

USI CORPORATION

Parent Company Only Financial Statements and Independent Auditors' Report For the Years Ended December 31, 2024 and 2023

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

Independent Auditors' Report

To USI Corporation:

Audit Opinion

We have audited the Parent Company Only Balance Sheets of USI Corporation (the Company) as of December 31, 2024 and 2023, and the Parent Company Only Statements of Comprehensive Income, Parent Company Only Statements of Changes in Equity, Parent Company Only Statements of Cash Flows for the years ended December 31, 2024 and 2023, 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, 2024 and 2023.

The accountant opinions are that the accompanying parent company only financial statements have been prepared in all material respects in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, making it impossible to properly express the parent company only financial position of the Company as of December 31, 2024 and 2023, and the parent company only financial performance and parent company only cash flow for the period from January 1 to December 31, 2024 and 2023.

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 the Company in our audit of the parent company only financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the parent company only 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, 2024 is as follows:

The Authenticity of Specific Sales Revenue

In 2024, the Company's sales revenue to specific customers increased year-on-year. Whether the sales revenue is properly recognized at the time of meeting performance obligations will have a material impact on the net operating revenue and financial performance of the Company's parent company only financial statements and is therefore considered a key audit matter for the current year.

For accounting policies relating to sales revenue and relevant disclosure information, please refer to Notes 4(m) and 23 of 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 the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of 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, 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 concerned 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 of 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

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

As part of an audit in accordance with auditing standards in the Republic of China, we exercise

professional judgment and maintain professional skepticism throughout the audit. Auditors also performed the following tasks:

1. Identify and assess the risks of material misstatement of the 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' 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' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to alert the parent company only financial statements user, to draw attention in our auditors' 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 auditors' 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 Company 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, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 10, 2025

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 Statements of Balance Sheets
For the Years Ended December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars)

Assets	December 31, 2024		December 31, 2023	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 1,228,772	5	\$ 1,889,021	6
Financial assets at fair value through profit or loss (FVTPL) - current (Notes 4 and 7)	320,875	1	852,542	3
Financial assets at amortized cost - current (Notes 4, 9 and 31)	62,622	-	160,955	-
Notes receivable, net (Notes 4 and 10)	42,304	-	48,776	-
Accounts receivable, net (Notes 4 and 10)	465,255	2	670,023	2
Accounts receivable - related parties (Notes 4, 10 and 30)	66,924	-	67,912	-
Other receivables (Notes 4 and 10)	52,519	-	35,664	-
Other receivables - related parties (Notes 4, 10, 12 and 30)	279,182	1	591,078	2
Current tax assets (Notes 4 and 25)	2,260	-	-	-
Inventories (Notes 4 and 11)	1,035,030	4	1,262,040	4
Prepayments	247,618	1	220,408	1
Total current assets	3,803,361	14	5,798,419	18
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income (FVTOCI) - non-current (Notes 4 and 8)	820,298	3	902,304	3
Investments accounted for using the equity method (Notes 4, 5 and 12)	16,401,275	59	18,116,918	57
Property, plant and equipment (Notes 4 and 13)	5,554,114	20	5,951,994	19
Right-of-use assets (Notes 4 and 14)	10,460	-	742	-
Investment properties, net (Notes 4, 15 and 30)	403,249	1	133,521	-
Intangible assets, net (Notes 4 and 16)	1,153	-	956	-
Deferred tax assets (Notes 4 and 25)	920,181	3	727,734	2
Other non-current assets (Note 31)	124,608	-	134,993	1
Total non-current assets	24,235,338	86	25,969,162	82
Total Assets	\$ 28,038,699	100	\$ 31,767,581	100
Liabilities and Equity				
CURRENT LIABILITIES				
Short-term borrowings (Note 17)	\$ 420,000	2	\$ -	-
Accounts payable (Note 19)	781,845	3	1,062,391	4
Accounts payable - related parties (Notes 19 and 30)	62,713	-	107,310	-
Other payables (Note 20)	268,468	1	331,050	1
Other payables - related parties (Notes 20 and 30)	38,196	-	17,458	-
Current tax liabilities (Notes 4 and 25)	26,769	-	267,582	1
Lease liabilities - current (Notes 4 and 14)	25,757	-	28,578	-
Current portion of long-term borrowings (Note 18)	1,141,207	4	1,999,714	6
Other current liabilities (Notes 23 and 30)	135,373	-	29,733	-
Total current liabilities	2,900,328	10	3,843,816	12
NON-CURRENT LIABILITIES				
Bonds payable (Note 18)	3,146,843	11	3,994,990	13
Long-term borrowings (Note 17)	720,223	3	467,506	2
Deferred tax liabilities (Notes 4 and 25)	99,392	1	62,920	-
Lease liabilities - non-current (Notes 4 and 14)	338,575	1	56,528	-
Net defined benefit liabilities - non-current (Notes 4 and 21)	14,426	-	71,078	-
Other non-current liabilities (Note 17)	18,864	-	16,458	-
Total non-current liabilities	4,338,323	16	4,669,480	15
Total Liabilities	7,238,651	26	8,513,296	27
EQUITY (Notes 4, 8, 12, 21, 22 and 25)				
Share capital	11,887,635	42	11,887,635	37
Capital surplus	491,652	2	476,799	2
Retained Earnings				
Legal reserve	4,036,296	14	4,036,296	13
Special reserve	375,127	1	375,127	1
Unappropriated earnings	4,623,160	17	7,115,479	22
Total retained earnings	9,034,583	32	11,526,902	36
Other equity	(138,216)	-	(161,445)	(1)
Treasury shares	(475,606)	(2)	(475,606)	(1)
Total equity	20,800,048	74	23,254,285	73
Total Liabilities and Equity	\$ 28,038,699	100	\$ 31,767,581	100

The accompanying notes are an integral part of the parent company only financial statements.

USI CORPORATION
Parent Company Only Statements of Comprehensive Income
For The Years Ended December 31, 2024 And 2023

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

	For the Year Ended December 31, 2024		For the Year Ended December 31, 2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 23 and 30)	\$ 8,821,441	100	\$11,449,372	100
COST OF GOODS SOLD (Notes 4, 11, 13, 16, 21, 24 and 30)	<u>8,964,264</u>	<u>101</u>	<u>9,820,042</u>	<u>86</u>
GROSS (LOSS) PROFIT	(142,823)	(1)	1,629,330	14
Unrealized profits with the subsidiaries (Notes 4 and 30)	(868)	-	(1,103)	-
Realized profits with the subsidiaries (Notes 4 and 30)	<u>1,103</u>	<u>-</u>	<u>1,505</u>	<u>-</u>
Realized gross (loss) profit	(<u>142,588</u>)	(<u>1</u>)	<u>1,629,732</u>	<u>14</u>
OPERATING EXPENSES (Notes 4, 13, 14, 16, 21, 24 and 30)				
Selling and marketing expenses	259,707	3	231,700	2
Administrative expenses	196,329	2	224,879	2
Research and development expenses	<u>132,645</u>	<u>2</u>	<u>144,359</u>	<u>1</u>
Total operating expenses	<u>588,681</u>	<u>7</u>	<u>600,938</u>	<u>5</u>
NET (LOSS) PROFIT FROM OPERATIONS	(<u>731,269</u>)	(<u>8</u>)	<u>1,028,794</u>	<u>9</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Notes 4, 24 and 30)	22,121	-	20,176	-
Other income (Notes 4, 8, 24 and 30)	142,733	2	217,054	2
Other gains and losses (Notes 4, 15, 24 and 30)	(7,780)	-	(42,625)	-
Finance costs (Notes 4, 14, 17, 18 and 24)	(52,477)	(1)	(58,644)	(1)
Share of profit or loss of subsidiaries, associates and joint ventures accounted for using the equity method (Notes 4 and 12)	(<u>1,762,397</u>)	(<u>20</u>)	(<u>1,424,426</u>)	(<u>12</u>)
Total non-operating income and expenses	(<u>1,657,800</u>)	(<u>19</u>)	(<u>1,288,465</u>)	(<u>11</u>)

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	For the Year Ended December 31, 2024		For the Year Ended December 31, 2023	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
NET LOSS BEFORE INCOME TAX	(\$ 2,389,069)	(27)	(\$ 259,671)	(2)
INCOME TAX GAIN (Notes 4 and 25)	<u>241,599</u>	<u>3</u>	<u>52,665</u>	<u>-</u>
NET LOSS FOR THE YEAR	<u>(2,147,470)</u>	<u>(24)</u>	<u>(207,006)</u>	<u>(2)</u>
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)	39,683	-	1,178	-
Unrealized gain (loss) on equity instruments at FVTOCI (Notes 4 and 22)	(82,006)	(1)	11,667	-
Share of other comprehensive income of subsidiaries accounted for using the equity method (Notes 4 and 22)	(273,413)	(3)	(106,127)	(1)
Income tax relating to items that will not be reclassified (Notes 4, 22 and 25)	(7,937)	-	(236)	-
	<u>(323,673)</u>	<u>(4)</u>	<u>(93,518)</u>	<u>(1)</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)	288,649	4	(44,266)	-
Share of other comprehensive income of subsidiaries accounted for using the equity method (Notes 4 and 22)	187,201	-	(45,780)	-
Income tax relating to items that may be reclassified (Notes 4, 22 and 25)	(57,730)	-	8,853	-
	<u>418,120</u>	<u>5</u>	<u>(81,193)</u>	<u>-</u>
Other comprehensive income (loss) for the year, net of income tax	<u>94,447</u>	<u>1</u>	<u>(174,711)</u>	<u>(1)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>(\$ 2,053,023)</u>	<u>(23)</u>	<u>(\$ 381,717)</u>	<u>(3)</u>
Loss per share (Note 26)				
Basic loss per share	<u>(\$ 2.00)</u>		<u>(\$ 0.19)</u>	
Diluted loss per share	<u>(\$ 2.00)</u>		<u>(\$ 0.19)</u>	

The accompanying notes are an integral part of the parent company only financial statements.

USI CORPORATION
Parent Company Only Statements of Changes In Equity
For The Years Ended December 31, 2024 And 2023

(In Thousands of New Taiwan Dollars)

	Capital surplus				Retained Earnings			Other equity			Total equity
	Share capital (Notes 4 and 22)	Treasury share transaction (Note 22)	Changes in capital surplus of subsidiaries recognized by equity method (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)	Treasury shares (Notes 4 and 22)	
Balance as of January 1, 2023	\$ 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 earning in 2022											
Provision for legal reserve	-	-	-	-	164,106	-	(164,106)	-	-	-	-
Cash dividends to shareholders	-	-	-	-	-	-	(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	11,887,635	414,131	39,748	22,920	4,036,296	375,127	7,115,479	(452,386)	290,941	(475,606)	23,254,285
Distribution of earning in 2023											
Cash dividends to shareholders	-	-	-	-	-	-	(416,067)	-	-	-	(416,067)
Net loss for the year ended December 31, 2024	-	-	-	-	-	-	(2,147,470)	-	-	-	(2,147,470)
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	-	-	-	70,742	418,120	(394,415)	-	94,447
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	-	-	(2,076,728)	418,120	(394,415)	-	(2,053,023)
Changes in equity of subsidiaries recognized by equity method	-	-	759	-	-	-	-	-	-	-	759
Changes in other capital surplus	-	-	-	679	-	-	-	-	-	-	679
Dividends distributed to subsidiaries to adjust capital reserve	-	13,415	-	-	-	-	-	-	-	-	13,415
Disposal of equity instruments measured at FVTOCI	-	-	-	-	-	-	476	-	(476)	-	-
Balance as of December 31, 2024	\$ 11,887,635	\$ 427,546	\$ 40,507	\$ 23,599	\$ 4,036,296	\$ 375,127	\$ 4,623,160	(\$ 34,266)	(\$ 103,950)	(\$ 475,606)	\$ 20,800,048

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, 2024 and 2023

(In Thousands of New Taiwan Dollars)

	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss before income tax for the year	(\$ 2,389,069)	(\$ 259,671)
Income (expenses) items		
Depreciation expense	627,798	651,242
Amortization expense	15,662	8,105
Net loss (gain) on financial assets and liabilities at FVTPL	1,311	(17,124)
Finance costs	52,477	58,644
Interest income	(22,121)	(20,176)
Dividend income	(40,580)	(35,893)
Share of profit or loss of subsidiaries, associates and joint ventures accounted for using the equity method	1,762,397	1,424,426
Gain on disposal and scrapping of property, plant and equipment	(1,093)	(700)
Loss on disposal of investments accounted for using the equity method	-	13,850
Provision of write-downs of inventories and obsolescence losses	51,028	21,735
Unrealized profits with the subsidiaries	868	1,103
Realized profits with the subsidiaries	(1,103)	(1,505)
Changes in operating assets and liabilities		
Decrease (increase) in financial assets mandatorily classified at FVTPL	530,356	(316,021)
Decrease in notes receivable	6,472	40,032
Decrease in accounts receivable	204,768	1,597,732
Decrease in accounts receivables - related parties	988	50,906
(Increase) decrease in other receivables	(17,810)	12,894
Decrease (increase) in other receivables - related parties	311,896	(38,870)
Decrease in inventories	175,982	129,751
(Increase) decrease in prepayments	(7,941)	1,775
(Decrease) increase in accounts payable	(280,546)	77,234
Decrease in accounts payable - related parties	(44,597)	(197,607)
Decrease in other payables	(46,524)	(107,193)
Increase (decrease) in other receivables - related parties	20,738	(7,105)
Increase (decrease) in other current liabilities	105,640	(120,016)
Decrease in net defined benefit liabilities	(16,969)	(22,096)
Cash from operating activities	1,000,028	2,945,452

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	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Interest received	\$ 23,076	\$ 19,771
Interest paid	(61,399)	(53,940)
Income tax paid	(223,116)	(777,756)
Net cash generated from operating activities	<u>738,589</u>	<u>2,133,527</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at FVTOCI	-	(19,975)
Disposal (acquisition) of financial assets at amortized cost	98,333	(99,851)
Acquisition of associate accounted for using the equity method (Note 12)	-	(10,000)
Acquisition of property, plant and equipment	(199,694)	(287,319)
Proceeds from disposal of property, plant and equipment	204	394
Decrease (increase) in refundable deposits	19,725	(5,350)
Acquisitions of intangible assets	(1,129)	(791)
Increase in other non-current assets	(43,339)	(5,051)
Dividends received	140,437	409,643
Net cash generated from (used in) investing activities	<u>14,537</u>	<u>(18,300)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	420,000	-
Repayment of Bonds payable	(2,000,000)	-
Proceeds from mid- to long-term borrowings	553,912	35,575
Repayment of mid- to long-term borrowings	(12,056)	(300,000)
(Decrease) increase in guarantee deposits received	(458)	632
Repayment of the principal portion of lease liabilities	(32,694)	(32,239)
Increase in other non-current liabilities	3,988	425
Cash dividends paid	(416,067)	(832,134)
Acquisition of the share of subsidiaries (Note 12)	-	(536,050)
Investees using equity method return of the equity	70,000	119,000
Net cash used in financing activities	<u>(1,413,375)</u>	<u>(1,544,791)</u>
(Decrease) increase in cash and cash equivalents for the year	(660,249)	570,436
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>1,889,021</u>	<u>1,318,585</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,228,772</u>	<u>\$ 1,889,021</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, 2024 and 2023
(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 parent company only financial statements of the Company is presented in the Company's functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The parent company only financial statements were reported to and issued by the Company's board of directors on March 10, 2025.

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

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

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

- b. FSC-approved IFRSs applicable in 2025

<u>New/Amended/Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB</u>
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 1)
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" Regarding the Contents of Amendments to the Application Guidance on the Classification of Financial Assets	January 1, 2026 (Note 2)

Note 1: Applicable for the annual reporting periods beginning on or after January 1, 2025. When adopting the amended standards for the first time, the Company shall not restate information for the comparative periods but shall instead recognize the impact in retained earnings or exchange differences of foreign operations under equity (whichever is appropriate) as well as the affected assets and liabilities on the day of first adoption.

Note 2: Applicable for the annual reporting periods beginning on or after January 1, 2026, but an entity may choose to apply it earlier starting from January 1, 2025. When adopting the amended standards for the first time, it should be applied retrospectively, but there is no need to restate information for the comparative periods, and the impact of first adoption should be recognized on the day of first adoption. However, if an entity can restate without using hindsight, it may choose to restate information for the comparative periods.

Amendments to IAS 21 "Lack of Exchangeability"

Under the amendments, a currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. If a currency is not exchangeable into another currency on the measurement date, the Company is required to estimate the spot exchange rate in such a manner that reflects the rate at which an orderly exchange transaction would take place on the measurement date between market participants under prevailing economic conditions. In this case, the Company shall disclose information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the Company's financial performance, financial position and cash flows.

As of the date the parent company only financial statements were authorized for issue, the Company assesses that the amendments to the aforementioned standards and interpretations would not have any material impact on the parent company only financial position and financial performance aside from those explained above.

- 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>
"Annual Improvements to IFRS Accounting Standards - Volume 11"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" Regarding the Contents of Amendments to the Application Guidance on the Classification of Financial Liabilities	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture"	Undetermined
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
IFRS 18 - "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 - "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

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.

1) Amendments to IAS 21 "Lack of Exchangeability"

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

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

2) Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"

Contracts referencing nature-dependent electricity are those where the electricity generation source depends on uncontrollable natural factors, which results in one party of the contract assuming the risk of uncertain actual generation levels, including contracts for the purchase or sale of nature-dependent electricity or financial instruments related to such electricity. The amendments stipulate that if the Company enters into a contract for the purchase of nature-dependent electricity and is exposed to the risk of purchasing more electricity than its demand within a specific period, and the design and operation of the electricity market require the Company to sell any unused electricity within the prescribed period, such a sale may not necessarily result in the Company failing to meet the conditions of holding the contract for the purchase of electricity due to the demand of expected use of the electricity, and thus the contract should be treated as a financial instrument. If the Company will purchase an equivalent quantity of electricity in the same market

within a reasonable period after selling the electricity, it still meets the conditions of holding the contract based on the demand of expected use of the electricity.

The amendments also stipulate that if the Company enters into a contract referencing nature-dependent electricity and designates it as a hedging instrument for an expected transaction, it may designate the expected electricity transactions with variable quantities that align with the aforementioned contract as the hedged item.

The Company should retrospectively apply the contents of amendments related to judging whether contracts referencing nature-dependent electricity meet the conditions of holding the contract based on the demand of expected use of electricity, but there is no need to restate information for the comparative periods, and the impact of first adoption should be recognized on the day of first adoption. The regulations related to hedge accounting should be postponed for application.

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

The parent company only financial statements have been prepared in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers.

b. Basis of preparation

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

- 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 parent company only 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 parent company only financial statements to be the same with the

amounts attributable to the owners of the Company in its parent company only 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 that are due to be settled within 12 months after the balance sheet date; and
- 3) Liabilities for which the Company does not have a substantive 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 parent company only 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 interests in subsidiaries that do not result in the Company losing control over the subsidiaries are accounted for as equity transactions. Any difference between the carrying amount of the investment and the fair value of the consideration paid or received is recognized directly in 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 recognized in other comprehensive income in relation 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 parent company only financial statements. Profits and losses resulting from upstream transactions and transactions between subsidiaries are recognized in the parent company only financial statements only to the extent of interests in the subsidiaries of parties that are not related to the Company.

g. Investments in associates

Associates refers to entities in which the Company has significant influence but are not subsidiaries or joint ventures.

The Company investments in associates are accounted for using the equity method. Under the equity method, an investment in associates 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 associates. In addition, changes in the interests of associates are recognized according to the ownership proportion.

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

When conducting impairment assessments, the Company considers the entire carrying amount of the investment (including goodwill) as a single asset and

compares it with the recoverable amount. Any impairment loss recognized is not allocated to any specific assets that make up the carrying amount of the investment. Any reversal of impairment losses is recognized to the extent that the recoverable amount of the investment subsequently increases.

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

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

i. 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 derecognized, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit and loss.

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

- k. 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.

- l. Financial instruments

Financial assets and financial liabilities are recognized in the parent company only 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.

(1) Measurement categories

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

A. Financial assets at FVTPL

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

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

B. Financial assets at amortized cost

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

- a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- b) 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:

- a) 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.
- b) 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.

C. 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 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.

(2) 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 Company 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:

- A. Internal or external information shows that the debtor is unlikely to pay its creditors.
- B. 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.

(3) Derecognition 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 derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. Upon derecognition of investments in equity instruments at FVTOCI 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

(1) Subsequent measurement

Except for financial liabilities at FVTPL, all financial liabilities are measured at amortized cost using the effective interest method.

Financial liabilities at FVTPL 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.

(2) Derecognition of financial liabilities

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

4) Derivatives

The 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.

m. 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.

The Company's 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.

n. 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 Company 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 parent company only 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 Company uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term leading to a change in future lease payments, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the parent company only balance sheets.

o. 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.

p. 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.

q. 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 rereasurement) 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. Rereasurement (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. Rereasurement 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 Company's defined benefit plans.

r. 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

	December 31, 2024	December 31, 2023
Cash on hand and petty cash	\$ 490	\$ 490
Checking accounts and demand deposits	94,433	130,438
Cash equivalents		
Time deposits	195,076	574,810
Reserve repurchase agreements collateralized by bonds	938,773	1,183,283
	<u>\$ 1,228,772</u>	<u>\$ 1,889,021</u>

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

	December 31, 2024	December 31, 2023
Time deposits	1.72% ~ 4.28%	1.40% ~ 5.25%
Reserve repurchase agreements collateralized by bonds	1.44% ~ 1.90%	1.51% ~ 1.57%

7. FINANCIAL INSTRUMENTS AT FVTPL - CURRENT

	<u>December 31,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
<u>Financial assets mandatorily classified at FVTPL</u>		
Derivative financial assets (not under hedge accounting)		
- Foreign exchange forward contracts	\$ -	\$ 3,887
Non-derivative financial assets		
- Domestic listed (OTC) shares	63,400	94,008
- Overseas listed shares	18,360	-
- Fund beneficiary certificates	176,886	685,810
- Beneficiary securities	62,229	68,837
Subtotal	<u>320,875</u>	<u>848,655</u>
	<u>\$ 320,875</u>	<u>\$ 852,542</u>

At the end of the balance sheet date, outstanding foreign exchange forward contracts not under hedge accounting were as follows:(December 31, 2024: None)

<u>December 31, 2023</u>	<u>Currency</u>	<u>Maturity date</u>	<u>Contract Amount (In Thousands)</u>
Sell	RMB/NTD	2024.01.12-2024.02.01	RMB 56,600 /NTD 248,682

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,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
<u>Investments in equity instruments at FVTOCI</u>		
Domestic investments		
Listed (OTC) companies shares	\$ 703,027	\$ 761,381
Unlisted companies shares	<u>117,271</u>	<u>140,923</u>
	<u>\$ 820,298</u>	<u>\$ 902,304</u>

The Company has invested in domestic listed (OTC) and unlisted (OTC) companies shares for medium- to long-term strategic purposes, and expects to generate returns over the long term. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as it believes that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Company's strategy of holding these investments for long-term purposes.

