Stock Code: 1308

Notice to Readers:

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ASIA POLYMER CORPORATION

Consolidated Financial Statements for the Years Ended December 31, 2021 and 2020 and Independent Auditors' Report

Address: No. 3, Gongye 1st Rd., Linyuan Dist., Kaohsiung City

Tel: (02)87516888

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The entities that are required to be included in the combined financial statements of Asia Polymer Corporation as of and for the year ended December 31, 2021, under the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises”, are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standard 10, “Consolidated Financial Statements”. In addition, the information required to be disclosed in the combined financial statements of affiliates is included in the consolidated financial statements of Asia Polymer Corporation and Subsidiaries. Consequently, we do not prepare a separate set of combined financial statements of affiliates.

Very truly yours,

ASIA POLYMER CORPORATION

By: YI-GUI WU

March 9, 2022

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders Asia Polymer Corporation

Opinion

We have audited the accompanying consolidated financial statements of Asia Polymer Corporation and its subsidiaries (the Group), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the Republic of China.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, 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 in our audit of the consolidated financial statements for the year ended December 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in the Group's consolidated financial statements for the year ended December 31, 2021 are stated as follows:

Recognition of Sales Revenue from Specific Customers

The amount of sales revenue of the Company and its subsidiaries for the year ended December 31, 2021 was NT$9,565,813 thousand, which was approximately 67.72% higher than the sales revenue for the year ended December 31, 2020 of NT$5,703,546 thousand. Nevertheless, the sales revenue from specific customers has grown significantly compared to the average growth of total sales revenue. Therefore, recognition of revenue from these specific customers has been identified as a key audit matter.

The audit procedures that we performed in response to the risk were as follows:

1. We obtained an understanding of the design and implementation of internal controls about these specific customers and tested if these controls were performed effectively. Such controls include credit assessments of customers, revenue recognition and receivables collection.

2. We sampled and inspected purchase orders from these specific customers, shipping confirmations and receivables collection receipts in order to verify the accuracy of sales revenue.
3. We reviewed sales returns and discounts recognized and the amounts received in subsequent periods to assess for any abnormalities.

Other Matter

We have also audited the parent company only financial statements of Asia Polymer Corporation as of and for the years ended December 31, 2021 and 2020 on which we have issued an unmodified opinion.

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

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

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

Those charged with governance (including the audit committee) are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 generally accepted in the Republic of China will always detect a material misstatement when it exists. 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 these consolidated financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2021 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 partners on the audit resulting in this independent auditors' report are

Cheng-Chun Chiu. (Fiancial Supervisory Commission, Approval No. 0930160267) and

Pi-Yu Chuang (Fiancial Supervisory Commission, Approval No. 1070323246)

Deloitte & Touche
Taipei, Taiwan
Republic of China
March 9, 2022

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ASIA POLYMER CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
December 31, 2021 and 2020
(In Thousands of New Taiwan Dollars)

Code	ASSETS	December 31, 2021 Amount	%	December 31, 2020 Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents (Notes 4 and 6)	$ 763,936	4	$ 605,644	4
1110	Financial assets at fair value through profit and loss - current (Notes 4 and 7)	1,118,714	6	1,085,851	6
1120	Financial assets at fair value through other comprehensive income - current (Notes 4 and 8)	44,346	-	86,368	1
1170	Accounts receivable from unrelated parties (Notes 4, 10 and 23)	990,914	5	545,372	3
1180	Accounts receivable from related parties (Notes 4, 10, 23 and 29)	428,395	3	197,413	1
1200	Other receivables from unrelated parties (Note 4)	17,867	-	4,603	-
1210	Other receivables from related parties (Notes 4 and 29)	1,829	-	2,025	-
1310	Inventories (Notes 4 and 11)	584,086	3	312,124	2
1410	Prepayments	148,731	1	124,759	1
1470	Other current assets	110	-	110	-
11XX	Total current assets	4,098,928	22	2,964,269	18
	NON-CURRENT ASSETS				
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	4,206,995	22	3,327,544	20
1535	Financial assets at amortized cost - non-current (Notes 4 and 9)	21,786	-	42,648	-
1550	Investments accounted for using the equity method (Notes 4, 5, 13 and 30)	6,634,522	35	6,663,686	39
1600	Property, plant and equipment (Notes 4 and 14)	3,376,590	18	3,257,676	19
1755	Right-of-use assets (Notes 4 and 15)	8,143	-	424	-
1760	Investment properties (Notes 4 and 16)	511,258	3	522,939	3
1840	Deferred tax assets (Notes 4 and 25)	104,798	-	82,118	1
1990	Other non-current assets (Note 4)	15,526	-	22,199	-
15XX	Total non-current assets	14,879,618	78	13,919,234	82
1XXX	TOTAL ASSETS	$ 18,978,546	100	$ 16,883,503	100
Code	**LIABILITIES AND EQUITY**				
	CURRENT LIABILITIES				
2100	Short-term borrowings (Note 17)	$ 500,000	3	$ 700,000	4
2120	Financial liabilities at fair value through profit or loss - current (Notes 4 and 7)	860	-	3,912	-
2170	Accounts payable to unrelated parties (Note 18)	218,770	1	238,923	2
2180	Accounts payable to related parties (Notes 18 and 29)	79,397	-	48,833	-
2200	Other payables to unrelated parties (Note 19)	230,736	1	194,948	1
2220	Other payables to related parties (Note 29)	207,259	1	49,886	1
2230	Current tax liabilities (Notes 4 and 25)	665,205	4	189,737	1
2280	Lease liabilities - current (Notes 4 and 15)	5,765	-	5,981	-
2365	Refund liabilities - current (Note 20)	5,899	-	5,899	-
2399	Other current liabilities (Note 23)	28,186	-	41,077	-
21XX	Total current liabilities	1,942,077	10	1,479,196	9
	NON-CURRENT LIABILITIES				
2540	Long-term borrowings (Note 17)	1,369,746	8	3,050,000	18
2570	Deferred tax liabilities (Notes 4 and 25)	30,601	-	42,108	-
2580	Lease liabilities - non-current (Notes 4 and 15)	21,530	-	18,946	-
2640	Net defined benefit liabilities - non-current (Notes 4 and 21)	135,005	1	155,057	1
2650	Credit balance of investments accounted for using the equity method (Note 13)	-	-	16,165	-
2670	Other non-current liabilities	17,538	-	12,486	-
25XX	Total non-current liabilities	1,574,420	9	3,294,762	19
2XXX	Total liabilities	3,516,497	19	4,773,958	28
	EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4, 8, 22 and 25)				
	Share capital				
3110	Ordinary shares	5,937,438	31	5,821,018	35
3200	Capital surplus	35,319	-	33,272	-
	Retained earnings				
3310	Legal reserve	1,906,008	10	1,798,210	11
3320	Special reserve	565,379	3	565,379	3
3350	Unappropriated earnings	5,139,359	27	2,890,180	17
3300	Total retained earnings	7,610,746	40	5,253,769	31
3400	Other equity	1,878,546	10	1,001,486	6
3XXX	Total equity	15,462,049	81	12,109,545	72
	TOTAL LIABILITIES AND EQUITY	$ 18,978,546	100	$ 16,883,503	100

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

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ASIA POLYMER CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

		2021		2020	
Code		Amount	%	Amount	%
4100	NET REVENUE (Notes 4, 23 and 29)	$ 9,565,813	100	$ 5,703,546	100
5110	OPERATING COSTS (Notes 4, 11, 21, 24 and 29)	5,968,145	62	4,574,394	80
5900	GROSS PROFIT	3,597,668	38	1,129,152	20
	OPERATING EXPENSES (Notes 21, 24 and 29)				
6100	Selling and marketing expenses	151,241	2	89,753	2
6200	General and administrative expenses	121,018	1	111,673	2
6300	Research and development expenses	6,154	-	5,423	-
6000	Total operating expenses	278,413	3	206,849	4
6900	PROFIT FROM OPERATIONS	3,319,255	35	922,303	16
	NON-OPERATING INCOME AND EXPENSES (Notes 4, 13, 24 and 29)				
7100	Interest income	4,381	-	7,682	-
7010	Other income	268,292	3	167,155	3
7020	Other gains and losses	105,050	1	105,370	2
7510	Interest expense	(22,743)	-	(42,537)	-
7060	Share of profit or loss of associates	63,971	-	125,438	2
7000	Total non-operating income and expenses	418,951	4	363,108	7
7900	PROFIT BEFORE INCOME TAX	3,738,206	39	1,285,411	23
7950	INCOME TAX EXPENSE (Notes 4 and 25)	637,079	7	181,824	3
8200	NET PROFIT FOR THE YEAR	3,101,127	32	1,103,587	20

(Continued)

(Continued)

Code		2021 Amount	2021 %	2020 Amount	2020 %
	OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 13, 21, 22 and 25)				
	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit plans	($ 1,434)	-	($ 608)	-
8316	Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	959,622	10	1,032,335	18
8330	Share of the other comprehensive income (loss) of associates accounted for using the equity method	37,768	-	43,970	1
8349	Income tax relating to items that will not be reclassified subsequently to profit or loss	(2,572)	-	(3,332)	-
8310		993,384	10	1,072,365	19
	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating the financial statements of foreign operations	(49,087)	-	41,058	-
8370	Share of the other comprehensive income (loss) of associates accounted for using the equity method	(6,262)	-	(5,315)	-
8399	Income tax relating to items that may be reclassified subsequently to profit or loss	9,817	-	(8,212)	-
8360		(45,532)	-	27,531	-
8300	Other comprehensive income for the year, net of income tax	947,852	10	1,099,896	19
8500	TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	$ 4,048,979	42	$ 2,203,483	39
	EARNINGS PER SHARE (Note 26)				
9710	Basic	$ 5.22		$ 1.86	
9810	Diluted	$ 5.21		$ 1.86	

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ASIA POLYMER CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

		Equity Attributable to Owners of the Company (Notes 4, 8, 22 and 23)								
		Share Capital			Retained Earnings			Other Equity		
Code		Shares (In Thousands)	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total Equity
A1	BALANCE AT JANUARY 1, 2020	554,382	$ 5,543,827	$ 24,400	$ 1,713,152	$ 565,379	$ 2,507,082	($ 221,959)	$ 97,939	$ 10,229,820
	Appropriation of the 2019 earnings									
B1	Legal reserve	-	-	-	85,058	-	(85,058)	-	-	-
B5	Cash dividends distributed	-	-	-	-	-	(332,630)	-	-	(332,630)
B9	Share dividends distributed	27,719	277,191	-	-	-	(277,191)	-	-	-
C3	Reclassification of past dividends to capital surplus	-	-	901	-	-	-	-	-	901
C7	Changes in capital surplus from investments in associates accounted for using the equity method	-	-	7,971	-	-	(7,522)	-	7,522	7,971
D1	Net profit for the year ended December 31, 2020	-	-	-	-	-	1,103,587	-	-	1,103,587
D3	Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	-	-	1,263	27,531	1,071,102	1,099,896
D5	Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	1,104,850	27,531	1,071,102	2,203,483
Q1	Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	(19,351)	-	19,351	-
Z1	BALANCE AT DECEMBER 31, 2020	582,101	5,821,018	33,272	1,798,210	565,379	2,890,180	(194,428)	1,195,914	12,109,545
	Appropriation of the 2020 earnings									
B1	Legal reserve	-	-	-	107,798	-	(107,798)	-	-	-
B5	Cash dividends distributed	-	-	-	-	-	(698,522)	-	-	(698,522)
B9	Share dividends of ordinary shares	11,642	116,420	-	-	-	(116,420)	-	-	-
C3	Reclassification of past dividends to capital surplus	-	-	1,913	-	-	-	-	-	1,913
C7	Changes in capital surplus from investments in associates accounted for using the equity method	-	-	134	-	-	-	-	-	134
D1	Net profit for the year ended December 31, 2021	-	-	-	-	-	3,101,127	-	-	3,101,127
D3	Other comprehensive income (loss) for the year ended December 31, 2021, net of income tax	-	-	-	-	-	(1,390)	(45,532)	994,774	947,852
D5	Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	3,099,737	(45,532)	994,774	4,048,979
Q1	Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	72,182	-	(72,182)	-
Z1	BALANCE AT DECEMBER 31, 2021	593,743	$ 5,937,438	$ 35,319	$ 1,906,008	$ 565,379	$ 5,139,359	($ 239,960)	$ 2,118,506	$ 15,462,049

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ASIA POLYMER CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

Code		2021	2020
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Income before income tax	$ 3,738,206	$ 1,285,411
A20010	Adjustments for:		
A20100	Depreciation expenses	312,426	314,601
A20200	Amortization expenses	18	35
A20400	Net loss (gain) on fair value change of financial assets at fair value through profit or loss	3,385	(25,388)
A20900	Interest expense	22,743	42,537
A21200	Interest income	(4,381)	(7,682)
A21300	Dividend income	(204,242)	(104,544)
A22300	Share of profit of associates	(63,971)	(125,438)
A23200	Loss on disposal of investments accounted for using the equity method	-	527
A23700	Loss on (gain on reversal of) write-down of inventories	757	(408)
A24100	Net loss (gain) on foreign currency exchange	4,640	(2,813)
A30000	Changes in operating assets and liabilities		
A31115	Financial assets mandatorily classified as at fair value through profit or loss	(39,300)	1,589,827
A31150	Accounts receivable from unrelated parties	(444,791)	48,844
A31160	Accounts receivable from related parties	(231,036)	(40,524)
A31180	Other receivables from unrelated parties	(13,369)	(2,387)
A31190	Other receivables from related parties	196	1,990
A31200	Inventories	(272,719)	74,954
A31230	Prepayments	(23,972)	17,035
A31240	Other current assets	-	(797)
A32150	Accounts payable from unrelated parties	(20,153)	104,151
A32160	Accounts payable from related parties	30,700	(3,109)
A32180	Other payables from unrelated parties	38,300	13,092
A32190	Other payables from related parties	156,577	(116,748)
A32230	Other current liabilities	(14,000)	12,519
A32240	Net defined benefit liabilities - non-current	(21,486)	(11,420)
A33000	Cash generated from operations	2,954,528	3,064,265
A33100	Interest received	4,486	7,459
A33300	Interest paid	(23,927)	(43,096)
A33500	Income tax paid	(188,553)	(150,282)
AAAA	Net cash generated from operating activities	2,746,534	2,878,346

