Stock Code: 1308

Notice to Readers:

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Asia Polymer Corporation

Financial Statements and Independent Auditors' Report

For the Years Ended December 31, 2024 and 2023

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

Tel: (02)87516888

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INDEPENDENT AUDITORS' REPORT

The Asia Polymer Corporation:

Opinion

We have audited the accompanying parent company only financial statements of Asia Polymer Corporation (the "Company"), which comprise the parent company only balance sheets as of December 31, 2024 and 2023, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audit of parent company only financial statements in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and auditing standards in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company 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 parent company only financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters related to the Company's parent company only financial statements for the year ended December 31, 2024 are stated as follows:

Recognition of Sales Revenue from Specific Customers

The amount of sales revenue for the year ended December 31, 2024 was NT$5,816,814 thousand, which was approximately 11.08% lower than the sales revenue for the year ended December 31, 2023 of NT$6,541,670 thousand. Nevertheless, the sales revenue from specific customers deviates significantly from the trend of total sales revenue. Therefore, recognition of sales 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 along with the amounts received in subsequent periods to assess for any abnormalities.

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

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company 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 Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards in the Republic of China will always detect a material misstatement when it exists. 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 parent company only financial statements.

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements

or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the 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 financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte & Touche

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

Financial Supervisory Commission Approval No. 0930160267	Financial Supervisory Commission Approval No. 1070323246

March 5, 2025

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Asia Polymer Corporation

BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
Unit: In Thousands of New Taiwan Dollars

Code	Assets	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current assets				
1100	Cash and cash equivalents (Notes 4 and 6)	$ 1,291,598	9	$ 859,589	6
1110	Financial assets at fair value through profit and loss - current (Notes 4 and 7)	373,845	3	707,056	5
1120	Financial assets at fair value through other comprehensive income - current (Notes 4 and 8)	14,054	-	22,458	-
1170	Accounts receivable (Notes 4, 9 and 20)	376,996	3	293,125	2
1180	Accounts receivable from related parties (Notes 4, 9, 20 and 26)	93,439	1	213,488	1
1200	Other receivables (Note 4)	439	-	700	-
1210	Other receivables from related parties (Notes 4 and 26)	19,693	-	2,039	-
1220	Current tax assets (Notes 4 and 24)	7,461	-	-	-
130X	Inventories (Notes 4 and 10)	561,253	4	592,720	4
1410	Prepayments	224,058	2	204,238	1
1470	Other current assets	121	-	116	-
11XX	Total current assets	2,962,957	22	2,895,529	19
	Non-current assets				
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	1,896,404	14	2,891,275	19
1550	Investments accounted for using the equity method (Notes 4, 5, 11 and 27)	3,954,026	29	4,720,605	32
1600	Property, plant and equipment (Notes 4 and 12)	3,543,146	26	3,456,535	23
1755	Right-of-use assets (Notes 4 and 13)	8,704	-	9,402	-
1760	Investment properties (Notes 4 and 14)	496,481	4	428,547	3
1840	Deferred income tax assets (Notes 4 and 22)	707,411	5	558,060	4
1990	Other non-current assets (Note 4)	2,449	-	2,757	-
15XX	Total non-current assets	10,608,621	78	12,067,181	81
1XXX	TOTAL ASSETS	$ 13,571,578	100	$ 14,962,710	100