For the years ended December 31, 2024 and 2023, the Company recognized NT\$37,127 thousand and NT\$34,137 thousand of dividend income, respectively.

9. FINANCIAL ASSETS AT AMORTIZED COST - CURRENT

	December 31, 2024	December 31, 2023
Pledged time deposits	\$ 62,622	\$ 61,777
Reserve repurchase agreements collateralized by bonds with a maturity over 3 months	-	99,178
	<u>\$ 62,622</u>	<u>\$ 160,955</u>
The range of interest rate		
Pledged time deposits	1.530% ~ 1.655%	1.405% ~ 1.530%
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 information related to financial assets at amortized cost.

10. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	December 31, 2024	December 31, 2023
<u>Notes receivable (a)</u>		
Operating	<u>\$ 42,304</u>	<u>\$ 48,776</u>
<u>Accounts receivable (a)</u>		
Measured at amortized cost		
Gross carrying amount	\$ 467,906	\$ 672,674
Less: allowance for loss	(2,651)	(2,651)
	<u>\$ 465,255</u>	<u>\$ 670,023</u>
<u>Accounts receivable - related parties (a)</u>		
Operating (Note 30)	<u>\$ 66,924</u>	<u>\$ 67,912</u>
<u>Other receivables (b)</u>		
Tax refund receivable	\$ 51,613	\$ 33,800
Interest receivable	623	1,578
Others	283	286
	<u>\$ 52,519</u>	<u>\$ 35,664</u>
<u>Other receivables - related parties (Note 30)</u>	<u>\$ 279,182</u>	<u>\$ 591,078</u>

a. Notes and accounts receivable

The average credit period of sales of goods was 10 to 90 days. No interest was charged on the receivables.

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 annually. In addition, the Company reviews the recoverable amount of each individual trade debt on the balance sheet date to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Company's credit risk was significantly reduced.

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

The 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 due receivables. Where recoveries are made, they are recognized in profit or loss.

The following table details the loss allowance of notes receivables and trade receivables (including related parties) based on the Company's allowance matrix.

December 31, 2024

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	\$ 577,134	\$ -	\$ -	\$ 577,134
Loss allowance (Lifetime ECLs)	(2,651)	-	-	(2,651)
Amortized cost	<u>\$ 574,483</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 574,483</u>

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)	(2,651)	-	-	(2,651)
Amortized cost	<u>\$ 786,711</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 786,711</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, 2024 and 2023 was not changed:

	<u>For the Year Ended December 31, 2024</u>	<u>For the Year Ended December 31, 2023</u>
Balance between the start of the end	\$ 2,651	\$ 2,651

b. Other receivables

Other receivables mainly consisted of 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 unrecognized allowance for loss in the Company as of December 31, 2024 and 2023.

11. INVENTORIES

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Finished goods	\$ 707,289	\$ 957,223
Work in progress	59,606	37,918
Raw materials	116,422	96,783
Supplies	151,713	170,116
	<u>\$ 1,035,030</u>	<u>\$ 1,262,040</u>

The costs of inventories recognized as the cost of goods sold for the years ended December 31, 2024 and 2023 were NT\$8,964,264 thousand and NT\$9,820,042 thousand, respectively.

The net realizable value of inventory write-downs included in the cost of goods sold for the years ended December 31, 2024 and 2023 were NT\$51,028 thousand and NT\$21,735 thousand, respectively.

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Investment in subsidiaries	\$ 16,319,629	\$ 18,027,096
Investments in associates	81,646	89,822
	<u>\$ 16,401,275</u>	<u>\$ 18,116,918</u>

a. Investment in subsidiaries

	December 31, 2024		December 31, 2023	
	Carrying Amount	Ownership Equity and Voting Rights %	Carrying Amount	Ownership Equity and Voting Rights %
Over-the-counter (OTC) company				
Acme Electronics Corporation (ACME)	\$ 569,821	29.0	\$ 497,097	29.0
Unlisted (OTC) companies				
USIFE Investment Co., Ltd.	922,756	100.0	919,983	100.0
Swanlake Traders Ltd. (Swanlake)	1,567,162	100.0	1,449,066	100.0
USI (Hong Kong) Company Ltd.	62,709	100.0	64,345	100.0
USI Management Consulting Corp.	11,397	100.0	6,672	100.0
Chong Loong Trading Co., Ltd.	98,112	100.0	83,147	100.0
Union Polymer International Investment Corporation	9,092,810	100.0	9,794,851	100.0
Taiwan United Venture Capital Corp. (TUVC)	23,136	70.0	95,574	70.0
Swanson Plastics Corporation (SPC)	1,035,411	40.6	1,008,366	40.6
INOMA Corporation (INOMA)	10,461	94.4	11,030	94.4
Ever Conquest Global Limited (ECGL)	2,556,782	59.1	3,676,840	59.1
USI Optronics Corporation	15,914	50.9	27,214	50.9
USI Green Energy Corporation (USIGE)	353,158	100.0	392,911	100.0
	<u>15,749,808</u>		<u>17,529,999</u>	
	<u>\$ 16,319,629</u>		<u>\$ 18,027,096</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, please refer to Note 35, 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, 2024 and 2023 was NT\$1,690,113 thousand and NT\$1,548,242 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, 2024 and 2023 was recognized based on the financial reports of each subsidiary audited by accountants during the same period.

In according to sell the products produced by Fujian Gulei Petrochemical Co., Ltd. (Gulei), the board of directors of our company resolved on August 3, 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, established a capital of RMB 10,000 thousand, and completed the capital verification on December 21, 2023. The capital was invested by Swanlake and APC (BVI) Holding Co., Ltd. on December 14, 2023 in the amount of RMB 7,000 thousand and RMB 3,000 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, TUVU passed the resolution of the extraordinary shareholders' meeting on June 5, 2024 and June 28, 2023, to cash reduction and return the equity, cancel the issued shares of 10,000 thousand shares and 17,000 thousand shares, respectively. The capital reduction ratio was 50.00% and 45.95%, respectively, and the base date for it was June 18, 2024 and August 22, 2023. After the capital reduction, the paid-in share capital of TUVU was NT\$100,000 thousand and NT\$200,000 thousand, respectively. The Company received capital of NT\$70,000 thousand and NT\$119,000 thousand through the redemption of shares based on its percentage of ownership, respectively.

On November 7, 2023, the Company's board of directors approved the investment by Dynamic Ever Investments Limited (DEIL) to establish Zhangzhou Dynamic Ever Property Co., Ltd. The registration for establishment was completed on August 29, 2023, with a registered capital of RMB 21,000 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 parent company only 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 Company and APC had invested 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 DEIL. The total ownership percentage of the Company in EVGL is 67.4%.

b. Investments in associates

	December 31, 2024		December 31, 2023	
	Carrying Amount	%	Carrying Amount	%
<u>Investments in associates that are not individually material</u>				
Delmind Inc. (Delmind)	\$ 72,312	30.0	\$ 79,987	30.0
Chem Union Renewable Energy Corporation (CURE)	9,334	33.3	9,835	33.3
	<u>\$ 81,646</u>		<u>\$ 89,822</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 Data Wise, and the shares in 2024 and 2023 were net losses of NT\$7,675 thousand and NT\$3,935 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 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 shares in 2024 and 2023 were net losses of NT\$501 thousand and NT\$165 thousand, respectively.

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, 2024	\$ 495,159	\$ 131,555	\$ 1,682,475	\$ 9,346,354	\$ 30,307	\$ 183,904	\$ 826,377	\$ 12,696,131
Addition	-	-	-	-	-	-	278,311	278,311
Disposal	-	(101)	-	(9,089)	(1,773)	(86,483)	-	(97,446)
Internal transfer	-	-	5,568	271,947	-	5,232	(363,614)	(80,867)
Balance as of December 31, 2024	<u>\$ 495,159</u>	<u>\$ 131,454</u>	<u>\$ 1,688,043</u>	<u>\$ 9,609,212</u>	<u>\$ 28,534</u>	<u>\$ 102,653</u>	<u>\$ 741,074</u>	<u>\$ 12,796,129</u>
<u>Accumulated depreciation</u>								
Balance as of January 1, 2024	\$ -	\$ 112,814	\$ 555,454	\$ 5,883,880	\$ 20,094	\$ 171,895	\$ -	\$ 6,744,137
Depreciation expense	-	3,383	42,802	542,011	2,684	4,444	-	595,324
Disposal	-	(101)	-	(9,089)	(1,773)	(86,483)	-	(97,446)
Balance as of December 31, 2024	<u>\$ -</u>	<u>\$ 116,096</u>	<u>\$ 598,256</u>	<u>\$ 6,416,802</u>	<u>\$ 21,005</u>	<u>\$ 89,856</u>	<u>\$ -</u>	<u>\$ 7,242,015</u>
Net amount as of December 31, 2024	<u>\$ 495,159</u>	<u>\$ 15,358</u>	<u>\$ 1,089,787</u>	<u>\$ 3,192,410</u>	<u>\$ 7,529</u>	<u>\$ 12,797</u>	<u>\$ 741,074</u>	<u>\$ 5,554,114</u>
<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>

In accordance with the New Taipei City Government Letter Development No. 1072133080 dated November 7, 2018, the land and buildings of the Company located in Linkou are within the scope of "Urban Land Redeveloping Zone at 1st Industrial Park in Linkou District." The land has been delivered for redevelopment and returned on May 2, 2023. On August 8, 2024, the board of directors passed a resolution to construct an innovative R&D center by commissioning an outside contractor.

The Company did not make any impairment assessment for the years ended December 31, 2024 and 2023 since there were no signs of impairment.

The 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 (d) finance cost.

14. LEASE ARRANGEMENTS

a. Right-of-use assets

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Carrying amount of right-of-use assets		
Buildings	\$ 10,460	\$ 742
	<u>For the Year Ended December 31, 2024</u>	<u>For the Year Ended December 31, 2023</u>
Addition for right-of-use assets	\$ 14,611	\$ -
Depreciation expense of right-of-use assets		
Buildings	\$ 4,893	\$ 4,449

The Company leases the office in Taipei and sublets it to another company on an operating lease basis. The related right-of-use assets are presented as investment properties, and please refer to Note 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, 2024</u>	<u>December 31, 2023</u>
Carrying amount of lease liabilities		
Current	\$ 25,757	\$ 28,578
Non-current	\$ 338,575	\$ 56,528

Range of discount rate for lease liabilities was as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Buildings	2.24%	1.16% ~ 1.76%

c. Material lease-in activities and terms

The Company leases buildings for use as offices and R&D centers with lease terms of 3 to 11 years. The Company has options to lease office at the end of the lease terms.

d. Other lease information

For lease arrangements under operating leases for leasing out of investment properties, please refer to Note 15. For details of lease information, please refer to the following table (the Company as lessee):

	<u>For the Year Ended December 31, 2024</u>	<u>For the Year Ended December 31, 2023</u>
Expenses relating to short-term leases	\$ 6,606	\$ 7,915
Expenses relating to low-value asset leases	\$ 96	\$ 95
Total cash (outflow) for leases	(\$ 40,310)	(\$ 41,445)

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,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
Completed investment properties		
Land	\$ 26,292	\$ 26,292
Buildings	26,413	27,377
Right-of-use assets	350,544	79,852
	<u>\$ 403,249</u>	<u>\$ 133,521</u>

	<u>Land</u>	<u>Buildings</u>	<u>Right-of-use</u> <u>assets</u>	<u>Total</u>
<u>Costs</u>				
Balance as of January 1, 2024	\$ 26,292	\$ 69,805	\$ 210,881	\$ 306,978
Addition	-	-	297,309	297,309
Disposal	-	(3,600)	-	(3,600)
Balance as of December 31, 2024	<u>\$ 26,292</u>	<u>\$ 66,205</u>	<u>\$ 508,190</u>	<u>\$ 600,687</u>
<u>Accumulated depreciation</u>				
Balance as of January 1, 2024	\$ -	\$ 42,428	\$ 131,029	\$ 173,457
Depreciation expense	-	964	26,617	27,581
Disposal	-	(3,600)	-	(3,600)
Balance as of December 31, 2024	<u>\$ -</u>	<u>\$ 39,792</u>	<u>\$ 157,646</u>	<u>\$ 197,438</u>
Net amount as of December 31, 2024	<u>\$ 26,292</u>	<u>\$ 26,413</u>	<u>\$ 350,544</u>	<u>\$ 403,249</u>
<u>Costs</u>				
Balance as of January 1, 2023	\$ -	\$ 69,805	\$ 210,995	\$ 280,800
Disposal	-	-	(114)	(114)
Internal transfer	26,292	-	-	26,292
Balance as of December 31, 2023	<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	\$ -	\$ 41,465	\$ 104,421	\$ 145,886
Depreciation expense	-	963	26,630	27,593
Disposal	-	-	(22)	(22)
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>

The investment property is the sublease of the Company's free-held and leased offices in Taipei to other companies on an operating lease for a period of 1 to 6 years with an option to extend the lease. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend.

The total amount of lease payments to be collected in the future for investment property as operating lease is as follows:

	December 31, 2024	December 31, 2023
Year 1	\$ 19,909	\$ 14,292
Year 2	11,833	6,116
Year 3	2,738	-
	<u>\$ 34,480</u>	<u>\$ 20,408</u>

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

Buildings	5-50 years
Right-of-use assets	3-11 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, 2024 and 2023 are as follows:

	December 31, 2024	December 31, 2023
Fair Value	<u>\$ 709,943</u>	<u>\$ 366,912</u>

16. INTANGIBLE ASSETS

	December 31, 2024	December 31, 2023
Computer software	\$ 1,153	\$ 956
Technology royalties and patent right	-	-
	<u>\$ 1,153</u>	<u>\$ 956</u>

	Technology royalties and patent right	Computer software	Total
<u>Costs</u>			
Balance as of January 1, 2024	\$ 174,850	\$ 2,076	\$ 176,926
Addition	-	1,129	1,129
Disposal	-	(57)	(57)
Balance as of December 31, 2024	<u>\$ 174,850</u>	<u>\$ 3,148</u>	<u>\$ 177,998</u>

(Continued)

(Continued)

	Technology royalties and patent right	Computer software	Total
<u>Accumulated amortization and impairment</u>			
Balance as of January 1, 2024	\$ 174,850	\$ 1,120	\$ 175,970
Amortization expense	-	932	932
Disposal	-	(57)	(57)
Balance as of December 31, 2024	<u>\$ 174,850</u>	<u>\$ 1,995</u>	<u>\$ 176,845</u>
Net amount as of December 31, 2024	<u>\$ -</u>	<u>\$ 1,153</u>	<u>\$ 1,153</u>
<u>Costs</u>			
Balance as of January 1, 2023	\$ 174,850	\$ 1,285	\$ 176,135
Addition	-	791	791
Balance as of December 31, 2023	<u>\$ 174,850</u>	<u>\$ 2,076</u>	<u>\$ 176,926</u>
<u>Accumulated amortization and impairment</u>			
Balance as of January 1, 2023	\$ 174,850	\$ 619	\$ 175,469
Amortization expense	-	501	501
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>

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, 2024 and 2023.

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	1-3 years

17. BORROWINGS

- a. Short-term borrowings (December 31, 2023: None)

	<u>December 31, 2024</u>
<u>Unsecured borrowings</u>	
— Credit borrowings	<u>\$ 420,000</u>

The range of interest rate 1.80%~1.85%

b. Long-term borrowings

	December 31, 2024	December 31, 2023
<u>Unsecured borrowings</u>		
Credit borrowings	\$ 1,011,685	\$ 467,506
Less: Listed as maturity within one year	291,462	-
Long-term borrowings	<u>\$ 720,223</u>	<u>\$ 467,506</u>
The range of interest rate	1.18%~1.72%	1.05%~1.09%

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 August 2027 with a total credit limit of NT\$3,100,000 thousand, which is used cyclically during the validity period. As of December 31, 2024, the Company has 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, 2024, the Company did not violate any of the financial ratio requirements stated above.

The Company has acquired a special low-interest bank loan line of NT\$1,016,644 thousand in accordance with the "Action Plan for Accelerated Investment by Domestic Corporations" in 2021 and had fully drawn as of December 31, 2024, recognized and measured the loan at market interest rate. The difference between the market interest rate and the actual preferential repayment rate is recognized as government subsidy.

18. BONDS PAYABLE

	December 31, 2024	December 31, 2023
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
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

(Continued)

(Continued)

	<u>December 31,</u> 2024	<u>December 31,</u> 2023
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
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>	<u>1,300,000</u>
	4,000,000	6,000,000
Discounts on bonds payable	(<u>3,412</u>)	(<u>5,296</u>)
	3,996,588	5,994,704
Less: Listed as maturity within one year	849,745	1,999,714
	<u>\$ 3,146,843</u>	<u>\$ 3,994,990</u>

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 repay bank loans. The unsecured ordinary corporate bonds have a 5-year tenor and are repayable at maturity. The bonds were fully issued in April 2019 and are due for repayment in April 2024.

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

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

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

19. ACCOUNTS PAYABLE

	December 31, 2024	December 31, 2023
<u>Accounts payable</u>		
Operating	\$ 781,845	\$ 1,062,391
<u>Accounts payable - related parties (Note 30)</u>		
Operating	\$ 62,713	\$ 107,310

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

20. OTHER PAYABLES

	December 31, 2024	December 31, 2023
Non-related party		
Payables for water electricity	\$ 80,045	\$ 71,469
Payables for salaries and bonuses	76,195	141,147
Payable for annual leave	23,778	23,499
Payables for fares	15,680	13,159
Payables for purchases of equipment	12,424	14,674
Payables for interests	9,948	23,077
Others	50,398	44,025
	<u>\$ 268,468</u>	<u>\$ 331,050</u>
Related party (Note 30)	<u>\$ 38,196</u>	<u>\$ 17,458</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 parent company only balance sheets arising from the Company's obligation in respect of its defined benefit plans were as follows:

	December 31, 2024	December 31, 2023
Present value of funded defined benefit obligation	(\$ 342,769)	(\$ 395,175)
Fair value of plan assets	328,343	324,097
Net defined benefit liabilities - non-current	<u>(\$ 14,426)</u>	<u>(\$ 71,078)</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, 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)
Remeasurement 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	<u>(\$ 395,175)</u>	<u>\$ 324,097</u>	<u>(\$ 71,078)</u>
January 1, 2024	(\$ 395,175)	\$ 324,097	(\$ 71,078)
Current service cost	(2,331)	-	(2,331)
Interest (expense) revenue	(4,893)	4,089	(804)
Amounts recognized in profit or loss	(7,224)	4,089	(3,135)
Remeasurement on the net defined benefit liability			
Return on plan assets (excluding amounts included in net interest)	-	29,374	29,374
Actuarial gains recognized from changes in financial assumptions	5,383	-	5,383
Actuarial gains recognized from experience adjustments	4,926	-	4,926
Amounts recognized in other comprehensive income	10,309	29,374	39,683
Contributions from employer	-	19,358	19,358
Benefits paid	48,575	(48,575)	-
Payment for provisions	746	-	746
December 31, 2024	<u>(\$ 342,769)</u>	<u>\$ 328,343</u>	<u>(\$ 14,426)</u>

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, 2024	December 31, 2023
Discount rate	1.50%	1.25%
Expected rates of salary increase	2.25%	2.25%

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

	December 31, 2024	December 31, 2023
Discount rate		
Increase 0.25%	(\$ 5,238)	(\$ 6,181)
Decrease 0.25%	\$ 5,383	\$ 6,358
Expected rates of salary increase		
Increase 0.25%	\$ 5,246	\$ 6,181
Decrease 0.25%	(\$ 5,130)	(\$ 6,040)

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

	December 31, 2024	December 31, 2023
The expected contributions to the plan for the next year	\$ 26,876	\$ 13,456
The average duration of the defined benefit obligation	6.6 years	6.7 years

22. EQUITY

	December 31, 2024	December 31, 2023
Share capital	\$ 11,887,635	\$ 11,887,635
Capital surplus	491,652	476,799
Retained Earnings	9,034,583	11,526,902
Other equity	(138,216)	(161,445)
Treasury shares	(475,606)	(475,606)
	<u>\$ 20,800,048</u>	<u>\$ 23,254,285</u>

a. Share capital

	December 31, 2024	December 31, 2023
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 2023 and 2022 as resolved in the shareholders' meetings on May 31, 2024 and 2023, respectively, are as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Legal reserve	\$ -	\$ 164,106		
Cash dividends	416,067	832,134	\$ 0.35	\$ 0.7
	<u>\$ 416,067</u>	<u>\$ 996,240</u>		

The appropriations of earnings for the year ended December 31, 2024 had been proposed by the Company's board of directors on March 10, 2025, are as follows:

	Appropriation of Earnings	Dividends Per Share (NT\$)
Special reserve	\$ 93,106	
Cash dividends	237,753	\$ 0.2
	<u>330,859</u>	

The appropriations of earnings for the year ended December 31, 2024 are subject to the resolution of the shareholders' meeting to be held on May 29, 2025.

d. Other equity

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

	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Balance at January 1	(\$ 452,386)	(\$ 371,193)
Incurring in the current year		
Exchange differences on translating the financial statements of foreign operations	288,649 (56,122)
Related income tax of the profits and losses on translating the financial statements of foreign operations	(57,730)	8,853
Share from subsidiaries for using the equity method	187,201 (45,780)
Reclassification adjustment		
Disposal of share of subsidiaries accounted for using the equity method	-	11,856
Balance at December 31	<u>(\$ 34,266)</u>	<u>(\$ 452,386)</u>

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

	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Balance at January 1	\$ 290,941	\$ 380,089
Incurring in the current year		
Unrealized gains (losses)		
Equity instruments	(82,006)	11,667
Share from subsidiaries for using the equity method	(312,409)	(105,910)
Transfer of cumulative gains/losses on disposal of equity instruments to retained earnings		
Share from subsidiaries for using the equity method	(476)	5,095
Balance at December 31	<u>(\$ 103,950)</u>	<u>\$ 290,941</u>

e. Treasury shares

Purpose of Buy-Back	Number of shares at January 1 (in thousands)	Increase in the current year	Decrease in the current year	Number of shares at December 31 (in thousands)
<u>For the Year Ended December 31, 2024</u>				
Subsidiaries' holding of the Company's shares reclassified from investment accounted for using the equity method into treasury stock	116,466	-	-	116,466
<u>For the Year Ended December 31, 2023</u>				
Subsidiaries' holding of the Company's shares reclassified from investment accounted for using the equity method into treasury stock	116,466	-	-	116,466

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

Name of Subsidiary	Number of Shares Held (in thousands)	Carrying Amount	Market Price
<u>December 31, 2024</u>			
APC	101,356	\$ 1,377,381	\$ 1,089,574
TTC	15,110	81,875	162,431
		<u>\$ 1,459,256</u>	<u>\$ 1,252,005</u>
<u>December 31, 2023</u>			
APC	101,356	\$ 1,377,381	\$ 2,001,775
TTC	15,110	81,875	298,421
		<u>\$ 1,459,256</u>	<u>\$ 2,300,196</u>

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

APC and TTC held shares of the Company that were presented as financial assets at FVTOCI. Using closing prices on the final trading dates as of December 31, 2024 and 2023, the two entities reported unrealized gains (losses) on financial assets at FVTOCI, for which the Company had adjusted the value of equity-accounted investments and unrealized gain (loss) on valuation of financial assets at FVTOCI by NT\$(63,566) thousand and NT\$281,399 thousand, respectively, based on the prevailing shareholding percentages.