(Continued)

(Continued)

Code		2021	2020
	CASH FLOWS FROM INVESTING ACTIVITIES		
B00020	Proceeds from sale of financial assets at fair value through other comprehensive income	$ 100,201	$ 12,277
B00030	Capital reduction of financial assets at fair value through other comprehensive income	20,897	34,135
B00040	Acquisition of financial assets at amortized cost	-	(42,648)
B00300	Purchase of financial assets at fair value through other comprehensive income - current	(1,234)	-
B01800	Acquisition of associates	(22,500)	(783,964)
B02400	Liquidation of investments accounted for using the equity method	-	3,876
B02700	Payments for property, plant and equipment	(403,612)	(284,827)
B03700	Increase in refundable deposits	-	(1)
B07600	Dividends received	294,432	131,573
B09900	Decrease in other non-current assets	6,655	13,314
BBBB	Net cash used in investing activities	(5,161)	(916,265)
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00100	Repayments of short-term borrowings	(200,000)	(400,000)
C00600	Repayments of short-term bills payable	-	(650,000)
C01600	Proceeds from long-term borrowings	9,475,000	5,400,000
C01700	Repayments of long-term borrowings	(11,150,000)	(6,300,000)
C03100	Decrease in refundable deposits	1,109	3,200
C04020	Repayment of the principal portion of lease liabilities	(6,263)	(5,917)
C04300	Decrease in other non-current liabilities	(503)	(3,819)
C04500	Dividends paid to owners of the Company	(698,597)	(332,685)
CCCC	Net cash used in financing activities	(2,579,254)	(2,289,221)
DDDD	EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	(3,827)	(5,832)
EEEE	NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	158,292	(332,972)
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	605,644	938,616
E00200	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 763,936	$ 605,644

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

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ASIA POLYMER CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Asia Polymer Corporation (the "Company") was established in January 1977. The Company designs, develops, manufactures and sells low-density polyethylene (LDPE), and ethylene vinyl acetate copolymer (EVA).

The ordinary shares of the Company have been listed on the Taiwan Stock Exchange. As of December 31, 2021, the ultimate parent company, USI Corporation, held 36.08% of ordinary shares of the Company.

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

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements issued after it had approved by the Company's board of directors on March 9, 2022.

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

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

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

b. The IFRSs endorsed by the FSC for application starting from 2022

New IFRSs	Effective Date Announced by IASB
"Annual Improvements to IFRS Standards 2018-2020"	January 1, 2022 (Note 1)
Amendments to IFRS 3 "Reference to the Conceptual Framework"	January 1, 2022 (Note 2)
Amendments to IAS 16 "Property, Plant and Equipment - Proceeds before Intended Use"	January 1, 2022 (Note 3)
Amendments to IAS 37 "Onerous Contracts - Cost of Fulfilling a Contract"	January 1, 2022 (Note 4)

Note 1. The amendments to IFRS 9 apply to the exchange of financial liabilities or the modification of the terms that occurs during the annual reporting period

commencing on January 1, 2022. The amendments to IAS 41 “Agriculture” apply to the measurement of fair value during the annual reporting period commencing on January 1, 2022. The amendments to IFRS 1 “First-time Adoption of IFRSs” apply retroactively to the annual reporting period commencing on January 1, 2022.

Note 2. This amendment applies to business combinations with the acquisition date falling within the annual reporting period commencing on January 1, 2022.

Note 3. This amendment applies to plant, property and equipment in the location and conditions necessary to achieve management’s intended mode of operation after January 1, 2021.

Note 4. This amendment applies to contracts for which all obligations have not been fulfilled as of January 1, 2022.

As of the date the financial statements were authorized for issue, the Group assessed that the adoption of other standards and amendments has no material impacts on the Group’s financial position and financial performance.

c. New IFRSs in issue but not yet endorsed and issued into effect by the FSC

New IFRSs	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 - Comparative Information”	January 1, 2023
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	January 1, 2023
Amendments to IAS 1 “Disclosure of Accounting Policies”	January 1, 2023 (Note 2)
Amendments to IAS 8 “Definition of Accounting Estimates”	January 1, 2023 (Note 3)
Amendments to IAS 12 “Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction”	January 1, 2023 (Note 4)

Note 1. Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2. The Company shall apply these amendments prospectively for annual reporting periods beginning on or after January 1, 2023.

Note 3. This amendment applies to changes in accounting estimates and changes in accounting policies that occur during the annual reporting period commencing on January 1, 2023.

Note 4. The amendment applies to the transactions taking place after January 1, 2022, except for the recognition of deferred income taxes on temporary differences in leases and decommissioning obligations as at January 1, 2022.

1) Amendments to IAS 1 “Disclosure of Accounting Policies”

The amendment specifies that the Group shall determine the material accounting policy information to be disclosed according to the definition of materiality. Accounting policy information shall be deemed material if it can reasonably be expected to influence the decisions made by the primary users of general-purpose financial statements according to the information provided in the financial statements. This amendment clarifies:

・Accounting policy information in relation to non-material transactions, other matters or circumstances shall be deemed as non-material and the Group is not required to disclose such information.

・The Group may judge the relevant accounting policy information to be material based on the nature of transactions, other matters or circumstances, even if the amount is not substantial.

・Not all accounting policy information relating to significant transactions, other matters or circumstance is considered material.

In addition, the amendment also provides examples to illustrate that accounting policy information may be material if it relates to significant transactions, other matters or circumstances along with the following conditions:

a) The Group changes its accounting policies during the reporting period that results in a material change in the financial statements;

b) The Group selects its applicable accounting policies from the options permitted by the standard;

c) Due to the absence of specific standards, the Group establishes the accounting policies in accordance with IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”;

d) The Group discloses the relevant accounting policies determined by the Group that require to use material judgments or assumptions; or

e) Complex accounting rules are involved and users of financial statements rely on such information to understand these significant transactions, other matters or circumstances.

2) Amendments to IAS 8 “Definition of Accounting Estimates”

The amendment specifies that accounting estimates represent monetary amounts in the financial statements subject to uncertainty of measurement. When using the applicable accounting policy, the Group may need to evaluate items in the financial statements with monetary amounts that are not able to be observed directly but must be estimated. Therefore, evaluation techniques and input value are used to create accounting estimates for this purpose. If the impact on the accounting estimates arising from the changes in evaluation techniques or input value is not related to the correction of errors for the prior period, such changes shall be regarded as the changes in accounting estimates.

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

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

b. Basis of preparation

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

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

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

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. as prices) or indirectly (i.e. derived from prices); and

3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Classification 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 unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within 12 months after the reporting period even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the financial statements are authorized for issue; and

3) Liabilities for which the Company does not have an unconditional right to defer settlement for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

d. Basis of consolidation

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

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

See Note 12 and Tables 6 to 7 for detailed information on subsidiaries (including the percentages of ownership and main businesses).

e. Foreign Currency

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

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction (ie., not retranslated).

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including of the subsidiaries and associates in other countries or currencies which are different from the currency of the Company) are translated into New Taiwan dollars using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising are recognized in other comprehensive income.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation are reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests of the subsidiary and is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

f. Inventories

Inventories consist of raw materials, production supplies, finished goods and work in progress 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 group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date.

g. Investments accounted for using the equity method

An associate is an entity over which the Group has significant influence and which is neither a subsidiary nor an interest in a joint venture.

The Group uses the equity method to account for its investments in associates. Under the equity method, investments in an associate are initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate. The Group also recognizes the changes in the Group's share of the equity of associates attributable to the Group.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognized immediately in profit or loss.

When the Group subscribes for additional new shares of an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Group's proportionate interest in the associate. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in capital surplus from investments in associates accounted for using the equity method. If the Group's ownership interest is reduced due to its additional subscription of the new shares of the associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required had the investee directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further losses. Additional losses and liabilities are recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment's fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required had that associate directly disposed of the related assets or liabilities.

When a group entity transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the Group's consolidated financial statements only to the extent that interests in the associate are not related to the Group.

h. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction are measured 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 freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. 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 the 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 properties are properties held to earn rentals or capital appreciation or both (including right-of-use assets that meet the definition of investment property). Investment properties also include land held for a currently undetermined future use.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss.

Investment properties acquired by lease shall be measured at initial cost, and subsequently at cost after deducting accumulated depreciation and accumulated impairment loss, and the remeasurement of lease liabilities shall be adjusted.

Depreciation is recognized using the straight-line method.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

j. Intangible assets

1) Acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each year, with the effects of any changes in the estimates accounted for on a prospective basis.

2) Derecognition

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

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

At each balance sheet date, the Group assesses whether there is any indication that property, plant and equipment, right-of-use assets, investment property and intangible assets may have been impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the individual cash-generating units on a reasonable and consistent basis of allocation.

The recoverable amount is the higher of fair value less costs to sell 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 corresponding asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been 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 when a group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to an acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

1) Financial assets

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

a) Measurement categories

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost and equity instruments at FVTOCI.

i. Financial assets at FVTPL

Financial asset is classified as at FVTPL when such a financial asset is mandatorily classified. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI and derivatives and beneficiary securities that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at fair value through profit or loss are measured at fair value. Dividends and interest accrued are recognized in other revenue and interest income respectively, and profits or losses accrued from remeasurement are recognized in other gains and losses. Fair value is determined in the manner described in Note 28.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

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

ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets measured at amortized cost, including cash and cash equivalents, accounts receivable and other receivables, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method, less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

i) Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and

ii) Financial assets that are not credit-impaired on purchase or origination but have subsequently become credit-impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

A credit-impaired financial asset refers to the situation where the issuer or debtor has experienced significant financial difficulties or defaults and therefore the debtor is likely to file for bankruptcy or declare financial restructuring, or the disappearance of an active market for that financial asset due to financial difficulties has occurred.

Cash equivalents include highly liquid time deposits and reverse repurchase agreements collateralized by bonds that can be readily converted into fixed amount of cash with limited risk of change in value. Cash equivalents are held to meet short-term cash commitments.

iii. Investments in equity instruments at FVTOCI

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

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

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

b) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including accounts receivable).

The Group always recognizes lifetime expected credit losses (ECLs) for accounts receivable. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

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 internal credit risk management purposes, the Group determines that the following situations indicate that a financial asset is in default:

i. Internal or external information show that the debtor is unlikely to pay its creditors.

ii. When a financial asset is past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

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

c) Derecognition of financial assets

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

On 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. On derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity Instruments

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

Equity instruments issued by the Group are recognized at the proceeds received after deducting direct issue costs.

Repurchase of the Company's own equity instruments is recognized in and deducted directly from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

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

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when such financial liabilities are held for trading.

Financial liabilities held for trading are stated at fair value, and any gains or losses on such financial liabilities are recognized in other gains or losses.

Fair value is determined in the manner described in Note 28.

b) Derecognition of financial liabilities

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

4) Derivative instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts.

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 financial instrument is positive, the derivative is recognized as a financial asset; when the fair value of a derivative financial instrument is negative, the derivative is recognized as a financial liability.

m. Revenue recognition

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

Revenue from sale of goods

Revenue from the sale of goods comes from sale of LDPE and EVA. Sales are recognized as revenue when the goods are delivered to the customer's specific location or the goods are shipped because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Accounts receivable are recognized concurrently.

n. Leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

1) The Group as lessor

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

When the Group subleases a right-of-use asset, the sublease is classified by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. However, if the head lease is a short-term lease that the Group, as a lessee, has accounted for applying recognition exemption, the sublease is classified as an operating lease.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

2) The Group as lessee

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

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets, except for those that meet the definition of investment properties. With respect to the recognition and measurement of right-of-use assets that meet the definition of investment properties, refer to Note i for the accounting policies for investment properties.

Right-of-use assets are depreciated using the straight-line method 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. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. Lease liabilities are presented separately on Group's balance sheets.

o. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the costs of those assets, until such time as the assets are substantially ready for their intended use or sale. Other than those stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

p. Government grant

A government grant is recognized only when it can be reasonably assured that the Group will comply with the conditions imposed by the government grant and that such grant will be received.

Government grants relating to income are recognized in other income on a systematic basis over the periods in which the Group recognizes expenses for the related costs for which the grants are intended to compensate. Government grants whose condition is that the Group should purchase, construct or otherwise acquire the non-current assets are recognized as deferred income, which should be transferred to profit or loss over the useful lives of the related assets on a reasonable and systematic basis.

If the government grant is used to compensate expenses or losses already incurred or is given to the Group for the purpose of immediate financial support without related costs in the future, it can be recognized in profit or loss within the collectible period.

For government subsidy loan with lower than market interest rates obtained by the Group, the difference between the loan amount received and the fair value of the loan based on the prevailing market interest rate is recognized as a government grant.

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 services.

2) Retirement benefits

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

Defined benefit costs (including service cost, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost) and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

r. Taxation

Income tax expense represents the sum of the tax currently payables and deferred tax.

