317	-	\$ 90	—	\$ 90	Note 1

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

Note 2. The subsequent period refers to the period from January 1 to March 5, 2024.

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

USI CORPORATION AND INVESTEE COMPANIES
Swanson Plastics Corporation
RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
December 31, 2023

Table 6-2

(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 - related parties \$ 191,496 (RMB 44,172 thousand)	-	\$ -	—	\$ -	Note 1

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

Note 2. The subsequent period refers to the period from January 1 to March 8, 2024.

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

USI CORPORATION AND INVESTEE COMPANIES
China General Plastics Corporation
RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
December 31, 2023

Table 6-3

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

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	Accounts receivables - related parties \$ 158,345	3.01	\$ -	—	\$ 74,657	Note 1
Taiwan VCM Corporation	China General Plastics Corporation	Parent company	Accounts receivables - related parties 646,641	5.64	-	—	646,641	Note 1
	CGPC Polymer Corporation	Fellow company	Accounts receivables - related parties 1,051,436	4.63	-	—	729,940	Note 1

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

Note 2. The subsequent period refers to the period from January 1 to February 23, 2024.

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

USI CORPORATION AND INVESTEE COMPANIES

Taita Chemical Company, Ltd.

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

December 31, 2023

Table 6-4

(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.	Subsidiary	Other receivables \$ 280,281 (US\$ 9,128 thousand) (Note 1)	-	\$ 280,281	Continuous Collection	\$ -	\$ -

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

Note 2. There was no amount received as of March 7, 2024.

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

USI CORPORATION AND INVESTEE COMPANIES
Asia Polymer Corporation
RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
December 31, 2023

Table 6-5

(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 Trading (Shanghai) Co., Ltd.	Subsidiary	Accounts receivables - related parties \$ 102,062	5.00	\$ -	—	\$ 87,913	Note 1

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

Note 2. The subsequent period refers to the period from January 1 to March 7, 2024.

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

USI CORPORATION AND INVESTEE COMPANIES

INFORMATION ON INVESTEES

For the Year Ended December 31, 2023

Table 7

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2023			Gain (Loss) of Investee for the year	Recognized Investment Gain (Loss) of the Year	Remark
				End of the This Year	Ending balance of the prior year	Number of Shares	Percentage (%)	Carrying Amount			
USI Corporation	USIFE Investment Co., Ltd.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Investments in production, transportation, warehousing, construction, banking, securities investment companies and trading companies	\$ 550,000	\$ 550,000	89,647,000	100.00	\$ 919,983	(\$ 30,664)	(\$ 30,664)	Subsidiary
	Swanlake Traders Ltd.	Citco Building, Wickhamo Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands	Trading and investment	728,439	728,439	30,000,000	100.00	1,449,066	57,105	57,105	Subsidiary
	USI (Hong Kong) Company Ltd.	6/F., Caltex House, 258 Hennessy Road, Hong Kong	Trading and investment	63,482	63,482	159,999	100.00	64,345	(4,948)	(4,948)	Subsidiary
	Union Polymer International Investment Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Investment (focused on "production and service industry")	3,490,255	3,490,255	918,324,656	100.00	9,794,851	46,741	19,911	Subsidiary
	Taiwan United Venture Capital Corp.	10F., No. 37, Jihu Rd., Taipei City	Venture capital (focused on "high technology industry")	296,800	471,800	14,000,000	70.00	95,574	(149)	(104)	Subsidiary
	Chong Loong Trading Co., Ltd.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Import and export trade	28,323	28,323	6,882,666	99.96	83,147	9,345	9,342	Subsidiary
	Swanson Plastics Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Production and sales of stretch film, embossed film and industrial-use multilayer wrap	171,210	171,210	62,616,299	40.58	1,008,366	(77,152)	(31,306)	Subsidiary
	Acme Electronics Corporation	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and sales of manganese-zinc soft ferrite powder	470,158	221,513	61,682,967	28.96	497,097	(171,224)	(49,856)	Subsidiary
	INOMA Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Optical products and fire protection materials	250,354	250,354	1,334,728	94.37	11,030	(2,456)	(2,317)	Subsidiary
	USI Management Consulting Corp.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Providing management services	1,000	1,000	671,400	100.00	6,672	3,506	3,506	Subsidiary
	Ever Conquest Global Limited	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110	Investment	7,645,980	7,645,980	246,670,000	59.13	3,676,840	(2,331,328)	(1,378,582)	Subsidiary
	USI Optronics Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Manufacturing and marketing of sapphire single crystal	330,000	330,000	33,000,000	50.85	27,214	(13,363)	(6,795)	Subsidiary
	USI Green Energy Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Solar power generation business	357,506	70,100	36,616,004	100.00	392,911	(4,397)	(6,054)	Subsidiary
	Chem Union Renewable Energy Corporation	9F-3, No. 301, Songjiang Rd., Zhongshan Dist., Taipei City 104, Taiwan (ROC)	Energy Technology Services	10,000	-	1,000,000	33.33	9,835	(496)	(165)	Associate
	Delmind Inc.	Xinglong Rd., Taoyuan Dist., Taoyuan City	Manufacturing of machinery and equipment	90,000	90,000	9,000,000	30.00	79,987	(13,118)	(3,935)	Associate
Ever Conquest Global Limited	Ever Victory Global Limited	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110	Investment business	12,808,437 (US\$417,145 thousand)	12,808,437 (US\$417,145 thousand)	417,145,000	67.40	6,217,923 (US\$202,505 thousand)	(3,458,807) (US\$-111,368 thousand)		Sub-subsiary Corporation
Ever Victory Global Limited	Dynamic Ever Investments Limited	61F, Caltex House, 258 Hennessy Road, Hong Kong	Investment business	18,080,639 (US\$588,850 thousand)	18,080,639 (US\$588,850 thousand)	588,850,000	85.00	8,242,352 (US\$268,347 thousand)	(4,128,406) (US\$-131,920 thousand)		Sub-subsiary Corporation
Union Polymer International Investment Corporation	Taita Chemical Company, Ltd.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Production and sales of polystyrene, propylene, butadiene, ABS resin, SAN resin, glass wool insulation products and plastic materials	1,749,212	1,749,212	145,807,007	36.67	2,651,016	(273,537)		Sub-subsiary Corporation
	Asia Polymer Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Production and sales of low-density polyethylene, medium-density polyethylene, ethylene vinyl acetate and importing and marketing of linear low-density polyethylene and high-density polyethylene	1,965,437	1,965,437	192,063,336	32.25	4,814,380	116,284		Sub-subsiary Corporation
	China General Plastics Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Production and sales of plastic cloths, plastic skins, plastic tubes, plastic pellets, plastic powder and other related products	1,320,045	1,320,045	140,609,929	24.20	2,448,322	341,916		Sub-subsiary Corporation

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(Continued)

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2023			Gain (Loss) of Investee for the year	Recognized Investment Gain (Loss) of the Year	Remark
				End of the This Year	Ending balance of the prior year	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 sales of manganese-zinc soft ferrite powder	\$ 222,752	\$ 155,632	19,780,230	9.29	\$ 173,798	(\$ 171,224)		Subsidiary
	Swanson Technologies Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Planting agriculture, marketing, research and development of agricultural products, production, sale, and development of EVA packaging films and other high value-added plastic products	22,500	22,500	2,250,015	15.00	(5,651)	(35,475)		Sub-subsidiary Corporation
	Taiwan United Venture Management Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Corporate management consulting	8,000	8,000	800,000	100.00	15,004	165		Sub-subsidiary Corporation
Swanlake Traders Ltd.	ACME Electronics (Cayman) Corp.	Ugland House P.O. Box 309 George Town, Grand Cayman, Cayman Islands	Corporate investments	263,716 (US\$ 8,589 thousand)	263,716 (US\$ 8,589 thousand)	11,553,462	18.93	262,938 (US\$ 8,563 thousand)	(94,932) (US\$-3,046 thousand)		Sub-subsidiary Corporation

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

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

USI CORPORATION AND INVESTEE COMPANIES

Acme Electronics Corporation

INFORMATION ON INVESTEES

For the Year Ended December 31, 2023

Table 7-1

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount (Note 2)		As of December 31, 2023			Gain (Loss) of Investee for the year	Recognized Investment Gain (Loss) of the Year	Remark
				Ending balance of the current period	Ending balance of the prior year	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	\$ 880,420	\$ 605,182	36,675,541	60.10	\$ 843,264	(\$ 94,932) (US\$-3,046 thousand)	(\$ 33,582) (US\$-1,063 thousand)	Note 1
	Golden Amber Enterprises Limited	CITCO Building, Wickhams Cay Road Town, Tortola, British Virgin Islands	Corporate investments	669,072	669,072	20,800,000	100.00	958,218	(72,483)	(67,927)	Note 1
	USI Optronics Corporation	12F, No. 37, Jihu Road, Neihu District, Taipei City	Manufacturing and marketing of sapphire single crystal	646,200	646,200	22,064,224	34.00	18,196	(13,363)	(4,543)	
ACME Electronics (Cayman) Corp.	ACME Components (Malaysia) Sdn. Bhd.	Plot 15, Jalan Industri 6 Kawasan Perindustrian Jelapang II(ZPB) Jelapang 30020 Ipoh, Perak, Malaysia.	Corporate investments	365,113 (US\$ 11,891 thousand)	365,113 (US\$ 11,891 thousand)	42,600,000	100.00	695,722 (US\$ 22,660 thousand)	17,755 (MYR 2,704 thousand)		Note 1
ACME Components (Malaysia) Sdn. Bhd.	ACME Ferrite Products Sdn. Bhd.	Plot 15, Jalan Industri 6 Kawasan Perindustrian Jelapang II(ZPB) Jelapang 30020 Ipoh, Perak, Malaysia.	Manufacturing and sales of manganese-zinc soft ferrite core	243,387 (MYR37,964 thousand)	243,387 (MYR37,964 thousand)	9,120,000	100.00	687,154 (MYR107,184 thousand)	18,315 (MYR 2,790 thousand)		Note 1

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

Note 2. The foreign currency amount was calculated based on the spot exchange rate of December 31, 2023.