23. REVENUE

	<u>For the Year Ended December 31, 2024</u>	<u>For the Year Ended December 31, 2023</u>
Revenue from the sale of goods		
Plastic Raw Materials	<u>\$ 8,821,441</u>	<u>\$ 11,449,372</u>

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

a. Contract balances

	<u>December 31, 2024</u>	<u>December 31, 2023</u>	<u>January 1, 2023</u>
Notes and accounts receivable (including related parties) (Notes 10 and 30)	<u>\$ 574,483</u>	<u>\$ 786,711</u>	<u>\$ 2,475,381</u>
Contract liabilities (presented in other current liabilities)			
Merchandise sales	<u>\$ 121,904</u>	<u>\$ 23,983</u>	<u>\$ 144,066</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, 2024</u>	<u>For the Year Ended December 31, 2023</u>
Bank deposits	\$ 7,738	\$ 12,440
Reserve repurchase agreements collateralized by bonds	12,158	6,073
Beneficiary securities	2,101	1,548
Others	124	115
	<u>\$ 22,121</u>	<u>\$ 20,176</u>

b. Other income

	<u>For the Year Ended December 31, 2024</u>	<u>For the Year Ended December 31, 2023</u>
Rental income	\$ 49,185	\$ 51,793
Dividend income	40,580	35,893
Income from management services (Note 30)	36,656	35,702
Income from compensations	13	84,030
Others	16,299	9,636
	<u>\$ 142,733</u>	<u>\$ 217,054</u>

c. Other gains and losses

	<u>For the Year Ended December 31, 2024</u>	<u>For the Year Ended December 31, 2023</u>
Gain on disposal of property, plant and equipment, net	\$ 1,093	\$ 700
Gain on foreign exchange, net	48,028	1,926
Gain on financial assets at FVTPL, net	393	33,644
Loss on financial liabilities at FVTPL, net	(1,704)	(16,520)
Loss on disposal of investments accounted for using the equity method	-	(13,850)
Depreciation expense of investment properties (Note 15)	(27,581)	(27,593)
Other expenses	(28,009)	(20,932)
	<u>(\$ 7,780)</u>	<u>(\$ 42,625)</u>

d. Finance costs

	<u>For the Year Ended December 31, 2024</u>	<u>For the Year Ended December 31, 2023</u>
Interest on bonds payable	\$ 36,165	\$ 50,096
Interest on bank loans	15,914	8,646
Other interest expense	185	228
Interest on lease liabilities	914	1,196
Less: Capitalized interest (presented under construction in progress)	(701)	(1,522)
	<u>\$ 52,477</u>	<u>\$ 58,644</u>

Information about capitalized interest is as follows:

	<u>For the Year Ended December 31, 2024</u>	<u>For the Year Ended December 31, 2023</u>
Capitalized interest	\$ 701	\$ 1,522
Capitalization rate	0.7412% ~ 1.1687%	0.8358%

e. Depreciation and amortization

	<u>For the Year Ended December 31, 2024</u>	<u>For the Year Ended December 31, 2023</u>
Property, plant and equipment	\$ 595,324	\$ 619,200
Right-of-use assets	4,893	4,449
Investment properties	27,581	27,593
Intangible assets	932	501
Others	14,730	7,604
	<u>\$ 643,460</u>	<u>\$ 659,347</u>
Summary of depreciation by function		
Operating costs	\$ 563,392	\$ 585,524
Operating expenses	36,825	38,125
Other gains and losses	27,581	27,593
	<u>\$ 627,798</u>	<u>\$ 651,242</u>
An analysis of amortization by function		
Operating costs	\$ 14,730	\$ 7,604
Administrative expenses	932	501
	<u>\$ 15,662</u>	<u>\$ 8,105</u>

f. Employee benefits expense

	<u>For the Year Ended December 31, 2024</u>	<u>For the Year Ended December 31, 2023</u>
Retirement benefits (Note 21)		
Defined contribution plans	\$ 20,293	\$ 20,277
Defined benefit plans	3,135	3,652
	<u>23,428</u>	<u>23,929</u>
Other employee benefits	532,171	610,653
Total employee benefits expenses	<u>\$ 555,599</u>	<u>\$ 634,582</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 445,655	\$ 496,132
Operating expenses	109,944	138,450
	<u>\$ 555,599</u>	<u>\$ 634,582</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.

Due to losses made in 2024 and 2023, employees' compensation and remuneration of directors were not estimated.

The board of directors made the following resolutions on March 7, 2023 regarding 2022 employees' compensation and remuneration of directors:

Percentage used for estimation

	<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 the amount changes after annual parent company only financial statements are approved and announced to the public, the difference will be treated as a change of accounting estimate and recognized as a gain or loss in the following year.

The actual amounts of employees' compensation and remuneration to directors paid for 2022 were indifferent from the amounts recognized in the 2022 financial statements.

Please visit "Market Observation Post System" for more information regarding employees' compensation and remuneration to directors resolved during the Company's board of directors meetings.

h. Foreign exchange gains (losses)

	<u>For the Year Ended December 31, 2024</u>	<u>For the Year Ended December 31, 2023</u>
Gross foreign exchange gains	\$ 65,781	\$ 14,153
Foreign exchange losses	(17,753)	(12,227)
Net gain	<u>\$ 48,028</u>	<u>\$ 1,926</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, 2024</u>	<u>For the Year Ended December 31, 2023</u>
Current tax		
Incurred in the current year	\$ -	\$ 214,988
Additional tax on unappropriated earnings	-	21,974
Adjustments for previous years	(20,019)	(18,457)
Others	62	-
	<u>(19,957)</u>	<u>218,505</u>
Deferred tax		
Incurred in the current year	(225,129)	(271,170)
Adjustments for previous years	3,487	-
	<u>(221,642)</u>	<u>(271,170)</u>
Income tax (gain) expense recognized in profit or loss	<u>(\$ 241,599)</u>	<u>(\$ 52,665)</u>

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

	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Net loss before income tax for the year	(\$ 2,389,069)	(\$ 259,671)
Income tax gain of net loss before tax calculated at statutory tax rate (20%)	(\$ 477,814)	(\$ 51,934)
Non-deductible expenses loss in tax returns	2,087	932
Tax-exempt income	(10,604)	(8,775)
Financial asset evaluation loss (gain)	2,365	(351)
Share of profits and losses of domestic subsidiaries accounted for using the equity method	105,944	19,634
Investee's capital reduction and liquidation loss	-	(15,878)
Additional tax on unappropriated earnings	-	21,974
Unrecognized deductible temporary differences	136,696	-
Adjustments of current income tax expenses for prior year	(16,532)	(18,457)
Tax-exemption dividend income exclusions from loss offsets	16,127	-
Others	132	190
Income tax (gain) expense recognized in profit or loss	(\$ 241,599)	(\$ 52,665)

The Company's subsidiary, A.S. Holding (UK) Limited, is registered in UK, where the Pillar 2 income tax law has been effected. Under the law, the Company is required to pay a top-up tax in UK on the profits of its subsidiaries that are taxed at an effective tax rate of less than 15%. There was no relevant current tax impact for the year ended December 31, 2024 regarding current tax expense of the Pillar 2 income tax.

b. Income tax recognized in other comprehensive income

	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
<u>Deferred tax</u>		
Incurring in the current year		
— Exchange differences on translating the financial statements of foreign operations	(\$ 57,730)	\$ 10,816
— Remeasurements of defined benefit plan	(7,937)	(236)
Reclassification adjustment		
— Disposal of subsidiaries accounted for using the equity method	-	(1,963)
Income tax (expense) gain recognized in other comprehensive income	(\$ 65,667)	\$ 8,617

c. Current tax assets and liabilities

	December 31, 2024	December 31, 2023
Current tax assets		
Tax refund receivable	\$ 2,260	\$ -
Current tax liabilities		
Income tax payable	\$ 26,769	\$ 267,582

d. Deferred tax assets and liabilities

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

For the Year Ended December 31, 2024

	Balance at January 1	Amounts recognized in profit or loss	Amounts recognized in other comprehensive income	Balance at December 31
<u>Deferred tax assets</u>				
Temporary difference				
Allowance for inventory valuation and obsolescence losses	\$ 22,572	\$ 10,206	\$ -	\$ 32,778
Defined benefit retirement plan	16,920	-	(7,937)	8,983
Payable for annual leave	4,700	56	-	4,756
Unrealized sales profits	3,875	(3,556)	-	319
Impairment loss on financial assets at FVTPL	6,095	-	-	6,095
Amortization of intangible assets due to fiscal and taxation difference over amortization period	178	(107)	-	71
Amortization of depreciation due to fiscal and taxation difference over amortization period	785	-	-	785
Unrealized evaluation loss of financial assets at FVTPL	-	220	-	220
Exchange differences on translating the financial statements of foreign operations	26,100	-	(26,100)	-
Share of profits of foreign subsidiaries accounted for using equity method	628,482	121,753	-	750,235
Unrealized exchange loss	2,984	(2,984)	-	-
Profit-making enterprises recognized controlled foreign enterprises	15,043	(3,192)	-	11,851
Loss offsets	-	104,088	-	104,088
	<u>\$ 727,734</u>	<u>\$ 226,484</u>	<u>(\$ 34,037)</u>	<u>\$ 920,181</u>
<u>Deferred tax liabilities</u>				
Temporary difference				
Pension expenditures due to fiscal and taxation difference	\$ 18,563	\$ 3,393	\$ -	\$ 21,956
Exchange differences on translating the financial statements of foreign operations	-	-	31,630	31,630
Unrealized exchange gains	-	1,372	-	1,372
Land revaluation surplus	43,580	-	-	43,580
Unrealized sales losses	-	854	-	854
Unrealized evaluation gain of financial assets at FVTPL	777	(777)	-	-
	<u>\$ 62,920</u>	<u>\$ 4,842</u>	<u>\$ 31,630</u>	<u>\$ 99,392</u>

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 assets</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 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 at FVTPL	2,513	(2,513)	-	-
Exchange differences on translating the financial statements of foreign operations	17,247	-	8,853	26,100
Share of profits of foreign subsidiaries accounted for 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 at FVTPL	-	777	-	777
	<u>\$ 59,355</u>	<u>\$ 3,565</u>	<u>\$ -</u>	<u>\$ 62,920</u>

e. Unused loss offset information

As of December 31, 2024, the loss offset information is as follows:

<u>Unused balance</u>	<u>Expiry year</u>
520,438	2034

f. Income tax assessments

The Company's income tax returns through 2022 have been assessed by the tax authorities.

26. LOSS PER SHARE

	Unit: NT\$ Per Share	
	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Basic loss per share	(\$ 2.00)	(\$ 0.19)
Diluted loss per share	(\$ 2.00)	(\$ 0.19)

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

Net loss for the year

	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Net loss for the year used in the computation of basic and diluted loss per share	(\$ 2,147,470)	(\$ 207,006)

Number of Shares

	Unit: thousands of shares	
	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Weighted average number of ordinary shares used in the computation of basic loss per share	1,072,298	1,072,298
Dilutive effect of potential common shares:		
Employees' compensation	-	-
Weighted average common shares used for calculating diluted loss per share	1,072,298	1,072,298

If the Company has the option to distribute employees' compensation either in cash or in shares, then the calculation of diluted earnings per share shall be made by assuming full share-based payment. In which case, the number of potential common shares is added to the calculation of weighted-average outstanding shares as soon as they become dilutive, and this is the basis used for calculating diluted earnings per share. Dilutive effects of potential common shares will continue to be taken into account when calculating diluted EPS for next year's decision of share-based employees' compensation.

The Company incurred a net loss for the years ended December 31, 2024 and 2023. Employees' compensation had a anti-dilutive effect and therefore was not included in the calculation of diluted loss per share.

27. CASH FLOW INFORMATION

a. Non-cash transactions

The following non-cash investing and financing activities of the Company for the years ended December 31, 2024 and 2023, were:

- 1) As of December 31, 2024 and 2023, the amounts of payables for purchases of equipment were NT\$12,424 thousand and NT\$14,674 thousand, respectively.
- 2) As of December 31, 2024 and 2023, the amounts of payables for dividends declared but not issued were NT\$12,398 thousand and NT\$11,337 thousand, respectively.

b. Changes in liabilities arising from financing activities

	January 1, 2024	Cash flow	Non-cash Changes			December 31, 2024
			New Leases	Amortization of Finance Costs	Others	
Short-term borrowings	\$ -	\$ 420,000	\$ -	\$ -	\$ -	\$ 420,000
Bonds payable (including those due within 1 year)	5,994,704	(2,000,000)	-	1,884	-	3,996,588
Long-term borrowings (including those due within 1 year)	467,506	541,856	-	2,323	-	1,011,685
Guarantee deposits received	7,347	(458)	-	-	-	6,889
Lease liabilities (including those due within 1 year)	85,106	(32,694)	311,920	914	(914)	364,332
Other non-current liabilities	6,529	3,988	-	-	-	10,517
	<u>\$ 6,561,192</u>	<u>(\$ 1,067,308)</u>	<u>\$ 311,920</u>	<u>\$ 5,121</u>	<u>(\$ 914)</u>	<u>\$ 5,810,011</u>

	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>

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, 2024

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
- Domestic corporate bonds	\$ 3,996,588	\$ -	\$ 3,963,354	\$ -	\$ 3,963,354

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	\$ 5,994,704	\$ -	\$ 5,939,899	\$ -	\$ 5,939,899

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

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

1) Fair value hierarchy

December 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Domestic listed (OTC) shares	\$ 63,400	\$ -	\$ -	\$ 63,400
Overseas listed shares	18,360	-	-	18,360
Fund beneficiary certificates	176,886	-	-	176,886
Beneficiary securities	62,229	-	-	62,229
	<u>\$ 320,875</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 320,875</u>

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
- Domestic listed (OTC) shares	\$ 703,027	\$ -	\$ -	\$ 703,027
- Domestic unlisted shares and emerging market shares	-	-	117,271	117,271
	<u>\$ 703,027</u>	<u>\$ -</u>	<u>\$ 117,271</u>	<u>\$ 820,298</u>

December 31, 2023

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<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	68,837	-	-	68,837
	<u>\$ 848,655</u>	<u>\$ 3,887</u>	<u>\$ -</u>	<u>\$ 852,542</u>

Financial assets at FVTOCI

Investments in equity instruments				
- Domestic listed (OTC) shares	\$ 761,381	\$ -	\$ -	\$ 761,381
- Domestic unlisted shares and emerging market shares	-	-	140,923	140,923
	<u>\$ 761,381</u>	<u>\$ -</u>	<u>\$ 140,923</u>	<u>\$ 902,304</u>

There were no transfers between Levels 1 and 2 fair value measurement for the years ended December 31, 2024 and 2023.

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

	<u>For the Year Ended December 31, 2024</u>	<u>For the Year Ended December 31, 2023</u>
<u>Financial assets at FVTOCI</u>		
Balance at January 1	\$ 140,923	\$ 135,276
Purchase	-	19,975
Transfer to Level 3	(19,975)	-
Recognized in other comprehensive income (included in unrealized gain (loss) on financial assets at FVTOCI)	(3,677)	(14,328)
Balance at December 31	<u>\$ 117,271</u>	<u>\$ 140,923</u>

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

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

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

The Company applied the valuation techniques and inputs for Level 3 fair value measurement for its independent fair value authentication of financial instruments which was carried out by the financial department. The Company values domestic and overseas unlisted equity investments using the asset approach, in which fair value is determined by taking into consideration the latest net worth and observable financial and operating factors of the investee. A reduction in liquidity discount would increase the fair value of the investee. When the discount for lack of marketability increases/decreases by 10%, the fair value would have decreased/increased by NT\$11,727 thousand and NT\$14,092 thousand, respectively, for the years ended December 31, 2024 and 2023.

c. Categories of financial instruments

	December 31, 2024	December 31, 2023
<u>Financial assets</u>		
Measured at FVTPL		
Financial assets mandatorily classified at FVTPL	\$ 320,875	\$ 852,542
Financial assets at amortized cost (Note 1)	2,145,965	3,429,629
Financial assets at FVTOCI – investments in equity instruments	820,298	902,304
Refundable deposits	53,906	73,631
<u>Financial liabilities</u>		
Measured at amortized cost (Note 2)	6,477,201	7,813,438
Guarantee deposits received	6,889	7,347

Note 1: Balance is the financial assets at amortized cost, including cash and equivalent cash, pledged time deposits, reserve repurchase agreements collateralized by bonds with a maturity over 3 months, notes receivable and accounts receivable (including related parties), other receivables (including related parties, excluding tax refund receivable).

Note 2: Balance is the financial liabilities at amortized cost, including short-term borrowings, long-term borrowings, accounts receivable (including related parties), other receivables (including related parties, excluding salaries payable and taxes payable) 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.

(1) 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 34. 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 NTD relative to the USD and RMB appreciates/depreciates by 3%, net loss before income tax of the Company would have increased/decreased by NT\$12,282 thousand and NT\$19,594 thousand for the years ended December 31, 2024 and 2023.

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

(2) Interest rate risk

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

	December 31, 2024	December 31, 2023
Fair value interest rate risk		
- Financial assets	\$ 1,224,128	\$ 1,946,320
- Financial liabilities	4,780,920	6,079,810
Cash flow interest rate risk		
- Financial assets	84,104	119,844
- Financial liabilities	1,011,685	467,506

Sensitivity analysis

Regarding the sensitivity analysis of interest risk, the Company's computation was based on the balance sheet date of financial assets and financial liabilities with cash flow interest rate risk. A 0.5% increase/decrease of market interest was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rate. While maintaining all other variables unchanged, a 0.5% increase/decrease in market rate would increase/decrease net loss before income tax of the Company by NT\$4,638 thousand and NT\$1,738 thousand for the years ended December 31, 2024 and 2023.

(3) Other price risks

The Company was exposed to the 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, the fund beneficiary certificates held by the Company are mainly money market funds, which have very low price volatility risk, so it is not included in sensitivity analysis.

If the equity price had increased/decreased by 5%, net losses before tax for the years ended December 31, 2024 and 2023, would have increased/decreased by NT\$7,199 thousand and NT\$8,142 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL (excluding fund beneficiary certificates). Pre-tax other comprehensive income for the years ended December 31, 2024 and 2023, would have increased/decreased by NT\$41,015 thousand and NT\$45,115 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 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 arise from:

- (1) The carrying amount of the financial assets recognized in the parent company only balance sheets; and
- (2) 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. 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, 2024 and 2023, the amounts for endorsement guarantee are NT\$650,000 thousand and NT\$1,300,000 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 Company's exposure and the credit ratings of its counterparties are continuously monitored. The counterparties of the Company's accounts receivable 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.