1) Current tax

The Group determines the income (loss) of the current year in accordance with the laws and regulations in each income tax declaration jurisdiction, and calculates the income tax payable accordingly.

According to the Income Tax Act in the ROC, an additional tax of unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

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 to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognized only to the extent that it is probable that there will be sufficient taxable profit against which to utilize 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 reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax 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 Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred taxes

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

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

The Group takes into account recent development of COVID-19 pandemic in Taiwan and its potential impacts on the economy in Group's critical accounting estimates and the management will continue to review the estimates and underlying assumptions. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

Key Sources of Estimation Uncertainty

Estimation of damage compensation for associate's gas explosion incidents

The Company's associate, China General Terminal & Distribution Corporation (hereinafter "CGTD"), recognized a provision for civil damages due to gas explosion. The management considered the progress of the relevant civil and criminal procedures, settlements achieved, and legal advice to estimate the amount of the provision. However, the actual amount might differ from the current estimation.

6. CASH AND CASH EQUIVALENTS

	December 31, 2021	December 31, 2020
Cash on hand and petty cash	$ 298	$ 357
Checking accounts and demand deposits	261,115	169,091
Cash equivalents		
Time deposits	362,544	436,196
Reverse repurchase agreements collateralized by bonds	139,979	-
	$ 763,936	$ 605,644

At the end of the reporting period, the market rate intervals for bank deposits and reverse repurchase agreements collateralized by bonds were as follows:

	December 31, 2021	December 31, 2020
Time deposits	0.09%~1.80%	0.07%~1.90%
Reverse repurchase agreements collateralized by bonds	0.37%	-

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

	December 31, 2021	December 31, 2020
Financial assets - current		
Mandatorily classified as at FVTPL		
Derivative financial assets (not under hedge accounting)		
Foreign exchange forward contracts	$ 393	$ -
Non-derivative financial assets		
Domestic listed shares	228,079	248,175
Mutual funds	830,123	776,288
Beneficiary securities	60,119	61,388
Subtotal	1,118,321	1,085,851
	$ 1,118,714	$ 1,085,851
Financial liabilities - current		
Held for trading		
Derivative financial liabilities (not under hedge accounting)		
Foreign exchange forward contracts	$ 860	$ 3,912

The net gain on operations of financial assets and liabilities at FVTPL - current in 2021 and 2020 was gain of $137,679 thousand and $140,504 thousand, respectively.

At the end of the reporting period, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

December 31, 2021

	Currency	Maturity Date	Notional Amount (In Thousands)
Sell	RMB/NTD	2022.01.03-2022.03.24	RMB138,200/NTD597,950

December 31, 2020

	Currency	Maturity Date	Notional Amount (In Thousands)
Sell	RMB/NTD	2021.01.05-2021.04.01	RMB77,660/NTD333,460

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

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in Equity Instruments

	December 31, 2021	December 31, 2020
Current		
Domestic investments		
Listed shares	$ 44,346	$ 86,368
Non-current		
Domestic investments		
Listed shares	$ 3,955,431	$ 2,977,139
Unlisted shares	164,993	275,798
Subtotal	4,120,424	3,252,937
Foreign investments		
Listed shares	23,364	17,480
Unlisted ordinary shares	8	10
Unlisted preferred shares	63,199	57,117
Subtotal	86,571	74,607
	$ 4,206,995	$ 3,327,544

These investments in equity instruments are held for medium- to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

From July 2021 to September 2021, the Group adjusted the investment position to diversify risks and sold part of common shares of Wafer Works Corporation at fair value. The related unrealized gains of $72,182 thousand booked in other equity - financial assets at fair value through other comprehensive income were transferred to retained earnings.

The investee, KHL IB Venture Capital Co., Ltd., reduced its capital and returned cash to its shareholders in February and August 2021, respectively. The Group received $20,897 thousand back in total, according to its shareholding ratio.

In August 2020, the Group adjusted the investment position to diversify risks and sold common shares of United Renewable Energy Co., Ltd. at fair value. The related unrealized loss of $19,351 thousand booked in equity - financial assets at fair value through other comprehensive income was transferred to retained earnings.

The investees, KHL IB Venture Capital Co., Ltd., and Riselink Venture Capital Corp., reduced their capital and returned cash to their shareholders in August, December and September 2020, respectively. The Company received $34,135 thousand back in total, according to its shareholding ratio.

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31, 2021	December 31, 2020
Non-current		
Restricted bank deposits	$ 21,786	$ 42,648

The restricted bank deposits are the earnings repatriation of USI International Corporation and the Ministry of Economic Affairs has approved the Company's repatriation application in accordance with the Regulations Governing Investment Industry with Repatriated Offshore Funds.

10. ACCOUNTS RECEIVABLE

	December 31, 2021	December 31, 2020
Accounts Receivable		
At amortized cost		
Gross carrying amount	$ 992,914	$ 547,372
Less: Allowance for impairment loss	(2,000)	(2,000)
	$ 990,914	$ 545,372
Accounts receivable from related parties (Note 29)	$ 428,395	$ 197,413

The average credit period of sales of goods was 15-90 days. No interest was charged on accounts receivable since the credit period was short.

In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group’s credit risk was significantly reduced.

The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all accounts receivable. The expected credit losses on accounts receivable are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor’s current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date.

The following table details the loss allowance of accounts receivable based on the Group’s provision matrix.

December 31, 2021

	Not Past Due	1 to 60 Days	61 to 90 Days	Total
Gross carrying amount	$ 1,421,309	$ -	$ -	$ 1,421,309
Loss allowance (Lifetime ECL)	(2,000)	-	-	(2,000)
Amortized cost	$ 1,419,309	$ -	$ -	$ 1,419,309

December 31, 2020

	Not Past Due	1 to 60 Days	61 to 90 Days	Total
Gross carrying amount	$ 744,785	$ -	$ -	$ 744,785
Loss allowance (Lifetime ECL)	(2,000)	-	-	(2,000)
Amortized cost	$ 742,785	$ -	$ -	$ 742,785

The above aging schedule was based on the number of days past due.

The movements of the loss allowance of accounts receivable were as follows:

	2021	2020
Balance at January 1	$ 2,000	$ 2,000
Add: Reclassification	-	-
Balance at December 31	$ 2,000	$ 2,000

11. Inventories

	December 31, 2021	December 31, 2020
Finished goods	$ 387,477	$ 175,532
Work in progress	35,318	19,347
Raw materials	111,706	82,790
Production supplies	49,585	34,455
	$ 584,086	$ 312,124

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2021 and 2020 was $5,968,145 thousand and $4,574,394 thousand, respectively. The cost of goods sold for 2021 and 2020 included loss (recovery gain) for market price decline and obsolete and slow-moving inventories of $757 thousand and $(408) thousand respectively. The recovery of net realized value of inventory was due to the rise of the selling prices of inventory in the market.

12. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements

The entities included in the consolidated financial statements:

			% of Ownership		
Name of Investor	Name of Subsidiary	Principal Activities	December 31, 2021	December 31, 2020	Remark
The Company	APC Investment Co., Ltd.	Investment	100.00%	100.00%	1
The Company	APC (BVI) Holding Co., Ltd. ("APC BVI")	Reinvestment	100.00%	100.00%	1
The Company	USI International Corp. ("USIIC")	Reinvestment	70.00%	70.00%	1 and 2
APC BVI	USI International Corp. ("USIIC")	Reinvestment	30.00%	30.00%	1, 2 and 3
APC BVI	USI Trading (Shanghai) Co., Ltd ("USITA")	Sale of chemical products and equipment	100.00%	100.00%	1

Note:

a. These companies are not major subsidiaries, and their financial statements have been audited.

b. A subsidiary, USI International Corp., reduced its capital and returned cash of $23,877 thousand in total to its shareholders in November 2020.

c. In order to meet the business needs, the Company's Board of Directors has resolved on August 12, 2020 to establish a joint venture sales company in Mainland China through APC (BVI) and Swanlake Traders Ltd, the subsidiary of USI Corporation. The capital is expected to be RMB$ 300,000 thousand and the Company's shareholding ratio is expected to be 30%. The joint venture has not been incorporated as of March 9, 2022.

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31, 2021	December 31, 2020
Material associates		
Ever Conquest Global Ltd.	$ 4,851,207	$ 5,066,945
Associates that are not individually material		
Listed company		
China General Plastics Corporation ("CGPC")	900,764	782,997
Acme Electronics Corporation ("ACME")	57,935	56,300
Unlisted company		
China General Terminal & Distribution Corporation ("CGTD")	373,731	315,711
ACME Electronics (Cayman) Corp. (ACME (Cayman))	204,869	200,825
Swanson Plastics Corporation ("SPC")	210,268	206,857
Taiwan United Venture Capital Corp. ("TUVC")	22,673	21,472
USI Optronics Corporation ("USIO")	8,718	12,579
Swanson Technologies Corporation ("STC")	4,357	(16,165)
	6,634,522	6,647,521
Add: Reclassification of the credit amount of investments to liabilities	-	16,165
	$ 6,634,522	$ 6,663,686

a. Material associates

Name of Associates	Nature of Activities	Principal Place of Business	Proportion of Ownership and Voting Rights December 31, 2021	Proportion of Ownership and Voting Rights December 31, 2020
Ever Conquest Global Ltd.	Reinvestment	British Virgin Islands	40.87%	40.87%

The Group uses the equity method to account for the above associate.

The summarized financial information below represents amounts shown in the associates' financial statements prepared in accordance with IFRSs and adjusted by the Group for equity accounting purposes.

Ever Conquest Global Ltd.

	December 31, 2021	December 31, 2020
Non-current assets	$ 11,870,695	$ 12,398,597
Equity	$ 11,870,695	$ 12,398,597
Proportion of the Group's ownership	40.87%	40.87%
Equity attributable to the Group	$ 4,851,207	$ 5,066,945
Carrying amount	$ 4,851,207	$ 5,066,945

	2021	2020
The Group's share of:		
Net loss for the year	($181,227)	($ 44,058)
Other comprehensive gain (loss)	(34,511)	53,761

	2021	2020
Total comprehensive (loss) income for the year	($215,738)	$ 9,703

b. Aggregate information of associates that are not individually material

	2021	2020
The Group's share of:		
Profit from continuing operations	$245,198	$169,496
Other comprehensive gain (loss)	30,742	38,537
Total comprehensive (loss) income for the year	$275,940	$208,033

The group's ownership interest and percentage of voting right in associate at the end of the reporting period were as follows:

Name of Associates	December 31, 2021	December 31, 2020
CGPC	8.07%	8.07%
ACME	4.34%	4.34%
CGTD	33.33%	33.33%
ACME (Cayman)	16.64%	16.64%
SPC	7.95%	7.95%
TUVC	8.33%	8.33%
Swanson Technologies Corporation	15.00%	15.00%
USIO	9.20%	9.20%

Refer to Table 6 "Information on Investees" and Table 7 "Information on Investments in Mainland China" for the nature of activities, principal places of business and countries of incorporation of the associates.

As Thintec Materials Corporation ("TMC") essentially has no production and sales business in recent years, the Board of Directors of TMC resolved on April 12, 2019 to conduct dissolution and liquidation starting from May 25, 2019 (dissolution date). TMC has completed dissolution and liquidation procedures on July 22, 2020 and recognized the investment disposal loss of of $527 thousand.

The Group's percentage of ownership over CGPC, ACME, ACME (Cayman), SPC, TUVC, Swanson Technologies Corporation, and USIO was less than 20%. These associates were accounted for using the equity method, as the Group retained significant influence over them.

The Company and USI Corporation originally scheduled to sign a joint venture arrangement for Fujian Gulei Petrochemical Co., Ltd. on April 17, 2014. But due to an increase in the investment plan funding requirements, the joint venture arrangement was re-signed on September 30, 2016. The Company and USI Corporation established Ever Conquest Global Ltd., so as to invest in the joint venture through a holding company registered in a third region. As of December 31, 2021, the Company and USI Corporation had respectively invested US$170,475 thousand (approximately $5,255,588 thousand) and US$246,670 thousand (approximately $7,645,980 thousand). Refer to Note 30 for more information.

The market prices of the investments accounted for using the equity method in publicly traded shares calculated by the closing price at the end of the reporting period are summarized as follows.

Name of Associates	December 31, 2021	December 31, 2020
CGPC	$ 1,626,951	$ 1,136,432
ACME	$ 424,852	$ 150,087

Except ACME whose financial statements were not audited by CPAs, the profit or loss of associates using the equity method and the share of other comprehensive income were recognized based on associates' financial statements audited by CPAs in the same period. However, the Group's management considered that there was no material impact arising from ACME's unaudited financial statements.

14. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings and Improvements	Machinery and Equipment	Other Equipment	Construction in Progress and Prepayments for Equipment	Total
Cost						
Balance at January 1, 2021	$ 228,229	$ 778,815	$ 6,425,227	$ 100,393	$ 243,332	$ 7,775,996
Additions	-	-	25,000	-	395,758	420,758
Disposals	-	-	(36,347)	(2,905)	-	(39,252)
Reclassification	-	-	19,969	373	(20,342)	-
Effect of foreign currency exchange differences	-	-	-	(62)	-	(62)
Balance at December 31, 2021	$ 228,229	$ 778,815	$ 6,433,849	$ 97,799	$ 618,748	$ 8,157,440
Accumulated depreciation						
Balance at January 1, 2021	$ -	$ 303,535	$ 4,124,977	$ 89,808	$ -	$ 4,518,320
Depreciation expenses	-	20,222	278,014	3,605	-	301,841
Disposals	-	-	(36,347)	(2,905)	-	(39,252)
Effect of foreign currency exchange differences	-	-	-	(59)	-	(59)
Balance at December 31, 2021	$ -	$ 323,757	$ 4,366,644	$ 90,449	$ -	$ 4,780,850
Carrying amounts at December 31, 2021	$ 228,229	$ 455,058	$ 2,067,205	$ 7,350	$ 618,748	$ 3,376,590
Cost						
Balance at January 1, 2020	$ 228,229	$ 778,235	$ 6,353,938	$ 99,697	$ 73,205	$ 7,533,304
Additions	-	-	26,163	-	258,664	284,827
Disposals	-	-	(42,008)	(53)	-	(42,061)
Reclassification	-	580	87,134	823	(88,537)	-
Effect of foreign currency exchange differences	-	-	-	(74)	-	(74)
Balance at December 31, 2020	$ 228,229	$ 778,815	$ 6,425,227	$ 100,393	$ 243,332	$ 7,775,996
Accumulated depreciation						
Balance at January 1, 2020	$ -	$ 281,998	$ 3,888,703	$ 85,370	$ -	$ 4,256,071
Depreciation expenses	-	21,537	278,282	4,574	-	304,393
Disposals	-	-	(42,008)	(53)	-	(42,061)
Effect of foreign currency exchange differences	-	-	-	(83)	-	(83)
Balance at December 31, 2020	$ -	$ 303,535	$ 4,124,977	$ 89,808	$ -	$ 4,518,320
Carrying amounts at December 31, 2020	$ 228,229	$ 475,280	$ 2,300,250	$ 10,585	$ 243,332	$ 3,257,676

For the years ended December 31, 2021 and 2020, no impairment loss or reversal of impairment loss was recognized.

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

Buildings and improvements	
Factory and improvements	15 to 40 years
Main buildings and improvements	10 to 40 years
Storage rooms	11 to 45 years
Engineering systems	35 to 40 years
Others	2 to 20 years
Machinery and equipment	3 to 22 years
Other equipment	3 to 10 years

In order to support the relocation of petrochemical storage facilities in the old port area conducted by Taiwan International Ports Corporation Ltd. ("TIPC"), China General Terminal & Distribution Corporation ("CGTD") leases the terminal facilities and back-line lands of Phase II Petrochemical Oil Storage and Transportation Center of Kaohsiung Port Container Center, with the lease term from August 1, 2017 to July 31, 2042. The rent is paid on quarterly basis. The Board of Directors of the Group resolved to build the Intercontinental Phase II Petrochemical Oil Products Center in 2019 with total investment amount of $765,893 thousand for the construction. As of December 31, 2021, the Group has made construction payment of $547,026 thousand, which was booked under the construction in progress.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31, 2021	December 31, 2020
Carrying amounts		
Land	$ 7,700	$ -
Transportation equipment	443	424
	$ 8,143	$ 424

	2021	2021
Increase in right-of-use assets	$ 8,631	$ 847
Depreciation charge for right-of-use assets		
Land	$ 318	$ -
Transportation equipment	594	423
	$ 912	$ 423

For the years ended December 31, 2021 and 2020, no impairment loss or reversal of impairment loss was recognized.

The Group has been subleasing its leasehold office spaces located in Taipei to other companies under operating leases. The related right-of-use assets are presented as investment properties (as set out in Note 16). The amounts disclosed above with respect to the right-of-use assets do not include right-of-use assets that meet the definition of investment properties.

b. Lease liabilities

	December 31, 2021	December 31, 2020
Carrying amounts		
Current	$ 5,765	$ 5,981
Non-current	$ 21,530	$ 18,946

Range of discount rate for lease liabilities was as follows:

	December 31, 2021	December 31, 2020
Land	1.06%	-
Transportation equipment	1.06%	1.06%
Buildings	1.06%	1.06%

c. Other lease information

	2021	2020
Expenses relating to short-term leases	$ 3,295	$ 3,774
Expenses relating to variable lease payments not included in the measurement of lease liabilities	$ 536	$ 844
Total cash outflow for leases	($ 10,407)	($ 10,833)

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

16. INVESTMENT PROPERTIES

	Land	Buildings and Improvements	Right-of-use Assets	Total
Cost				
Balance at January 1, 2021	$ 370,202	$ 251,113	$ 34,585	$ 655,900
Effect of foreign currency exchange differences	-	(3,355)	-	(3,355)
Balance at December 31, 2021	$ 370,202	$ 247,758	$ 34,585	$ 652,545
Accumulated depreciation				
Balance at January 1, 2021	$ -	$ 122,040	$ 10,921	$ 132,961
Depreciation expenses	-	4,213	5,460	9,673
Effect of foreign currency exchange differences	-	(1,347)	-	(1,347)
Balance at December 31, 2021	$ -	$ 124,906	$ 16,381	$ 141,287
Carrying amounts at December 31, 2021	$ 370,202	$ 122,852	$ 18,204	$ 511,258
Cost				
Balance at January 1, 2020	$ 370,202	$ 257,404	$ 34,585	$ 662,191
Effect of foreign currency exchange differences	-	(6,291)	-	(6,291)
Balance at December 31, 2020	$ 370,202	$ 251,113	$ 34,585	$ 655,900
Accumulated depreciation				
Balance at January 1, 2020	$ -	$ 120,165	$ 5,461	$ 125,626
Depreciation expenses	-	4,325	5,460	9,785
Effect of foreign currency exchange differences	-	(2,450)	-	(2,450)
Balance at December 31, 2020	$ -	$ 122,040	$ 10,921	$ 132,961
Carrying amounts at December 31, 2020	$ 370,202	$ 129,073	$ 23,664	$ 522,939

Right-of-use assets included in investment properties are units of office space and subleased under operating leases.

The investment properties were leased out for 5 years. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

The maturity analysis of lease payments receivable under operating leases of investment properties as at December 31, 2021 was as follows:

	December 31, 2021	December 31, 2020
Year 1	$ 20,534	$ 16,343
Year 2	16,310	15,547
Year 3	16,310	15,547
Year 4	948	11,188
Year 5	-	932
	$ 54,102	$ 59,557

Except for the recognition of depreciation expenses, there was no significant increase, disposal or impairment of the Group's investment properties from January 1 to December 31, 2021 and 2020. The investment properties held by the Group are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings and improvements	
Main buildings and improvements	5 to 50 years
Right-of-use assets	6 years

The fair value of the investment property (i.e., the land) located in Linyuan Industrial Park, which is for industrial use, cannot be reliably determined due to infrequent market transactions. The investment properties - land (excluding those located in Linyuan Industrial Park), buildings and improvements were not evaluated by the independent appraisers. The fair values of these investment properties were measured by the Group's management applying Level 3 input values generated from the valuation model commonly used by market participants. The valuation was conducted with reference to the transaction prices of similar properties in the neighborhood. The fair value of the right-of-use asset was measured using expected rental income deducting the net amount of all expected payments, plus relevant recognized lease liabilities.

As of December 31, 2021 and 2020, the fair values derived from the valuation were as follows:

	December 31, 2021	December 31, 2020
Fair Value	$ 1,883,136	$ 1,815,203

17. BORROWINGS

a. Short-term borrowings

	December 31, 2021	December 31, 2020
Unsecured borrowings		
Bank loans	$ 500,000	$ 700,000

The range of interest rates on bank loans was 0.74%-0.78% and 0.80%-0.82% per annum as of December 31, 2021 and 2020, respectively.

b. Long-term borrowings

	December 31, 2021	December 31, 2020
Unsecured borrowings	$ 1,369,746	$ 3,050,000
Range of interest rates	0.30%-0.80%	0.89%-0.95%

In order to fund medium to long-term working capital needs, the Group signed medium to long-term loan agreements with banks with total lines of credit of $6,050,000 thousand. The loan agreements will subsequently expire before December 2024 and these lines of credit are on a revolving basis. As of December 31, 2021, $1,000,000 thousand has been utilized.

Through "Action Plan for Accelerated Investment by Domestic Corporations" the Group obtained a low-interest bank loan of $1,419,000 thousand. The difference between the market interest rate of 0.80% recognized and measured for the bank loan and the actual interest paid at preferential rate of 0.30% was recognized as government grant. As of December 31, 2021, $375,000 thousand has been utilized.

Some of the Group's loan agreements stipulate that the current ratio and debt ratio as stated on the financial statements shall not be less than a specified percentage, and that if such a percentage fails to be met, the Group shall propose improvement measures to the banks concerned. As of December 31, 2021, the Group did not violate these financial ratios and terms.

18. ACCOUNTS PAYABLE

	December 31, 2021	December 31, 2020
Accounts payable (including related parties)		
Arising from operation	$ 298,167	$ 287,756

The average credit period was 1 month. The Group had financial risk management policies in place to ensure that all payables were paid within the pre-agreed credit terms.

19. OTHER PAYABLES

	December 31, 2021	December 31, 2020
Payables for salaries or bonuses	$ 141,996	$ 105,851
Payables for utilities	33,306	37,093
Payables for freight fees	20,258	12,099
Payables for dividends	6,128	5,699
Payables for insurance	1,973	1,953
Payables for equipment	961	5,694
Others	26,114	26,559
	$ 230,736	$ 194,948

20. REFUND LIABILITIES - CURRENT

	December 31, 2021	December 31, 2020
Customer returns and rebates	$ 5,899	$ 5,899

The Group applied IFRS 15 and recognized estimated sales returns and rebates as refund liabilities.

21. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Company and domestic subsidiaries of the Group adopted a pension plan under the Labor Pension Act (the “LPA”), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees’ individual pension accounts at 6% of monthly salaries and wages.

b. Defined benefit plans

The defined benefit plan adopted by the Company in accordance with the Labor Standards Law is operated by the government of the ROC. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Company contributes amounts equal to 10% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Group has no right to influence the investment policy and strategy.

The amounts included in the consolidated balance sheets in respect of the Group's defined benefit plans were as follows:

	December 31, 2021	December 31, 2020
Present value of defined benefit obligation	$ 297,097	$ 373,108
Fair value of plan assets	(162,092)	(218,051)
Net defined benefit liabilities	$ 135,005	$ 155,057

Movements in net defined benefit liabilities (assets) were as follows:

	Present Value of Defined Benefit Obligation	Fair Value of Plan Assets	Net Defined Benefit Liabilities (Assets)
Balance at January 1, 2021	$ 373,108	($ 218,051)	$ 155,057
Service cost			
Current service cost	2,655	-	2,655
Net interest expense (income)	1,324	(836)	488
Recognized in profit or loss	3,979	(836)	3,143
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(3,193)	(3,193)
Actuarial loss - changes in demographic assumptions	7,073	-	7,073
Actuarial gain - changes in financial assumptions	(2,526)	-	(2,526)
Actuarial loss - experience adjustments	80	-	80
Recognized in other comprehensive income	4,627	(3,193)	1,434
Contributions from the employer	-	(24,629)	(24,629)
Benefits paid	(84,617)	84,617	-
Balance at December 31, 2021	$ 297,097	($ 162,092)	$ 135,005
Balance at January 1, 2020	$ 406,749	($ 240,881)	$ 165,868
Service cost			
Current service cost	3,276	-	3,276
Net interest expense (income)	2,436	(1,524)	912
Recognized in profit or loss	5,712	(1,524)	4,188
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(7,953)	(7,953)
Actuarial loss - changes in financial assumptions	6,091	-	6,091
Actuarial loss - experience adjustments	2,470	-	2,470
Recognized in other comprehensive income	8,561	(7,953)	608
Contributions from the employer	-	(15,607)	(15,607)
Benefits paid	(47,914)	47,914	-
Balance at December 31, 2020	$ 373,108	($ 218,051)	$ 155,057

Through the defined benefit plans under the Labor Standards Law, the Group is exposed to the following risks:

1) Investment risk: The plan assets are invested in domestic or foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate of a 2-year time deposit with local banks.

2) Interest risk: A decrease in corporate bond interest rates will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plans' debt investments.

3) Salary risk: The present value of the defined benefit obligation is calculated with reference to the future salaries of plan participants. As such, an increase in the salaries of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	December 31, 2021	December 31, 2020
Discount rate	0.50%	0.38%
Expected rate of salary increase	2.25%	2.25%

If possible reasonable changes in each of the significant actuarial assumptions were to occur and all other assumptions were to remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	December 31, 2021	December 31, 2020
Discount rate		
0.25% increase	($ 5,070)	($ 6,091)
0.25% decrease	$ 5,207	$ 6,257
Expected rate of salary increase		
0.25% increase	$ 5,029	$ 6,032
0.25% decrease	($ 4,922)	($ 5,904)

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 changes in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	December 31, 2021	December 31, 2020
Expected contributions to the plan for the next year	$ 25,000	$ 50,000
Average duration of the defined benefit obligation	6.9 years	6.7 years

22. EQUITY

a. Ordinary shares

	December 31, 2021	December 31, 2020
Number of shares authorized (in thousands)	620,000	620,000
Shares authorized	$ 6,200,000	$ 6,200,000
Number of shares issued and fully paid (in thousands)	593,743	582,101
Shares issued	$ 5,937,438	$ 5,821,018

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

The shareholders held their regular meeting on July 29, 2021 and, in that meeting, resolved to issue 11,642 thousand ordinary shares as share dividends appropriated from earnings, with a par value of $10, which increased the share capital issued and fully paid to $5,937,438 thousand. The above-mentioned plan for the share dividend issuance has been approved and declared effective by the Securities and Futures Bureau of the Financial Supervisory Commission on August 5, 2021, and the Board of Directors has resolved that September 10, 2021 is the record date for the new shares issuance.

b. Capital surplus

	December 31, 2021	December 31, 2020
Unpaid dividends	$ 24,226	$ 22,313
Share of changes in capital surplus of associates	11,093	10,959
	$ 35,319	$ 33,272

Capital surplus which arises from the consideration received from issuance of shares (including consideration from issuance of ordinary shares) and donations 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.