Note 3. The amount is calculated based on the average exchange rate from January 1 to December 31, 2023.

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

USI CORPORATION AND INVESTEE COMPANIES

Swanson Plastics Corporation

INFORMATION ON INVESTEES

For the Year Ended December 31, 2023

Table 7-2

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2023			Gain (Loss) of Investee for the year (Note 3)	Recognized Investment Gain (Loss) of the Year (Note 3)	Remark
				End of the This Year (Note 2)	Ending balance of the prior year (Note 2)	Number 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	36,862,980	100.00	\$ 1,817,820	\$ 35,457	\$ 35,457	
	Forever Young Company Limited	Flemming House, Wickhams Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands. VG1110	Trading and agency businesses	1,297	1,297	50,000	100.00	39,576	1,521	1,521	
	Swanson International Ltd.	Ugland House, P.O.Box 309 George Town, Grand Cayman, Cayman Islands, British West Indies	Investment	499,996	499,996	16,041,205	100.00	1,402,764	6,512	6,512	
	Swanson Technologies Corporation	12F, No. 37, Jihu Road, Neihu District, Taipei City	Planting agriculture, marketing, research and development of agricultural products, production, sale, and development of EVA packaging films and other high value-added plastic products	245,000	245,000	10,500,070	70.00	(26,371)	(35,475)	(24,833)	
	PT. Swanson Plastics Indonesia	Ngoro Industrial Park Blok D2-3 Ds. Lolawang Kec. Ngoro Kab. Mojokerto	Manufacturing and marketing of plastic products	7,979	7,979	261,010	1.00	7,892	15,612	156	
	Swanson Plastics (India) Private Ltd.	Phase II, Plot No.2, GIDC, Bhuipal Honda, Sattari, Goa (India) 403 530,	Manufacturing and marketing of plastic products	0.007	0.007	1	-	0.007	3,222	-	
	Swanson Plastics (Singapore) Pte. Ltd	Swanson Plastics (Malaysia) Sdn. Bhd.	Plot 505, Tingkat Perusahaan 4A, Kawasan Perusahaan Perai, Zon Perdagangan Bebas, 13600 Perai, Seberang Perai, Malaysia	Manufacturing and marketing of plastic products	202,450 (US\$6,593 thousand)	202,450 (US\$ 6,593 thousand)	20,000,000	100.00	497,795 (US\$16,212 thousand)	37,974 (US\$1,219 thousand)	
Swanson Plastics (Singapore) Pte. Ltd	Swanson Plastics (India) Private Ltd.	Phase II, Plot No.2, GIDC, Bhuipal Honda, Sattari, Goa (India) 403 530,	Manufacturing and marketing of plastic products	506,966 (US\$16,511 thousand)	506,966 (US\$16,511 thousand)	107,351,389	100.00	280,610 (US\$ 9,139 thousand)	3,222 (INR 8,541 thousand)		
	PT. Swanson Plastics Indonesia	Ngoro Industrial Park Blok D2-3 Ds. Lolawang Kec. Ngoro Kab. Mojokerto	Manufacturing and marketing of plastic products	793,418 (US\$25,840 thousand)	793,418 (US\$25,840 thousand)	25,840,033	99.00	781,336 (US\$25,447 thousand)	15,612 (IDR7,639,532 thousand)		
	Swanson International Ltd.	A.S. Holdings (UK) Limited	5TH Floor 7-10 Chandos Street London W1G 9DQ	217,824 (US\$7,094 thousand)	217,824 (US\$ 7,094 thousand)	3,156,993	100.00	539,874 (US\$17,583 thousand)	70,513 (US\$ 2,263 thousand)		

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

Note 2: Original investment amount and book amounts were calculated using the spot exchange rate of December 31, 2023

Note 3: The amount is calculated based on the average exchange rate from January 1 to December 31, 2023.

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

USI CORPORATION AND INVESTEE COMPANIES

China General Plastics Corporation

INFORMATION ON INVESTEES

For the Year Ended December 31, 2023

Table 7-3

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2023			Investee Gain/Loss of Period	Share of Profit (Loss) for the recognized period	Remark
				Ending balance of the current period	Ending balance of the previous period	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 sales of VCM	\$ 2,933,648	\$ 2,933,648	259,591,005	87.27	\$ 4,430,430	\$ 460,982	\$ 354,966	Subsidiary
	CGPC Polymer Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Manufacturing and marketing of PVC resins	800,000	800,000	70,170,682	100.00	626,961	(74,746)	(74,746)	Subsidiary
	CGPC (BVI) Holding Co., Ltd.	Citco Building, Wickhams Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands	Reinvestment	1,059,344	1,073,906	14,808,258	100.00	313,820	(2,467)	(2,467)	Subsidiary
	China General Terminal & Distribution Corporation	No. 1, Jianji St., Qianzhen Dist., Kaohsiung City 806, Taiwan (R.O.C.)	Warehousing and transportation of petrochemical raw materials	41,106	41,106	25,053,469	33.33	329,972	(26,036)	(8,679)	Associate accounted for using the equity method
	CGPC America Corporation	4 Latitude Way, Suite 108 Corona, CA 92881, U.S.A	Marketing of PVC two- or three-time processed products	648,931	648,931	100	100.00	168,219	(32,191)	(32,191)	Subsidiary
	Acme Electronics Corporation	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	41,805 (Note 1)	33,995	3,566,526	1.67	29,629	(171,224)	(2,867)	Associate accounted for using the equity method
Taiwan VCM Corporation	Global Green Technology Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (ROC)	Environmental detection services	50,000	50,000	5,200,000	100.00	53,544	1,280	-	Subsidiary

Note 1. The Group failed to subscribe to the cash capital increase of ACME in proportion to its shareholding, resulting in a decrease in its shareholding from 1.74% to 1.67%.

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

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

USI CORPORATION AND INVESTEE COMPANIES

Taita Chemical Company, Ltd.

INFORMATION ON INVESTEES

For the Year Ended December 31, 2023

Table 7-4

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2023			Net Income (Loss) of Investee	Share of Profit (Loss)	Remark (Note 1)
				Ending balance of the current period	Ending balance of the previous period	Number of Shares	Percentage (%)	Carrying Amount			
Taita Chemical Company, Ltd.	TAITA (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment	\$ 2,755,405 (US\$89,738 thousand)	\$ 2,755,405 (US\$89,738 thousand)	89,738,000	100.00	\$ 3,037,367 (US\$98,921 thousand)	(\$ 55,081) (US\$ -1,756 thousand)	(\$ 55,081) (US\$ -1,756 thousand)	Subsidiary
	China General Plastics Corporation	Taipei City	Production and marketing of PVC tape and other plastic products	65,365	65,365	11,516,174	1.98	189,901	(341,916)	6,777	Investee accounted for equity the equity method
	China General Terminal & Distribution Corporation	Taipei City	Warehousing of petrochemical raw materials	41,082	41,082	25,053,468	33.33	329,972	(26,036)	(8,679)	Investee accounted for equity the equity method
	Acme Electronics Corporation	Taipei City	Production and sales of manganese-zinc soft ferrite powder	55,702	44,771	4,991,556	2.34	41,468	(171,224)	(4,013)	Investee accounted for equity the equity method
TAITA (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment	52,200 (US\$1,700 thousand)	52,200 (US\$1,700 thousand)	2,695,619	4.42	61,348 (US\$1,998 thousand)	(94,932) (US\$ -3,046 thousand)	-	Investee accounted for equity the equity method

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

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

Note 3. Please refer to Table 8-4 for relevant information on mainland investee companies.