Code	LIABILITIES AND EQUITY	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	CURRENT LIABILITIES				
2170	Accounts payable (Note 16)	$ 236,443	2	$ 164,616	1
2180	Accounts payable to related parties (Notes 16 and 26)	13,530	-	18,854	-
2219	Other payables (Note 17)	230,644	2	231,018	2
2220	Other payables to related parties (Note 26)	142,329	1	225,285	2
2230	Current tax liabilities (Notes 4 and 22)	-	-	221,932	2
2280	Lease liabilities - current (Notes 4 and 13)	5,950	-	6,422	-
2320	Current portion of long-term liabilities (Note 15)	393,755	3	65,880	-
2365	Refund liabilities - current	5,899	-	5,899	-
2399	Other current liabilities (Note 20)	48,712	-	47,229	-
21XX	Total current liabilities	1,077,262	8	987,135	7
	NON-CURRENT LIABILITIES				
2540	Long-term borrowings (Note 15)	788,155	6	480,214	3
2570	Deferred income tax liabilities (Notes 4 and 22)	45,878	-	29,822	-
2580	Lease liabilities - non-current (Notes 4 and 13)	80,971	-	11,326	-
2640	Net defined benefit liabilities - non-current (Notes 4 and 18)	81,208	1	102,364	1
2670	Other non-current liabilities	14,412	-	12,765	-
25XX	Total non-current liabilities	1,010,624	7	636,491	4
2XXX	Total liabilities	2,087,886	15	1,623,626	11
	EQUITY (Notes 4, 8, 19 and 22)				
	Share Capital				
3110	Ordinary shares	5,937,438	44	5,937,438	40
3200	Capital surplus	38,130	-	37,559	-
	Retained Earnings				
3310	Legal reserve	2,382,202	18	2,370,208	16
3320	Special Reserve	554,105	4	554,105	4
3350	Unappropriated earnings	2,762,548	20	3,771,456	25
3300	Total retained earnings	5,698,855	42	6,695,769	45
3400	Other Equity	(190,731)	(1)	668,318	4
3XXX	Total equity	11,483,692	85	13,339,084	89
	TOTAL LIABILITIES AND EQUITY	$ 13,571,578	100	$ 14,962,710	100

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

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Asia Polymer Corporation

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
Unit: In Thousands of New Taiwan Dollars, Except Earnings (Losses) Per Share

		2024		2023	
Code		Amount	%	Amount	%
4100	NET REVENUE (Notes 4, 20 and 26)	$ 5,816,814	100	$ 6,541,670	100
5110	OPERATING COSTS (Notes 4, 10, 18, 21 and 26)	5,701,212	98	5,417,965	83
5900	GROSS PROFIT	115,602	2	1,123,705	17
	OPERATING EXPENSES (Notes 18, 21 and 26)				
6100	Selling and Marketing Expenses	122,004	2	99,590	1
6200	General and administrative expenses	110,693	2	109,601	2
6300	Research and development expenses	4,106	-	6,353	-
6000	Total operating expenses	236,803	4	215,544	3
6900	PROFIT (LOSS) FROM OPERATIONS	(121,201)	(2)	908,161	14
	NON-OPERATING INCOME AND EXPENSES (Notes 4, 11, 21 and 26)				
7100	Interest income	17,397	-	12,648	-
7010	Other income	136,640	2	168,204	2
7020	Other gains and losses	(8,941)	-	(619)	-
7510	Interest expense	(12,461)	-	(9,112)	-
7060	Share of profit or loss of associates	(935,720)	(16)	(934,005)	(14)
7000	Total non-operating income and expenses	(803,085)	(14)	(762,884)	(12)
7900	Profit (loss) before income tax	(924,286)	(16)	145,277	2
7950	Income tax (benefits) expenses (Notes 4 and 22)	(173,786)	(3)	28,993	-
8200	Net profit (loss) for the year	(750,500)	(13)	116,284	2
	OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 11, 18, 19 and 24)				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurement of defined benefit plans	$ 14,271	-	$ 16	-

(Continued)

(Continued)