Capital surplus which arises from unclaimed dividends may be used to offset a deficit only, and the share of changes in capital surplus of associates may not be used for any purpose.

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the amended Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, 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, refer to "Employees' compensation and remuneration of directors" in Note 24-g.

As the Company is in the maturation stage, for research and development needs and business diversification, the amount of dividends for shareholders shall be no less than 10% of distributable retained earnings for the current year, among which the amount of cash dividends shall be no less than 10%. If the distributable retained earnings per share of the current year are less than $0.1, the retained earnings are not to be distributed.

An 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 2020 and 2019 approved in the shareholders' meetings on July 29, 2021 and June 12, 2020, respectively, were as follows:

	2020	2019
Legal reserve	$ 107,798	$ 85,058
Cash dividends	$ 698,522	$ 332,630
Share dividends	$ 116,420	$ 277,191
Cash dividends per share (NT$)	$ 1.2	$ 0.6
Share dividends per share (NT$)	$ 0.2	$ 0.5

The appropriation of earnings for 2021 had been proposed by the Company's board of directors on March 9, 2022 were as follows:

	2021
Legal reserve	$ 317,192
Cash dividends	$ 1,781,232
Cash dividends per share (NT$)	$ 3

The appropriation of earnings for 2021 is subject to resolution in the shareholders' meeting to be held on May 27, 2022.

d. Other equity items

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

	2021	2020
Balance at January 1	($194,428)	($221,959)
Recognized for the year		
Exchange differences on translating the financial statements of foreign operations	(49,087)	41,058
Share of exchange differences of associates accounted for using the equity method	(6,262)	(5,315)
Related income tax	9,817	(8,212)
Other comprehensive income recognized for the year	(45,532)	27,531
Balance at December 31	($239,960)	($194,428)

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

	2021	2020
Balance at January 1	$ 1,195,914	$ 97,939
Recognized for the year		
Unrealized gain (loss)		
Equity instruments	959,622	1,032,335
Share from associates accounted for using the equity method	38,011	42,221
Related income tax	(2,859)	(3,454)
Other comprehensive income recognized for the year	994,774	1,071,102
Cumulative unrealized gain of equity instruments transferred to retained earnings due to disposal	(72,182)	19,351
Share from associates accounted for using the equity method	-	7,522
Balance at December 31	$ 2,118,506	$ 1,195,914

23. REVENUE

a. Revenue from contracts with customers

	2021	2020
Revenue from sale of goods	$ 9,565,813	$ 5,703,546

b. Contract balances

	December 31, 2021	December 31, 2020	January 1, 2020
Accounts receivable (Note 10)	$ 1,419,309	$ 742,785	$ 748,307
Contract liabilities (presented in other current liabilities)	$ 24,988	$ 40,128	$ 24,049

24. NET PROFIT (LOSS) FROM CONTINUING OPERATIONS

Net profit (loss) from continuing operations included the following:

a. Interest income

	2021	2020
Interest income		
Bank deposits	$ 3,259	$ 6,339
Financial assets at FVTPL	1,109	1,325
Reverse repurchase agreements collateralized by bonds	13	18
	$ 4,381	$ 7,682

b. Other income

	2021	2020
Rental income	$ 53,383	$ 54,582
Dividend income		
Financial assets at FVTPL	9,620	2,780
Investments in equity instruments at FVTOCI	194,622	101,764
	204,242	104,544
Others	10,667	8,029
	$ 268,292	$ 167,155

c. Other gains and losses

	2021	2020
Fair value changes of financial assets and financial liabilities		
Financial assets at FVTPL	$ 132,068	$ 134,381
Financial liabilities at FVTPL	(5,118)	2,018
Net foreign exchange losses	(2,834)	(12,905)
Loss on disposal of investments	-	(527)
Others	(19,066)	(17,597)
	$ 105,050	$ 105,370

d. Financial costs

	2021	2020
Interest on bank loans	$ 22,430	$ 42,239
Interest on lease liabilities	313	298
	$ 22,743	$ 42,537

There was no capitalization of interest costs between 2021 and 2020.

e. Depreciation and amortization

	2021	2020
Property, plant and equipment	$ 301,841	$ 304,393
Investment properties	9,673	9,785
Right-of-use assets	912	423
Intangible assets	18	35
Total	$ 312,444	$ 314,636

	2021	2020
An analysis of depreciation by function		
Operating costs	$ 302,038	$ 304,115
Operating expenses	715	701
Other gains and losses	9,673	9,785
	$ 312,426	$ 314,601
An analysis of amortization by function		
Operating expenses	$ 18	$ 35

f. Employee benefits expense

	2021	2020
Post-employment benefits (Note 21)		
Defined contribution plans	$ 7,666	$ 7,777
Defined benefit plans	3,143	4,188
	10,809	11,965
Other employee benefits	390,215	349,734
Total employee benefits expense	$ 401,024	$ 361,699
An analysis of employee benefits expense by function		
Operating costs	$ 328,489	$ 298,386
Operating expenses	72,535	63,313
	$ 401,024	$ 361,699

g. Employees' compensation and remuneration of directors

The Company accrued employees' compensation and remuneration of directors and supervisors at rates of no less than 1% and no higher than 1%, respectively, of net profit before income tax, employees' compensation and remuneration of directors. The employees' compensation and remuneration of directors for the years ended December 31, 2021 and 2020, which were approved by the Company's board of directors on March 9, 2022 and March 5, 2021, respectively, were as follows:

Accrual rate

	2021	2020
	Cash	Cash
Employees' compensation	1%	1%
Remuneration of directors	-	-

Amount

	2021	2020
	Cash	Cash
Employees' compensation	$ 37,699	$ 12,937
Remuneration of directors	-	-

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

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

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

h. Gains or losses on foreign currency exchange

	2021	2020
Total foreign exchange gains	$ 34,839	$ 24,334
Total foreign exchange losses	(37,673)	(37,239)
Net gain (loss)	($ 2,834)	($ 12,905)

25. INCOME TAX RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	2021	2020
Current tax		
In respect of the current year	$ 664,199	$ 185,088
Income tax on unappropriated earnings	5,549	5,771
Tax on repatriated earnings from subsidiaries	-	3,823
Adjustments for prior years	(5,727)	(1,004)
	664,021	193,678
Deferred tax		
In respect of the current year	(26,942)	(2,231)
The effect of deferred income tax on repatriated earnings from subsidiaries	-	(9,558)
Adjustments for prior years	-	(65)
	(26,942)	(11,854)
Income tax expense recognized in profit or loss	$ 637,079	$ 181,824

A reconciliation of accounting profit and income tax expense is as follows:

	2021	2020
Profit before tax from continuing operations	$ 3,738,206	$ 1,285,411
Income tax expense calculated at the statutory rate	$ 759,632	$ 267,580
Nondeductible expenses in determining taxable income	(53,749)	(52,378)
Tax-exempt income	(68,626)	(41,903)
Income tax on unappropriated earnings	5,549	5,771
Tax on repatriated earnings from subsidiaries	-	3,823
Adjustments for prior years’ tax	(5,727)	(1,069)
Income tax expense recognized in profit or loss	$ 637,079	$ 181,824

b. Income tax recognized in other comprehensive income

	2021	2020
Deferred tax		
In respect of current year		
Translation of foreign operations	(\$ 9,817)	\$ 8,212
Unrealized gain (loss) on financial assets at FVTOCI	2,859	3,454
Remeasurement on defined benefit plans	(287)	(122)
Income tax expense (benefit) recognized in other comprehensive income	(\$ 7,245)	\$ 11,544

c. Current tax liabilities

	December 31, 2021	December 31, 2020
Current tax liabilities	\$665,205	\$189,737

d. Deferred tax assets and liabilities

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

2021

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
Deferred tax assets				
Temporary differences				
Allowance for inventory valuation and obsolescence losses	\$ 25	\$ 151	\$ -	\$ 176
Allowance for office supplies impairment losses	7,979	878	-	8,857
Customer rebates	1,180	-	-	1,180
Allowance for production supplies losses	1,091	(4)	-	1,087
FVTPL financial liabilities	782	(689)	-	93
Payables for annual leave	2,443	(211)	-	2,232
Defined benefit obligation	31,150	(4,246)	287	27,191
Inventory tax differences	68	128	-	196
Exchange differences on foreign operations	37,400	-	9,817	47,217
Investment loss recognized by the equity method	-	16,569	-	16,569
	\$ 82,118	\$ 12,576	\$ 10,104	\$ 104,798
Deferred tax liabilities				
Temporary differences				
Land value increment tax reserve	(\$ 21,469)	\$ -	\$ -	(\$ 21,469)
Allowance for impaired receivables	(267)	-	-	(267)
Foreign exchange gains	(626)	240	-	(386)
Depreciation tax differences	(393)	58	-	(335)
Investment gain recognized by the equity method	(14,068)	14,068	-	-
FVTPL financial assets	(5,285)	-	(2,859)	(8,144)
	(\$ 42,108)	\$ 14,366	(\$ 2,859)	(\$ 30,601)

2020

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
Deferred tax assets				
Temporary differences				
Allowance for inventory valuation and obsolescence losses	$ 107	($ 82)	$ -	$ 25
Allowance for office supplies impairment losses	7,188	791	-	7,979
Customer rebates	1,180	-	-	1,180
Allowance for production supplies losses	1,215	(124)	-	1,091
FVTPL financial liabilities	-	782	-	782
Payables for annual leave	2,535	(92)	-	2,443
Defined benefit obligation	33,277	(2,249)	122	31,150
Inventory tax differences	284	(216)	-	68
Exchange differences on foreign operations	45,612	-	(8,212)	37,400
Foreign exchange losses	1,022	(1,022)		-
	$ 92,420	($ 2,212)	($ 8,090)	$ 82,118
Deferred tax liabilities				
Temporary differences				
Land value increment tax reserve	($ 21,469)	$ -	$ -	($ 21,469)
Allowance for impaired receivables	(267)	-	-	(267)
Foreign exchange gains	-	(626)	-	(626)
Depreciation tax differences	(422)	29	-	(393)
Investment gain recognized by the equity method	(28,647)	14,579	-	(14,068)
FVTPL financial assets	(1,850)	19	(3,454)	(5,285)
Others	(65)	65	-	-
	($ 52,720)	$ 14,066	($ 3,454)	($ 42,108)

e. Income tax assessments

The Company and ROC subsidiary's income tax returns through 2019 have been assessed by the tax authorities.

26. EARNINGS PER SHARE

Unit: NT$ Per Share

	2021	2020
Basic earnings per share	$ 5.22	$ 1.86
Diluted earnings per share	$ 5.21	$ 1.86

In calculating earnings per share, the impact of share dividend distribution has been adjusted retrospectively. The record date of new share issuance is set on September 10, 2021. Due to retrospective adjustment, the changes in basic and diluted earnings per share are as follows:

Unit: NT$ Per Share

	Before retrospective adjustment	After retrospective adjustment
Basic earnings per share	$ 1.90	$ 1.86
Diluted earnings per share	$ 1.89	$ 1.86

The earnings and weighted average number of ordinary shares outstanding in the computation of earnings per share from continuing operations were as follows:

Net Profit for the Year

	2021	2020
Earnings used in the computation of basic and diluted earnings per share	$ 3,101,127	$ 1,103,587

Unit: In Thousand Shares

	2021	2020
Number of Shares		
Weighted average number of ordinary shares in computation of basic earnings per share	593,743	593,743
Effect of potentially dilutive ordinary shares:		
Employees' compensation	1,191	786
Weighted average number of ordinary shares used in the computation of diluted earnings per share	594,934	594,529

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

27. CAPITAL MANAGEMENT

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Group's overall management strategy remains unchanged from 2013.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity of the Company (comprising issued capital, reserves, retained earnings, and other equity).

28. FINANCIAL INSTRUMENTS

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

The Group's management believes that the carrying amounts of financial assets and financial liabilities which are recognized in the consolidated financial statements approximate their fair values.

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

1) Fair value hierarchy

December 31, 2021

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivatives	$ -	$ 393	$ -	$ 393
Domestic listed shares	228,079	-	-	228,079
Mutual funds	830,123	-	-	830,123
Beneficiary securities	60,119	-	-	60,119
	$ 1,118,321	$ 393	$ -	$ 1,118,714
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	$ 3,999,777	$ -	$ -	$ 3,999,777
Foreign listed shares	23,364	-	-	23,364
Domestic unlisted shares	-	-	164,993	164,993
Foreign unlisted shares	-	-	63,207	63,207
	$ 4,023,141	$ -	$ 228,200	$ 4,251,341
Financial liabilities at FVTPL				
Derivatives	$ -	$ 860	$ -	$ 860

December 31, 2020

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic listed shares	$ 248,175	$ -	$ -	$ 248,175
Mutual funds	776,288	-	-	776,288
Beneficiary securities	61,388	-	-	61,388
	$ 1,085,851	$ -	$ -	$ 1,085,851
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	$ 3,063,507	$ -	$ -	$ 3,063,507
Foreign listed shares	17,480	-	-	17,480
Domestic unlisted shares	-	-	275,798	275,798
Foreign unlisted shares	-	-	57,127	57,127
	$ 3,080,987	$ -	$ 332,925	$ 3,413,912
Financial liabilities at FVTPL				
Derivatives	$ -	$ 3,912	$ -	$ 3,912

There were no transfers between Levels 1 and 2 in the current and prior periods.