USI CORPORATION AND INVESTEE COMPANIES

Asia Polymer Corporation

INFORMATION ON INVESTEES

For the Year Ended December 31, 2023

Table 7-5

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2023			Net Income (Loss) of Investee	Recognized Investment Gain (Loss) of the Year	Remark
				End of the This Year	Ending balance of the prior year	Number of Shares	Percentage (%)	Carrying Amount			
Asia Polymer Corporation	APC (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment business	\$ 422,955 (US\$ 13,775 thousand)	\$ 422,955 (US\$ 13,775 thousand)	11,342,594	100.00	\$ 596,737	\$ 19,337	\$ 19,337	Subsidiary
	APC Investment Corporation	Taipei City	Investment business	200,000	200,000	20,000,000	100.00	141,678	(3,968)	(3,968)	Subsidiary
	USI International Corp.	British Virgin Islands	Reinvestment business	64,481 (US\$ 2,100 thousand)	64,481 (US\$ 2,100 thousand)	2,100,000	70.00	66,669	(3,852)	(2,696)	Subsidiary
	China General Plastics Corporation	Taipei City	Production and sales of plastic cloths, plastic skins, plastic tubes, plastic pellets, plastic powder and other related products	247,412	247,412	46,886,185	8.07	773,150	341,916	27,590	Investments accounted for using the equity method
	China General Terminal & Distribution Corporation	Taipei City	Petrochemical materials storage and transportation operations	41,082	41,082	25,053,469	33.33	329,972	(26,036)	(8,679)	Investments accounted for using the equity method
	Swanson Plastics Corporation	Taipei City	Production and sales of stretch films and industrial use multi-layer films	75,242	75,242	12,266,779	7.95	198,518	(77,152)	(6,133)	Investments accounted for using the equity method
	Acme Electronics Corporation	Taipei City	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	76,241	61,348	6,801,315	3.19	56,503	(171,224)	(5,468)	Investments accounted for using the equity method
	Taiwan United Venture Capital Corp.	Taipei City	Investments in high-tech undertakings	38,636	52,791	1,665,333	8.33	11,369	(149)	(12)	Investments accounted for using the equity method
	USI Optronics Corporation	Taipei City	Manufacturing and marketing of sapphire single crystal	59,725	59,725	5,972,464	9.20	4,925	(13,363)	(1,230)	Investments accounted for using the equity method
	Ever Conquest Global Ltd.	British Virgin Islands	Reinvestment business	5,234,435 (US\$170,475 thousand)	5,234,435 (US\$170,475 thousand)	170,475,000	40.87	2,541,084	(2,331,328)	(952,746)	Investments accounted for using the equity method
APC (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment business	161,045 (US\$ 5,245 thousand)	161,045 (US\$ 5,245 thousand)	8,316,450	13.63	189,269	(94,932)	-	APC (BVI) Holding Co., Ltd. Investments accounted for using the equity method
	USI International Corp.	British Virgin Islands	Reinvestment business	27,634 (US\$ 900 thousand)	27,634 (US\$ 900 thousand)	900,000	30.00	28,574	(3,852)	-	APC (BVI) Holding Co., Ltd. Investments accounted for using the equity method
APC Investment Corporation	Acme Electronics Corporation	Taipei City	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	39,523	14,889	3,116,262	1.46	25,888	(171,224)	-	APC Investment Corporation Investments accounted for using the equity method
	Swanson Technologies Corporation	Taipei City	Planting agriculture, marketing, research and development of agricultural products, production, sale, and development of EVA packaging films and other high value-added plastic products	22,500	22,500	2,250,015	15.00	(5,651)	(35,475)	-	APC Investment Corporation Investments accounted for using the equity method
Ever Conquest Global Ltd.	Ever Victory Global Limited	British Virgin Islands	Reinvestment business	12,808,437 (US\$417,145 thousand)	12,808,437 (US\$417,145 thousand)	417,145,000	67.40	6,217,923 (US\$202,505 thousand)	(3,458,807) (US\$ -111,368 thousand)	-	Ever Conquest Global Ltd. Investments accounted for using the equity method
Ever Victory Global Limited	Dynamic Ever Investments Ltd.	Hong Kong	Reinvestment business	18,080,639 (US\$588,850 thousand)	18,080,639 (US\$588,850 thousand)	588,850,000	85.00	8,242,352 (US\$268,437 thousand)	(4,128,406) (US\$-132,920 thousand)	-	Ever Victory Global Limited Investees accounted for using the equity method

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

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

USI CORPORATION AND INVESTEE COMPANIES
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Year Ended December 31, 2023

Table 8

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

Invested by Mainland China Company Name	Main Businesses and Products	Paid-in Capital (Note 5)	Method of Investment	Starting balance of the current period Outflow from Taiwan accumulated Investment Amount (Note 5)	Investment Flows for the Period (Note 5)		Ending balance of the current period Accumulated Outflow from Taiwan Investment Amount (Note 5)	Investee Gain (Loss) for the Period (Note 7)	Owners of the Company Direct or Indirect investment OF Percentage of Ownership (%)	Share of Profit (Loss) for For the Period (Notes 6 and 8)	Carrying Amount as of the Investment as of the End of the Period (Notes 5 and 6)	Accumulated Repatriation of Investment Income as of the End of the Period
					Outflow	Inflow						
Acme Electronics (Kunshan) Co., Ltd.	Manufacturing and sales of manganese-zinc soft ferrite core	\$ 943,411 (US\$ 30,725 thousand)	Note 1	\$ 86,512 (US\$ 2,818 thousand)	\$ -	\$ -	\$ 86,512 (US\$ 2,818 thousand)	(\$ 104,690) (US\$ -3,362 thousand)	18.93	(\$ 21,097) (US\$ -678 thousand)	\$ 128,375 (US\$ 4,181 thousand)	\$ -
Zhangzhou USI Trading Co., Ltd.	Import and distribution of various types of chemical raw materials and products	43,352 (RMB 10,000 thousand)	Note 1	31,828 (US\$ 1,037 thousand)	-	-	31,828 (US\$ 1,037 thousand)	27,784 (US\$ 866 thousand)	70.00	19,449 (US\$ 606 thousand)	47,288 (US\$ 1,540 thousand)	-
Xiamen USI Trading Co., Ltd.	Import and distribution of various types of chemical raw materials and products	43,352 (RMB 10,000 thousand)	Note 1	-	30,518 (US\$ 974 thousand)	-	30,518 (US\$ 974 thousand)	(5) (US\$ -155)	70.00	(3) (US\$ -109)	30,343 (US\$ 988 thousand)	-
Zhangzhou Dynamic Ever Property Co., Ltd.	Property Management	91,039 (RMB 21,000 thousand)	Note 3	-	31,514 (US\$ 977 thousand)	-	31,514 (US\$ 977 thousand)	27 (US\$ 839)	33.88	9 (US\$ 284)	30,852 (US\$ 1,005 thousand)	-
USIG (Shanghai) Co., Ltd. (Note 10)	Import and distribution of various types of chemical raw materials and products	153,525 (US\$ 5,000 thousand)	Note 2	153,525 (US\$ 5,000 thousand)	-	-	153,525 (US\$ 5,000 thousand)	172 (US\$ 5 thousand)	100.00	172 (US\$ 5 thousand)	-	-
Fujian Gulei Petrochemical Co., Ltd.	Crude oil processing and petroleum products manufacturing	40,379,787 (RMB9,314,400 thousand)	Note 3	7,014,549 (US\$228,450 thousand)	-	-	7,014,549 (US\$228,450 thousand)	(8,237,293) (US\$-265,208 thousand)	16.94	(1,395,345) (US\$ -44,924 thousand)	3,139,781 (US\$ 102,256 thousand)	-

Accumulated Outflow of Investment to Mainland China from Taiwan at the End of the Current Period (Notes 5 and 8)	Investment Amounts Authorized by Investment Commission, MOEA (Notes 5 and 8)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$ 7,529,263	\$ 9,808,660	\$ - (Note 4)

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

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

Note 3. To reinvest 67.40% Ever Victory Global Ltd. ("EVGL") via 59.13% Ever Conquest Global Limited ("ECGL") in the third region, as well as reinvest 85.00% Dynamic Ever Investments Limited ("DEIL"), to indirectly invest 50% in Fujian Gulei Petrochemical Co., Ltd., Zhangzhou Dynamic Ever Property Co., Ltd. is a subsidiary of Xuteng Investment Co., Ltd., which holds 10% of the shares

Note 4. As the Company has obtained the certificate of being qualified for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11251003100 on February 7, 2023, the upper limit on investment in mainland China is not applicable.

Note 5. Except for the investment in Fujian Gulei Petrochemical Co., Ltd., the recognized investment gain (loss) and carrying amount in the period have been fully written off when preparing the consolidated financial statements.

Note 6. The calculation was based on the spot exchange rate of December 31, 2023.