(1) 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. The table was drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

December 31, 2024

	Weighted average interest rate (%)	On demand or less than 1 year	1-5 years	More than 5 years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities				
Lease liabilities	2.24	\$ 1,048,928	\$ -	\$ -
Floating interest rate liabilities	1.18~1.72	33,646	144,469	234,904
Fixed interest rate liabilities	0.63~1.85	330,512	701,196	-
		1,296,822	3,191,369	-
		<u>\$ 2,709,908</u>	<u>\$ 4,037,034</u>	<u>\$ 234,904</u>

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

(2) Liquidity of derivative financial liabilities and the interest risk table

Liquidity analysis of derivative financial instruments with gross delivery is prepared on the basis of undiscounted net 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, 2024: None)

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			
- Inflow	\$ 231,108	\$ 17,574	\$ -
- Outflow	(228,033)	(17,341)	-
	<u>\$ 3,075</u>	<u>\$ 233</u>	<u>\$ -</u>

(3) Financing facilities

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

	December 31, 2024	December 31, 2023
Bank loan facilities		
- Amount undrawn	<u>\$ 8,812,620</u>	<u>\$ 11,213,144</u>

30. RELATED PARTY TRANSACTIONS

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

a. Name of the related party and their relationship

Name of the related party	Relationship with the Company
Swanson Plastics Corp. (SPC)	Subsidiary
Acme Electronics Corporation (ACME)	Subsidiary
Chong Loong Trading Co., Ltd.	Subsidiary
Union Polymer International Investment Corporation	Subsidiary
USI (Hong Kong) Company Ltd. (USI (Hong Kong))	Subsidiary
USI Management Consulting Corp (UM)	Subsidiary
Forever Young Company Limited (Forever Young)	Subsidiary
Swanson Plastics (Kunshan) Co., Ltd. (Swanson Kunshan)	Subsidiary
Swanson Plastics (Malaysia) Sdn. Bhd. (Swanson Malaysia Sdn. Bhd.)	Subsidiary
Swanson Technologies Corporation	Subsidiary
Taiwan United Venture Management Corp. (TUVM)	Subsidiary
China General Plastics Corporation (CGPC)	Subsidiary
Taita Chemical Company, Limited (TTC)	Subsidiary
Asia Polymer Corporation (APC)	Subsidiary
Taiwan VCM Corporation (TVCM)	Subsidiary
CGPC Polymer Corporation	Subsidiary
China General Terminal & Distribution Corporation (CGTD)	Subsidiary
INOMA Corporation	Subsidiary
USIG (Shanghai) Co., Ltd. (USIG)	Subsidiary(liquidated in December 2023)

(Continued)

(Continued)

Name of the related party	Relationship with the Company
USI Trading (Shanghai) Co., Ltd. (USI Trading (Shanghai))	Subsidiary
USI Optronics Corporation	Subsidiary
Dynamic Ever Investments Limited (DEIL)	Subsidiary
USI Green Energy Corporation (USIGE)	Subsidiary
Xiamen USI Trading Co., Ltd. (XUL)	Subsidiary
USI Educational Foundation (USIF)	Other related parties
Delmind Inc. (Delmind)	Associate
Fujian Gulei Petrochemical Co., Ltd. (Gulei)	Joint ventures

b. Sale

Related Party Category/Name	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Subsidiary	\$ 398,717	\$ 466,041

As of the end of 2024 and 2023, the deferred unrealized gross profit to subsidiaries was NT\$868 thousand and NT\$1,103 thousand, respectively.

Sales to related parties had no material differences in price or collection terms compared to transactions with unrelated parties.

c. Purchase

Related Party Category/Name	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Subsidiary		
APC	\$ 393,670	\$ 813,447
Others	84,317	82,402
	<u>477,987</u>	<u>895,849</u>
Joint ventures		
Gulei	295,873	730,951
	<u>\$ 773,860</u>	<u>\$ 1,626,800</u>

Purchases from related parties had no material differences in price or payment terms compared to transactions with unrelated parties.

d. Allotment of ethylene outside

Related Party Category/Name	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Subsidiary		
TVCM	\$ 80,088	\$ 368,150
APC	82,001	353,812
	<u>\$ 162,089</u>	<u>\$ 721,962</u>

e. Allotment of ethylene inside

Related Party Category/Name	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Subsidiary		
APC	\$ 195,922	\$ -
TVCM	53,893	11,287
	<u>\$ 249,815</u>	<u>\$ 11,287</u>

f. Rental income (classified as other income)

Related Party Category/Name	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Subsidiary		
SPC	\$ 7,954	\$ 7,518
CGPC	4,985	4,819
TTC	4,893	5,082
ACME	3,002	3,194
APC	2,325	2,408
TVCM	1,689	1,652
UM	1,550	1,450
CGTD	1,396	1,404
Others	1,624	1,466
	29,418	28,993
Associate		
Delmind	312	318
	\$ 29,730	\$ 29,311

The Company lease the office buildings to the subsidiaries and associates and the rental income was received monthly according to the contract. The subsidiaries and associates have no preferential purchase rights at the end of the lease terms.

g. Management service income (classified as other revenue)

Related Party Category/Name	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Subsidiary		
APC	\$ 11,798	\$ 9,255
SPC	9,198	8,500
DEIL	9,130	12,044
CGPC	1,438	4,225
Others	5,092	1,678
	\$ 36,656	\$ 35,702

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)

Related Party Category/Name	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Subsidiary		
TUVM	\$ 576	\$ 243

i. Management service fees – management

(classified as administrative expenses and research and development expenses)

Related Party Category/Name	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Subsidiary		
UM	\$ 149,904	\$ 149,998
Others	1,852	8,057
	\$ 151,756	\$ 158,055

j. Rent expenses (classified as operating expenses)

Related Party Category/Name	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Subsidiary		
APC	\$ 2,956	\$ 2,995
	\$ 2,956	\$ 2,995

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)

Related Party Category/Name	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Subsidiary		
USI Trading (Shanghai)	\$ 553	\$ 425
	\$ 553	\$ 425

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

Related Party Category/Name	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Subsidiary		
CGTD	\$ 35,842	\$ 57,990
	\$ 35,842	\$ 57,990

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

Related Party Category/Name	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Subsidiary		
SPC	\$ 13,931	\$ 9,727
	\$ 13,931	\$ 9,727

n. Donation (classified as administrative expenses)

Related Party Category/Name	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Other related parties		
USI Education Foundation	\$ 3,000	\$ 5,000
	\$ 3,000	\$ 5,000

o. Others (classified as operating expenses, and other gains and losses)

Related Party Category/Name	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Subsidiary	\$ -	\$ 446

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

Related Party Category/Name	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Subsidiary		
APC	\$ 142,014	\$ 201,867
Others	871	2,308
	\$ 142,885	\$ 204,175

q. Revenue from licensing fee and revenue from survey fee of importing ethylene (classified as other revenue)

Related Party Category/Name	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Subsidiary		
XUL	\$ 3,480	\$ -
CGTD	536	976
Others	929	20
	\$ 4,945	\$ 996

r. Gain on disposal of property, plant and equipment (classified as other gains and losses)

Related Party Category/Name	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Subsidiary		
USI (Hong Kong)	\$ 889	\$ 889

The Hong Kong branch of the Company sold property, plant and equipment to USI (Hong Kong) in August 2005 for NT\$18,049 thousand (HKD 4,180 thousand). As of the end of 2024 and 2023, the unrealized gain was NT\$590 thousand and NT\$1,479 thousand, respectively, which have been deferred and are reversed and recognized based on the equipment's estimated useful life.

s. Accounts receivable

Related Party Category/Name	December 31, 2024	December 31, 2023
Subsidiary		
Swanson Kunshan	\$ 32,788	\$ 15,737
USI Trading (Shanghai)	15,610	31,651
USI (Hong Kong)	8,391	4,618
SPC	6,642	7,230
Swanson Malaysia Sdn. Bhd.	3,493	3,434
Forever Young	-	5,217
Others	-	25
	\$ 66,924	\$ 67,912

No collateral was received for the outstanding accounts receivable from related parties. No allowance for losses was provided for accounts receivable from related parties for the years ended December 31, 2024 and 2023.

t. Other receivables

Related Party Category/Name	December 31, 2024	December 31, 2023
Subsidiary		
APC	\$ 143,768	\$ 235,113
TVCM	121,389	216,415
USIG (Note 12)	-	129,438
Others	14,025	10,112
	\$ 279,182	\$ 591,078

u. Accounts payable

Related Party Category/Name	December 31, 2024	December 31, 2023
Subsidiary		
APC	\$ 50,853	\$ 97,256
TTC	7,665	4,200
SPC	4,195	5,854
	\$ 62,713	\$ 107,310

No collateral was provided for the outstanding accounts payable to related parties.

v. Other payables

Related Party Category/Name	December 31, 2024	December 31, 2023
Subsidiary		
APC	\$ 17,800	\$ 255
CGTD	13,525	9,642
UM	5,111	4,559
TVCM	1,615	1,044
TTC	-	1,511
Others	145	447
	\$ 38,196	\$ 17,458

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

Related Party Category/Name	December 31, 2024	December 31, 2023
Subsidiary		
SPC	\$ 284	\$ 284

x. Endorsement and guarantees (bank loans)

Related Party Category/Name	December 31, 2024	December 31, 2023
Subsidiary		
USIGE	\$ 650,000	\$ 1,300,000

y. Compensation of key management personnel

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

	<u>For the Year Ended December 31, 2024</u>	<u>For the Year Ended December 31, 2023</u>
Short-term employee benefits	\$ 40,913	\$ 42,884
Retirement benefits	738	738
	<u>\$ 41,651</u>	<u>\$ 43,622</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 have been pledged as collateral for material purchase and outward documentary bill:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Time deposits		
— Classified as financial assets at amortized cost - current	\$ 62,622	\$ 61,777
— Classified as other non-current assets	27,657	27,272
	<u>\$ 90,279</u>	<u>\$ 89,049</u>

32. SIGNIFICANT CONTINGENT LIABILITY AND UNRECOGNIZED CONTRACTUAL COMMITMENTS

a. As of December 31, 2024 and 2023, the Company's unused letter of credit amounted to NT\$946,521 thousand and NT\$1,779,980 thousand, respectively. The margins of endorsement of the related parties amounted to NT\$650,000 thousand and NT\$1,300,000 thousand, respectively. Please refer to Notes 29 and 30.

b. Regarding the Company's investee accounted for using the equity method, China General Terminal & Distribution Corporation ("CGTD"), which was commissioned to operate the propylene pipeline of LCY Chemical Corp. ("LCY") resulting in a gas explosion on July 31, 2014, the appeal was dismissed by the Supreme Court on September 15, 2021, and all three employees of CGTD were declared not guilty.

On February 12, 2015, CGTD entered into an agreement with the Kaohsiung City Government to provide the Kaohsiung City Government with a pledge over a bank deposit certificate of NT\$234,785 thousand (including interests) as the guarantee for the loss caused by the gas explosion. Kaohsiung City Government has also filed civil lawsuits against LCY, CGTD and CPC Corporation. Taiwan Power Company applied for provisional seizure against CGTD's property on August 27 and November 26, 2015. CGTD had deposited cash of NT\$99,207 thousand to the court to avoid provisional seizure.

Taiwan Water Corporation also applied for provisional seizure against CGTD's property on February 3 and March 2, 2017. As of February 28, 2025, the provisionally seized property of CGTD was NT\$6,401 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 had 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 28, 2025, the victims and victims' families had written letters or filed civil lawsuits (including criminal lawsuits) against LCY, CGTD, and CPC for compensation claims. To reduce the lawsuit costs, CGTD came to a compromise and reduced the original claim of NT\$46,677 thousand and settled for a compensation amount of NT\$4,519 thousand instead. Along with the case still under litigation and the above-mentioned compensation, the accumulated amount of compensation is NT\$3,831,211 thousand. The first-instance judgments of some of the above-mentioned civil cases (with a total amount of compensation of approximately NT\$1,467,830 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.)

CGTD filed an appeal to the civil lawsuit that has been awarded the first-instance decision but not yet settled. The court of second instance started announcing its decisions from July 10, 2024, and by February 28, 2025, the court had issued rulings for 9 of the claims made by Kaohsiung City Government (totaling approximately NT\$1,137,677 thousand). In 8 of the claims, the court found CGTD and LCY to be jointly accountable for 10% (5 claims) or 20% (3 claims) of the fault, for which CGTD and LCY shall jointly pay a compensation totaling NT\$79,726 thousand. In one other case, the court found CGTD solely accountable for 10% of the fault, for which CGTD shall pay a compensation of NT\$297 thousand. The

court of second instance also ruled CGTD and LCY jointly liable to pay compensations totaling NT\$108,835 thousand to Taiwan Power Company (total claims amounted to NT\$265,822 thousand) and National Health Insurance Administration (total claims amounted to NT\$35,688 thousand). CGTD has raised appeals to the above cases ruled by the second-instance court, except those that can not be appealed further. The remaining cases are still pending in the court of first instance (with claims totaling approximately NT\$1,860,557 thousand).

Based on the accountability ratios that the court has ruled for the gas explosion incident, the Company was able to estimate the amount of settlement with victims and the severely injured and the amount of compensation in civil cases (including cases that have been settled). After taking into consideration the maximum insurance claim and deductibles, the estimated amount that should be borne by CGTD has been recognized at NT\$136,375 thousand. However, the actual amount of the aforementioned relevant settlements and compensation will not be confirmed until the proportion of the liabilities that should be borne by CGTD is determined in the civil case judgment in the future.

33. LOSSES FROM MAJOR DISASTERS

On October 19, 2024, a fire broke out at the tape factory of China General Plastics Corporation (CGPC), one of the Company's investees accounted for using the equity method, which caused partial damage to the equipment and inventory in the factory. As of December 31, 2024, the carrying amount of the property loss was NT\$151,734 thousand, and was presented as other gains and losses. CGPC had purchased property insurance and negotiating with the insurance company for claims. However, due to the fact that insurance claim requires an inspection of the damage suffered, CGPC will recognize insurance claims income once the amount can be determined with reasonable certainty. Based on a preliminary assessment of the damages and claims, CGPC considers the fire to have no material impact on overall operations.

34. OTHER MATTERS

a. Significant Contracts

- 1) TVCM signed a dichloroethane purchase contract with CPC Corporation, Formosa Plastics Corporation and Blue Water Alliance. The purchase price was negotiated by both parties according to a pricing formula.
- 2) CGTD is commissioned by the Company, TTC, APC, TVCM, TSRC Corporation, Oriental Union Chemical Corporation, and others to operate the storage and transportation of any items of petrochemical raw materials; operating service charges are calculated in accordance with the actual operation quantities and at the rate per ton stated in the contracts. The insurance expenses

of petrochemical raw materials are borne by individual commissioned companies.

- b. On February 15, 2023, the President announced amendments to the Climate Change Response Act that introduced new rules on carbon fee collection. The Ministry of Environment subsequently announced drafts for "Regulations on Collection of Carbon Fee," "Regulations Governing Voluntary Reduction Plan," and "Greenhouse Gas Reduction Targets for Carbon Fee Payers" on August 29, 2024, and issued an announcement later on October 21, 2024 about the carbon fee rate, which will take effect from January 1, 2025 onwards. The Group will become one of the carbon fee payers given its level of emission in 2023. For this reason, the Group will be making liability reserves in accordance with the above regulations starting from 2025.

35. 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 assets and liabilities denominated in foreign currencies were as follows:

Unit: Foreign and Functional Currencies in Thousands			
December 31, 2024			
	<u>Foreign currency</u>	<u>Exchange Rate</u>	<u>Carrying Amount</u>
<u>Foreign currency assets</u>			
<u>Monetary items</u>			
USD	\$ 22,740	32.79	\$ 745,520
RMB	12,170	4.56	55,504
<u>Non-monetary items</u>			
Subsidiaries accounted for using the equity method			
USD	126,204	32.79	4,137,590
HKD	14,853	4.22	62,709
<u>Foreign currency liabilities</u>			
<u>Monetary items</u>			
USD	11,945	32.79	391,609
December 31, 2023			
	<u>Foreign currency</u>	<u>Exchange Rate</u>	<u>Carrying Amount</u>
<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>			
Subsidiaries accounted for using the equity method			
USD	167,385	30.71	5,139,552
HKD	16,377	3.93	64,345

	December 31, 2023		
	Foreign currency	Exchange Rate	Carrying Amount
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

The Company reported realized and unrealized net gains (losses) on currency exchange of net exchange gains of NT\$48,028 thousand and NT\$1,926 thousand for the years ended December 31, 2024 and 2023, respectively. Due to the broad diversity of foreign currency transactions, it was impractical to disclose exchange gains (losses) for each foreign currency by the materiality of their impact.

36. SEPARATELY DISCLOSED ITEMS

- a. Information on significant transactions and b. information on investees
- 1) Financing provided to others. (Table 1)
 - 2) Endorsements/guarantees provided. (Table 2)
 - 3) Marketable securities held (excluding investment in subsidiaries and associates). (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 2024 and 2023, the related information of the Company and the subsidiaries that applied the forward exchange transaction is as follows:

	Currency	Maturity date	Contract Amount (In Thousands)		
<u>December 31, 2024</u>					
Sell	USD/MYR	2025.01.16-2025.06.23	USD	2,600 /MYR	11,208
Sell	USD/NTD	2025.01.02-2025.01.06	USD	1,210 /NTD	38,941
Buy	NTD/USD	2025.01.03-2025.01.14	NTD	161,290 /USD	5,040
Buy	JPY/USD	2025.01.23-2025.02.21	JPY	90,000 /USD	598
<u>December 31, 2023</u>					
Sell	RMB/NTD	2024.01.03-2024.02.01	RMB	71,700 /NTD	315,018
Sell	USD/MYR	2024.01.08-2024.07.11	USD	1,800 /MYR	8,281
Buy	USD/NTD	2024.01.02-2024.01.08	USD	1,400 /NTD	43,839
Buy	NTD/USD	2024.01.10-2024.02.20	NTD	92,539 /USD	3,000
Buy	JPY/USD	2024.01.26-2024.02.22	JPY	120,000 /USD	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:

- (1) 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.
- (2) 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.
- (3) The amount of property transactions and the amount of the resultant gains or losses: None.
- (4) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: Table 2.
- (5) The highest balance during the period, the end of period balance, the interest rate range, and total current period interest with respect to the financing of funds: Table 1.
- (6) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services: None.

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 INVESTEES
Acme Electronics Corporation
FINANCING PROVIDED TO OTHERS
For the Year Ended December 31, 2024

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 (Note 3)	Interest rate (%)	Nature of financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing limit for each borrower (Note 1)	Aggregate financing limit (Note 1)	Remark
													Item	Value			
1	Acme Electronics (Guang-Zhou) Co., Ltd.	Acme Electronics (Kunshan) Co., Ltd.	Other receivables - related parties	Yes	\$ 184,088 (RMB40,000 thousand)	\$ 182,432 (RMB40,000 thousand)	\$ 63,851 (RMB14,000 thousand)	3.10	2	\$ -	Business turnover	\$ -	-	-	\$ 409,829	\$ 409,829	

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 based on the net value as of December 31, 2024.

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

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

Note 3: The amount was converted using spot exchange rate as of December 31, 2024.

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

USI CORPORATION AND INVESTEEES
Swanson Plastics Corporation
FINANCING PROVIDED TO OTHERS
For the Year Ended December 31, 2024

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)	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			
0	ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	Other receivables	Yes	\$ 243,902	\$ 157,348	\$ 157,348	3.10-3.35	2	\$ -	Business turnover	\$ -	—	—	\$ 450,452	\$ 450,452	
1	Swanson Plastics (Singapore) Pte., Ltd.	PT. Swanson Plastics Indonesia	Other receivables	Yes	147,758	114,748	114,748	4.64-5.40	2	-	Business turnover	-	—	—	430,952	430,952	

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 conversion was based on spot exchange rate as of December 31, 2024.

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

USI CORPORATION AND INVESTEEES
ENDORSEMENTS/GUARANTEES PROVIDED
For the Year Ended December 31, 2024

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 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 (%)	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	USI Green Energy Corporation	Subsidiary which directly held more than 50% of ordinary shares	\$ 10,400,024	\$ 1,100,000	\$ 650,000	\$ 147,300	\$ -	3.12	\$ 12,480,029	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.

USI CORPORATION AND INVESTEES
Acme Electronics Corporation
ENDORSEMENTS/GUARANTEES PROVIDED
For the Year Ended December 31, 2024

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 Year	Outstanding Endorsement/ Guarantee at the End of the Year (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)	\$ 3,030,875	\$ 389,683 (USD 5,000 thousand) (RMB49,000 thousand)	\$ 163,925 (USD5,000 thousand)	\$ 22,804 (RMB5,000 thousand)	\$ -	8.11	\$ 4,041,166	No	No	Yes	
1	ACME Components (Malaysia) Sdn.Bhd.	ACME Ferrite Products Sdn. Bhd.	Subsidiary of ACME (MA)	792,504	130,482 (MYR17,584 thousand)	124,240 (MYR17,584 thousand)	87,590 (MYR12,937 thousand)	-	1.55	905,719	No	No	No	

Note 1: Calculated based on the equity of ACME as of December 31, 2024.

Note 2: The maximum amount of total endorsement/guarantee shall not exceed 200% of the equity attributable to owners of ACME. The maximum amount of endorsement/guarantee for an individual entity shall not exceed 150% of the equity attributable to owners of ACME. The maximum amount of endorsement/guarantee was calculated based on the equity of the endorser/guarantor as of December 31, 2024.

The total amount of ACME (MA)'s external endorsement/guarantee shall not exceed 80% of its net worth; the limit of ACME (MA)'s endorsement/guarantee for a single company shall not exceed 70% of its net worth. The maximum amount of endorsement/guarantee was calculated based on the equity of the endorser/guarantor as of December 31, 2024.

Note 3: The conversion was based on spot exchange rate as of December 31, 2024.

USI CORPORATION AND INVESTEEES
Swanson Plastics Corporation
ENDORSEMENTS/GUARANTEES PROVIDED
For the Year Ended December 31, 2024

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	Forever Young Company Limited	Subsidiary	\$ 5,127,876	\$ 1,354,782	\$ 252,445	\$ -	\$ -	9.85	\$ 6,409,845	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Singapore) Pte., Ltd.	Subsidiary	5,127,876	58,775	58,685	-	-	2.29	6,409,845	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Malaysia) Sdn. Bhd.	Sub-subsidiary Corporation	5,127,876	39,402	39,342	-	-	1.53	6,409,845	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Kunshan) Co., Ltd.	Sub-subsidiary Corporation	5,127,876	65,670	65,570	-	-	2.56	6,409,845	No	No	Yes	
0	Swanson Plastics Corporation	Swanson Technologies Corporation	Subsidiary	5,127,876	510,200	446,951	-	-	17.43	6,409,845	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (India) Private Limited	Subsidiary	5,127,876	31,376	30,632	-	-	1.19	6,409,845	No	No	No	
0	Swanson Plastics Corporation	Swanson Plastics (Tianjin) Co., Ltd.	Sub-subsidiary Corporation	5,127,876	32,835	32,785	-	-	1.28	6,409,845	No	No	Yes	
0	Swanson Plastics Corporation	PT. Swanson Plastics Indonesia	Subsidiary	5,127,876	65,670	65,570	-	-	2.56	6,409,845	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 conversion was based on spot exchange rate as of December 31, 2024.