Code		2024 Amount	2024 %	2023 Amount	2023 %
8316	Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	(1,003,175)	(17)	(222,659)	(4)
8330	Share of the other comprehensive income (loss) of associates accounted for using the equity method	6,592	-	(17,662)	-
8349	Income tax relating to items that will not be reclassified subsequently to profit or loss	(8,825)	-	275	-
		(991,137)	(17)	(240,030)	(4)
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translating the financial statements of foreign operations	171,250	3	(41,135)	-
8380	Share of the other comprehensive income (loss) of associates accounted for using the equity method	15,859	-	(2,794)	-
8399	Income tax relating to items that may be reclassified subsequently to profit or loss	(34,250)	-	8,227	-
		152,859	3	(35,702)	-
8300	Other comprehensive income (loss) for the year, net of income tax	(838,278)	(14)	(275,732)	(4)
8500	TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	($ 1,588,778)	(27)	($ 159,448)	(2)
	Earnings (losses) per share (Note 23)				
9710	Basic	($ 1.26)		$ 0.20	
9810	Diluted	($ 1.26)		$ 0.20	

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Asia Polymer Corporation

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

		Share Capital			Retained Earnings			Other Equity		
Code		Shares (In Thousands)	Amount	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 on January 1, 2023	593,743	$ 5,937,438	$ 37,142	$ 2,223,200	$ 565,379	$ 4,511,018	($ 109,403)	$ 1,052,184	$ 14,216,958
	Appropriation and distribution of 2022 retained earnings									
B1	Legal reserve	-	-	-	147,008	-	(147,008)	-	-	-
B5	Cash dividends distributed	-	-	-	-	-	(712,493)	-	-	(712,493)
C7	Changes in capital surplus from investments in associates accounted for using the equity method	-	-	(110)	-	-	(6,934)	-	584	(6,460)
C17	Reclassification of past dividends to capital surplus	-	-	527	-	-	-	-	-	527
B17	Reversal for special reserve	-	-	-	-	(11,274)	11,274	-	-	-
D1	Net profit for the year ended December 31, 2023	-	-	-	-	-	116,284	-	-	116,284
D3	Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	-	(685)	(35,702)	(239,345)	(275,732)
D5	Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	115,599	(35,702)	(239,345)	(159,448)
Z1	Balance at December 31, 2023	593,743	5,937,438	37,559	2,370,208	554,105	3,771,456	(145,105)	813,423	13,339,084
	Appropriation and distribution of 2023 retained earnings									
B1	Legal reserve	-	-	-	11,994	-	(11,994)	-	-	-
B5	Cash dividends distributed	-	-	-	-	-	(267,185)	-	-	(267,185)
C7	Changes in capital surplus from investments in associates accounted for using the equity method	-	-	176	-	-	(334)	-	334	176
C17	Reclassification of past dividends to capital surplus	-	-	395	-	-	-	-	-	395
D1	Net loss for the year ended December 31, 2024	-	-	-	-	-	(750,500)	-	-	(750,500)
D3	Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	20,855	152,859	(1,011,992)	(838,278)
D5	Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	(729,645)	152,859	(1,011,992)	(1,588,778)
Q1	Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	250	-	(250)	-
Z1	Balance at December 31, 2024	593,743	$ 5,937,438	$ 38,130	$ 2,382,202	$ 554,105	$ 2,762,548	$ 7,754	($ 198,485)	$ 11,483,692

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Asia Polymer Corporation

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

Code		2024	2023
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Net profit (loss) before tax for the year	($ 924,286)	$ 145,277
A20010	Adjustments for		
A20100	Depreciation expenses	335,611	316,347
A20200	Amortization expenses	480	359
A20400	Net gain on fair value change of financial assets at fair value through profit or loss	(594)	(10,298)
A20900	Interest expense	12,461	9,112
A21200	Interest income	(17,397)	(12,648)
A21300	Dividend income	(75,760)	(107,546)
A22500	Disposal and scrapping losses of property, plant and equipment	9,787	-
A22400	Share of profit or loss of associates	935,720	934,005
A23800	Loss on write-down of inventories	11,562	10,123
A24100	Net loss on foreign currency exchange	(6,739)	5,661
A30000	Changes in operating assets and liabilities		
A31115	Financial assets mandatory classified as at fair value through profit or loss	333,805	(242,038)
A31150	Accounts receivable	(76,884)	565,843
A31160	Accounts receivable from related parties	120,888	20,317
A31190	Other receivables from related parties	(17,650)	1,297
A31200	Inventories	19,905	(85,177)
A31230	Prepayments	(19,820)	(39,919)
A31240	Other current assets	(5)	(6)
A32150	Accounts payable	71,827	(90,140)
A32160	Accounts payable from related parties	(5,407)	(3,752)
A32180	Other payables	(20,247)	(27,726)
A32190	Other payables from related parties	(83,966)	48,986
A32230	Other current liabilities	1,483	12,620
A32240	Net defined benefit liabilities - non-current	(6,885)	(9,726)
A33000	Cash generated from operations	597,889	1,440,971
A33100	Interest received	17,658	12,442
A33300	Interest paid	(10,078)	(6,476)
A33500	Income tax paid	(231,975)	(652,590)
AAAA	Net cash generated from operating activities	373,494	794,347