Note 7. Except for the Fujian Gulei Petrochemical Co., Ltd., whose numbers were based on the review of KPMG Huazhen Certified Public Accountants and used the accounting principles to adjust and recognize like the parent company, the others were based on its financial statements reviewed by the Certified Public Accountants of its ROC company.

Note 8. The amount is calculated based on the average exchange rate from January 1 to December 31, 2023.

Note 9. Accumulated outward of investment to Mainland China from Taiwan and the investment amounts authorized by the Investment Commission, MOEA at the end of the current period amounted to US\$245,213 thousand and US\$319,448 thousand.

Note 10. USIG (Shanghai) Co., Ltd. resolved to liquidate on December 1, 2023, and repatriated the investment funds on January 16, 2024.

USI CORPORATION AND INVESTEE COMPANIES
Acme Electronics Corporation
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Year Ended December 31, 2023

Table 8-1

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 6)	Method of Investment	Accumulated Outflow of Investment from Taiwan as of the beginning of the Year (Note 4)	Inflow or Outflow of the Investment for the year		Accumulated Outflow of Investment from Taiwan as of the end of the Year (Note 4)	Investee Gain/Loss of Period (Note 5)	Ownership of Direct or Indirect Investment (%)	Investment income recognized for the current year (Notes 3, 5 and 7)	Carrying Amount as the end of the Year (Notes 6 and 7)	Accumulated Repatriation of Investment Income as of the end of year
					Outflow	Inflow						
Acme Electronics (Kunshan) Co., Ltd.	Manufacturing and sales of manganese- zinc soft ferrite core	\$ 943,411 (US\$30,725 thousand)	Indirect investment via ACME (Cayman).	\$ 374,188 (US\$11,144 thousand)	\$ -	\$ -	\$ 374,188 (US\$11,144 thousand)	(\$ 104,690) (RMB-23,651 thousand)	60.10	(\$ 60,229) (RMB-13,609 thousand)	\$ 407,515 (RMB 94,001 thousand)	\$ -
Acme Electronics (Guang-Zhou) Co., Ltd.	Manufacturing and sales of manganese- zinc soft ferrite core	589,536 (US\$19,200 thousand)	Indirect investment via GAEL.	619,676 (US\$19,200 thousand)	-	-	619,676 (US\$19,200 thousand)	(71,856) (RMB-16,296 thousand)	100.00	(71,856) (RMB-16,296 thousand)	959,571 (RMB221,344 thousand)	-

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$931,713 (US\$ 30,344 thousand) (Notes 2 and Note 6)	\$1,124,816 (US\$ 36,633 thousand) (Notes 2 and Note 6)	\$ - (Note 1)

Note 1. As ACME has obtained the certificate of qualification for operating headquarters issued by the Investment Development Bureau, MOEA No. 09704604680 on August 29, 2008, the upper limit on investment is not applicable.

Note 2. It includes the capital increase transferred from a surplus of Acme Electronics (Kunshan) Co., Ltd., and ACME increased the amount of USD\$6,289 thousand at its ownership percentage.

Note 3. The investment gain (loss) recognized for the year was calculated on the basis of financial statements audited by CPAs of the parent company of ACME.

Note 4. The calculation was based on the exchange rate of the original investment.

Note 5. The amount is calculated based on the average exchange rate from January 1 to December 31, 2023.

Note 6. The calculation was based on the spot exchange rate of December 31, 2023.

Note 7. The carrying amount and the recognized investment gain (loss) for the period have been fully written off when preparing the consolidated financial statements.

USI CORPORATION AND INVESTEE COMPANIES
Swanson Plastics Corporation
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Year Ended December 31, 2023

Table 8-2

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outflow of Investment from Taiwan as of the beginning of the Year	Inflow or Outflow of the Investment for the year		Accumulated Outflow of Investment from Taiwan as of the end of the Year	Net Income (Loss) of Investee (Note 4)	Ownership of Direct or Indirect Investment (%)	Recognized Investment Gain (Loss) of the Year (Note 4)	Carrying Amount as of the End of Period (Note 5)	Accumulated Repatriation of Investment Income as of the end of year	Remark
					Outflow	Inflow							
Swanson Plastics (Kunshan) Co., Ltd.	Production, sales and development of multi-functional film, optical film, etc.	\$ 408,069 (US\$13,290 thousand)	Indirect investment via Swanson International Ltd. of British Cayman Islands.	\$ 223,930	\$ -	\$ -	\$ 223,930	(\$ 48,836) (US\$-1,568 thousand)	100.00	(\$ 48,836) (US\$-1,568 thousand)	\$ 862,106 (US\$28,077 thousand)	\$ 181,682 (US\$5,898 thousand)	Notes 7, 9 and 10
ASK-Swanson (Kunshan) Co., Ltd.	Production and sales of PE release film and other release products	279,416 (US\$9,100 thousand)	Indirect investment in A.S. Holdings (UK) Limited via Swanson International Ltd. of British Cayman Islands.	193,447	-	-	193,447	80,631 (US\$2,588 thousand)	100.00	80,631 (US\$2,588 thousand)	538,043 (US\$17,523 thousand)	148,194 (US\$5,042 thousand)	Notes 6, 8 and 10
Swanson Plastics (Tianjin) Co., Ltd.	Production, sales and development of multi-functional film, optical film, etc.	328,544 (US\$10,700 thousand)	Indirect investment via Swanson (Singapore) Private Ltd. in the third region.	170,754	-	-	170,754	(25,407) (US\$-815 thousand)	100.00	(25,407) (US\$-815 thousand)	26,592 (US\$866 thousand)		

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period	Investment Amounts Authorized by Investment Commission, MOEA (Note 1)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$ 588,131	\$1,006,687 (US\$ 32,786 thousand)	\$ - (Note 2)

Note 1. The paid-in capital and the investment amount approved by the Industrial Development Bureau, MOEA were calculated using the spot exchange rate on December 31, 2023.

Note 2. As SPC had obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11251024920 on May 31, 2023, the upper limit on investment is not applicable.

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

Note 4. The amount is calculated based on the average exchange rate from January 1 to December 31, 2023.

Note 5. The calculation was based on the spot exchange rate of December 31, 2023.

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

Note 7. Swanson International Ltd received a cash dividend of US\$1,600 thousand from its reinvestment company Swanson Plastics (Kunshan) Co., Ltd. in 2022, which has been remitted to Swanson Plastics Corporation.

Note 8. Swanson International Ltd received a cash dividend of US\$2,771 thousand from its reinvestment company API-Swanson (Kunshan) Co., Ltd. for the year ended December 31, 2023, US\$2,715 of which has been remitted to Swanson Plastics Corporation.

Note 9. Swanson International Ltd received a cash dividend of US\$4,298 thousand from its reinvestment company Swanson Plastics (Kunshan) Co., Ltd. in 2023, which has been remitted to Swanson Plastics Corporation.

Note 10. Calculated at the spot exchange rate at remittance.

USI CORPORATION AND INVESTEE COMPANIES
China General Plastics Corporation
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Year Ended December 31, 2023

Table 8-3

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outflow for Investment from Taiwan as of the Beginning of the Year (Note 1)	Inflow or Outflow of the Investment for the year		Accumulated Outflow of Investment from Taiwan as of the end of the Year	Investee Gain/Loss of Period (Note 5)	Ownership of Direct or Indirect Investment (%)	Recognized Investment Gain/Loss of the Year (Note 5)	Carrying Amount as the end of the Year (Notes 1 and 5)	Accumulated Repatriation of Investment Income as of the end of year
					Outflow	Inflow						
China General Plastics (ZhongShan) Co., Ltd.	Manufacturing and sales of PVC film and third-time processed products	\$ 614,100 (US\$20,000 thousand)	Indirect investment via CGPC (BVI) Holding Co., Ltd.	\$ 614,100 (US\$20,000 thousand)	\$ -	\$ -	\$ 614,100 (US\$ 20,000 thousand)	(\$ 5,754) (US\$ -174 thousand)	100.00	(\$ 5,754) (US\$ -174 thousand)	\$ 230,558 (US\$7,509 thousand)	\$ -
CGPC Consumer Products Corporation (Note 4)	Manufacturing and sales of PVC film and third-time processed products	- (US\$ - thousand)	Indirect investment via CGPC (BVI) Holding Co., Ltd.	46,058 (US\$1,500 thousand)	-	14,562 (US\$467 thousand)	31,496 (US\$ 1,033 thousand)	8 (US\$ - thousand)	100.00	8 (US\$ - thousand)	- (US\$ - 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)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 2)
\$ 817,214 (US\$ 26,615 thousand)	\$ 918,080 (US\$ 29,900 thousand)	\$ -

Note 1. The calculation was based on the spot exchange rate of December 31, 2023.

Note 2. As the Company had obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11251035580 on September 6, 2023, the upper limit on investment is not applicable.