USI CORPORATION AND INVESTEES
China General Plastics Corporation
ENDORSEMENTS/GUARANTEES PROVIDED
For the Year Ended December 31, 2024

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	\$ 5,243,749	\$ 1,065,898	\$ 1,065,898	\$ 200,328	\$ -	12.20	\$ 8,739,582	No	No	No	

Note 1: Calculated using the equity of CGPC as of December 31, 2024.

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 INVESTEES
Taita Chemical Company, Ltd.
ENDORSEMENTS/GUARANTEES PROVIDED
For the Year Ended December 31, 2024

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	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	\$ 6,297,887	\$ 98,355 (USD 3,000 thousand)	\$ 98,355 (USD 3,000 thousand)	\$ -	\$ -	1.56	\$ 9,446,831	No	No	No	
0	Taita Chemical Company, Ltd.	Taita Chemical (Zhongshan) Co., Ltd.	Subsidiaries that TTC's subsidiaries hold 100% of common equity directly	6,297,887	228,040 (RMB50,000 thousand)	-	-	-	-	9,446,831	No	No	Yes	

Note 1: The conversion was based on spot exchange rate as of December 31, 2024.

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 by TTC and its subsidiaries to any individual entity shall not exceed 150% of TTC's net worth stated on the latest financial statements.

USI CORPORATION AND INVESTEEES
MARKETABLE SECURITIES HELD
December 31, 2024

Table 3

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

Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Year				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
USI Corporation	Shares							
	CTCI Corporation	—	Financial assets at FVTOCI - non-current	15,130,656	\$ 584,043	1.86	\$ 584,043	
	KHL IB Venture Capital Co., Ltd.	—	"	13,132,193	117,270	11.90	117,270	
	AU Optronics Corporation	—	"	6,811,204	99,784	0.09	99,784	
	PELL Bio-Med Technology Co. Ltd.	—	"	235,000	19,200	0.41	19,200	
	Zeon Corporation	—	Financial assets at FVTPL - current	39,500	12,428	0.02	12,428	
	Kyushu Electric Power Co., Inc.	—	"	20,000	5,932	-	5,932	
	Taiwan Cement Corporation	—	"	2,000,000	63,400	0.03	63,400	
	Teratech Corporation	—	Financial assets at FVTPL - non-current	110,000	-	0.65	-	Note 2
	Fund beneficiary certificates							
	Account of CTBC Hwa-win Money Market Fund	—	Financial assets at FVTPL - current	3,490,767	40,058	-	40,058	
	FSITC Taiwan Money Market Fund	—	"	3,764,446	60,106	-	60,106	
	UPAMC James Bond Money Market Fund	—	"	3,455,743	60,105	-	60,105	
	Yuanta U.S. Treasury 20+ Year Bond ETF	—	"	580,000	16,617	-	16,617	
Beneficiary securities								
Cathay No. 1 Real Estate Investment Trust Fund	—	Financial assets at FVTPL - current	4,054,000	62,229	-	62,229		
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	301,682	3.74	301,682	
	China General Plastics Corporation	"	"	4,469,307	53,408	0.77	53,408	
	Taita Chemical Company, Ltd.	"	"	456,253	6,251	0.11	6,251	

(Continued)

(Continued)

Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Year				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Swanlake Traders Ltd.	Fund beneficiary certificates Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	542,763	\$ 7,679	-	\$ 7,679	
	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	14,838	0.01	14,838	
	AU Optronics Corporation	—	Financial assets at FVTOCI - non-current	1,012,849	14,838	0.01	14,838	
	Wafer Works Corporation	—	"	1,502,875	40,727	0.26	40,727	
	Solargiga Energy Holdings Limited	—	"	10,876,111	4,041	0.34	4,041	
	Dah Chung Bills Finance Corp.	—	"	506,894	8,045	0.11	8,045	
	Swanson Plastics Corporation	Same chairman	"	11,623,897	164,129	7.53	164,129	
	USI Optronics Corporation	Same chairman	"	165,279	71	0.25	71	
	Digimax Inc.	—	"	23,234	-	0.05	-	
	Silicon Technology Investment (Cayman) Corp.	—	"	911,849	98,863	1.77	98,863	
	Taiwan Cement Corporation	—	Financial assets at FVTPL - current	1,000,000	31,700	0.01	31,700	
	China General Plastics Corporation	Same chairman	"	550,722	6,581	0.09	6,581	
	Asia Polymer Corporation	"	"	1,714,180	23,313	0.29	23,313	
	Taita Chemical Company, Ltd.	"	"	1,415,368	19,391	0.36	19,391	
	Acme Electronics Corporation	"	"	500,000	13,700	0.23	13,700	
Zeon Corporation	—	"	21,600	6,800	0.01	6,800		
Kyushu Electric Power Co., Inc.	—	"	10,000	2,967	-	2,967		

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Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Year				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Taiwan United Venture Capital Corp.	Fund beneficiary certificates							
	Yuanta U.S. Treasury 20+ Year Bond ETF	—	Financial assets at FVTPL - current	290,000	\$ 8,309	-	\$ 8,309	
	Yuanta De-Li Money Market Fund	—	"	1,907,988	32,442	-	32,442	
	Fuh Hwa Money Market Fund	—	"	1,440,659	21,592	-	21,592	
	Cathay Taiwan Money Market Fund	—	"	3,444,200	44,559	-	44,559	
	Fund beneficiary certificates							
	Cathay Taiwan Money Market Fund	—	Financial assets at FVTPL - current	1,091,738	14,124	-	14,124	
	Shares							
	Innovation & Infinity Global Corp.	—	Financial assets at FVTPL - non-current	720,804	-	0.73	-	
	Teratech Corporation	—	"	90,000	-	0.58	-	Note 2
	Leadwell Cnc Machines Mfg., Corp.	—	Financial assets at FVTOCI - non-current	419,753	12,870	0.68	12,870	
	Digimax Inc.	—	"	518,898	-	1.18	-	
	Hexawave Inc.	—	"	109,109	327	0.27	327	
	Uranus Chemicals Co., Ltd.	—	"	15,351	504	0.02	504	
Neuro Sky, Inc. Preferred Stock A	—	"	10,000,000	-	1.21	-		
Neuro Sky, Inc. Preferred Stock B	—	"	12,595,523	-	1.53	-		
Neuro Sky, Inc. Preferred Stock C	—	"	4,532,823	-	0.55	-		
USI Management Consulting Corp.	Fund beneficiary certificates							
Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	4,948,920	70,014	-	70,014		
USI Optronics Corporation	Fund beneficiary certificates							
Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	611,903	8,657	-	8,657		
Chong Loong Co., Ltd.	Fund beneficiary certificates							
Fubon Chi-Hsiang Money Market Fund	—	Financial assets at FVTPL - current	614,936	10,043	-	10,043		
USI Green Energy Corporation	Fund beneficiary certificates							
Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	2,120,516	30,000	-	30,000		

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 INVESTEEES
China General Plastics Corporation
MARKETABLE SECURITIES HELD
December 31, 2024

Table 3-1

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

Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Year				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	\$ 60,847	-	\$ 60,847	Note 1
	Fund beneficiary certificates Yuanta U.S. Treasury 20+ Year Bond ETF	—	Financial assets at FVTPL - current	580,000	16,617	-	16,617	Note 1
	Shares Taiwan Cement Corporation	—	Financial assets at FVTPL - current	2,000,000	63,400	0.03	63,400	Note 1
	KHL IB Venture Capital Co., Ltd.	—	Financial assets at FVTOCI - non-current	6,566,096	58,635	5.95	58,635	Note 1
Taiwan VCM Corporation	Fund beneficiary certificates Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	9,929,584	140,479	-	140,479	Note 1
	Taishin Ta-Chong Money Market Fund	—	"	6,553,269	97,116	-	97,116	Note 1
	FSITC Taiwan Money Market Fund	—	"	3,137,157	50,090	-	50,090	Note 1
	UPAMC James Bond Money Market Fund	—	"	6,040,386	105,060	-	105,060	Note 1
	Shares Asia Polymer Corporation	With the same main shareholders as CGPC	Financial assets at FVTOCI - non-current	130,244	1,771	0.02	1,771	Note 1
Global Green Technology Corporation	Fund beneficiary certificates Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	966,359	13,671	-	13,671	Note 1
CGPC Polymer Corporation	Fund beneficiary certificates Yuanta De-Li Money Market Fund	—	Financial assets at FVTPL - current	2,946,289	50,097	-	50,097	
	Hua Nan Phoenix Money Market Fund	—	"	472,919	8,021	-	8,021	

(Continued)

(Continued)

Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Year				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
CGPC (BVI) Holding Co., Ltd.	Shares							
	SOHOware, Inc. - preferred shares	—	Financial assets at FVTPL - non-current	112,000	\$ -	0.67	\$ -	Notes 1, 2 and 3
	Teratech Corporation	—	"	100,000	-	-	-	Notes 1 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, 2024, 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 INVESTEEES
Taita Chemical Company, Ltd.
MARKETABLE SECURITIES HELD
December 31, 2024

Table 3-2

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

Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Year				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	\$ 162,432	1.27	\$ 162,432	Note 1
	Harbinger Venture Capital Corp.	—	"	990	5	0.50	5	Note 3
	Taiwan Cement Corporation	—	Financial assets at FVTPL - current	2,000,000	63,400	0.03	63,400	Note 1
	Fund beneficiary certificates							
	Yuanta U.S. Treasury 20+ Year Bond ETF	—	Financial assets at FVTPL - current	580,000	16,617	-	16,617	Note 1
	FSITC Taiwan Money Market Fund	—	"	3,131,498	50,000	-	50,000	Note 2
	UPAMC James Bond Money Market Fund	—	"	1,729,665	30,084	-	30,084	Note 2
	Fubon Chi-Hsiang Money Market Fund	—	"	3,061,531	50,000	-	50,000	Note 2
	Hua Nan Phoenix Money Market Fund	—	"	2,947,992	50,000	-	50,000	Note 2
	Capital Money Market Fund	—	"	1,190,760	20,029	-	20,029	Note 2
	SinoPac NTD Money Market Fund	—	"	5,517,834	80,044	-	80,044	Note 2
Beneficiary securities								
Cathay No. 1 Real Estate Investment Trust Fund	—	Financial assets at FVTPL - current	3,963,000	60,832	-	60,832	Note 1	
TAITA (BVI) Holding Co., Ltd.	Shares							
Budworth Investment Ltd.	—	Financial assets at FVTOCI - non-current	20,219	-	2.22	-	Note 4	
Teratech Corporation	—	Financial assets at FVTPL - non-current	112,000	-	0.74	-	Note 4	
SOHOoware Inc. - Preferred Shares	—	"	100,000	-	-	-	Note 4	

Note 1: The fair value was based on the Taiwan Stock Exchange closing price on the last trading day of December 2024.

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, 2024, 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 INVESTEEES
Asia Polymer Corporation
MARKETABLE SECURITIES HELD
December 31, 2024

Table 3-3

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

Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Year				Remark
				Share/Unit	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Asia Polymer Corporation	Shares							
	Harbinger Venture Capital Corp.	—	Financial assets at FVTOCI - non-current	2,377	\$ 12	1.20	\$ 12	
	KHL IB Venture Capital Co., Ltd.	—	"	13,132,193	117,270	11.90	117,270	
	PELL Bio-Med Technology Co. Ltd.	—	"	235,000	19,200	0.41	19,200	
	USI Corporation	Ultimate parent company	"	101,355,673	1,089,573	8.53	1,089,573	
	CTCI Corporation	—	"	14,446,107	557,620	1.78	557,620	
	AU Optronics Corporation	—	"	7,694,812	112,729	0.10	112,729	
	Wafer Works Corporation	—	Financial assets at FVTOCI - current	518,605	14,054	0.09	14,054	
	Taiwan Cement Corporation	—	Financial assets at FVTPL - current	2,000,000	63,400	0.03	63,400	
	Zeon Corporation	—	"	39,500	12,434	0.02	12,434	
	Kyushu Electric Power Co., Inc.	—	"	20,000	5,935	-	5,935	
	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust Fund	—	"	4,053,000	62,214	-	62,214	
	Fund beneficiary certificates							
	Taishin Ta-Chong Money Market Fund	—	"	3,188,590	47,253	-	47,253	
	Taishin 1699 Money Market Fund	—	"	3,575,848	50,589	-	50,589	
	UPAMC James Bond Money Market Fund	—	"	5,769,976	100,357	-	100,357	
FSITC Taiwan Money Market Fund	—	"	942,353	15,046	-	15,046		
Yuanta U.S. Treasury 20+ Year Bond ETF	—	"	580,000	16,617	-	16,617		

(Continued)

(Continued)

Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Year				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	\$ -	4.45	\$ -	Note 1
	Silicon Technology Investment (Cayman) Corp. - Preferred Shares	—	"	1,139,776	123,574	2.21	123,574	
	Neurosky Inc. - Preferred Stock D	—	"	2,397,364	-	0.37	-	Note 1
	Solargiga Energy Holdings Ltd.	—	"	14,863,333	5,522	0.45	5,522	
	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
APC Investment Corporation	Shares							
	USI Corporation	Ultimate parent company	Financial assets at FVTPL - current	44,808	482	-	482	
	Taiwan Cement Corporation	—	"	1,000,000	31,700	0.01	31,700	
	Zeon Corporation	—	"	21,600	6,799	0.01	6,799	
	Kyushu Electric Power Co., Inc.	—	"	10,000	2,967	-	2,967	
	Fund beneficiary certificates							
Yuanta U.S. Treasury 20+ Year Bond ETF	—	"	290,000	8,309	-	8,309		

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 INVESTEES
China General Terminal & Distribution Corporation
MARKETABLE SECURITIES HELD
December 31, 2024

Table 3-4

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

Holding Company Name	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Year				Remark
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
China General Terminal & Distribution Corporation	Shares Taita Chemical Company, Ltd.	Investee that accounted for CGTD using the equity method	Financial assets at FVTOCI - non-current	2,278,217	\$ 31,212	0.57	\$ 31,212	Note 1
	Asia Polymer Corporation	//	//	5,290,482	71,951	0.89	71,951	Note 1
	China General Plastics Corporation	//	//	2,940,788	35,142	0.51	35,142	Note 1
	Fund beneficiary certificates Yuanta U.S. Treasury 20+ Year Bond ETF	—	Financial assets at FVTPL - current	380,000	10,887	-	10,887	
	Taishin 1699 Money Market Fund	—	//	1,450,621	20,523	-	20,523	

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

USI CORPORATION AND INVESTEES
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, 2024

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	Fund beneficiary certificates	Financial assets at FVTPL - current	—	—	-	\$ -	3,490,767	\$ 40,000	-	\$ -	\$ -	\$ -	3,490,767	\$ 40,000
	Account of CTBC Hwa-win Money Market Fund													
	Yuanta De-Li Money Market Fund													
	Jih Sun Money Market Fund													
	Account of Taishin 1699 Money Market Fund													
	Taishin Ta-Chong Money Market Fund													
	SinoPac NTD Money Market Fund													
	FSITC Taiwan Money Market Fund													
	UPAMC James Bond Money Market Fund													
	Fubon Chi-Hsiang Money Market Fund													
	Hua Nan Phoenix Money Market Fund													
	Capital Money Market Fund													
USI Optronics Corporation	Fund beneficiary certificates	Financial assets at FVTPL - current	—	—	776,598	10,500	1,320,982	18,500	1,485,677	20,888	20,499	389	611,903	8,501
Account of Taishin 1699 Money Market Fund														
Union Polymer International Investment Corporation	Fund beneficiary certificates	Financial assets at FVTPL - current	—	—	644,079	8,900	-	-	101,316	1,418	1,400	18	542,763	7,500
Account of Taishin 1699 Money Market Fund														
USIFE Investment Co., Ltd.	Fund beneficiary certificates	Financial assets at FVTPL - current	—	—	3,707,988	60,654	-	-	1,800,000	30,288	29,444	844	1,907,988	31,210
Yuanta De-Li Money Market Fund														
USI Management Consulting Corp.	Fund beneficiary certificates	Financial assets at FVTPL - current	—	—	-	-	7,807,140	110,000	2,858,220	40,072	40,000	72	4,948,920	70,000
	Account of Taishin 1699 Money Market Fund													
Taishin Ta-Chong Money Market Fund														

(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
Chong Loong Trading Co., Ltd.	Fund beneficiary certificates Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	—	—	1,741,498	\$ 28,000	3,517,225	\$ 57,000	4,643,786	\$ 75,136	\$ 75,000	\$ 136	614,936	\$ 10,000
INOMA Corporation	Fund beneficiary certificates Account of Taishin 1699 Money Market Fund	Financial assets at FVTPL - current	—	—	186,139	2,500	-	-	186,139	2,605	2,500	105	-	-

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 beginning and ending amount of fund beneficiary certificates denotes the original acquisition cost.

USI CORPORATION AND INVESTEEES
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, 2024

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	Fund beneficiary certificates	Financial assets at FVTPL - current	-	-	2,651,301	\$ 30,000	6,611,854	\$ 75,000	9,263,155	\$ 105,064	\$ 105,000	\$ 64	-	\$ -	
	Account of CTBC Hwa-win Money Market Fund														
	Jih Sun Money Market Fund														
	SinoPac NTD Money Market Fund														
	FSITC Taiwan Money Market Fund														
	UPAMC James Bond Money Market Fund														
	Fubon Chi-Hsiang Money Market Fund														
	Hua Nan Phoenix Money Market Fund														
	Taiwan VCM Corporation														Fund beneficiary certificates
Account of CTBC Hwa-win Money Market Fund															
Yuanta De-Li Money Market Fund															
Jih Sun Money Market Fund															
Account of Taishin 1699 Money Market Fund															
Taishin Ta-Chong Money Market Fund															
SinoPac NTD Money Market Fund															
FSITC Taiwan Money Market Fund															
UPAMC James Bond Money Market Fund															
Fubon Chi-Hsiang Money Market Fund															
Hua Nan Phoenix Money Market Fund															
Capital Money Market Fund															

(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	Financial assets at FVTPL - current	—	—	-	\$ -	5,905,149	\$ 100,000	2,958,860	\$ 50,030	\$ 50,000	\$ 30	2,946,289	\$ 50,000
	Yuanta De-Li Money Market Fund				-	-	11,305,868	173,000	11,305,868	173,122	173,000	122	-	-
	Jih Sun Money Market Fund				-	-	6,787,624	100,000	6,787,624	100,074	100,000	74	-	-
	Taishin Ta-Chong Money Market Fund				7,007,081	100,000	8,676,355	125,000	15,683,436	225,357	225,000	357	-	-
	SinoPac NTD Money Market Fund				1,243,588	20,000	11,478,180	185,000	12,721,768	205,160	205,000	160	-	-
	Fubon Chi-Hsiang Money Market Fund				-	-	2,837,516	48,000	2,364,597	40,095	40,000	95	472,919	8,000
Hua Nan Phoenix Money Market Fund														

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

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

USI CORPORATION AND INVESTEES
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, 2024

Table 4-2

(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
Taita Chemical Company, Ltd.	Fund beneficiary certificates													
	Account of CTBC Hwa-win Money Market Fund	Financial assets at FVTPL - current	—	—	-	\$ -	4,416,181	\$ 50,000	4,416,181	\$ 50,076	\$ 50,000	\$ 76	-	\$ -
	Yuanta De-Li Money Market Fund	"	—	—	-	-	5,917,985	100,000	5,917,985	100,043	100,000	43	-	-
	Jih Sun Money Market Fund	"	—	—	-	-	3,275,767	50,000	3,275,767	50,038	50,000	38	-	-
	Taishin Ta-Chong Money Market Fund	"	—	—	-	-	2,716,395	40,000	2,716,395	40,015	40,000	15	-	-
	SinoPac NTD Money Market Fund	"	—	—	-	-	7,598,884	110,000	2,081,050	30,007	30,000	7	5,517,834	80,000
	FSITC Taiwan Money Market Fund	"	—	—	-	-	3,131,498	50,000	-	-	-	-	3,131,498	50,000
	UPAMC James Bond Money Market Fund	"	—	—	-	-	5,188,995	90,000	3,459,330	60,032	60,000	32	1,729,665	30,000
	Fubon Chi-Hsiang Money Market Fund	"	—	—	-	-	6,164,616	100,000	3,103,085	50,026	50,000	26	3,061,531	50,000
	Hua Nan Phoenix Money Market Fund	"	—	—	-	-	5,335,254	90,000	2,387,262	40,022	40,000	22	2,947,992	50,000
	Capital Money Market Fund	"	—	—	-	-	1,190,760	20,000	-	-	-	-	1,190,760	20,000

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 beginning and ending amount of fund beneficiary certificates denotes the original acquisition cost.