(Continued)

(Continued)

Code		2024	2023
	CASH FLOWS FROM INVESTING ACTIVITIES		
B00020	Proceeds from sale of financial assets at fair value through other comprehensive income	$ 708	$ -
B00300	Purchase of financial assets at fair value through other comprehensive income	(608)	(19,975)
B01800	Acquisition of long-term equity investments accounted for using the equity method	-	(14,894)
B02400	Proceeds from capital reduction of investee companies accounted for using equity method	8,327	14,155
B02700	Payments for property, plant and equipment	(399,811)	(370,222)
B03700	Increase in refundable deposits	(189)	(141)
B03800	Decrease in refundable deposits	188	141
B04500	Payments for intangible assets	(171)	(660)
B07600	Dividends received	92,170	121,612
B09900	Decrease in other non-current assets	-	4,992
BBBB	Net cash used in investing activities	(299,386)	(264,992)
	NET CASH FLOWS FROM FINANCING ACTIVITIES		
C00100	Increase in short-term borrowings	600,000	200,000
C00200	Repayments of short-term borrowings	(600,000)	(320,000)
C01600	Proceeds from long-term borrowings	682,000	104,000
C01700	Repayments of long-term borrowings	(48,077)	(10,000)
C03000	Increase in guarantee deposits received	1,099	1,215
C03100	Decrease in guarantee deposits received	-	(458)
C04020	Repayment of the principal portion of lease liabilities	(6,422)	(6,309)
C04400	Other non-current liabilities (decrease) increase	(12)	87
C04500	Payment of dividends	(270,687)	(703,605)
CCCC	Net cash generated from (used in) financing activities	357,901	(735,070)
EEEE	Net increase (decrease) in cash and cash equivalents	432,009	(205,715)
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	859,589	1,065,304
E00200	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 1,291,598	$ 859,589

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

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Asia Polymer Corporation

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(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), medium-density polyethylene (MDPE), and ethylene vinyl acetate copolymer (EVA).

The ordinary shares of the Company have been listed on the Taiwan Stock Exchange. As of December 31, 2024, 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 financial statements of the Company are presented in the Company's functional currency.

2. APPROVAL OF FINANCIAL STATEMENTS

The financial statements issued after it had approved by the Company's Board of Directors on March 5, 2025.

3. APPLICATION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS

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

   The application of the revised IFRS Accounting Standards endorsed and issued into effect by the FSC will not result in significant changes in the accounting policies of the Company.

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2025

New/Revised/Amended Standards and Interpretations	Effective Date Announced by IASB
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 1)
Amendments to IFRS 9 and IFRS 7 for the Classification and Measurement of Financial Instruments regarding the application guidelines for the classification of financial assets	January 1, 2026 (Note 2)

Note 1: Applicable to the annual reporting periods beginning on or after January 1, 2025. When applying the amendment for the first time, the comparative period should not be restated. Instead, the impact amount should be recognized in the retained earnings or equity of the foreign operating entity on the initial application date, as well as the relevant affected assets and liabilities (as appropriate).