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

Note 4. CGPC Consumer Products Corporation (CGPC Consumer Products) completed the liquidation and dissolution process on July 17, 2023, and repatriated the remaining liquidation funds to CGPC (BVI), which were then remitted to Taiwan.

Note 5. Transactions were written off when Preparing the consolidated financial statements; The investment Gain (loss) recognized for the year was calculated on the basis of financial statements audited and approved by CPAs of the parent company Taiwan.

USI CORPORATION AND INVESTEE COMPANIES
Taita Chemical Company, Ltd.
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Year Ended December 31, 2023

Table 8-4

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

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of the beginning of the Period	Investment Flows for the Period		Accumulated Outward Remittance for Investment from Taiwan as of the End of Period	Net Income (Loss) of Investee (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	\$ 1,420,106 (US\$ 46,250 thousand) (Note 1)	Reinvest in the mainland companies by establishing a company through investment in the third region	\$ 1,320,315 (US\$ 43,000 thousand)	\$ -	\$ -	\$ 1,320,315 (US\$ 43,000 thousand)	(46,739) (US\$ -1,495 thousand)	100.00	(46,739) (US\$ -1,495 thousand)	\$ 1,750,099 (US\$ 56,997 thousand)	\$ -
Taita Chemical (Tianjin) Co., Ltd. ("TAITA(TJ) (Note 8)")	Production and marketing of polystyrene derivatives	839,782 (US\$ 27,350 thousand) (Note 2)	Reinvest in the mainland companies by establishing a company through investment in the third region	798,330 (US\$ 26,000 thousand)	-	-	798,330 (US\$ 26,000 thousand)	(18,581) (US\$ -602 thousand)	100.00	(18,581) (US\$ -602 thousand)	(168,501) (US\$ 5,488 thousand)	-
Zhangzhou Taita Chemical Company, Limited (TTCZZ)	Production and marketing of polystyrene derivatives	1,491,636 (US\$ 48,580 thousand) (Note 3)	Reinvest in the mainland companies by establishing a company through investment in the third region	-	-	-	-	17,358 (US\$ 570 thousand)	100.00	17,358 (US\$ 570 thousand)	1,359,597 (US\$ 44,279 thousand)	-
Acme Electronics (Kunshan) Co., Ltd. ("ACME (KS)")	Manufacturing and marketing of manganese-zinc soft ferrite core	943,411 (US\$ 30,725 thousand)	Reinvest in a mainland company by reinvesting in the existing company in the third region, ACME Electronics(Cayman) Corp.	41,575 (US\$ 1,354 thousand)	-	-	41,575 (US\$ 1,354 thousand)	(104,690) (US\$ -3,362 thousand)	4.42	(4,624) (US\$ -148 thousand)	29,952 (US\$ 975 thousand)	-

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$2,160,220 (US\$ 70,354 thousand)	\$3,863,221 (US\$ 125,817 thousand) (Note 4)	\$ - (Note 5)

Note 1. Taita Zhongshan increased capital from surplus of US\$3,250 thousand in 2007.

Note 2. Taita Tianjin increased capital from surplus of US\$1,350 thousand in 2012.

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

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

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

Note 6. The calculation is based on the financial statements of the investee company during the same period which have been audited by CPAs.

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

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

USI CORPORATION AND INVESTEE COMPANIES
Asia Polymer Corporation
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Year Ended December 31, 2023

Table 8-5

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 4)	Method of Investment (Note 1)	Accumulated Outflow of Investment from Taiwan as of the beginning of the Year	Inflow or Outflow of the Investment for the year		Accumulated Outflow of Investment from Taiwan as of the end of the Year	Gain (Loss) of Investee for the year (Note 3)	Ownership of Direct or Indirect Investment (%)	Recognized Investment Gain (Loss) of the Year (Note 3)	Carrying Amount as of the End of the Year (Note 4)	Accumulated Repatriation of Investment Income as of the end of year
					Outflow	Inflow						
Acme Electronics (Kunshan) Co., Ltd.	Manufacturing and marketing of manganese-zinc ferritecore	\$ 943,411 (US\$ 30,725 thousand)	(2) ACME Electronics (Cayman) Corp.	\$ 128,266 (US\$ 4,177 thousand)	\$ -	\$ -	\$ 128,266 (US\$ 4,177 thousand)	B (\$ 104,690)	13.63	(\$ 15,186)	\$ 92,407	\$ -
USI Trading (Shanghai) Co., Ltd.	Sales of chemical products and equipment, etc.	76,763 (US\$ 2,500 thousand)	(2) APC (BVI) Holding Co., Ltd.	93,208 (US\$ 3,036 thousand)	-	-	93,208 (US\$ 3,036 thousand)	B 14,541	100.00	14,541	162,488	-
Fujian Gulei Petrochemical Co., Ltd.	Crude oil processing and petroleum products manufacturing	40,379,787 (RMB9,314,400 thousand)	(2) Dynamic Ever Investments Ltd.,(Note 2)	4,847,794 (US\$ 157,883 thousand)	-	-	4,847,794 (US\$ 157,883 thousand)	A (8,237,293)	11.71	(964,327)	2,183,588	-
Zhangzhou USI Trading Co., Ltd.	Sales of chemical products	43,352 (RMB 10,000 thousand)	(2) APC (BVI) Holding Co., Ltd.	13,006 (RMB 3,000 thousand)	-	-	13,006 (RMB 3,000 thousand)	A 27,784	30.00	8,335	20,266	-
Xiamen USI Trading Co., Ltd.	Sales of chemical products	43,352 (RMB 10,000 thousand)	(2) APC (BVI) Holding Co., Ltd.	-	13,006 (RMB 3,000 thousand)	-	13,006 (RMB 3,000 thousand)	A (5)	30.00	(1)	13,004	-
Zhangzhou Dynamic Ever Property Co., Ltd.	Property Management	91,039 (RMB 21,000 thousand)	(2) Dynamic Ever Investments Ltd.,(Note 2)	-	21,316 (RMB 4,917 thousand)	-	21,316 (RMB 4,917 thousand)	A 27	23.41	6	21,322	-

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Period	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$ 5,264,471 (Note 5) (US\$ 171,453 thousand)	\$ 7,011,045 (US\$ 228,336 thousand)	\$ - (Note 6)

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

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

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

Note 3. In the investment income (loss) recognized for the period:

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

Note 4. The calculation was based on the spot exchange rate of December 31, 2023.

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

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

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

USI CORPORATION
INFORMATION ON MAJOR SHAREHOLDERS

December 31, 2023

Table 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 share capital reported in the Company's consolidated financial statements and the actual number shares that have completed the dematerialized registration and delivery may be different due to the difference in the basis of calculation.

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

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USI CORPORATION
STATEMENT OF CASH AND CASH EQUIVALENT
December 31, 2023

STATEMENT 1

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

Items	Summary	Amount
Cash		
Petty cash		\$ 490
Bank deposits		
Checking deposits		10,594
Demand deposits in NTD		89,227
Demand		
Demand deposits in foreign	USD 178,936.45 (Note)	30,617
currency	RMB 206,548.25 (Note)	
	JPY 15,760.00 (Note)	
	EUR 712,884.48 (Note)	
Sub-total of the bank saving		<u>130,438</u>
Cash equivalents		
Reserve repurchase agreements	Annual interest rate:	<u>1,183,283</u>
collateralized by bonds	1.51%-1.57%, and to mature in	
	January to February 2024	
Time deposits	Annual rate 1.40%-5.25%,	<u>574,810</u>
	including time deposits of	
	foreign currency USD	
	8,950,000 (Note). The maturity	
	date is from January to	
	February, 2024	
		<u>\$ 1,889,021</u>

Note: U.S. dollars are converted at the exchange rate of USD1=NTD30.7050.
Renminbi is converted at the exchange rate RMB1 = NTD4.3352.
Japanese Yen is converted at the exchange rate JPY1 = NTD0.2172.
The Euro is converted at the exchange rate EUR1 = NTD33.9800.