USI CORPORATION AND INVESTEES
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, 2024

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	Fund beneficiary certificates													
	Account of CTBC Hwa-win Money Market Fund	Financial assets at FVTPL - current	—	—	1,771,181	\$ 20,000	4,415,869	\$ 50,000	6,187,050	\$ 70,102	\$ 70,000	\$ 102	-	\$ -
	Yuanta De-Li Money Market Fund	"	—	—	-	-	1,773,616	30,000	1,773,616	30,029	30,000	29	-	-
	Jih Sun Money Market Fund	"	—	—	3,953,746	60,000	5,853,648	90,000	9,807,394	150,654	150,000	654	-	-
	Account of Taishin 1699 Money Market Fund	"	—	—	18,260,735	252,000	4,269,853	60,000	18,954,740	266,232	262,000	4,232	3,575,848	50,000
	Taishin Ta-Chong Money Market Fund	"	—	—	-	-	19,011,713	280,000	15,823,123	233,309	233,000	309	3,188,590	47,000
	SinoPac NTD Money Market Fund	"	—	—	11,202,715	158,000	-	-	11,202,715	160,830	158,000	2,830	-	-
	FSITC Taiwan Money Market Fund	"	—	—	-	-	6,921,909	110,000	5,979,556	95,130	95,000	130	942,353	15,000
	UPAMC James Bond Money Market Fund	"	—	—	-	-	5,769,976	100,000	-	-	-	-	5,769,976	100,000
	Fubon Chi-Hsiang Money Market Fund	"	—	—	-	-	4,940,116	80,000	4,940,116	80,082	80,000	82	-	-
	Hua Nan Phoenix Money Market Fund	"	—	—	-	-	1,777,272	30,000	1,777,272	30,008	30,000	8	-	-
	Capital Money Market Fund	"	—	—	2,897,690	48,000	3,012,429	50,000	5,910,119	98,293	98,000	293	-	-

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 beginning and ending amount of fund beneficiary certificates denotes the original acquisition cost.

USI CORPORATION AND INVESTEEES
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, 2024

Table 5

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Distinctive terms of trade and reasons		Notes/Accounts Receivable (Payable)		Remark
			Purchase (Sale)	Amount	As a percentage of total purchase (sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	As a percentage of total notes or accounts receivable (payable) (%)	
USI Corporation	Asia Polymer Corporation	Subsidiary	Purchase	\$ 393,670	5.67	Within 60 days after purchasing on credit	No significant difference	No significant difference	(\$ 50,853)	(6.02)	Note
	Asia Polymer Corporation	Subsidiary	Sale	(142,014)	(1.61)	Within 60 days after selling on credit	"	"	143,768	25.03	Note
	Fujian Gulei Petrochemical Co., Ltd.	Joint ventures	Purchase	313,813	4.52	Current Letter of Credit	"	"	-	-	—

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

USI CORPORATION AND INVESTEES
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, 2024

Table 5-1

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Distinctive terms of trade and reasons		Notes/Accounts Receivable (Payable)		Remark
			Purchase (Sale)	Amount	As a percentage of total purchase (sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	As a percentage of total notes or accounts receivable (payable) (%)	
Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	Subsidiary of GAEL	Purchase (including processing fees)	\$ 371,663	36	55 days	No significant difference	—	(\$ 67,138)	50	Note 2
Acme Electronics (Guang-Zhou) Co., Ltd.	Acme Electronics Corporation	Subsidiary of GAEL	Sale (including processing fees)	(371,663)	35	55 days	"	—	67,138	20	Note 2
Acme Electronics Corporation	Acme Electronics (Guang-Zhou) Co., Ltd.	Subsidiary of GAEL	Sale	(126,199)	8	55 days	"	—	23,122	7	Note 2
Acme Electronics (Guang-Zhou) Co., Ltd.	Acme Electronics Corporation	Subsidiary of GAEL	Purchase	126,199	72	55 days	"	—	(23,122)	74	Note 2
Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	Subsidiary of ACME (Cayman)	Sale	(184,382)	11	55 days	"	—	26,974	9	Note 2
Acme Electronics (Kunshan) Co., Ltd.	Acme Electronics Corporation	Subsidiary of ACME (Cayman)	Purchase	184,382	69	55 days	"	—	(26,974)	49	Note 2
Acme Electronics (Kunshan) Co., Ltd.	Acme Electronics Corporation	Subsidiary of ACME (Cayman)	Sale	(157,042)	19	55 days	"	—	19,115	9	Note 2
Acme Electronics Corporation	Acme Electronics (Kunshan) Co., Ltd.	Subsidiary of ACME (Cayman)	Purchase	157,042	24	55 days	"	—	(19,115)	14	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 INVESTEES
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, 2024

Table 5-2

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Distinctive terms of trade and reasons		Notes/Accounts Receivable (Payable)		Remark
			Purchase (Sale)	Amount	As a percentage of total purchase (sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	As a percentage of total notes or accounts receivable (payable) (%)	
Swanson Plastics (Singapore) Pte., Ltd.	Swanson Plastics (Malaysia) Sdn. Bhd.	Subsidiary	Purchase	\$ 214,120	79	90 days after month-end	No significant difference	No significant difference	(\$ 30,630)	(91)	Note
Swanson Plastics (Kunshan) Co., Ltd.	ASK-Swanson (Kunshan) Co., Ltd.	Have the same ultimate parent company	Sale	(189,717)	(17)	60 days after month-end	"	"	69,454	21	Note
	USI Corporation	Ultimate parent company	Purchase	116,802	11	75 days after month-end	"	"	(28,499)	(18)	Note
Swanson Plastics (Malaysia) Sdn. Bhd.	Swanson Plastics (Singapore) Pte., Ltd.	Parent company	Sale	(214,120)	(23)	90 days after month-end	"	"	30,630	21	Note
ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Kunshan) Co., Ltd.	Have the same ultimate parent company	Purchase	189,717	52	60 days after month-end	"	"	(69,454)	(81)	Note

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

USI CORPORATION AND INVESTEEES
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, 2024

Table 5-3

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Distinctive terms of trade and reasons		Notes/Accounts Receivable (Payable)		Remark
			Purchase (Sale)	Amount	As a percentage of total purchase (sale) (%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	As a percentage of total notes or accounts receivable (payable) (%)	
China General Plastics Corporation	CGPC America Corporation	Subsidiary	Sale	(\$ 425,264)	(7)	90 days	No significant difference	No significant difference	\$ 134,954	25	Note
Taiwan VCM Corporation	China General Plastics Corporation	Parent company	Sale	(2,891,292)	(40)	45 days	"	"	454,302	27	Note
	CGPC Polymer Corporation	Fellow company	Sale	(3,779,676)	(52)	75 days	"	"	1,095,724	66	Note
	Fujian Gulei Petrochemical Co., Ltd.	Substantive related party	Purchase	341,918	6	Current Letter of Credit	"	"	-	-	—

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

USI CORPORATION AND INVESTEES
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, 2024

Table 5-4

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

Buyer/Seller	Counterparty	Relationship	Transaction Details				Distinctive terms of trade and reasons		Notes/Accounts Receivable (Payable)		Remark
			Purchase (Sale)	Amount	As a percentage of total purchase (sale)(%)	Credit Terms	Unit Price	Credit Terms	Ending Balance	As a percentage of total notes or accounts receivable (payable) (%)	
Asia Polymer Corporation	USI Corporation	Ultimate parent company	Sale	(\$ 394,661)	(6.78)	60 days	No significant difference	No significant difference	\$ 52,140	11.08	Note
"	USI Trading (Shanghai) Co., Ltd.	Subsidiary	Sale	(205,812)	(3.54)	90 days	"	"	33,403	7.10	Note
"	USI Corporation	Ultimate parent company	Purchase	143,556	3.61	30 days	"	"	(10,971)	(4.39)	Note
"	Fujian Gulei Petrochemical Co., Ltd.	Associate	Purchase	453,872	11.41	Letter of Credit	"	"	-	-	-
USI Trading (Shanghai) Co., Ltd.	USI Corporation	Ultimate parent company	Purchase	101,987	26.76	30 days	"	"	(15,610)	(31.01)	Note
	Fujian Gulei Petrochemical Co., Ltd.	Associate	Purchase	47,756	12.53	Letter of Credit	"	"	-	-	-

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

USI CORPORATION AND INVESTEEES
RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
December 31, 2024

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 \$ 121,389	-	\$ -	—	\$ 121,389	Note 1
	Asia Polymer Corporation	Subsidiary	Other receivables - related parties 143,768	-	-	—	143,768	Note 1

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

Note 2: Refers to the period from January 1 to March 10, 2025.

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

USI CORPORATION AND INVESTEES
Swanson Plastics Corporation
RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
December 31, 2024

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		
Swanson Plastics (Singapore) Pte., Ltd.	PT. Swanson Plastics Indonesia	Subsidiary	Other receivables - related parties \$ 116,212 (USD 3,545 thousand)	-	\$ -	—	\$ -	Note 1
ASK-Swanson (Kunshan) Co., Ltd.	Swanson Plastics (Tianjin) Co., Ltd.	Have the same ultimate parent company	Other receivables - related parties 158,192 (RMB 34,685 thousand)	-	-	—	-	Note 1

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

Note 2: Refers to the period from January 1 to March 10, 2025.

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

USI CORPORATION AND INVESTEEES
China General Plastics Corporation
RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
December 31, 2024

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		
China General Plastics Corporation	CGPC America Corporation	Subsidiary	Accounts receivables - related parties \$ 134,954	2.90	\$ -	—	\$ 54,525	Note 1
Taiwan VCM Corporation	China General Plastics Corporation	Parent company	Accounts receivables - related parties 454,302	5.25	-	—	454,302	Note 1
	CGPC Polymer Corporation	Fellow company	Accounts receivables - related parties 1,095,724	3.58	-	—	707,943	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 21, 2025.

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

USI CORPORATION AND INVESTEES
Taita Chemical Company, Ltd.
RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
December 31, 2024

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		
Taita Chemical Company, Ltd.	Taita Chemical (Tianjin) Co., Ltd.	Subsidiary	Other receivables \$ 299,268 (USD9,128 thousand) (Note 1)	-	\$ 299,268	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 recovered as of March 5, 2025.

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

USI CORPORATION AND INVESTEEES
INFORMATION ON INVESTEEES
For the Year Ended December 31, 2024

Table 7

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at the end of the Year			Profit (loss) of Investee for the year	Investment gains (losses) recognized for the year	Remark
				Ending balance of the current 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 (R.O.C.)	Investments in production, transportation, warehousing, construction, banking, securities investment companies and trading companies	\$ 550,000	\$ 550,000	89,647,000	100.00	\$ 922,756	(\$ 12,151)	(\$ 12,151)	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	1,567,162	78,738	78,738	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	62,709	(6,280)	(6,280)	Subsidiary
	Union Polymer International Investment Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Investment (focused on "production and service industry")	3,490,255	3,490,255	918,324,656	100.00	9,092,810	(482,258)	(498,673)	Subsidiary
	Taiwan United Venture Capital Corp.	10F., No. 37, Jihu Rd., Taipei City, Taiwan (R.O.C.)	Venture capital (focused on "high technology industry")	226,800	296,800	7,000,000	70.00	23,136	(709)	(496)	Subsidiary
	Chong Loong Trading Co., Ltd.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Import and export trade	28,323	28,323	7,723,419	99.96	98,112	14,971	14,966	Subsidiary
	Swanson Plastics Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Production and sales of stretch film, embossed film and industrial-use multilayer wrap	171,210	171,210	62,616,299	40.58	1,035,412	(55,683)	(22,595)	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	470,158	61,682,967	28.96	569,821	155,298	44,974	Subsidiary
	INOMA Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Optical products and fire protection materials	250,354	250,354	1,334,728	94.37	10,462	(602)	(568)	Subsidiary
	USI Management Consulting Corp.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Providing management services	1,000	1,000	671,400	100.00	11,397	4,055	4,055	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	2,556,782	(2,207,125)	(1,305,138)	Subsidiary
	USI Optronics Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Manufacturing and marketing of sapphire single crystal	330,000	330,000	33,000,000	50.85	15,914	(22,224)	(11,300)	Subsidiary
	USI Green Energy Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Solar power generation business	357,506	357,506	36,616,004	100.00	353,158	(38,096)	(39,753)	Subsidiary
	Chem Union Renewable Energy Corporation	9F-3, No. 301, Songjiang Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)	Energy Technology Services	10,000	10,000	1,000,000	33.33	9,334	(1,503)	(501)	Associate
	Delmind Inc.	No. 18, Xinglong Rd., Taoyuan Dist., Taoyuan City	Manufacturing of machinery and equipment	90,000	90,000	9,000,000	30.00	72,312	(25,583)	(7,675)	Associate
Ever Conquest Global Limited	Ever Victory Global Limited	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110	Investment business	13,676,099 (USD 417,145 thousand)	13,676,099 (USD 417,145 thousand)	417,145,000	67.40	4,323,787 (USD 131,883 thousand)	(3,274,537) (USD -101,924 thousand)		Sub-sub-sidiary Corporation
Ever Victory Global Limited	Dynamic Ever Investments Limited	6/F, Caltex House, 258 Hennessy Road, Hong Kong	Investment business	19,305,447 (USD 588,850 thousand)	19,305,447 (USD 588,850 thousand)	588,850,000	85.00	5,310,597 (USD 161,983 thousand)	(3,915,767) (USD -121,885 thousand)		Sub-sub-sidiary Corporation
Union Polymer International Investment Corporation	Taita Chemical Company, Ltd.	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	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	2,522,622	(223,012)		Sub-sub-sidiary Corporation
	Asia Polymer Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	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	32.35	4,214,200	(750,500)		Sub-sub-sidiary Corporation
	China General Plastics Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	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	2,244,590	(709,967)		Sub-sub-sidiary Corporation

(Continued)

(Continued)

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at the end of the Year			Profit (loss) of Investee for the year	Investment gains (losses) recognized for the year	Remark
				Ending balance of the current 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	\$ 222,752	19,780,230	9.29	\$ 197,119	\$ 155,298	Subsidiary	
	Swanson Technologies Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	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	3,000,015	15.00	18,605	(38,509)	Sub-subsidiary Corporation	
	Taiwan United Venture Management Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Corporate management consulting	8,000	8,000	800,000	100.00	14,066	(1,263)	Sub-subsidiary Corporation	
Swanlake Traders Ltd.	ACME Electronics (Cayman) Corp.	Ugland House P.O. Box 309 George Town, Grand Cayman, Cayman Islands	Corporate investments	356,065 (USD10,861 thousand)	271,832 (USD 8,589 thousand)	13,825,368	18.93	344,540 (USD10,509 thousand)	(60,469) (USD -1,875 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 year have been fully written off when preparing the consolidated financial statements.

USI CORPORATION AND INVESTEEES
Acme Electronics Corporation
INFORMATION ON INVESTEEES
For the Year Ended December 31, 2024

Table 7-1

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount (Note 2)		Hold at the end of the Year			Profit (loss) of Investee for the year (Note 3)	Investment gains (losses) recognized for the year (Note 3)	Remark
				Ending balance of the current year	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	\$ 1,108,637	\$ 880,420	43,887,521	60.10%	\$ 1,093,358	(\$ 60,469) (USD -1,875thousand)	(\$ 35,298) (USD -1,096thousand)	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%	1,022,994	14,704	15,501	Note 1
	USI Optronics Corporation	12F, No. 37, Jihu Road, Neihu District, Taipei City 114, Taiwan (R.O.C.)	Manufacturing and marketing of sapphire single crystal	646,200	646,200	22,064,224	34.00%	10,640	(22,225)	(7,556)	
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	783,266 (USD 23,891 thousand)	389,846 (USD 11,891 thousand)	96,808,000	100.00%	1,141,635 (USD 34,822 thousand)	(9,996) (MYR-1,154 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	268,235 (MYR37,964 thousand)	268,235 (MYR37,964 thousand)	9,120,000	100.00%	771,182 (MYR109,148 thousand)	12,251 (MYR 1,964 thousand)	-	Note 1
	ACME Advanced Material	Plot 15, Jalan Industri 6 Kawasan Perindustrian Jelapang II(ZPB) Jelapang 30020 Ipoh, Perak, Malaysia.	Manufacturing and sale of silicon carbide	383,007 (MYR54,208 thousand)	-	54,208,000	100.00%	361,040 (MYR51,099 thousand)	(21,759) (MYR -3,109 thousand)	-	Note 1

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

Note 2: The amount was converted using spot exchange rate as of December 31, 2024.

Note 3: The amount is calculated based on the average exchange rate for the year ended December 31, 2024.

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

USI CORPORATION AND INVESTEEES
Swanson Plastics Corporation
INFORMATION ON INVESTEEES
For the Year Ended December 31, 2024

Table 7-2

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at the end of the Year			Profit (loss) of Investee for the year (Note 3)	Investment gains (losses) recognized for the year (Note 3)	Remark
				Ending balance of the current 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	\$ 1,776,984	\$ 30,850	\$ 30,850	Note 1
	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	19,941	(21,857)	(21,857)	Note 1
	Swanson International Ltd.	PO Box 309 Ugland House Grand Cayman KY1-1104 Cayman Islands	Investment	499,996	499,996	16,041,205	100.00	1,309,557	9,396	9,396	Note 1
	Swanson Technologies Corporation	12F, No. 37, Jihu Road, Neihu District, Taipei City 114, Taiwan (R.O.C.)	Planting agriculture, marketing, research and development of agricultural products, production, sale, and development of EVA packaging films and other high value-added plastic products	385,000	245,000	14,000,070	70.00	86,826	(38,509)	(26,956)	Note 1
	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	8,143	10,540	105	Note 1
	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	(7,988)	-	Note 1
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, Pulau Pinang, Malaysia.	Manufacturing and marketing of plastic products	216,165 (USD6,593 thousand)	216,165 (USD6,593 thousand)	20,000,000	100.00	495,275 (USD15,107 thousand)	44,782 (USD 1,395 thousand)		Note 1
	Swanson Plastics (India) Private Ltd.	Phase II, Plot No.2, GIDC, Bhuipal Honda, Sattari, Goa (India) 403 530,	Manufacturing and marketing of plastic products	574,050 (USD17,510 thousand)	541,308 (USD16,511 thousand)	115,651,389	100.00	315,182 (USD9,614 thousand)	(7,988) (INR-20,817 thousand)		Note 1
	PT. Swanson Plastics Indonesia	Ngoro Industrial Park Blok D2-3 Ds. Lolawang Kec. Ngoro Kab. Mojokerto	Manufacturing and marketing of plastic products	847,165 (USD25,840 thousand)	847,165 (USD25,840 thousand)	25,840,033	99.00	806,201 (USD24,591 thousand)	10,540 (IDR 5,200,479 thousand)		Note 1
Swanson International Ltd.	A.S. Holdings (UK) Limited	5TH Floor 7-10 Chandos Street London W1G 9DQ	Investment	232,579 (USD7,094 thousand)	232,579 (USD7,094 thousand)	3,156,993	100.00	451,119 (USD13,760 thousand)	17,079 (USD 532 thousand)		Note 1

Note 1: The carrying amount and the recognized investment gain (loss) for the year 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 as of December 31, 2024.

Note 3: The amount is calculated based on the average exchange rate for the year ended December 31, 2024.

Note 4: Please refer to Tables 8-2 and 8-6 for relevant information on mainland investee companies.

USI CORPORATION AND INVESTEEES
China General Plastics Corporation
INFORMATION ON INVESTEEES
For the Year Ended December 31, 2024

Table 7-3

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at the end of the Year			Profit/loss of Investee for the year	Investment gains/losses recognized for the year	Remark
				Ending balance of the current year	Ending balance of the prior year	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	\$ 3,952,059	(\$ 379,557)	(\$ 283,903)	Subsidiary
	CGPC Polymer Corporation	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Manufacturing and marketing of PVC resins	800,000	800,000	70,170,682	100.00	454,551	(172,410)	(172,410)	Subsidiary
	CGPC (BVI) Holding Co., Ltd.	Citco Building, Wickhams Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands	Reinvestment	1,059,344	1,059,344	14,808,258	100.00	328,082	(3,213)	(3,213)	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	302,831	(1,480)	(493)	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	176,318	(7,999)	(7,999)	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)	41,805	3,566,526	1.67	33,834	155,298	2,600	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 (R.O.C.)	Environmental detection services	50,000	50,000	5,315,193	100.00	54,362	818	-	Subsidiary

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

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

USI CORPORATION AND INVESTEEES
Taita Chemical Company, Ltd.
INFORMATION ON INVESTEEES
For the Year Ended December 31, 2024

Table 7-4

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at the end of the Year			Profit (loss) of Investee for the year (Note 4)	Investment gains (losses) recognized for the year (Note 4)	Remark
				Ending balance of the current year (Note 3)	Ending balance of the prior year (Note 3)	Number of Shares	Percentage (%)	Carrying Amount (Note 3)			
Taita Chemical Company, Ltd.	TAITA (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment	\$ 2,942,060 (USD 89,738 thousand)	\$ 2,942,060 (USD 89,738 thousand)	89,738,000	100.00	\$ 3,284,017 (USD100,168 thousand)	\$ 86,534 (USD 2,671 thousand)	\$ 86,534 (USD 2,671 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	173,215	(709,967)	(14,071)	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	302,831	(1,480)	(494)	Investee accounted for equity the equity method
	Acme Electronics Corporation	Taipei City	Production and sales of manganese-zinc soft ferrite powder	55,702	55,702	4,991,556	2.34	47,353	155,298	3,640	Investee accounted for equity the equity method
TAITA (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment	73,114 (USD 2,230 thousand)	55,736 (USD 1,700 thousand)	3,225,693	4.42	80,387 (USD 2,452 thousand)	(60,469) (USD -1,875 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 eliminated when preparing the consolidated financial statements.

Note 3: Original investment amount and book amounts were calculated using the spot exchange rate as of December 31, 2024.

Note 4: The amount is calculated based on the average exchange rate for the year ended December 31, 2024.

Note 5: Please refer to Table 8-4 for relevant information on mainland investee companies.