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

2021

Financial assets	Financial assets at FVTOCI Equity instruments
Balance at January 1, 2021	$ 332,925
Recognized in other comprehensive income (included in unrealized gain on financial assets at FVTOCI)	(83,828)
Return of capital (Note 8)	(20,897)
Balance at December 31, 2021	$ 228,200

2020

Financial assets	Financial assets at FVTOCI Equity instruments
Balance at January 1, 2020	$ 293,411
Recognized in other comprehensive income (included in unrealized gain on financial assets at FVTOCI)	73,649
Return of capital (Note 8)	(34,135)
Balance at December 31, 2020	$ 332,925

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

Financial Instruments	Valuation Techniques and Inputs
Derivatives - foreign exchange forward contracts	Discounted cash flow: Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

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

The Group's financial department used valuation techniques in measuring Level 3 fair value of financial instruments. The assumptions of and the inputs to the measurement are based on information from independent resources. The results of the measurement are evaluated against the market state and reviewed periodically to ensure that they are reasonable. The fair values of domestic and foreign unlisted equity securities were determined using the asset-based approach. In this approach, the fair value is determined by the latest net value of the investee company and the financial and business conditions of an observable company. If the discount for the lack of marketability decreases, the fair value of investments will increase. When the net asset value of the investee increases / decreases by 1%, the fair value will increase / decrease by $2,282 thousand in 2021 and $3,329 thousand in 2020.

c. Categories of financial instruments

	December 31, 2021	December 31, 2020
Financial assets		
Financial assets at FVTPL		
Mandatorily classified as at FVTPL	$ 1,118,714	$ 1,085,851
Financial assets at amortized cost (Note 1)	2,224,726	1,397,704
Financial assets at FVTOCI		
Investments in equity instruments	4,251,341	3,413,912
Financial liabilities		
Financial liabilities at FVTPL		
Held for trading	860	3,912
Financial liabilities at amortized cost (Note 2)	2,605,908	4,282,590

Note 1. The balances include financial assets at amortized cost, which comprise cash and cash equivalents, accounts receivable (including related parties) and other receivables (including related parties and excluding tax refund receivable).

Note 2. The balances include financial liabilities at amortized cost, which comprise short-term borrowings, accounts payable (including related parties), other payables (including related parties) and long-term borrowings.

d. Financial risk management objectives and policies

The Group's risk control and hedging strategy are influenced by its operational environment. The Group properly monitors and manages the risks related to business nature and according to the principle of risk diversification. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

1) Market risk

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

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

a) Foreign currency risk

The Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk. In order to avoid the impact of foreign currency exchange rate changes, which lead to deductions in foreign currency denominated assets and fluctuations in their future cash flows, the Group used the natural offset between foreign currency assets and liabilities and foreign exchange forward contracts on the net position. The Group sought to minimize the effects of these risks by using foreign exchange forward contracts to hedge risk exposures. The use of foreign exchange forward contracts was governed by the Group's policies approved by the board of directors. Compliance with policies and exposure limits was reviewed by internal auditors on a continuous basis. The Group did not enter into or trade foreign exchange forward contracts for speculative purposes.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are set out in Note 31. Please refer to Note 7 for the carrying amount of derivative instrument with foreign exchange exposure.

Sensitivity analysis

The Group was mainly exposed to the USD. The sensitivity analysis includes only outstanding foreign currency denominated monetary items at the end of the reporting period. For a 3% strengthening/weakening of the Group's functional currency against the USD, there would be a decrease/an increase of $8,200 thousand and $6,214 thousand in pre-tax profit for the years ended December 31, 2021 and 2020, respectively.

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

b) Interest rate risk

The Group was exposed to fair value interest rate risk because the Group held financial assets and financial liabilities at fixed rates; the Group was exposed to cash flow interest rate risk because the Group held financial assets and financial liabilities at floating rates. The Group's management personnel monitors the changes in the market rates on a regular basis and adjusts the floating rate financial liabilities to make the Group's rates approach market rates in response to the risk caused by changing market rates.

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

	December 31, 2021	December 31, 2020
Fair value interest rate risk		
Financial assets	$ 503,309	$ 457,844
Financial liabilities	1,327,295	724,927
Cash flow interest rate risk		
Financial assets	281,321	183,923
Financial liabilities	569,746	3,050,000

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for both financial assets and liabilities at the end of the reporting period. A 50-basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2021 and 2020 would have decreased/increased by $1,442 thousand and $14,330 thousand, respectively.

c) Other price risk

The Group was exposed to securities price risk through its investments in securities listed in the ROC or other countries. The Group manages this exposure by maintaining a portfolio of investments with different risks. In addition, the Group has appointed a special team to monitor price risk.

Sensitivity analysis

The following sensitivity analysis was based on the prices of securities as of the balance sheet date. However, in the financial assets at fair value through profit or loss in which the Group invested, the risk of price fluctuation of money market funds was very limited, so it was not included in the analysis.

If the equity price increases / decreases by 5%, the net profit before tax for 2021 and 2020 would increase / decrease by $14,410 thousand and $15,478 thousand respectively due to the increase / decrease in the fair value of financial assets (excluding investment in money market funds) measured through profit or loss. Other comprehensive income before tax for 2021 and 2020 would increase / decrease by $212,567 thousand and $170,696 thousand respectively due to the increase / decrease in the fair value of financial assets at fair value through other comprehensive income.

2) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligation and due to the financial guarantees provided by the Group, could be equal to the total of the following:

a) The carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets; and

b) The maximum amount the entity would have to pay if the financial guarantee is called upon, irrespective of the likelihood of the guarantee being exercised.

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

The Group transacted with a large number of unrelated customers in a variety of areas, and, thus, no concentration of credit risk was observed. Ongoing credit evaluations are performed on the financial conditions of trade receivables; therefore, the Group's credit risk is limited.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

As such cash and cash equivalents are sufficient to finance the Group's operations, there is no liquidity risk arising from the deficiency of funds to fulfill contractual obligations.

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

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

December 31, 2021

	Weighted Average Interest Rate	On Demand or Less than 1 Year	1-5 Years	5+ Years
Non-derivative financial liabilities				
Non-interest bearing liabilities		$ 594,166	$ -	$ -
Lease liabilities	1.06%	6,212	15,916	6,439
Fixed interest rate liabilities	0.79%	308,000	1,009,600	-
Floating interest rate liabilities	0.47%	201,109	373,998	-
		$ 1,109,487	$ 1,399,514	$ 6,439

December 31, 2020

	Weighted Average Interest Rate	On Demand or Less than 1 Year	1-5 Years	5+ Years
Non-derivative financial liabilities				
Non-interest bearing liabilities		$ 426,739	$ -	$ -
Lease liabilities	1.06%	6,216	19,290	-
Fixed interest rate liabilities	0.81%	705,640	-	-
Floating interest rate liabilities	0.91%	-	3,077,740	-
		$ 1,138,595	$ 3,097,030	$ -

b) Financing facilities

Bank loans are an essential source of liquidity for the Group. The table below details the used and unused amount of bank loans at the end of the reporting period.

	December 31, 2021	December 31, 2020
Unsecured bank facilities		
Amount used	$ 1,875,000	$ 3,750,000
Amount unused	8,442,400	5,714,800
	$ 10,317,400	$ 9,464,800

29. TRANSACTIONS WITH RELATED PARTIES

The Company's ultimate parent is USI Corporation, which held 36.08% of the ordinary shares of the Company as of December 31, 2021 and 2020.

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

a. Related parties' names and relationships

Related Party Name	Relationship with the Company
USI Corporation	Ultimate parent entity
Union Polymer Int'l Investment Corp. ("Union Polymer")	Parent entity
China General Plastics Corporation ("CGPC")	Associate
China General Terminal & Distribution Corporation ("CGTD")	Associate
Acme Electronics Corporation ("ACME")	Associate
USI Optronics Corporation ("USIO")	Associate
Swanson Plastics Corporation ("SPC")	Associate
Swanson Plastics (Kunshan) Co., Ltd. ("SPC Kunshan")	Associate
Taiwan VCM Corporation ("TVCM")	Associate
CGPC Polymer Corporation ("CGPCP")	Associate
Forever Young Company Limited ("Forever Young")	Associate
Swanson Technologies Corporation ("STC")	Associate
Fujian Gulei Petrochemical Co., Ltd. ("Gulei Company")	Associate
Taita Chemical Company, Limited ("TTC")	Fellow subsidiary
Taiwan United Venture Management Corporation ("TUVM")	Fellow subsidiary
USI Management Consulting Corporation ("UM")	Fellow subsidiary
USIFE Investment Co., Ltd. ("USII")	Fellow subsidiary
INOMA Corporation ("INOMA")	Fellow subsidiary
Chong Loong Trading Co., Ltd. ("CLT")	Fellow subsidiary
USI (Hong Kong) ("USI (HK)")	Fellow subsidiary
USI Education Foundation ("USIF")	Essential related party

b. Sales of goods

Related Party Category/Name	2021	2020
Ultimate parent entity		
USI Corporation	$ 1,674,163	$ 663,182
Associate	68,290	37,375
Fellow subsidiary	22,917	14,822
	$ 1,765,370	$ 715,379

Sales of goods to related parties were made at the Group's usual prices and conditions which were the same as those to unrelated parties.

c. Purchase of goods

Related Party Category/Name	2021	2020
Ultimate parent entity		
USI Corporation	$ 429,907	$ 217,849
Associate	115,553	28,322
Fellow subsidiary	-	10,998
	$ 545,460	$ 257,169

Purchases from related parties were made at market prices which were at the Group's usual prices and conditions which were the same as those from unrelated parties.

d. Management fee (under general and administrative expenses)

Related Party Category/Name	2021	2020
Ultimate parent entity		
USI Corporation	$ 8,747	$ 8,470
Fellow subsidiary		
UM	39,394	39,286
Others	492	550
	39,886	39,836
	$ 48,633	$ 48,306

e. Lease arrangements – Group is lessee

Lease expense

Related Party Category/Name	2021	2020
Ultimate parent entity		
USI Corporation	$ 2,225	$ 2,783

f. Lease arrangements – Group is lessor

Lease income

Related Party Category/Name	2021	2020
Ultimate parent entity		
USI Corporation	$ 3,792	$ 3,534
Parent entity		
Union Polymer	20	36
Associate		
TVCM	12,705	12,680
Others	6,085	6,500
	18,790	19,180
Fellow subsidiary		
TTC	6,904	6,686
Others	2,574	2,601
	9,478	9,287
	$ 32,080	$ 32,037

The previously indicated associates leased pipelines from the Company with lease terms of 1 year. The lease contracts are to be regarded as renewed if there is no declaration of termination. The lease payments are calculated according to actual operating volume and are paid on a monthly basis.

g. Donation expenses (under general and administrative expenses)

Related Party Category/Name	2021	2020
Essential related party		
USI Education Foundation	$ 4,000	$ 3,000

h. Management income (under other income)

Related Party Category/Name	2021	2020
Associate	$ 1,592	$ 1,905

i. Investment consultant fees (under other gains and losses)

Related Party Category/Name	2021	2020
Fellow subsidiary		
TUVM	$ 1,286	$ 1,397

j. Accounts receivable from related parties

Related Party Category/Name	December 31, 2021	December 31, 2020
Ultimate parent entity		
USI Corporation	$ 399,887	$ 189,988
Associate	24,533	3,549
Fellow subsidiary	3,975	3,876
	$ 428,395	$ 197,413

k. Other receivables from related parties

Related Party Category/Name	December 31, 2021	December 31, 2020
Ultimate parent entity		
USI Corporation	$ 6	$ 117
Associate		
CGTD	530	1,000
Others	310	287
	840	1,287
Fellow subsidiary		
TTC	970	617
Others	13	4
	983	621
	$ 1,829	$ 2,025

Other receivables - related parties represented the receivables due from the ultimate parent company and associates for renting offices and management service fees.

l. Accounts payable to related parties

Related Party Category/Name	December 31, 2021	December 31, 2020
Ultimate parent entity		
USI Corporation	$ 74,670	$ 45,590
Associate	4,727	3,243
	$ 79,397	$ 48,833

m. Other payables to related parties

Related Party Category/Name	December 31, 2021	December 31, 2020
Ultimate parent entity		
USI Corporation	$ 200,599	$ 46,442
Associate	5,616	2,947
Fellow subsidiary	1,044	497
	$ 207,259	$ 49,886

Other payables to related parties were the payments from the Company for the transfer of ethylene from ultimate parent entity.

n. Compensation of key management personnel

Total remuneration for directors and other key management in 2021 and 2020 is as follows:

	2021	2020
Short-term employee benefits	$ 20,570	$ 16,355

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

30. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

a. Significant commitments

The amount available under unused letters of credit as of December 31, 2021 was $330,000 thousand.

b. Significant contract

1) The Company and USI Corporation signed a joint venture contract for a Fujian Gulei Petrochemical Co., Ltd. investment on April 17, 2014. The related entities of the contract or commitments are Ho Tung Chemical Corporation, LCY Chemical Corporation, Hengtai Petroleum Company Limited, Chenergy Global Corporation and Lien Hwa Corporation. The main contents of the contract and commitments include: (1) the shareholders shall establish Ever Victory Global Limited (hereinafter referred to the "Joint Venture") and agree to pass the establishment of the 100% owned company named Dynamic Ever Investments Limited in Hong Kong (hereinafter referred to as the "Hong Kong Company"), whose purpose is to build oil refineries and produce ethylene as well as seven other products on the Gulei Peninsula in Zhangzhou, Fujian Province, as approved by the Investment Commission at Taiwan's Ministry of Economic Affairs and according to the operating business permitted by the Joint Venture's board of directors; and (2) the Hong Kong Company will establish a joint venture company in accordance with the laws of the People's Republic of China between China Petrochemical Corporation or its affiliated enterprises; Fujian Refining and Chemical Co., Ltd. will establish a joint venture company in accordance with the laws of the People's Republic of China in Fujian Province between China Petrochemical Corporation or its affiliated enterprises (hereinafter referred to as "Gulei Company") and acquire 50% of the shares of Gulei Company as a basis for cooperative investment. The amount which the Joint Venture invested in Gulei Company after the signing of the original investment contract increased due to the capital needs of the investment plan, which led to part of the original related contract entities being unable to purchase the shares based on their respective investment ratio as provided by the original contract. Therefore, the Company and USI re-signed the joint venture contract with the counterparties of the original contract or commitment and CTCI Corporation on September 30, 2016. The original joint venture contract was terminated at the same time. The joint venture contract was re-signed subsequently on December 18, 2019 and Fubon Financial Holding Venture Capital Corporation and Hung Fu Investment Co., Ltd. were added in the new counterparties of the contract or commitment.