USI CORPORATION
STATEMENT OF FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT
December 31, 2023

STATEMENT 2

(In Thousands of New Taiwan Dollars,
Except Par Value and Unit Price in New Taiwan Dollars)

changes in credit risk	Summary	Share/unit	Par value (NT\$)	Total	Interest rate	Acquisition cost	Fair Value		Names of financial instruments attributable to changes in credit risk Fair Value Changes	Remark
							Unit price (NT\$)	Total		
Financial assets mandatorily classified as at fair value through profit or loss - non-derivative financial assets										
Fund beneficiary certificates and beneficiary securities										
Hua Nan Phoenix Money Market Fund		1,503,362	\$ 10	\$ 15,034		\$ 25,000	16.7246	\$ 25,143	\$ -	
Capital Money Market Fund		11,526,061	10	115,261		190,000	16,5869	191,182	-	
Taishin 1699 Money Market Fund		7,262,234	10	72,622		100,000	13.9425	101,254	-	
Jih Sun Money Market Fund		10,284,152	10	102,842		156,000	15.2545	156,879	-	
SinoPac TWD Money Market Fund		14,778,813	10	147,788		210,000	14.3010	211,352	-	
Cathay No. 1 Real Estate Investment Trust Fund		4,054,000	10	40,540		46,710	16.9800	68,837	-	
				<u>494,087</u>		<u>727,710</u>		<u>754,647</u>	<u>-</u>	
Domestic listed (OTC) shares										
Taiwan Cement Corporation		2,000,000	10	20,000		67,908	34.8500	69,700	-	
UPC Technology Corporation		290,000	10	2,900		6,845	15.2000	4,408	-	
Hon Hai Precision Industry Co., Ltd.		100,000	10	1,000		9,988	104.5000	10,450	-	
China Steel Corporation		350,000	10	3,500		13,567	27.0000	9,450	-	
				<u>27,400</u>		<u>98,308</u>		<u>94,008</u>	<u>-</u>	
				<u>\$ 521,487</u>		<u>\$ 826,018</u>		<u>\$ 848,655</u>	<u>\$ -</u>	
Financial assets mandatorily classified as at fair value through profit or loss - derivatives										
Foreign exchange forward contracts								\$ 3,887	\$ -	

USI CORPORATION
STATEMENT OF NOTES RECEIVABLE
December 31, 2023

STATEMENT 3

(In Thousands of New Taiwan Dollars)

<u>Customer Name</u>	<u>Summary</u>	<u>Amount</u>	<u>Remark</u>
Notes receivable from the non-related party arising from business			
Tex Year Industries Inc.	Unexpired	\$ 42,426	
CPC Corporation, Taiwan	Unexpired	5,753	
Others	Unexpired	<u>597</u>	
		<u>\$ 48,776</u>	

USI CORPORATION
STATEMENT OF ACCOUNTS RECEIVABLE
December 31, 2023

STATEMENT 4

(In Thousands of New Taiwan Dollars)

Customer Name	Summary	Amount	Remark
Non-related party			
Foster Group	Payment for sales	\$ 174,336	
XIAMEN PORT TRADING CO., LTD.	Payment for sales	72,504	
AICA Asia Pacific Holding Pte Ltd.	Payment for sales	55,188	
Sveck Photovoltaic New Material Co., Ltd.	Payment for sales	51,479	
Far Eastern New Century Corporation	Payment for sales	44,953	
Tex Year Group	Payment for sales	42,853	
Cheng Tai Technology Industrial Co., Limited	Payment for sales	34,888	
Others (Note)	Payment for sales	<u>196,473</u>	
Subtotal		<u>672,674</u>	
Less: allowance for loss		(<u>2,651</u>)	
		<u>670,023</u>	
Related parties			
USI Trading (Shanghai) Co., Ltd.	Payment for sales	31,651	
Swanson Plastics (Kunshan) Co., Ltd.	Payment for sales	15,737	
Forever Young Company Limited	Payment for sales	5,217	
USI (Hong Kong) Company Ltd.	Payment for sales	4,618	
Swanson Plastics Corporation	Payment for sales	7,230	
Swanson Plastics (Malaysia) Sdn. Bhd.	Payment for sales	3,434	
Swanson Technologies Corporation	Payment for sales	<u>25</u>	
Subtotal		<u>67,912</u>	
		<u>\$ 737,935</u>	

Note: The balance of individual items does not exceed 5% of the balance of the accounts receivable.

USI CORPORATION
STATEMENT OF INVENTORIES
December 31, 2023

STATEMENT 5

(In Thousands of New Taiwan Dollars)

Item	Summary	Amount		Remark
		Costs	Net realizable value (Note)	
Finished goods		\$ 1,066,784	\$ 982,216	
Work in progress		39,081	39,287	
Raw materials		97,504	95,147	
Supplies		<u>171,530</u>	<u>172,142</u>	
		1,374,899	<u>\$ 1,288,792</u>	
Less: Allowance for reduction of inventory to market		(<u>112,859</u>)		
			<u>\$ 1,262,040</u>	

Note: Net realizable value is the balance that the estimated selling price under normal circumstances minus the estimated cost required to complete the project and the estimated cost required to complete the sale.

USI CORPORATION
STATEMENT OF PREPAYMENTS
December 31, 2023

STATEMENT 6

(In Thousands of New Taiwan Dollars)

<u>Items</u>	<u>Summary</u>	<u>Amount</u>	<u>Remark</u>
Office supplies		\$ 179,054	
Prepaid expenses		36,303	
Prepayment for sales		<u>5,051</u>	
		<u>\$ 220,408</u>	

USI CORPORATION

STATEMENT OF CHANGES IN FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON-CURRENT

For the Year Ended December 31, 2023

STATEMENT 7

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

Financial instrument name	Balance at January 1		Increase During the Year Ended		Decrease During the Year Ended		Balance at December 31		Details of pledged as collateral	Remark
	Number of Shares	Fair Value	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Fair Value		
Domestic listed (OTC) shares										
AU Optronics Corporation	6,811,204	\$ 102,168	-	\$ 21,456	-	\$ -	6,811,204	\$ 123,624	None	Note 1
CTCI Corporation	15,130,656	633,218	-	4,539	-	-	15,130,656	637,757	None	Note 2
Domestic non listed (over-the-counter) common stocks										
KHL IB Venture Capital Co., Ltd.	9,954,950	135,276	3,177,243	-	-	14,328	13,132,193	120,948	None	Note 3
PELL Bio-Med Technology Co. Ltd.	-	-	235,000	19,975	-	-	235,000	19,975	None	Note 4
		<u>\$ 870,662</u>		<u>\$ 45,970</u>		<u>\$ 14,328</u>		<u>\$ 902,304</u>		

Note 1. Increases in investment this year was resulted from fair value adjustments.

Note 2. Increases in investment this year was resulted from fair value adjustments.

Note 3. Increases in shares and decreases in investment this year resulted from Shares dividend and fair value adjustments.

Note 4. The increase in shares and amount for the current year is due to an increase in ownership.

USI CORPORATION
STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD
For the Year Ended December 31, 2023

STATEMENT 8

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

Investee	Balance at January 1		Increase During the Year Ended		Decrease During the Year Ended		Share of profit and loss of the subsidiary recognized using the equity method	Balance at December 31				Details of pledged as collateral	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount		Number of Shares	Percentage of Ownership %	Amount	Equity value		Remark
USIFE Investment Co., Ltd.	89,647,000	\$ 956,056	-	\$ 5,604	-	\$ 11,013	(\$ 30,664)	89,647,000	100.00	\$ 919,983	\$ 921,527	Note 1	None
Swanlake Traders Ltd.	30,000,000	1,400,416	-	718	-	9,172	57,104	30,000,000	100.00	1,449,066	1,462,713	Note 2	None
USI (Hong Kong) Company Ltd.	159,999	69,411	-	-	-	118	(4,948)	159,999	100.00	64,345	64,345	Note 3	None
Union Polymer International Investment Corporation	897,354,122	10,289,873	20,970,534	118,907	-	633,839	19,910	918,324,656	100.00	9,794,851	10,548,325	Note 4	None
Taiwan United Venture Capital Corp.	25,900,000	185,908	-	33,677	11,900,000	123,906	(105)	14,000,000	70.00	95,574	95,574	Note 5	None
Chong Loong Trading Co., Ltd.	5,749,062	73,805	1,133,604	-	-	-	9,342	6,882,666	99.96	83,147	83,147		None
Swanson Plastics Corporation	62,616,299	1,045,181	-	132	-	5,641	(31,306)	62,616,299	40.58	1,008,366	1,013,343	Note 6	None
Acme Electronics Corporation	49,250,733	355,454	12,432,234	248,644	-	57,415	(49,586)	61,682,967	28.96	497,097	512,437	Note 7	None
INOMA Corporation	9,243,369	13,347	-	-	7,908,641	-	(2,317)	1,334,728	94.37	11,030	11,030		None
USI Management Consulting Corp.	671,400	3,212	-	-	-	46	3,506	671,400	100.00	6,672	6,672	Note 8	None
Delmind Inc.	9,000,000	83,922	-	-	-	-	(3,935)	9,000,000	30.00	79,987	79,987		None
USIG (Shanghai) Co., Ltd.	5,000,000	130,756	-	-	5,000,000	130,925	169	-	-	-	-	Note 9	None
Ever Conquest Global Limited	246,670,000	5,102,760	-	-	-	47,338	(1,378,582)	246,670,000	59.13	3,676,840	3,678,840	Note 10	None
USI Optronics Corporation	33,000,000	34,009	-	-	-	-	(6,795)	33,000,000	50.85	27,214	27,214		None
USI Green Energy Corporation	7,259,418	111,559	29,356,586	287,406	-	-	(6,054)	36,616,004	100.00	392,911	362,725	Note 11	None
Chem Union Renewable Energy Corporation	-	-	1,000,000	10,000	-	-	(165)	1,000,000	33.33	9,835	9,835	Note 12	None
		<u>\$ 19,855,669</u>		<u>\$ 705,088</u>		<u>\$ 1,019,413</u>	<u>(\$ 1,424,426)</u>			<u>\$ 18,116,918</u>			

Note 1. The increase in this year is due to unrealized gains on financial assets measured at fair value through other comprehensive income of NT\$5,604 thousand, decrease of NT\$492 thousand in re-measurement benefits of defined benefit plans, the recognition of capital reserve based on the shareholding ratio of NT\$1,814 thousand, retain a profit of NT\$5,639 thousand and a difference of NT\$3,068 thousand from the financial statements of foreign operating institutions.