USI CORPORATION AND INVESTEEES
Asia Polymer Corporation
INFORMATION ON INVESTEEES
For the Year Ended December 31, 2024

Table 7-5

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

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Hold at the end of the Year			Profit (loss) of Investee for the year (Note 2)	Investment gains (losses) recognized for the year	Remark
				Ending balance of the current year (Note 1)	Ending balance of the prior year (Note 1)	Number of Shares	Percentage (%)	Carrying Amount (Note 1)			
Asia Polymer Corporation	APC (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment business	\$ 451,607 (USD 13,775 thousand)	\$ 451,607 (USD 13,775 thousand)	11,342,594	100.00	\$ 693,500	\$ 28,370	\$ 28,370	Subsidiary
	APC Investment Corporation	Taipei City	Investment business	200,000	200,000	20,000,000	100.00	142,003	(1,110)	(1,110)	Subsidiary
	USI International Corp.	British Virgin Islands	Reinvestment business	68,849 (USD 2,100 thousand)	68,849 (USD 2,100 thousand)	2,100,000	70.00	69,501	(2,341)	(1,639)	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	705,215	(709,967)	(57,289)	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	302,831	(1,480)	(493)	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	203,816	(55,683)	(4,426)	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	76,241	6,801,315	3.19	64,522	155,298	4,959	Investments accounted for using the equity method
	Taiwan United Venture Capital Corp.	Taipei City	Investments in high-tech undertakings	30,309	38,636	832,666	8.33	2,752	(709)	(59)	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	2,880	(22,224)	(2,045)	Investments accounted for using the equity method
	Ever Conquest Global Ltd.	British Virgin Islands	Reinvestment business	5,589,023 (USD170,475 thousand)	5,589,023 (USD170,475 thousand)	170,475,000	40.87	1,767,006	(2,207,125)	(901,988)	Investments accounted for using the equity method
APC (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment business	225,570 (USD 6,880 thousand)	171,954 (USD 5,245 thousand)	9,951,820	13.63	248,008	(60,469)	-	APC (BVI) Holding Co., Ltd. Investments accounted for using the equity method
	USI International Corp.	British Virgin Islands	Reinvestment business	29,507 (USD 900 thousand)	29,507 (USD 900 thousand)	900,000	30.00	29,786	(2,341)	-	APC (BVI) Holding Co., Ltd. Investments accounted for using the equity method (Note 1)
APC Investment Corporation	Acme Electronics Corporation	Taipei City	Production and sales of manganese zinc, soft ferrite, magnetic powder, and magnetic cores.	39,523	39,523	3,116,462	1.46	29,562	155,298	-	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	52,500	22,500	3,000,015	15.00	18,605	(38,509)	-	APC Investment Corporation Investments accounted for using the equity method
Ever Conquest Global Ltd.	Ever Victory Global Limited	British Virgin Islands	Reinvestment business	13,676,099 (USD417,145 thousand)	13,676,099 (USD417,145 thousand)	417,145,000	67.40	4,323,787 (USD131,883 thousand)	(3,274,537) (USD-101,924 thousand)	-	Ever Conquest Global Ltd. Investments accounted for using the equity method
Ever Victory Global Ltd.	Dynamic Ever Investments Ltd.	Hong Kong	Reinvestment business	19,305,447 (USD588,850 thousand)	19,305,447 (USD588,850 thousand)	588,850,000	85.00	5,310,597 (USD161,983 thousand)	(3,915,767) (USD-121,885 thousand)	-	Ever Victory Global Ltd. Investee accounted for using the equity method

Note 1: Original investment amount and book amounts were calculated using the spot exchange rate as of December 31, 2024.

Note 2: The amount is calculated based on the average exchange rate for the year ended December 31, 2024.

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

Note 4: Please refer to Table 8-5 for relevant information of mainland investee companies.

USI CORPORATION AND INVESTEEES
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Year Ended December 31, 2024

Table 8

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 6)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of the beginning of the Year (Note 6)	Investment Flows for the Year (Note 6)		Accumulated Outward Remittance for Investment from Taiwan as of the End of Year (Note 6)	Profit (loss) of Investee for the year (Note 8)	Ownership of Direct or Indirect Investment (%)	Investment gains (losses) recognized for the year (Notes 6, 8 and 9)	Carrying Amount as of the End of Year (Notes 6, 7 and 8)	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	\$ 1,007,319 (USD 30,725 thousand)	Note 1	\$ 92,373 (USD 2,817 thousand)	\$ -	\$ -	\$ 92,373 (USD 2,817 thousand)	(\$ 51,536) (USD 1,606 thousand)	18.93	(\$ 9,757) (USD -304 thousand)	\$ 125,165 (USD 3,818 thousand)	\$ -
Zhangzhou USI Trading Co., Ltd.	Import and distribution of various types of chemical raw materials and products	45,608 (RMB 10,000 thousand)	Note 1	33,984 (USD 1,036 thousand)	-	-	33,984 (USD 1,036 thousand)	2,872 (USD 92 thousand)	70.00	2,010 (USD 65 thousand)	51,842 (USD 1,581 thousand)	-
Xiamen USI Trading Co., Ltd.	Import and distribution of various types of chemical raw materials and products	45,608 (RMB 10,000 thousand)	Note 1	31,941 (USD 974 thousand)	-	-	31,941 (USD 974 thousand)	39,527 (USD 1,231 thousand)	70.00	27,669 (USD 862 thousand)	59,901 (USD 1,827 thousand)	-
Zhangzhou Dynamic Ever Property Co., Ltd.	Import and distribution of various types of chemical raw materials and products	95,777 (RMB 21,000 thousand)	Note 1	32,042 (USD 977 thousand)	-	-	32,042 (USD 977 thousand)	890 (USD 27 thousand)	33.88	301 (USD 9 thousand)	32,761 (USD 999 thousand)	-
USIG (Shanghai) Co., Ltd.	Import and distribution of various types of chemical raw materials and products	-	Note 2	163,925 (USD 5,000 thousand)	-	136,269 (USD 4,156 thousand)	-	-	-	-	-	-
Fujian Gulei Petrochemical Co., Ltd.	Crude oil processing and petroleum products manufacturing	42,481,116 (RMB9,314,400 thousand)	Note 3	7,489,724 (USD228,449 thousand)	-	-	7,489,724 (USD228,449 thousand)	(7,830,232) (USD-243,730 thousand)	16.94	(1,326,385) (USD-41,286 thousand)	1,962,121 (USD 59,848 thousand)	-

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Year (Notes 7 and 11)	Investment Amounts Authorized by Investment Commission, MOEA (Notes 7 and 11)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$ 7,875,381	\$ 10,309,188	\$ -(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: It was a mainland company with direct 100% investment.

Note 3: Through the use of investee - Ever Conquest Global Limited (59.13% ownership) located in a third region, the Company invested into Ever Victory Global Limited (67.40%), which then invested into Dynamic Ever Investments Limited (85.00%) for an indirect holding of 50% in Fujian Gulei Petrochemical Co., Ltd. and 100% in Zhangzhou Dynamic Ever Property Co., Ltd.

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

Note 5: This includes: US\$257,939 thousand invested into Fujian Gulei Petrochemical Co., Ltd. in Mainland China through a 3rd region, which were approved by the Investment Commission, MOEA, under Letters No. Jing-Shen-2-10500116380 dated September 1, 2016, Letter No. Jing-Shen-2-10500234240 dated December 29, 2016, and Letter No. Jing-Shen-2-10800262920 dated February 26, 2020; US\$32,200 thousand invested into a selling company through a 3rd region, which was approved by the Investment Commission, MOEA, under Letter No. Jing-Shen-2-10900245220 dated October 5, 2020; US\$1,422 thousand invested into ACME (KS) through a 3rd region, which was approved by the Investment Commission, MOEA, under Letter No. Jing-Shen-2-11000010830 dated January 21, 2021; and US\$10,500 thousand invested into the incorporation of XUL through a 3rd region, which was approved by the Investment Commission, MOEA, under Letter No. Jing-Shen-2-11200093470 dated August 8, 2023.

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

Note 7: The conversion was based on spot exchange rate as of December 31, 2024.

Note 8: Except for the Fujian Gulei Petrochemical Co., Ltd., whose numbers were based on the review of KPMG Huazhen Certified Public Accountants and used the accounting principles to adjust and recognize like the parent company, the others were based on its financial statements reviewed by the Certified Public Accountants of its ROC company.

Note 9: The amount is calculated based on the average exchange rate for the year ended December 31, 2024.

Note 10: The board of directors of USIG passed a resolution on December 1, 2023 to proceed with liquidation; the investment proceeds were repatriated on January 16, 2024. The difference between the repatriated proceeds and the initial investment were recognized as cumulative losses.

Note 11: Accumulated outward investment to Mainland China from Taiwan and the investment amounts authorized by the Investment Commission, MOEA at the end of the current year amounted to US\$240,213 thousand and US\$314,448 thousand.

USI CORPORATION AND INVESTEEES
Acme Electronics Corporation
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Year Ended December 31, 2024

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 Outward Remittance for Investment from Taiwan as of the beginning of the Year (Note 4)	Investment Flows for the Year		Accumulated Outward Remittance for Investment from Taiwan as of the End of Year (Note 4)	Profit (loss) of Investee for the year (Note 5)	Ownership of Direct or Indirect Investment (%)	Investment gains (losses) recognized for the year (Notes 3, 5 and 7)	Carrying Amount as of the End of 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	\$ 1,007,319 (USD30,725 thousand)	Indirect investment via ACME (Cayman)	\$ 374,188 (USD11,144 thousand)	\$ -	\$ -	\$ 374,188 (USD11,144 thousand)	(\$ 51,536) (RMB-11,454 thousand)	60.10	(\$ 30,973) (RMB-6,884 thousand)	\$ 397,327 (RMB 87,118 thousand)	\$ -
Acme Electronics (Guang-Zhou) Co., Ltd.	Manufacturing and sales of manganese- zinc soft ferrite core	629,472 (USD19,200 thousand)	Indirect investment via GAEL	619,676 (USD19,200 thousand)	-	-	619,676 (USD19,200 thousand)	14,997 (RMB3,303 thousand)	100.00	14,997 (RMB3,303 thousand)	1,024,572 (RMB224,648 thousand)	-

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Year	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$ 994,828(USD 30,344 thousand) (Notes 2 and Note 6)	\$ 1,201,013(USD 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 for the year ended December 31, 2024.
- Note 6: The conversion was based on spot exchange rate as of December 31, 2024.
- Note 7: The carrying amount and the recognized investment gain (loss) for the year have been fully written off when preparing the consolidated financial statements.

USI CORPORATION AND INVESTEEES
Swanson Plastics Corporation
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Year Ended December 31, 2024

Table 8-2

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of the beginning of the Year	Investment Flows for the Year		Accumulated Outward Remittance for Investment from Taiwan as of the End of Year	Profit (loss) of Investee for the year (Note 6)	Ownership of Direct or Indirect Investment (%)	Investment gains (losses) recognized for the year (Note 6)	Carrying Amount as of the End of Year (Note 7)	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.	\$ 435,713 (USD13,290 thousand)	Indirect investment via Swanson International Ltd. of British Cayman Islands.	\$ 223,930	\$ -	\$ -	\$ 223,930	(\$ 2,942) (USD -92 thousand)	100.00	(\$ 2,942) (USD -92 thousand)	\$ 858,388 (USD26,182 thousand)	\$ 221,875 (USD7,136 thousand)	Notes 9, 11, 13 and 14
ASK-Swanson (Kunshan) Co., Ltd.	Production and sales of PE release film and other release products.	298,344 (USD9,100 thousand)	Indirect investment in A.S. Holdings (UK) Limited via Swanson International Ltd. of British Cayman Islands.	193,447	-	-	193,447	31,680 (USD987 thousand)	100.00	31,680 (USD987 thousand)	450,454 (USD13,740 thousand)	278,333 (USD9,052 thousand)	Notes 8, 10, 12 and 14
Swanson Plastics (Tianjin) Co., Ltd.	Production, sales and development of multi-functional film, optical film, etc.	350,800 (USD10,700 thousand)	Indirect investment via Swanson (Singapore) Private Ltd. in the third region.	170,754	-	-	170,754	(22,290) (USD -694 thousand)	100.00	(22,290) (USD -694 thousand)	5,435 (USD166 thousand)	-	
Swanson Trading (Kunshan) Co., Ltd.	Marketing of plastic products, daily necessities, electrical appliances and their components and import and export of other high value added plastic products	13,682 (RMB3,000 thousand)	Direct investment by Swanson Technologies Corporation. (Note 4)	-	13,464	-	13,464	(49) (RMB-11 thousand)	100.00	(49) (RMB -11 thousand)	13,633 (RMB2,989 thousand)	-	

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Year	Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Year	Investment Amounts Authorized by Investment Commission, MOEA (Note 1)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
Swanson Plastics Corporation	\$ 588,131	\$ 1,074,881 (USD 32,786 thousand)	\$ -(Note 2)
Swanson Technologies Corporation	\$ 13,464	\$ 13,682 (RMB 3,000 thousand)	80,000(Note 3)

- Note 1: The paid-in capital and the investment amount approved by the Investment Commission, MOEA were calculated using the spot exchange rate on December 31, 2024.
- 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: Based on Article 3 of the "Principle of Examination on Investment and Technical Cooperation in Mainland China" issued by the Investment Commission on August 29, 2008, the limit is set at 60% of the net value or consolidated net value of the investment company, Swanson Technologies Corporation, or NT\$80,000 thousand, whichever is higher.
- Note 4: It was held by Swanson Plastics (Kunshan) Co., Ltd., USI Investment Co., Ltd., and APC Investment Corporation, with the ownership percentage of 70%, 15%, and 15%, respectively.
- Note 5: All the transactions were written off when preparing the consolidated financial statements.
- Note 6: The amount is calculated based on the average exchange rate for the year ended December 31, 2024.
- Note 7: The conversion was based on spot exchange rate as of December 31, 2024.
- Note 8: 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 9: 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 10: Swanson International Ltd. received a cash dividend of US\$2,771 thousand from its reinvestment company API-Swanson (Kunshan) Co., Ltd. in 2023, US\$2,715 thousand of which has been remitted to Swanson Plastics Corporation.
- Note 11: 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 12: Swanson International Ltd received a cash dividend of US\$4,011 thousand from its reinvestment company API-Swanson (Kunshan) Co., Ltd. in 2024, which has been remitted to Swanson Plastics Corporation.
- Note 13: Swanson International Ltd. received a cash dividend of US\$1,239 thousand from its reinvestment company Swanson Plastics (Kunshan) Co., Ltd. in 2024, which has been remitted to Swanson Plastics Corporation.
- Note 14: Calculated at the spot exchange rate at remittance.

USI CORPORATION AND INVESTEEES
China General Plastics Corporation
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Year Ended December 31, 2024

Table 8-3

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of the beginning of the Year (Note 1)	Investment Flows for the Year		Accumulated Outward Remittance for Investment from Taiwan as of the End of Year (Note 1)	Profit (loss) of investee for the period (Note 4)	Ownership of Direct or Indirect Investment (%)	Investment gains (losses) recognized for the year (Note 4)	Carrying Amount as of the End of Year (Notes 1 and 4)	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	\$ 655,700 (USD20,000 thousand)	Indirect investment via CGPC (BVI) Holding Co., Ltd.	\$ 655,700 (USD20,000 thousand)	\$ -	\$ -	\$ 655,700 (USD20,000 thousand)	(\$ 7,579) (USD -241 thousand)	100.00	(\$ 7,579) (USD -241 thousand)	\$ 234,723 (USD7,159 thousand)	\$ -

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Year (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)
\$ 872,573(USD 26,615 thousand)	\$ 980,272(USD 29,900 thousand)	\$ -

Note 1: The conversion was based on spot exchange rate as of December 31, 2024.

Note 2: As CGPC 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: These transactions have been fully eliminated when preparing the consolidated financial statements; the investment gains (losses) recognized for the year were recognized based on the financial statements audited and approved by CPAs of the parent company in Taiwan.

USI CORPORATION AND INVESTEEES
Taita Chemical Company, Ltd.
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Year Ended December 31, 2024

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 Year	Investment Flows for the Year		Accumulated Outward Remittance for Investment from Taiwan as of the End of Year	Profit (loss) of Investee for the year (Note 6)	Ownership of Direct or Indirect Investment (%)	Investment gains (losses) recognized for the year (Note 6)	Carrying Amount as of the End of Year (Note 6)	Accumulated Repatriation of Investment Income as of the End of Year
					Outflow	Inflow						
Taita Chemical (Zhongshan) Co., Ltd. ("TAITA (ZS)")	Production and marketing of polystyrene derivatives	\$ 1,516,306 (USD 46,250 thousand) (Note 1)	Reinvest in the mainland companies by establishing a company through investment in the third region	\$ 1,409,755 (USD 43,000 thousand)	\$ -	\$ -	\$ 1,409,755 (USD 43,000 thousand)	\$ 104,383 (USD 3,226 thousand)	100.00	\$ 104,383 (USD 3,226 thousand)	\$ 1,946,104 (USD 59,360 thousand)	\$ -
Taita Chemical (Tianjin) Co., Ltd. (TTC (TJ)) (Note 8)	Production and marketing of polystyrene derivatives	896,670 (USD 27,350 thousand) (Note 2)	Reinvest in the mainland companies by establishing a company through investment in the third region	852,410 (USD 26,000 thousand)	-	-	852,410 (USD 26,000 thousand)	(27,643) (USD -860 thousand)	100.00	(27,643) (USD -860 thousand)	(205,218) (USD 6,260 thousand)	-
Zhangzhou Taita Chemical Company, Limited (TTCZZ)	Production and marketing of polystyrene derivatives	1,592,681 (USD 48,580 thousand) (Note 3)	Reinvest in the mainland companies by establishing a company through investment in the third region	-	-	-	-	11,818 (USD 367 thousand)	100.00	11,818 (USD 367 thousand)	1,442,278 (USD 43,992 thousand)	-
Acme Electronics (Kunshan) Co., Ltd. ("ACME (KS)")	Manufacturing and marketing of manganese-zinc soft ferrite core	1,007,319 (USD 30,725 thousand)	Reinvest in a mainland company by reinvesting in the existing company in the third region, ACME Electronics (Cayman) Corp.	44,391 (USD 1,354 thousand)	-	-	44,391 (USD 1,354 thousand)	(51,536) (USD -1,606 thousand)	4.42	(2,276) (USD -71 thousand)	29,203 (USD 891 thousand)	-

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Year	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$ 2,306,556 (USD 70,354 thousand)	\$ 4,124,921 (USD 125,817 thousand) (Note 4)	\$ -(Note 5)

Note 1: TAITA (ZS) increased capital from earnings of US\$3,250 thousand in 2007.

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

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

Note 4: It includes the capital increase transferred from earnings by TAITA (ZS) of US\$ 3,250 thousand, capital increase transferred from earnings by TAITA (TJ) of US\$1,350 thousand, capital increase transferred from earnings 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 INVESTEEES
Asia Polymer Corporation
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Year Ended December 31, 2024

Table 8-5

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 4)	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of the beginning of the Year	Investment Flows for the Year		Accumulated Outward Remittance for Investment from Taiwan as of the End of Year	Profit/loss of Investee for the year (Note 3)	Ownership of Direct or Indirect Investment (%)	Investment gains (losses) recognized for the year (Note 3)	Carrying amount as 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	\$ 1,007,319 (USD 30,725 thousand)	(2) ACME Electronics (Cayman) Corp.	\$ 136,955 (USD 4,177 thousand)	\$ -	\$ -	\$ 136,955 (USD 4,177 thousand)	B (\$ 51,536)	13.63	(\$ 7,023)	\$ 90,097	\$ -
USI Trading (Shanghai) Co., Ltd.	Sales of chemical products and equipment, etc.	81,963 (USD 2,500 thousand)	(2) APC (BVI) Holding Co., Ltd.	99,522 (USD 3,036 thousand)	-	-	99,522 (USD 3,036 thousand)	B 12,707	100.00	12,707	183,816	-
Fujian Gulei Petrochemical Co., Ltd.	Crude oil processing and petroleum products manufacturing	42,481,116 (RMB9,314,400 thousand)	(2) Dynamic Ever Investments Ltd. (Note 2)	5,176,190 (USD 157,883 thousand)	-	-	5,176,190 (USD 157,883 thousand)	A (7,380,232)	11.71	(916,673)	1,356,027	-
Zhangzhou USI Trading Co., Ltd.	Sales of chemical products	45,608 (RMB 10,000 thousand)	(2) APC (BVI) Holding Co., Ltd.	13,682 (RMB 3,000 thousand)	-	-	13,682 (RMB 3,000 thousand)	A 2,872	30.00	862	22,218	-
Xiamen USI Trading Co., Ltd.	Sales of chemical products	45,608 (RMB10,000 thousand)	(2) APC (BVI) Holding Co., Ltd.	13,682 (RMB 3,000 thousand)	-	-	13,682 (RMB 3,000 thousand)	A 39,527	30.00	11,858	25,672	-
Zhangzhou Dynamic Ever Property Co., Ltd.	Property Management	95,777 (RMB21,000 thousand)	(2) Dynamic Ever Investments Ltd. (Note 2)	22,425 (RMB 4,917 thousand)	-	-	22,425 (RMB 4,917 thousand)	A 890	23.41	208	22,641	-

Accumulated Outward Remittance of Investment to Mainland China from Taiwan at the End of the Current Year	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$ 5,621,093 (Note 5) (USD 171,453 thousand)	\$ 7,508,127 (USD 229,011 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: Through the use of investee - Ever Conquest Global Ltd. (40.87% ownership) located in 3rd region, the Company invested into Ever Victory Global Limited (67.40% ownership), which then invested into Dynamic Ever Investments Ltd. (85.00% ownership) for an indirect holding of 50% in Fujian Gulei Petrochemical Co., Ltd.

Note 3: Regarding the details presented in the investment gains/losses column as of the end of the current year:

- (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. Based on financial statements audited by the R.O.C. partner of an international CPA firm.
 - B. Based on auditor-audited financial statements of the parent company in Taiwan.
 - C. Others.

Note 4: The calculation was based on the spot exchange rate as of December 31, 2024.

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 year have been fully written off when preparing the consolidated financial statements.

USI CORPORATION
INFORMATION ON MAJOR SHAREHOLDERS
December 31, 2024

Table 9

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

Note 1: The table discloses shareholding information of shareholders who had completed book-entry delivery of treasury stock, ordinary shares and preferred shares and whose shareholding percentage is more than 5% as of the final business day of the given quarter. The share capital reported in the Company's consolidated financial statements and the actual number shares that have completed the dematerialized registration and delivery may be different due to the difference in the basis of calculation.