In order to increase Gulei Company's operating capital, Ever Victory Global Limited and Hong Kong Dor Po Investment Company Limited ("DOR PO") signed a joint venture contract for an investment in Dynamic Ever Investment Limited which was approved by the board of directors on June 5, 2019. According to the contract, DOR PO will invest US$109,215 thousand in Dynamic Ever Investment Limited in 2019. As of December 31, 2021, DOR PO had invested US$103,915 thousand and held 15% ownership interest in Dynamic Ever Investment Limited.

As of December 31, 2021, the Company and USI have invested US$170,475 thousand (approximately $5,255,588 thousand) and US$246,670 thousand (approximately $7,645,980 thousand) respectively in Ever Conquest Global Limited, and invested RMB 4,657,200 thousand in Gulei Company through the joint venture and Hong Kong Company.

2) The Group was involved in a proposal of urban renewal, in which it coordinates with neighbors by right of transfer dominated by Huaku Development Co., Ltd. and provides around ten of its investment properties (located at Yanji St., Songshan Dist., Taipei City) to increase its operating efficiency. Thus, the Group signed an agreement with Huaku Development Co., Ltd. and received $6,400 thousand as security deposits. The Taipei City Government approved the proposal on November 30, 2017. In addition, the Group, Huaku Development Co., Ltd. and the Trust Department of E.SUN Commercial Bank, who was commissioned to manage, consolidate, split up, transfer and dispose of the properties and buildings within the duration of the agreement, signed a tripartite agreement on the real estate trust. As of December 31, 2021, the urban renewal project has been completed and the license for the right-to-use has been obtained. However, the transfer of the property rights of the land and buildings has not been completed.

c. Contingencies

Regarding the gas explosion of the propylene pipeline of Lee Chang Yung Chemical Industry Corporation ("Lee Chang Yung Chemical") on the night of July 31, 2014 operated by the invested company by the equity method, China General Terminal & Distribution Corporation ("CGTD"), the criminal case of the gas explosion incident was dismissed by the Supreme Court on September 15, 2021 and all three employees of CGTD were acquitted.

CGTD arrived at an agreement with the Kaohsiung City Government on February 12, 2015, pledging certificates of bank deposits of $227,540 thousand, interests included, to the Kaohsiung City Government as collateral for the loss caused by the gas explosion. The Kaohsiung City Government also filed civil procedure requests in succession against LCY Chemical Corp., CGTD and CPC Corporation, Taiwan ("CPC"). Taiwan Power Company applied to the court for sequestration of CGTD's property on August 27 and November 26, 2015 and CGTD has deposited cash of $99,207 thousand to the court to avoid sequestration. Taiwan Water Corporation also applied to the court for false seizure of CGTD's property on February 3 and March 2, 2017 respectively. As of February 28, 2022, the provisionally attached property was worth $12,472 thousand.

As for the victims, CGTD, LCY Chemical Corp. and the Kaohsiung City Government signed a tripartite agreement for the compensation of the 32 victims' families on July 17, 2015. Each victim's family received $12,000 thousand, and the total compensation was $384,000 thousand. The compensation was advanced by LCY Chemical Corp. LCY Chemical Corp. was in charge of negotiating the compensation with the victims' families and signing the settlement agreement on behalf of the three parties.

As for the seriously injured, CGTD, LCY Chemical Corp. and the Kaohsiung City Government signed a tripartite agreement for the compensation of the 65 seriously injured victims' families on October 25, 2017. 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, 2022, the victims and victims' families had written letters or filed civil procedures (and criminal procedures) against CGTD, LCY Chemical Corp. and CPC for compensation. To reduce the lawsuit costs, CGTD had reached a settlement on the original claim for $46,677 thousand, and the amount of the settlement was $4,519 thousand. Along with the case still in litigation and the above-mentioned compensation, the accumulated amount of compensation is $3,856,447 thousand. The first instance verdict of some of these civil cases (indemnity amount of $1,341,128 thousand) have been convicted since June 22, 2018 and most cases determined that the negligence liability ratio of Kaohsiun Municipal Government, Lee Chang Yung Chemical and CGTD was 4:3:3, and that CGTD, Lee Chang Yung Chemical and other defendants should pay compensation of about $401,979 thousand (of which $6,194 thousand was exempted from liability by the court). Currently CGTD has filed an appeal for the adjudicated but unsettled civil cases and proceeded with the second instance procedure successively. The rest of the cases are still under trial in the Court of First Instance (the amount of compensation requested is approximately $2,012,493 thousand). CGTD signed a claim agreement with an insurance company, according to the negligence liability ratio determined by the judgment of first instance, it is estimated the settlement amount of victims and seriously injured, the compensation amount of civil litigation cases (including the settled cases), and estimated amount to be borne by itself after deducting the upper limit of insurance claim was $136,375 thousand, which had been included into the account. However, the actual amount of such settlement and compensation shall not be confirmed until the proportion of liability to be shared by CGTD is determined in accordance with the civil action.

31. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

Units: The foreign currency / carrying amount is in thousand dollars, except the exchange rate in dollars.

December 31, 2021

	Foreign Currency (In Thousands)	Exchange Rate	Functional Currency (In Thousands)	Carrying Amount
Financial assets				
Monetary items				
USD	$ 19,289	27.680 (USD:NTD)	$ 533,912	$ 533,912
USD	337	6.3757 (USD: RMB)	2,150	9,334
RMB	1,324	0.1568 (RMB:USD)	208	5,757
RMB	154,676	4.3415 (RMB:NTD)	671,524	671,524
EUR	60	31.320 (EUR:NTD)	1,869	1,869
				$ 1,222,396
Non-monetary items				
Investments accounted for using the equity method				
USD	175,260	27.680 (USD:NTD)	4,851,207	$ 4,851,207
Derivative instruments				
RMB	50,400	4.3415 (RMB:NTD)	393	$ 393
Financial liabilities				
Monetary items				
USD	9,752	27.680 (USD:NTD)	269,926	$ 269,926
RMB	20	0.1568 (RMB:USD)	3	83
JPY	153	0.2405 (JPY:NTD)	37	37
				$ 270,046
Non-monetary items				
Derivative instruments				
RMB	87,800	4.3415 (RMB:NTD)	860	$ 860

December 31, 2020

	Foreign Currency (In Thousands)	Exchange Rate	Functional Currency (In Thousands)	Carrying Amount
Financial assets				
Monetary items				
USD	$ 10,807	28.480 (USD:NTD)	$ 307,795	$ 307,795
USD	271	6.5249 (USD: RMB)	1,769	7,721
RMB	2,092	0.1533 (RMB:USD)	321	9,142
RMB	87,272	4.3648 (RMB:NTD)	380,924	380,924
JPY	5	0.2763 (JPY:NTD)	1	1
				$ 705,583
Non-monetary items				
Investments accounted for using the equity method				
USD	$ 177,912	28.480 (USD:NTD)	$ 5,066,945	$ 5,066,945
Financial liabilities				
Monetary items				
USD	3,805	28.480 (USD:NTD)	108,375	$ 108,375
RMB	204	0.1533 (RMB:USD)	31	883
JPY	7,072	0.2763 (JPY:NTD)	1,954	1,954
EUR	24	35.020 (EUR:NTD)	847	847
				$ 112,059
Non-monetary items				
Derivative instruments				
RMB	77,600	4.3648 (RMB:NTD)	3,912	$ 3,912

For the years ended December 31, 2021 and 2020, realized and unrealized net foreign exchange (losses) gains were ($2,834) thousand and ($12,905) thousand. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the group entities.

32. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

1) Financing provided to others. (None)

2) Endorsements/guarantees provided. (None)

3) Marketable securities held (excluding investments in subsidiaries, associates and joint ventures). (Table 1)

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 2)

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 3)

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital. (Table 4)

9) Trading in derivative instruments: Note 7.

10) Others: Intercompany relationships and significant intercompany transactions. (Table 5)

b. Information about investees. (Table 6)

c. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the year, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 7)

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (Table 8)

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year.

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year.

c) The amount of property transactions and the amount of the resultant gains or losses.

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes.

e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to financing of funds.

f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services.

d. Information about substantial shareholders: Names of shareholders with a holding ratio of 5% or more and the amount and proportion of shares held. (Table 9)

Besides Tables 1 to 9 as disclosed, there was no other information about significant transactions, investees and investments in mainland China which should be disclosed.

33. SEGMENT INFORMATION

a. Operating segments: According to IFRS 8 “Operating Segments”, the Group is a single operating segment that produces and sells petrochemical products, and therefore, there is no need to disclose the information of operating segments.

b. Geographical information

The Group’s revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

	Revenue from External Customers		Non-current Assets	
	2021	2020	December 31, 2021	December 31, 2020
Taiwan	$ 2,175,279	$ 1,636,875	$ 3,827,327	$ 3,708,090
Asia	6,983,632	3,988,373	68,664	72,967
Others	406,902	78,298	-	-
	$ 9,565,813	$ 5,703,546	$ 3,895,991	$ 3,781,057

Non-current assets exclude financial instruments, deferred tax assets and refundable deposits.

c. Information about major customers:

Single customers who contributed 10% or more to the Group's revenue were as follow:

Client Name	2021	2020
Customer A	$ 1,674,163	$ 663,182

TABLE 1

ASIA POLYMER CORPORATION

MARKETABLE SECURITIES HELD (EXCLUDING INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES)

DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
ASIA POLYMER CORPORATION	Ordinary shares							
	Harbinger Venture Capital Corp.	-	Financial assets at fair value through other comprehensive income - non-current	2,377	$ 17	1.20%	$ 17	
	Riselink Venture Capital	-	-	2,632	221	1.67%	221	
	KHL IB Venture Capital Co., Ltd.	-	-	9,954,950	164,755	11.90%	164,755	
	USI Corporation	Ultimate parent company	-	101,355,673	3,197,772	8.53%	3,197,772	
	CTCI Corporation	-	-	14,446,107	537,395	1.89%	537,395	
	AU Optronics Corporation	-	-	9,618,516	220,264	0.10%	220,264	
	Wafer Works Corporation	-	Financial assets at fair value through other comprehensive income - current	518,668	44,346	0.10%	44,346	
	Quanta Computer Inc.	-	Financial assets at fair value through profit or loss - current	200,000	18,940	0.01%	18,940	
	Evergreen Marine Corp.	-	-	473,251	67,438	0.01%	67,438	
	United Microelectronics Corp.	-	-	150,000	9,750	-	9,750	
	Tung Ho Steel Enterprise Corp.	-	-	368,500	24,726	0.05%	24,726	
	China Steel Corporation	-	-	650,000	22,978	-	22,978	
	ShunSin Technology Holdings Limited	-	-	70,000	6,510	0.07%	6,510	
	UPC Technology Corporation	-	-	700,000	15,120	0.05%	15,120	
	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust Fund	-	-	3,316,000	60,119	-	60,119	
	Beneficiary securities							
	Mega Diamond Money Market Fund	-	-	5,095,391	64,597	-	64,597	
	Jih Sun Money Market Fund	-	-	20,955,933	314,069	-	314,069	
	Prudential Financial Money Market Fund	-	-	2,509,725	40,134	-	40,134	

(Continued)

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
	Taishin 1699 Money Market Fund	-	Financial assets at fair value through profit or loss - current	4,388,163	$ 60,024	-	$ 60,024	
	CTBC Hwa-win Money Market Fund	-	-	5,392,241	60,000	-	60,000	
	FSITC Taiwan Money Market Fund	-	-	6,466,507	100,045	-	100,045	
	Hua Nan Kirin Money Market Fund	-	-	14,478,773	175,021	-	175,021	
APC (BVI) Holding Co., Ltd.	Ordinary shares							
	Budworth Investment Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	40,467	8	4.45%	8	
	Silicon Technology Investment (Cayman) Corp. - preference shares	-	-	1,139,776	63,199	2.21%	63,199	
	NeuroSky, Inc. - series D preference shares	-	-	2,397,364	-	0.37%	-	(Note 1)
	Solargiga Energy Holdings Ltd.	-	-	15,863,333	23,364	0.48%	23,364	
	Teratech Corp.	-	-	112,000	-	0.67%	-	(Note 1)
	TGF Linux Communication, Inc. - preference shares	-	Financial assets at fair value through profit or loss - non-current	300,000	-	-	-	(Note 1)
	Sohoware, Inc. - preference shares	-	-	450,000	-	-	-	(Note 1)
	Boldworks, Inc. - preference shares	-	-	689,266	-	-	-	(Note 1)
APC Investment Co., Ltd.	Ordinary shares							
	USI Corporation	Ultimate parent company	Financial assets at fair value through profit or loss - current	44,808	1,414	-	1,414	
	United Microelectronics Corp.	-	-	60,000	3,900	-	3,900	
	Evergreen Marine Corp.	-	-	158,416	22,574	-	22,574	
	UPC Technology Corporation	-	-	500,000	10,800	0.04%	10,800	
	China Steel Corporation	-	-	325,000	11,489	-	11,489	
	Tung Ho Steel Enterprise Corp.	-	-	150,750	10,115	0.02%	10,115	
	ShunSin Technology Holdings Limited	-	-	25,000	2,325	0.02%	2,325	
	Beneficiary securities							
	Cathay Taiwan Money Market Fund	-	Financial assets at fair value through profit or loss - current	1,292,518	16,233	-	16,233	

Note 1. The carrying amount was zero as of December 31, 2021 due to the impairment loss recognized in prior years.