Note 2. This year's increase is due to the recognition of a capital reserve of NT\$718 thousand based on the shareholding ratio; This year's decrease is to recognize the conversion difference in the financial statements of foreign operating institutions based on the shareholding ratio of NT\$9,172 thousand.

Note 3. This year's decrease is to recognize the conversion difference in the financial statements of foreign operating institutions based on the shareholding ratio of NT\$118 thousand.

Note 4. This year's increases are to recognize the capital reserve, adjust the cash dividends paid to subsidiaries, treasury shares trading of NT\$26,831 thousand, valuation adjustment of NT\$90,074 thousand for treasury stocks and financial commodities, reassessment of benefits of NT\$266 thousand and recognition of capital reserve of NT\$1,736 thousand based on shareholding ratio in the defined welfare plan, the decrease for the current year is due to the cash dividends of NT\$ 373,750 thousand distributed to the investee, the transfer of cumulative gains and losses from disposal of financial assets measured at fair value through other comprehensive income to retained earnings of NT\$189 thousand, the difference recognized in the financial statements of foreign operating institutions based on shareholding ratio of NT\$27,676 thousand, retained earnings of NT\$2,054 thousand, and unrealized losses of financial assets measured at fair value through other comprehensive income of NT\$230,170 thousand.

Note 5. This year's increases arise from unrealized benefits of financial assets measured at fair value through other comprehensive income of NT\$33,677 thousand and this year's decreases arise from the transfer of accumulated gains and losses on financial assets measured at fair value through other comprehensive gain to retained earnings of NT\$4,906 thousand and the return of NT\$119,000 thousand in capital reduction and stock payment.

Note 6. This year's increases arise from an increase of NT\$132 thousand in re-measurement benefits of defined benefit plans, this year's decrease arises from the recognition of capital reserve based on the shareholding ratio of NT\$170 thousand and the recognition of difference in the financial statements of foreign operating institutions based on the shareholding ratio of NT\$5,471 thousand.

Note 7. This year's increases arise from the newly added investment of NT\$248,644 thousand. These decreases arise from a loss of NT\$77 thousand in re-measurement Loss of defined benefit plans, the recognition of capital reserve based on the shareholding ratio of NT\$670 thousand, retained earnings of NT\$47,102 thousand and the recognition of difference in the financial statements of foreign operating institutions based on the shareholding ratio of NT\$9,566 thousand.

Note 8. This year's decrease arises from the re-measurement of NT\$46 thousand of the defined benefit plan.

Note 9. USIG (Shanghai) Co., Ltd. (USIG) resolved to dissolve and liquidate on August 8, 2023, due to failure to achieve expected operational targets in recent years and no prospects for project development. USIG completed the dissolution and liquidation process on November 6, 2023. This year's decreases are to a reduction in investment of NT\$129,553 thousand and a conversion difference in the financial statements of foreign operating institutions of NT\$1,372 thousand.

Note 10. This year's decrease is to recognize the conversion difference in the financial statements of foreign operating institutions based on the shareholding ratio of NT\$47,338 thousand.

Note 11. This year's increases arise from the newly added investment price of NT\$287,406 thousand.

Note 12. This year's increases arise from the newly added investment price of NT\$10,000 thousand.

USI CORPORATION
 STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS
 For the Year Ended December 31, 2023

STATEMENT 9

(In Thousands of New Taiwan Dollars)

Items	Balance at January 1	Increase During the Year Ended	Decrease During the Year Ended	Balance at December 31	Remark
Buildings	<u>\$ 22,991</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,991</u>	

USI CORPORATION

STATEMENT OF ACCUMULATED DEPRECIATION CHANGES IN RIGHT-OF-USE ASSETS

For the Year Ended December 31, 2023

STATEMENT 10

(In Thousands of New Taiwan Dollars)

Items	Balance at January 1	Increase During the Year Ended	Decrease During the Year Ended	Balance at December 31	Remark
Buildings	<u>\$ 17,800</u>	<u>\$ 4,449</u>	<u>\$ -</u>	<u>\$ 22,249</u>	

USI CORPORATION
STATEMENT OF OTHER NON-CURRENT ASSETS
December 31, 2023

STATEMENT 11

(In Thousands of New Taiwan Dollars)

<u>Items</u>	<u>Summary</u>	<u>Amount</u>	<u>Remark</u>
Refundable deposits		\$ 73,631	
Long-term deferred expenses		14,227	
Advance payment for construction		<u>47,135</u>	
		<u>\$ 134,993</u>	

USI CORPORATION
STATEMENT OF ACCOUNTS PAYABLE
December 31, 2023

STATEMENT 12

(In Thousands of New Taiwan Dollars)

Customer Name	Summary	Amount	Remark
Non-related party			
CPC Corporation, Taiwan (Note)	Payment for sales	\$ 512,994	
MARUBENI CORPORATION	Payment for sales	116,718	
MITSUBISHI CORPORATION	Payment for sales	108,663	
MITSUI & CO., LTD.	Payment for sales	94,942	
SINOPEC CHEMICAL COMMERCIAL HOLDING	Payment for sales	81,787	
Dairen Chemical Corporation	Payment for sales	76,981	
Others	Payment for sales	<u>70,306</u>	
Subtotal		<u>1,062,391</u>	
related parties			
Asia Polymer Corporation	Payment for sales	97,256	
Swanson Plastics Corporation	Payment for sales	5,854	
Taita Company, Ltd.	Payment for sales	<u>4,200</u>	
Subtotal		<u>107,310</u>	
		<u>\$ 1,169,701</u>	

Note: A bank time deposit of NT\$55,001 thousand has been provided as collateral.

USI CORPORATION

USI CORPORATION
STATEMENT OF OTHER CURRENT LIABILITIES
December 31, 2023

STATEMENT 13

(In Thousands of New Taiwan Dollars)

Items	Summary	Amount	Remark
Contract liability		\$ 23,983	
Agency Fund		2,124	
Others		<u>3,626</u>	
		<u>\$ 29,733</u>	

USI CORPORATION
STATEMENT OF BONDS PAYABLE
December 31, 2023

STATEMENT 14

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

Bonds Name	Trustee	Issue Date	Interest Payment Date	Interest rate	Amount			Unamortized premium (discount)	Carrying Amount	Repayment Method	Details of pledged	Remark
					Total Issue Amount	Less: Amounts Repaid	Balance at December 31					
The first unsecured corporate bond in 2019	Taipei Fubon Commercial Bank Co., Ltd. Department of Trusts	2019/04/26	Interest is paid one time every full year from the date of issue	0.98%	\$ 2,000,000	\$ -	\$ 2,000,000	(\$ 286)	\$ 1,999,714	One time 100% repayment of principal at the expiration of the 5th year from the date of issue	None	
The first unsecured corporate bond A in 2021	Bank SinoPac Company Limited Department of Trusts	2021/06/23	Interest is paid one time every full year from the date of issue	0.63%	1,000,000	-	1,000,000	(967)	999,033	50% repayment of principal in the 4th and 5th year from the date of issue	None	
The first unsecured corporate bond B in 2021	Bank SinoPac Company Limited Department of Trusts	2021/06/23	Interest is paid one time every full year from the date of issue	0.73%	1,000,000	-	1,000,000	(1,349)	998,651	50% repayment of principal in the 6th and 7th year from the date of issue	None	
The second unsecured corporate bond A in 2021	Bank SinoPac Company Limited Department of Trusts	2021/10/26	Interest is paid one time every full year from the date of issue	0.63%	700,000	-	700,000	(793)	699,207	50% repayment of principal in the 4th and 5th year from the date of issue	None	
The second unsecured corporate bond B in 2021	Bank SinoPac Company Limited Department of Trusts	2021/10/26	Interest is paid one time every full year from the date of issue	0.77%	<u>1,300,000</u>	<u>-</u>	<u>1,300,000</u>	(<u>1,901</u>)	<u>1,298,099</u>	50% repayment of principal in the 6th and 7th year from the date of issue	None	
					6,000,000	-	6,000,000	(5,296)	5,994,704			
Less: corporate bonds due within one year					<u>2,000,000</u>	<u>-</u>	<u>2,000,000</u>	(<u>286</u>)	<u>1,999,714</u>			
					<u>\$ 4,000,000</u>	<u>\$ -</u>	<u>\$ 4,000,000</u>	(<u>\$ 5,010</u>)	<u>\$ 3,994,990</u>			