Note 2: Applicable to the annual reporting periods beginning on or after January 1, 2026. Companies may also opt for early adoption starting January 1, 2025. Upon initial application of the amendment, retrospective application is required without the need to restate comparative periods. The impact of initial application shall be recognized on the date of initial adoption. However, if a company does not utilize foresight when it is able to restate, it may choose to restate during a comparative period.

Amendments to IAS 21 "Lack of Exchangeability"

The amendment clarifies that a currency is exchangeable when an entity is able to exchange that currency for the other currency through markets or exchange mechanisms that create enforceable rights and obligations without undue delay at the measurement date and for a specified purpose. When a currency is not exchangeable at the measurement date, the Company estimates the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. When a currency is not exchangeable the Company discloses information that would enable users of its financial statements to evaluate how a currency's lack of exchangeability affects, or is expected to affect, its financial performance, financial position and cash flows.

c. IFRS Accounting Standards issued by the IASB but not yet endorsed and issued into effect by the FSC

New/Revised/Amended Standards and Interpretations	Effective Date Announced by IASB (Note 1)
"Annual Improvements to IFRS Accounting Standards — Volume 11"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 for the Classification and Measurement of Financial Instruments regarding the application guidelines for the classification of financial assets	January 1, 2026
"Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-dependent Electricity"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	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
IFRS 18 "Expression and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

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

IFRS 18 "Expression and Disclosure in Financial Statements"

IFRS 18 will replace IAS 1 "Presentation of Financial Statements." The main changes in this standard include:

- The income statement should classify revenue and expense items into categories of operating, investing, financing, income tax, and discontinued operations.
- The income statement should report operating income, pre-financing income before tax, as well as subtotals and totals of income.
- Provide guidance to strengthen the consolidation and subdivision provisions: The Company must identify assets, liabilities, equity, income, expenses, and cash flows from individual transactions or other matters, and classify and consolidate them based on common characteristics, so that each line item reported in the main financial statements has at least one similar characteristic. The items with dissimilar characteristics should be classified in the main financial statements and notes. When

the Company cannot find a more informative name, it will label such items as "Other".

- Disclosure of performance measures defining management levels: When the Company engages in public communication outside of financial statements and communicates the perspective of management levels on the overall financial performance of the Company, relevant information regarding the disclosure of performance measures should be disclosed in a single note to the financial statements. This includes the description of the measures, how they are calculated, adjustments to subtotals or totals as defined by IFRS accounting standards, and the impact of income tax and non-controlling interests related to the adjustments.

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

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

b. Basis of preparation

The 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 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.

When preparing the financial statements, the Company used the equity method to account for its investments in subsidiaries and associates. In order for the amounts of the net profit for the year, other comprehensive income for the year and total equity in the financial statements to be the same with the amounts attributable to the owners of the Company in its consolidated financial statements, adjustments arising from the differences in accounting treatments between the parent company only basis and the consolidated basis were made to investments accounted for using the equity method, the share of profit or loss of subsidiaries and associates, the share of other comprehensive income of subsidiaries and associates and the related equity items, as appropriate, in these financial statements.

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) On the balance sheet date, there is no substantive right to defer the maturity date of liabilities to at least 12 months after the balance sheet date.

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

d. Foreign Currency

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

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.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. 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 financial statements, the assets and liabilities of the Company's foreign operations (including of the 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 Company'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 included in the calculation of equity transactions but 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.

e. 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.

f. Investments in subsidiaries

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

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

Under the equity method, an investment in a subsidiary is initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the subsidiary. The Company also recognizes the changes in the Company’s share of equity of subsidiaries.

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

When the Company’s share of loss of a subsidiary exceeds its interest in that subsidiary (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 Company’s net investment in the subsidiary), the Company continues recognizing its share of further loss, if any.

Any excess of the cost of acquisition over the Company’s share of the net fair value of the identifiable assets and liabilities of a subsidiary that forms part of the business 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 Company’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.