Note 2. Refer to Tables 6 and 7 for information about subsidiaries and associates.

TABLE 2

ASIA POLYMER CORPORATION

MARKETABLE SECURITIES ACQUIRED AND 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, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance (Note)	
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Carrying Amount	Gain on Disposal	Number of Shares	Amount
APC Corporation	Fund													
	UPAMC James Bond Money Market Fund	Financial assets at fair value through profit or loss - current	—	—	-	$ -	21,349,174	$ 360,000	21,349,174	$ 360,027	$ 360,000	$ 27	-	$ -
	Taishin 1699 Money Market Fund	-	—	—	12,021,036	164,000	37,687,142	515,000	45,320,015	619,166	619,000	166	4,388,163	60,000
	Taishin Ta-Chong Money Market Fund	-	—	—	-	-	26,519,389	380,000	26,519,389	380,063	380,000	63	-	-
	FSITC Taiwan Money Market Fund	-	—	—	3,564,088	55,000	22,967,753	355,000	20,065,334	310,114	310,000	114	6,466,507	100,000

Note: The ending balance of beneficiary certificates is the original purchase cost.

TABLE 3

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, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Financial Statement Account and Ending Balance		% of Total
Asia Polymer Corporation	USI Corporation	Ultimate parent company	Sale	($ 1,673,192)	(17.50%)	60 days	No significant difference	No significant difference	Accounts receivable - related parties	$ 399,887	28.17%
Asia Polymer Corporation	USI Corporation	Ultimate parent company	Purchase	213,752	4.53%	30 days	No significant difference	No significant difference	Accounts payable - related parties	(28,177)	(9.45%)
USI Trading (Shanghai) Co., Ltd	USI Corporation	Ultimate parent company	Purchase	216,155	4.59%	30 days	No significant difference	No significant difference	Accounts payable - related parties	(46,493)	(15.59%)

TABLE 4

ASIA POLYMER CORPORATION

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

DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Counterparty	Relationship	Ending Balance		Turnover Rate	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
						Amount	Actions Taken		
Asia Polymer Corporation	USI Corporation	Ultimate parent company	Accounts receivable - related parties	$ 399,887	5.68	$ -	-	$ 399,887	Note 1
			Other receivables - related parties	2		-	-	2	Note 1

Note 1. There is no allowance of impairment loss after an impairment assessment.

Note 2. The subsequent period is between January 1 and March 9, 2022.

TABLE 5

ASIA POLYMER CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS

FOR THE YEAR ENDED DECEMBER 31, 2021

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

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transactions Details			
				Financial Statement Account	Amount (Note 4)	Payment Terms	% of Total Sales or Assets (Note 3)
0	Asia Polymer Corporation	APC Investment Co., Ltd.	(1)	Non-operating income and expenses - rental income	$ 142	No significant difference	-
0	Asia Polymer Corporation	USI Trading (Shanghai) Co., Ltd	(1)	Accounts receivable from related parties	13,111	No significant difference	0.07%
				Commission expenses	577	No significant difference	0.01%
				Sale	126,417	No significant difference	1.32%
				Other payables to related parties	17	No significant difference	-
1	USI International Corp.	USI Trading (Shanghai) Co., Ltd	(3)	Other receivables from related parties	5,089	No significant difference	0.03%
				Other payables to related parties	85	No significant difference	-
				Non-operating income and expenses - rental income	1,238	No significant difference	0.01%
				Management services expense	118	No significant difference	-

Note 1. The correlation between the numeral and the entity are stated as follows:

(1) The Company: 0.

(2) The subsidiaries: 1 onward.

Note 2. The direction of the investment is as follows:

(1) The Company to the subsidiaries: 1.

(2) The subsidiaries to the Company: 2.

(3) Between subsidiaries: 3.

Note 3. For the calculation of the ratio of the transaction amount to the consolidated total revenue or total assets, if it is an asset-liability account, it is calculated as the closing balance of the transaction amount to the consolidated total assets; if it is a profit and loss account, it is calculated as the accumulated amount during the period to the consolidated total revenue.

Note 4. All intercompany transactions have been eliminated on consolidation.

ASIA POLYMER CORPORATION

INFORMATION ON INVESTEES

FOR THE YEAR ENDED DECEMBER 31, 2021

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

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2021			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				December 31, 2021	December 31, 2020	Number of Shares	%	Carrying Amount			
Asia Polymer Corporation	APC (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment	$ 381,287 (US$ 13,774,806)	$ 381,287 (US$ 13,774,806)	11,342,594	100.00%	$ 545,802	$ 27,305	$ 27,305	Subsidiary (Note 1)
	APC Investment Co., Ltd.	Taipei, Taiwan	Investment	200,000	200,000	20,000,000	100.00%	168,090	35,822	35,822	Subsidiary (Note 1)
	USI International Corp.	British Virgin Islands	Reinvestment	58,128 (US$ 2,100,000)	58,128 (US$ 2,100,000)	2,100,000	70.00%	62,380	1,047	733	Subsidiary (Note 1)
	China General Plastics Corporation	Taipei, Taiwan	Manufacture and marketing of PVC plastic cloth and three-time processed products	247,412	247,412	46,886,185	8.07%	900,764	2,468,676	199,203	Investments accounted for using the equity method
	China General Terminal & Distribution Corporation	Taipei, Taiwan	Warehousing and transportation of petro chemical raw materials	41,082	41,082	22,009,593	33.33%	373,731	63,389	21,129	Investments accounted for using the equity method
	Swanson Plastics Corporation	Taipei, Taiwan	Manufacture and marketing of stretch film, diaper film, embossed film, heavy-duty sacks	75,242	75,242	12,266,779	7.95%	210,268	224,921	17,880	Investments accounted for using the equity method
	Acme Electronics Corporation	Taipei, Taiwan	Manufacture and marketing of manganese-zinc and ferrite core	61,348	61,348	6,056,623	3.31%	44,186	59,329	1,964	Investments accounted for using the equity method
	Taiwan United Venture Capital Corp.	Taipei, Taiwan	Investment in high technology businesses	52,791	52,791	3,080,866	8.33%	22,673	(2,438)	(203)	Investments accounted for using the equity method
	USI Optronics Corporation	Taipei, Taiwan	Manufacture and marketing of sapphire products	59,725	59,725	5,972,464	9.20%	8,718	(41,955)	(3,861)	Investments accounted for using the equity method
	Ever Conquest Global Ltd.	British Virgin Islands	Reinvestment	4,718,748 (US$ 170,475,000)	4,718,748 (US$ 170,475,000)	170,475,000	40.87%	4,851,207	(443,454)	(181,227)	Investments accounted for using the equity method
APC (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment	145,179 (US$ 5,244,903)	145,179 (US$ 5,244,903)	8,316,450	16.64%	204,869	62,703	-	APC (BVI) Holding Co., Ltd. Investments accounted for using the equity method
	USI International Corp.	British Virgin Islands	Reinvestment	24,912 (US$ 900,000)	24,912 (US$ 900,000)	900,000	30.00%	26,734	1,047	-	APC (BVI) Holding Co., Ltd. Investments accounted for using the equity method (Note 1)
APC Investment Co., Ltd.	Acme Electronics Corporation	Taipei, Taiwan	Manufacture and marketing of manganese-zinc and ferrite core	14,889	14,889	1,884,548	1.03%	13,749	59,329	-	APC Investment Co., Ltd. Investments accounted for using the equity method
	Swanson Technology Corporation	Taipei, Taiwan	Manufacture and marketing of EVA film	22,500	30,000	2,250,015	15.00%	4,357	(13,183)	-	APC Investment Co., Ltd. Investments accounted for using the equity method
Ever Conquest Global Ltd.	Ever Victory Global Ltd.	British Virgin Islands	Reinvestment	11,546,574 (US$ 417,145,000)	11,546,574 (US$ 417,145,000)	417,145,000	67.40%	11,870,694 (US$ 428,855,000)	(635,890) (US$ 22,838,000)	-	Ever Conquest Global Ltd. Investments accounted for using the equity method
Ever Victory Global Ltd.	Dynamic Ever Investments Ltd.	Hong Kong	Reinvestment	16,299,368 (US$ 588,850,000)	16,299,368 (US$ 588,850,000)	588,850,000	85.00%	16,785,159 (US$ 606,400,000)	(749,901) (US$ 26,932,000)	-	Ever Victory Global Ltd. Investments accounted for using the equity method

Note 1. All intercompany transactions have been eliminated on consolidation.

TABLE 7

ASIA POLYMER CORPORATION

INFORMATION ON INVESTMENTS IN MAINLAND CHINA

FOR THE YEAR ENDED DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital (Note 3)	Method and Medium of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2021	Net Income (Loss) of Investee (Note 3)	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 3)	Carrying Amount as of December 31, 2021 (Note 4)	Accumulated Repatriation of Investment Income as of December 31, 2021
					Outflow	Inflow						
ACME Electronics (Kunshan) Co., Ltd.	Manufacture and marketing of manganese-zinc soft ferrite core	$ 850,468 (US$ 30,725,000)	(2) ACME Electronics (Cayman) Corp.	$ 115,630 (US$ 4,177,369)	$ -	$ -	$ 115,630 (US$ 4,177,369)	B $ 45,024	16.64%	$ 7,493	$ 137,462	$ -
USI Trading (Shanghai) Co., Ltd	Sale of chemical products and equipment	69,200 (US$ 2,500,000)	(2) APC (BVI) Holding Co., Ltd.	84,025 (US$ 3,035,601)	-	-	84,025 (US$ 3,035,601)	B 16,420	100.00%	16,420	136,096	-
Fujian Gulei Petrochemical Co., Ltd.	Manufacture of crude oil and petroleum products	40,438,468 (RMB9,314,400,000)	(2) Dynamic Ever Investments Ltd. (Note 2)	4,370,198 (US$ 157,882,871)	-	-	4,370,198 (US$ 157,882,871)	A (1,455,990)	11.71%	(170,497)	4,533,837	-

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2021	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
$4,703,274 (Note 5) (US$ 169,915,978)	$6,195,770 (US$ 223,835,608)	$ - (Note 6)

Note 1. Investments are divided into three categories as follows:

(1) Direct investment: 1.

(2) Investments through a holding company registered in a third region: 2.

(3) Others: 3.

Note 2. The Company reinvested in 50% of the outstanding shares of Gulei via Ever Conquest Global Limited (40.87%), then via Ever Victory Global Ltd. (67.40%), and finally via Dynamic Ever Investments Ltd. (85.00%).

Note 3. For the column of investment gain (loss):

(1) If there is no investment gain (loss) during the preparation, it should be noted.

(2) If the basis for the recognition of investment gain (loss) is classified into the following three type, it should be noted as follows:

A. Financial statements audited by international accounting firms which have a cooperation relationship with an accounting firm in the Republic of China.

B. Financial statements audited by the parent company's CPA.

C. Others.

Note 4. The calculation was based on the exchange rate as at December 31, 2021.

Note 5. The investment in China is indirectly invested by Silicon Technology Investment (Cayman) Corp.(STIC) and Solargiga Energy Holdings Ltd., both are invested by APC(BVI)Holding Co. Ltd., a subsidiary 100% held by the Company.

Note 6. As the Company has obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA in Order No. 10800262940 on February 26, 2020, the upper limit on investments in mainland China pursuant to the "Principle of Investment or Technical Cooperation in Mainland China" is not applicable.

ASIA POLYMER CORPORATION

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

FOR THE YEAR ENDED DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Transaction Type	Amount	%	Price	Transaction Details		Notes/Accounts Receivable (Payable)		Unrealized Gain (Loss)	Note
					Payment Terms	Comparison with Normal Transactions	Amount	%		
USI Trading (Shanghai) Co., Ltd	Sale	$ 126,417	1.32%	No significant difference	T/T 90 days	No significant difference	$ 13,111	0.92%	$ -	—
Fujian Gulei Petrochemical Co., Ltd.	Purchase	70,091	1.49%	No significant difference	Letter of credit	No significant difference	-	-	-	—

TABLE 9

ASIA POLYMER CORPORATION AND SUBSIDIARIES

INFORMATION ABOUT SUBSTANTIAL SHAREHOLDERS
DECEMBER 31, 2021

Name of substantial shareholders	Shares	
	Number of shares held	%
Union Polymer Int'l Investment Corp.	214,245,822	36.08%

Note: The information of major shareholders in this attachment refers to the information calculated by Nordic CSD on the last business day at the end of the current quarter of which the total number of common stocks and special stocks of the Company held, amounting to more than 5%, by the shareholder has been delivered without physical registration (including treasury shares). The capital stock recorded in the consolidated financial statements of the Company and the actual number of shares delivered without physical registration may be different or discrepant due to different compilation and calculation basis.