Note 2: In the event where the shareholders 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, 2024

STATEMENT 1

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

Item	Summary	Amount
Cash		
Petty cash		\$ 490
Bank deposits		
Checking deposits		10,329
NTD demand		
deposits		28,322
Foreign currency	USD 909,530.85 (Note)	
demand	RMB 77,940.88 (Note)	
deposits	JPY 2,440,598.00 (Note)	
	EUR 735,068.22 (Note)	55,782
Subtotal of the bank		94,433
deposits		
Cash equivalents		
Reserve repurchase	Annual interest rate: 1.44%-1.90%, and to	
agreements	mature between January to February 2025	
collateralized by		
bonds		938,773
Time deposits	Annual interest rate: 1.72%-4.28%,	
	including foreign currency time deposits	
	of USD 2,900,000.00 (Note), and the	
	maturity date is from January to March	
	2025	195,076
		\$ 1,228,772

Note: USD is converted at the exchange rate of USD1=NTD32.7850.
RMB is converted at the exchange rate RMB1 = NTD4.5608.
JPY is converted at the exchange rate JPY1 = NTD0.2099.
EUR is converted at the exchange rate EUR1 = NTD34.1400.

USI CORPORATION
STATEMENT OF FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT
December 31, 2024

STATEMENT 2

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

Name of Financial Instruments	Share/Unit	Original Acquisition Cost	Fair Value		Changes in Fair Value Attributable to Changes in Credit Risk	Remark
			Unit Price (NT\$)	Total Amount		
Financial assets mandatorily classified at FVTPL - non-derivative financial assets						
Fund beneficiary certificates and beneficiary securities						
CTBC Hwa-win Money Market Fund	3,490,767	\$ 40,000	11.4753	\$ 40,058	\$ -	
FSITC Taiwan Money Market Fund	3,764,446	60,000	15.9668	60,106	-	
UPAMC James Bond Money Market Fund	3,455,743	60,000	17.3929	60,105	-	
Yuanta U.S. Treasury 20+ Year Bond ETF	580,000	17,088	28.6500	16,617	-	
Cathay No. 1 Real Estate Investment Trust Fund	2,000,000	46,710	15.3500	62,229	-	
		<u>223,798</u>		<u>239,115</u>	<u>-</u>	
Domestic listed (OTC) shares						
Taiwan Cement Corporation	2,000,000	67,908	31.7000	63,400	-	
Overseas listed shares						
Zeon Corporation	39,500	12,012	314.6400	12,428	-	
Kyushu Electric Power Co., Inc.	20,000	7,450	296.5900	5,932	-	
		<u>19,462</u>		<u>18,360</u>	<u>-</u>	
		<u>\$ 311,168</u>		<u>\$ 320,875</u>	<u>\$ -</u>	

USI CORPORATION
STATEMENT OF NOTES RECEIVABLE
 December 31, 2024

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 operating			
Tex Year Industries Inc.	Unexpired	\$ 35,478	
Resonac HD Taiwan Co., Ltd.	Unexpired	4,627	
Others (Note)	Unexpired	2,199	
		<u>\$ 42,304</u>	

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

USI CORPORATION
STATEMENT OF ACCOUNTS RECEIVABLE
 December 31, 2024

STATEMENT 4

(In Thousands of New Taiwan Dollars)

Customer Name	Summary	Amount	Remark
Non-related parties			
Changzhou Betterial Film Technologies Co., Ltd.	Payment for goods	\$ 99,142	
Far Eastern New Century Corporation	Payment for goods	50,919	
Tex Year Group	Payment for goods	48,398	
AICA Asia Pacific Holding Pte Ltd.	Payment for goods	43,573	
Foster Group	Payment for goods	39,393	
Others (Note)	Payment for goods	<u>186,481</u>	
Subtotal		<u>467,906</u>	
Less: allowance for loss		(<u>2,651</u>)	
		<u>465,255</u>	
Related parties			
Swanson Plastics (Kunshan) Co., Ltd.	Payment for goods	32,788	
USI Trading (Shanghai) Co., Ltd.	Payment for goods	15,610	
USI (Hong Kong) Company Ltd.	Payment for goods	8,391	
Swanson Plastics Corporation	Payment for goods	6,642	
Swanson Plastics (Malaysia) Sdn. Bhd.	Payment for goods	<u>3,493</u>	
Subtotal		<u>66,924</u>	
		<u>\$ 532,179</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, 2024

STATEMENT 5

(In Thousands of New Taiwan Dollars)

Item	Summary	Amount		Remark
		Costs	Net realizable value (Note)	
Finished goods		\$ 865,279	\$ 711,560	
Work in progress		64,093	60,016	
Raw materials		116,585	113,659	
Supplies		152,960	157,298	
		1,198,917	\$ 1,042,533	
Less: Allowance for inventory write-down		(163,887)		
			\$ 1,035,030	

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, 2024

STATEMENT 6

(In Thousands of New Taiwan Dollars)

Item	Summary	Amount	Remark
Office supplies		\$ 187,056	
Prepaid expenses		54,430	
Prepayment for goods		3,809	
Overpaid sales tax		<u>2,323</u>	
		<u>\$ 247,618</u>	

USI CORPORATION
STATEMENT OF CHANGES IN FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON-CURRENT
For the Year Ended December 31, 2024

STATEMENT 7

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

Name of Financial Instruments	Balance at January 1		Increase in the Current Year		Decrease in the Current Year		Balance at December 31		Provision of Collaterals or Pledges	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	\$ 123,624	-	\$ -	-	\$ 23,840	6,811,204	\$ 99,784	None	Note 1
CTCI Corporation	15,130,656	637,757	-	-	-	53,714	15,130,656	584,043	None	Note 1
PELL Bio-Med Technology Co. Ltd.	235,000	19,975	-	-	-	775	235,000	19,200	None	Note 1
Domestic unlisted (OTC) ordinary shares										
KHL IB Venture Capital Co., Ltd.	13,132,193	120,948	-	-	-	3,677	13,132,193	117,271	None	Note 1
		<u>\$ 902,304</u>		<u>\$ -</u>		<u>\$ 82,006</u>		<u>\$ 820,298</u>		

Note 1: The amount of decrease in the current year was resulted from adjustments of changes in fair value.

USI CORPORATION
STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD
For the Year Ended December 31, 2024

STATEMENT 8

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

Investee	Balance at January 1		Increase in the Current Year		Decrease in the Current Year		Share of (Loss) Profit of Subsidiaries Accounted for Using the Equity Method	Balance at December 31				Provision of Collaterals or Pledges	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount		Number of Shares	Percentage of Ownership %	Amount	Net Equity		Remark
USIFE Investment Co., Ltd.	89,647,000	\$ 919,983	-	\$ 14,924	-	\$ -	(\$ 12,151)	89,647,000	100.00	\$ 922,756	\$ 924,299	Note 1	None
Swanlake Traders Ltd.	30,000,000	1,449,066	-	98,925	-	59,568	78,739	30,000,000	100.00	1,567,162	1,580,808	Note 2	None
USI (Hong Kong) Company Ltd.	159,999	64,345	-	4,644	-	-	(6,280)	159,999	100.00	62,709	62,709	Note 3	None
Union Polymer International Investment Corporation	918,324,656	9,794,851	-	497,968	-	701,336	(498,673)	918,324,656	100.00	9,092,810	9,501,320	Note 4	None
Taiwan United Venture Capital Corp.	14,000,000	95,574	-	-	7,000,000	71,942	(496)	7,000,000	70.00	23,136	23,136	Note 5	None
Chong Loong Trading Co., Ltd.	6,882,666	83,147	840,753	-	-	-	14,965	7,723,419	99.96	98,112	98,112		None
Swanson Plastics Corporation	62,616,299	1,008,366	-	49,640	-	-	(22,595)	62,616,299	40.58	1,035,411	1,040,389	Note 6	None
Acme Electronics Corporation	61,682,967	497,097	-	27,749	-	-	44,975	61,682,967	28.96	569,821	585,161	Note 7	None
INOMA Corporation	1,334,728	11,030	-	-	-	-	(569)	1,334,728	94.37	10,461	10,461		None
USI Management Consulting Corp.	671,400	6,672	-	670	-	-	4,055	671,400	100.00	11,397	11,397	Note 8	None
Delmind Inc.	9,000,000	79,987	-	-	-	-	(7,675)	9,000,000	30.00	72,312	72,312		None
Ever Conquest Global Limited	246,670,000	3,676,840	-	185,080	-	-	(1,305,138)	246,670,000	59.13	2,556,782	2,556,782	Note 9	None
USI Optronics Corporation	33,000,000	27,214	-	-	-	-	(11,300)	33,000,000	50.85	15,914	15,914		None
USI Green Energy Corporation	36,616,004	392,911	-	-	-	-	(39,753)	36,616,004	100.00	353,158	324,629		None
Chem Union Renewable Energy Corporation	1,000,000	9,835	-	-	-	-	(501)	1,000,000	33.33	9,334	9,334		None
		<u>\$ 18,116,918</u>		<u>\$ 879,600</u>		<u>\$ 832,846</u>	<u>(\$ 1,762,397)</u>			<u>\$ 16,401,275</u>	<u>\$ 16,816,763</u>		

- Note 1: The increase in the current year is unrealized gains on financial assets at FVTOCI of NT\$5,112 thousand, gains on remeasurements of defined benefit plans of NT\$566 thousand, recognition of capital surplus based on the shareholding ratio of NT\$5 thousand, cumulative gains and losses on disposal of financial assets at FVTOCI transferred to retained earnings of NT\$503 thousand, and differences on translating the financial statements of foreign operations of NT\$8,738 thousand.
- Note 2: The increase in the current year is recognition of differences on translating the financial statements of foreign operations based on the shareholding ratio of NT\$98,925 thousand. The decrease in the current year is cash dividends received from the investees of NT\$59,568 thousand.
- Note 3: The increase in the current year is recognition of differences on translating the financial statements of foreign operations based on the shareholding ratio of NT\$4,644 thousand.
- Note 4: The increase in the current year is adjustment to capital surplus for cash dividends paid to subsidiaries - treasury share transaction of NT\$13,415 thousand, valuation adjustment of treasury shares and financial instruments of NT\$344,965 thousand, gains on remeasurements of defined benefit plans of NT\$34,902 thousand, recognition of capital surplus based on the shareholding ratio of NT\$691 thousand, and recognition of differences on translating the financial statements of foreign operations based on the shareholding ratio of NT\$103,995 thousand. The decrease in the current year is cash dividends received from the investees of NT\$40,289 thousand, cumulative gains and losses on disposal of financial assets at FVTOCI transferred to retained earnings of NT\$27 thousand, and unrealized losses on financial assets at FVTOCI of NT\$661,020 thousand.
- Note 5: The decrease in the current year is unrealized losses on financial assets at FVTOCI of NT\$1,942 thousand and return of share capital from capital reduction of NT\$70,000 thousand.
- Note 6: The increase in the current year is gains on remeasurements of defined benefit plans of NT\$2,269 thousand, recognition of capital surplus based on the shareholding ratio of NT\$49 thousand, and differences on translating the financial statements of foreign operations of NT\$47,322 thousand.
- Note 7: The increase in the current year is gains on remeasurements of defined benefit plans of NT\$589 thousand, recognition of capital surplus based on the shareholding ratio of NT\$14 thousand, and differences on translating the financial statements of foreign operations of NT\$27,146 thousand.
- Note 8: The increase in the current year is gains on remeasurements of defined benefit plans of NT\$670 thousand.
- Note 9: The increase in the current year is recognition of differences on translating the financial statements of foreign operations based on the shareholding ratio of NT\$185,080 thousand.

USI CORPORATION
STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS
For the Year Ended December 31, 2024

STATEMENT 9

(In Thousands of New Taiwan Dollars)

Item	Balance at January 1	Increase in the Current Year	Decrease in the Current Year	Balance at December 31	Remark
Buildings	\$ 22,991	\$ 14,611	\$ 22,991	\$ 14,611	

USI CORPORATION
STATEMENT OF CHANGES IN ACCUMULATED DEPRECIATION OF
RIGHT-OF-USE ASSETS
For the Year Ended December 31, 2024

STATEMENT 10

(In Thousands of New Taiwan Dollars)

Item	Balance at January 1	Increase in the Current Year	Decrease in the Current Year	Balance at December 31	Remark
Buildings	\$ 22,249	\$ 4,893	\$ 22,991	\$ 4,151	

USI CORPORATION
STATEMENT OF OTHER NON-CURRENT ASSETS
December 31, 2024

STATEMENT 11

(In Thousands of New Taiwan Dollars)

<u>Item</u>	<u>Summary</u>	<u>Amount</u>	<u>Remark</u>
Refundable deposits		\$ 53,906	
Long-term deferred expenses		64,951	
Prepayments for construction		<u>5,751</u>	
		<u>\$ 124,608</u>	

USI CORPORATION
STATEMENT OF ACCOUNTS PAYABLE
December 31, 2024

STATEMENT 12

(In Thousands of New Taiwan Dollars)

<u>Customer Name</u>	<u>Summary</u>	<u>Amount</u>	<u>Remark</u>
Non-related parties			
CPC Corporation, Taiwan (Note)	Payment for goods	\$ 356,542	
MARUBENI CORPORATION	Payment for goods	221,787	
MITSUBISHI CORPORATION	Payment for goods	90,838	
Dairen Chemical Corporation	Payment for goods	73,527	
Others	Payment for goods	<u>39,151</u>	
Subtotal		<u>781,845</u>	
Related parties			
Asia Polymer Corporation	Payment for goods	50,853	
Taita Chemical Company, Ltd.	Payment for goods	7,665	
Swanson Plastics Corporation	Payment for goods	<u>4,195</u>	
Subtotal		<u>62,713</u>	
		<u>\$ 844,558</u>	

Note: A bank time deposit of NT\$55,760 thousand has been provided as collateral.

USI CORPORATION
STATEMENT OF OTHER CURRENT LIABILITIES
December 31, 2024

STATEMENT 13

(In Thousands of New Taiwan Dollars)

<u>Item</u>	<u>Summary</u>	<u>Amount</u>	<u>Remark</u>
Contract liabilities		\$ 121,904	
Agency fund		2,311	
Others		<u>11,158</u>	
		<u>\$ 135,373</u>	

USI CORPORATION
STATEMENT OF BONDS PAYABLE
December 31, 2024

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	Collaterals	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	\$ -	\$ -	\$ -	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	(480)	999,520	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	(1,013)	998,987	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	(452)	699,548	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%	1,300,000	-	1,300,000	(1,467)	1,298,533	50% repayment of principal in the 6th and 7th year from the date of issue	None	
					6,000,000	2,000,000	4,000,000	(3,412)	3,996,588			
Less: Current portion of bonds payable					850,000	-	850,000	(255)	849,745			
					<u>\$ 5,150,000</u>	<u>\$ 2,000,000</u>	<u>\$ 3,150,000</u>	<u>(\$ 3,157)</u>	<u>\$ 3,146,843</u>			

USI CORPORATION
STATEMENT OF LONG-TERM BORROWINGS
December 31, 2024

STATEMENT 15

(In Thousands of New Taiwan Dollars)

Creditor Bank or Underwriting Institution	Term and Repayment Method	Annual Interest Rate (%)	Amount			Pledges or Collaterals
			Due within one year	Due after one year	Total	
Taipei Fubon Commercial Bank Co., Ltd.	October 15, 2021 to December 15, 2027, repaid on an average monthly basis from the fourth year onwards.	1.22%~1.72%	\$ 215,678	\$ 580,617	\$ 796,295	—
E.Sun Commercial Bank, Ltd.	November 5, 2021 to December 15, 2027, repaid on an average monthly basis from the fourth year onwards.	1.18%~1.68%	75,784	139,606	215,390	—
			<u>\$ 291,462</u>	<u>\$ 720,223</u>	<u>\$ 1,011,685</u>	

USI CORPORATION
STATEMENT OF LEASE LIABILITIES
December 31, 2024

STATEMENT 16

(In Thousands of New Taiwan Dollars)

Item	Summary	Lease Period	Discount Rate	Balance at December 31	Remark
Buildings		2014.05.01-2035.12.31	2.24%	\$ 353,837	
Buildings		2024.03.01-2027.02.08	2.24%	10,495	
Less: Current portion of lease liabilities				<u>25,757</u>	
				<u><u>\$ 338,575</u></u>	

USI CORPORATION
STATEMENT OF OTHER NON-CURRENT LIABILITIES
December 31, 2024

STATEMENT 17

(In Thousands of New Taiwan Dollars)

<u>Item</u>	<u>Summary</u>	<u>Amount</u>	<u>Remark</u>
Deferred unrealized profit		\$ 1,458	
Guarantee deposits received		6,889	
Deferred revenue		<u>10,517</u>	
		<u>\$ 18,864</u>	

USI CORPORATION
STATEMENT OF SALES REVENUE
For the Year Ended December 31, 2024

STATEMENT 18

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

<u>Item</u>	<u>Quantity (Tons)</u>	<u>Amount</u>	<u>Remark</u>
Low density polyethylene	5,382	\$ 294,360	
Ethylene vinyl acetate	115,399	5,238,336	
High density polyethylene	74,512	2,896,779	
Linear low density polyethylene	8,304	315,003	
Other chemicals and wastes	<u>319</u>	<u>76,963</u>	
	<u><u>203,916</u></u>	<u><u>\$ 8,821,441</u></u>	

USI CORPORATION
STATEMENT OF COST OF GOODS SOLD
For the Year Ended December 31, 2024

STATEMENT 19

(In Thousands of New Taiwan Dollars)

Item	Amount
Direct raw materials	
Beginning raw materials	\$ 97,504
Purchases for the year	6,024,567
Sales for the year	(139,821)
Ending raw materials	(<u>116,585</u>)
	5,865,665
Indirect materials	536,533
Direct labor	170,197
Manufacturing expenses (Statement 19-1)	<u>1,387,460</u>
Manufacturing cost	7,959,855
Work in progress	
Beginning work in progress	39,081
Ending work in progress	(<u>64,093</u>)
Cost of finished goods	7,934,843
Finished goods	
Beginning finished goods	1,066,784
Purchases for the year	394,661
Ending finished goods	(865,279)
Loss of idle capacity	382,853
Other cost adjustment of self-made goods transferred to the packaging materials	(626)
Inventory write-down	<u>51,028</u>
	<u><u>\$ 8,964,264</u></u>

USI CORPORATION
STATEMENT OF MANUFACTURING EXPENSES
For the Year Ended December 31, 2024

STATEMENT 19-1

(In Thousands of New Taiwan Dollars)

Item	Amount
Electricity charges	\$ 713,725
Indirect labor	157,219
Depreciation	366,294
Others (Note)	<u>150,222</u>
	<u>\$ 1,387,460</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, 2024

STATEMENT 20

(In Thousands of New Taiwan Dollars)

Item	Selling and Marketing Expenses	Administrative Expenses	Research and Development Expenses	Total
Employee benefits expense	\$ 26,655	\$ 13,460	\$ 69,829	\$ 109,944
Transportation expense	197,145	-	239	197,384
Depreciation	-	4,536	32,289	36,825
Management service expenses	-	139,326	12,430	151,756
Export expenses	14,194	-	-	14,194
Contracted research expenses	-	-	8,380	8,380
Others (Note)	21,713	39,007	9,478	70,198
	<u>\$ 259,707</u>	<u>\$ 196,329</u>	<u>\$ 132,645</u>	<u>\$ 588,681</u>

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

USI CORPORATION
SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION AND AMORTIZATION EXPENSES BY FUNCTION
For the Years Ended December 31, 2024 and 2023

STATEMENT 21

(In Thousands of New Taiwan Dollars)

	For the Year Ended December 31, 2024				For the Year Ended December 31, 2023			
	Classified as Operating Costs	Classified as Operating Expenses	Classified as Other Operating Income and Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Classified as Other Operating Income and Expenses	Total
Employee benefits expense (Note)								
Salaries expenses	\$ 370,409	\$ 83,411	\$ -	\$ 453,820	\$ 410,730	\$ 109,321	\$ -	\$ 520,051
Labor and health insurance expenses	39,376	9,178	-	48,554	41,950	9,502	-	51,452
Pension expenses	19,470	3,958	-	23,428	19,840	4,089	-	23,929
Remunerations to directors	-	9,148	-	9,148	-	6,946	-	6,946
Other employee benefits expenses	16,400	4,249	-	20,649	23,612	8,592	-	32,204
	<u>\$ 445,655</u>	<u>\$ 109,944</u>	<u>\$ -</u>	<u>\$ 555,599</u>	<u>\$ 496,132</u>	<u>\$ 138,450</u>	<u>\$ -</u>	<u>\$ 634,582</u>
Depreciation expense	\$ 563,392	\$ 36,825	\$ 27,581	\$ 627,798	\$ 585,524	\$ 38,125	\$ 27,593	\$ 651,242
Amortization expense	\$ 14,730	\$ 932	\$ -	\$ 15,662	\$ 7,604	\$ 501	\$ -	\$ 8,105

Note 1: As of December 31, 2024 and 2023, the numbers of the Company's employees were 432 and 457, respectively, both including 7 non-employee directors.

Note 2: For the years ended December 31, 2024 and 2023, the average employee benefits expense was NT\$1,286 thousand and NT\$1,395 thousand, respectively. For the years ended December 31, 2024 and 2023, the average employee salaries expenses were NT\$1,068 thousand and NT\$1,156 thousand, respectively. The average employee salaries expenses are adjusted and decrease by 7.61%. Besides, the Company established an audit committee. The supervisor system is not applicable to the Company. Therefore, the remunerations to supervisors were both NT\$0 thousand for the years ended December 31, 2024 and 2023.

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) Considering the qualities of the businesses and the natures of the businesses of the Company to decide how to pay the proportion of the remunerations to 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 "Payroll Management Regulations", "Regulations of Employee Performance Evaluations" and "Allowance Payments for the Supervisor Positions and Personal Staff" as the issuances standards. Besides, the Company has the "Year-End Bonus Management Regulations" which are based on the profitability situations of the Company and check the performances of the employees to pay the year-end bonus (including remunerations to employees).