The Company assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount as assessed based on the investee’s financial statements as a whole. Impairment loss is recognized when the carrying amount exceeds the recoverable amount. If the recoverable amount of the investment subsequently increases, the Company recognizes the reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized (net of amortization or depreciation) had no impairment loss been recognized in prior years. An impairment loss recognized on goodwill cannot be reversed in a subsequent period.

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

Unrealized profit or loss resulting from downstream transactions is eliminated in full in the financial statements. Profit and loss resulting from upstream transactions and transactions between subsidiaries are recognized in the financial statements and only to the extent of interests in the subsidiaries that are not related to the Company.

g. Investments in associates

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

The Company 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 Company's share of the profit or loss and other comprehensive income of the associate. The Company also recognizes the changes in the Company's share of the equity of associates attributable to the Company.

Any excess of the cost of acquisition over the Company'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 Company'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 Company 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 Company's proportionate interest in the associate. The Company 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 Company'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 Company'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 Company's net investment in the associate), the Company discontinues recognizing its share of further losses. Additional losses and liabilities are recognized only to the extent that the Company 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 Company 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 Company accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities.

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

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. Samples of these assets are measured at the lower of cost or net realizable value when the assets are tested for proper functioning before realizing their intended use, and the sales price and cost are recognized in profit or loss. 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 rental and/or for capital appreciation (including right-of-use assets if the definition of investment properties is met). 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 through leases were initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made on or before the commencement date, plus initial direct costs incurred and an estimate of costs needed to restore the underlying assets, less any lease incentives received. These investment properties are subsequently measured at cost less accumulated depreciation and accumulated impairment loss and adjusted for any remeasurement of the lease liabilities.

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 Company 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 Company 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 the Company 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 liability instrument investments that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, and any dividends or interest earned on such financial assets are recognized in other income and interest income, respectively; any remeasurement gains or losses on such financial assets are recognized in other gains or losses. Fair value is determined in the manner described in Note 25.

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, other receivables and refundable deposits, 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.

A financial asset is credit impaired when one or more of the following events have occurred: Significant financial difficulty of the issuer or the borrower; Breach of contract, such as a default; It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or The disappearance of an active market for that financial asset because of financial difficulties.

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

iii. Investments in equity instruments at FVTOCI

On initial recognition, the Company may make an irrevocable election to designate investments in equity instruments as at FVTOCI. 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 Company's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

b) Impairment of financial assets

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

The Company always recognizes lifetime expected credit losses (ECLs) for accounts receivable. For all other financial instruments, the Company 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 Company 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 Company 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 Company 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 amounts through a loss allowance account.

c) Derecognition of financial assets

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

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. 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 reclassifying to profit or loss.

2) Equity Instruments

Debt and equity instruments issued by the Company 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 Company 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. The carrying amount is calculated as the weighted average amount by type of stock. 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 25.

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

Derivatives are initially recognized at fair value at the date on which 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 Company 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, MDPE 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 Company assesses whether the contract is, or contains, a lease.

1) The Company 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 Company 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 Company, 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 Company as lessee

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

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 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 9 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 Company uses the lessee’s incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. Lease liabilities are presented separately on the 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 Company 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 Company recognizes expenses for the related costs for which the grants are intended to compensate. Government grants whose condition is that the Company 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 Company 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 Company, 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) Post-employment 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 Company'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. Income tax

Income tax expense represents the sum of the current tax and deferred income tax.

1) Current tax

The Company determines the income (loss) of the current year in accordance with the laws and regulations in the Republic of China, and calculates the income tax payable (recoverable) accordingly.

According to the Income Tax Law, 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 income tax

Deferred income 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 income tax liabilities 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 income tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax asset 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 income 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 income 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 income 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 income tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred income taxes

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

The Company takes into account the potential impacts when developing critical accounting estimates, and the management will continue to review the estimates and underlying assumptions.