USI CORPORATION
STATEMENT OF LONG-TERM BORROWINGS
December 31, 2023

STATEMENT 15

(In Thousands of New Taiwan Dollars)

Creditor Bank or Underwriting Institution	Term and Repayment Method	Annual rate (%)	Amount			Mortgage or Guarantee
			Due within one year	Due after one year	Total	
Taipei Fubon Commercial Bank Co., Ltd.	October 15, 2021 - October 15, 2026, amortized on an average monthly basis from the fourth year onwards.	1.09%	\$ -	\$ 322,582	\$ 322,582	—
E.Sun Commercial Bank, Ltd.	October 15, 2021 - October 15, 2026, amortized on an average monthly basis from the fourth year onwards.	1.05%	-	144,924	144,924	—
			\$ -	\$ 467,506	\$ 467,506	

USI CORPORATION
STATEMENT OF LEASE LIABILITIES
December 31, 2023

STATEMENT 16

(In Thousands of New Taiwan Dollars)

Items	Summary	Lease Period	Discount rate	Balance at December 31	Remark
Buildings		2014.05.01 -2026.12.31	1.16%	\$ 83,486	
Buildings		2022.11.01 -2026.12.31	1.76%	1,620	
Less: Lease liabilities due within one year				<u>28,578</u>	
				<u>\$ 56,528</u>	

USI CORPORATION
STATEMENT OF OTHER NON-CURRENT LIABILITIES
December 31, 2023

STATEMENT 17

(In Thousands of New Taiwan Dollars)

<u>Items</u>	<u>Summary</u>	<u>Amount</u>	<u>Remark</u>
Deferred unrealized profit		\$ 2,582	
Guarantee deposits received		7,347	
Deferred income		<u>6,529</u>	
		<u>\$ 16,458</u>	

USI CORPORATION
STATEMENT OF SALES REVENUE
For the Year Ended December 31, 2023

STATEMENT 18

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

Items	Quantity (Tons)	Amount	Remark
Low density polyethylene	5,089	\$ 282,686	
Ethylene vinyl acetate	141,840	7,979,523	
High density polyethylene	76,091	2,814,232	
Linear low density polyethylene	8,604	316,701	
Other chemicals and wastes	<u>302</u>	<u>56,230</u>	
	<u>231,926</u>	<u>\$ 11,449,372</u>	

USI CORPORATION
STATEMENT OF SALES COSTS
For the Year Ended December 31, 2023

STATEMENT 19

(In Thousands of New Taiwan Dollars)

Items	Amount
Direct raw materials	
The raw material on January 1, 2022	\$ 179,630
Purchases for the year ended December	6,519,495
Sales for the year ended December 31, 2022	(203,135)
The raw material on December 31, 2022	(<u>97,504</u>)
	6,398,486
Indirect material	575,382
Direct labor	187,860
Manufacturing expenses (Statement 19-1)	<u>1,460,294</u>
Manufacturing cost	8,622,022
Work in progress	
Work in process on January 1, 2023	55,593
Work in process on December 31, 2023	(<u>39,081</u>)
Finished goods cost	8,638,534
Finished goods	
Finished goods on January 1, 2023	1,076,374
The purchase for the year ended December 31, 2023	813,245
Finished goods on December 31, 2023	(1,066,784)
The loss of idle capacity	337,404
Other cost adjustment of the transfer of self- made goods to the packaging material	(466)
The inventory write-down	<u>21,735</u>
	<u>\$ 9,820,042</u>

USI CORPORATION
STATEMENT OF MANUFACTURING EXPENSES
For the Year Ended December 31, 2023

STATEMENT 19-1

(In Thousands of New Taiwan Dollars)

Items	Amount
Electricity Charges	\$ 684,542
Indirect labor	194,077
Depreciation	423,589
Others (Note)	<u>158,086</u>
	<u>\$ 1,460,294</u>

Note: The balance of each item does not exceed 5% of the account balance.

USI CORPORATION
STATEMENT OF OPERATING EXPENSES
For the Year Ended December 31, 2023

STATEMENT 20

(In Thousands of New Taiwan Dollars)

Items	Selling and marketing expenses	Administrativ e expenses	Research and development expenses	Total
Employee benefits expense	\$ 30,630	\$ 28,890	\$ 78,930	\$ 138,450
Transportation expense	159,846	-	357	160,203
Depreciation	-	4,356	33,769	38,125
Management service expenses	-	145,564	12,490	158,054
Exports expenses	16,293	-	-	16,293
Others (Note)	<u>24,931</u>	<u>46,069</u>	<u>18,813</u>	<u>89,813</u>
	<u>\$ 231,700</u>	<u>\$ 224,879</u>	<u>\$ 144,359</u>	<u>\$ 600,938</u>

Note: The balance of each item does not exceed 5% of the account balance.

USI CORPORATION
STATEMENT OF EMPLOYEE BENEFIT, DEPRECIATION AND AMORTIZATION BY FUNCTION
For the Year Ended December 31, 2023 and 2022

STATEMENT 21

(In Thousands of New Taiwan Dollars)

	For the Year Ended December 31, 2023				For the Year Ended December 31, 2022			
	Classified as Operating Costs	Classified as Operating Expenses	Classified as other operating revenues and expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Classified as other operating revenues and expenses	Total
Employee benefits expense (Note)								
Salaries expenses	\$ 410,730	\$ 109,321	\$ -	\$ 520,051	\$ 490,491	\$ 144,293	\$ -	\$ 634,784
Labor health insurance expenses	41,950	9,502	-	51,452	41,192	10,971	-	52,163
Pension expenses	19,840	4,089	-	23,929	19,243	4,618	-	23,861
Remunerations to directors	-	6,946	-	6,946	-	8,676	-	8,676
Other employee benefits expense	<u>23,612</u>	<u>8,592</u>	<u>-</u>	<u>32,204</u>	<u>32,608</u>	<u>9,944</u>	<u>-</u>	<u>42,552</u>
	<u>\$ 496,132</u>	<u>\$ 138,450</u>	<u>\$ -</u>	<u>\$ 634,582</u>	<u>\$ 583,534</u>	<u>\$ 178,502</u>	<u>\$ -</u>	<u>\$ 762,036</u>
Depreciation expense	<u>\$ 585,524</u>	<u>\$ 38,125</u>	<u>\$ 27,593</u>	<u>\$ 651,242</u>	<u>\$ 575,244</u>	<u>\$ 23,502</u>	<u>\$ 27,139</u>	<u>\$ 625,885</u>
Amortization expense	<u>\$ 7,604</u>	<u>\$ 501</u>	<u>\$ -</u>	<u>\$ 8,105</u>	<u>\$ 14,331</u>	<u>\$ 124</u>	<u>\$ -</u>	<u>\$ 14,455</u>

Note 1. As of the years ended December 31, 2023 and 2022, the numbers of the Company's employees were 457, respectively, including 7 non-employee directors.

Note 2. For the years ended December 31, 2023 and 2022, the average employee benefit expenses were NT\$1,395 thousand and NT\$1,674 thousand, respectively. For the years ended December 31, 2023 and 2022, the average employee salaries and expenses were NT\$1,156 thousand and NT\$1,411 thousand, respectively. The average employee salaries and expenses are adjusted and increase by 18.07%. Besides, the Company established an audit committee. The supervisor system is not applicable to the Company. Therefore, the remunerations of the supervisors are NT\$0 thousand for the years ended December 31, 2023 and 2022.

Note 3. The policies of the remunerations of the Company:

1. The remunerations policies of the directors and the managers of the Company:
 - (1) For the remunerations, take the median level of the payment of the same business as the reference. Besides, refer to the reasonable connection with the personal performance, company operating performances and the future risks.
 - (2) It is not permitted to guide the directors and the managers to run the risks works which the Company can't afford for getting more remunerations.
 - (3) Consider the businesses qualities and the natures of the businesses of the companies to decide how to pay the proportion of the remunerations of employees and what time to pay the partial change of remunerations for the short-term performances.
2. The policies of employee remunerations are stipulated based on the government regulations, the situations and developments of the salary market for the same business, the overall economy, the change of the businesses conditions and organization structure of the Company. The Company sets "The payroll management measures", "The regulations of employees performances evaluations" and "The allowances payments for the supervisor positions and personal staff" as the issuances standards. Besides, the Company has the "Annual bonus managements regulations" which are based on the profitability situations of the Company and check the performances of the employees to pay the annual bonus (including the employee remunerations).