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, 2024	December 31, 2023
Cash on hand and petty cash	$ 79	$ 91
Checking accounts and demand deposits	106,039	56,115
Cash equivalents		
Time deposits	306,798	284,230
Reverse repurchase agreements collateralized by bonds	878,682	519,153
	$ 1,291,598	$ 859,589

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, 2024	December 31, 2023
Time deposits	1.00%～4.28%	1.40%～5.25%
Reverse repurchase agreements collateralized by bonds	1.85%～1.93%	1.49%～1.55%

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

	December 31, 2024	December 31, 2023
Financial assets - current		
Mandatorily classified as at FVTPL		
Derivative instruments (not under hedge accounting)		
－Foreign exchange forward contracts	$ -	$ 955
Non-derivative financial assets		
－Domestic listed shares	63,400	94,054
－Foreign listed shares	18,369	-
－Mutual funds	229,862	543,227
－Beneficiary securities	62,214	68,820
Subtotal	373,845	706,101
	$ 373,845	$ 707,056

The net gain on operations of financial assets and liabilities at FVTPL - current in 2024 and 2023 was gain of $6,124 thousand and $13,588 thousand, respectively.

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

December 31, 2023

	Currency	Maturity Date	Notional Amount (thousand)
Sell	RMB/NTD	January 3, 2024 to January 9, 2024	RMB 15,100/NTD 66,336

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

8. FINANCIAL ASSETS AT FVTOCI

Investments in equity instruments

	December 31, 2024	December 31, 2023
Current		
Domestic investments		
Listed shares	$ 14,054	$ 22,458
Non-current		
Domestic investments		
Listed shares	$ 1,779,122	$ 2,750,339
Unlisted shares	117,282	140,936
	$ 1,896,404	$ 2,891,275

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 Company's strategy of holding these investments for long-term purposes.

In November 2023, the Company purchased common shares of PELL Bio-Med Technology Co. Ltd. by $19,975 thousand. Those common shares were designated as measured at fair value through other comprehensive income as they were classified as investments for medium- to long-term strategic purposes.

9. ACCOUNTS RECEIVABLE

	December 31, 2024	December 31, 2023
Accounts receivable		
At amortized cost		
Gross carrying amount	$ 378,996	$ 295,125
Less: Allowance for impairment loss	(2,000)	(2,000)
	$ 376,996	$ 293,125
Accounts receivable from related parties (Note 26)	$ 93,439	$ 213,488

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 Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Company 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 Company's credit risk was significantly reduced.

The Company applies the simplified approach to providing for expected credit losses, 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 Company's provision matrix:

December 31, 2024

	Not Past Due	1 to 60 Days	61 to 90 Days	Total
Gross carrying amount	$ 472,435	$ -	$ -	$ 472,435
Loss allowance (Lifetime ECL)	(2,000)	-	-	(2,000)
Amortized cost	$ 470,435	$ -	$ -	$ 470,435

December 31, 2023

	Not Past Due	1 to 60 Days	61 to 90 Days	Total
Gross carrying amount	$ 506,279	$ 2,334	$ -	$ 508,613
Loss allowance (Lifetime ECL)	-	(2,000)	-	(2,000)
Amortized cost	$ 506,279	$ 334	$ -	$ 506,613

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:

	2024	2023
Balance at January 1, 2023	$ 2,000	$ 2,000
Add: Impairment loss for the year	-	-
Balance at December 31, 2024	$ 2,000	$ 2,000

10. INVENTORIES

	December 31, 2024	December 31, 2023
Finished goods	$ 382,318	$ 441,637
Work in process	23,070	22,627
Raw materials	103,772	78,150
Production supplies	52,093	50,306
	$ 561,253	$ 592,720

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2024 and 2023 was $5,701,212 thousand and $5,417,965 thousand, respectively. The cost of goods sold for 2024 and 2023 included loss for market price decline and obsolete and slow-moving inventories of $11,562 thousand and $10,123 thousand respectively.

11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31, 2024	December 31, 2023
Investments in subsidiaries	$ 905,004	$ 805,084
Investments in associates	3,049,022	3,915,521
	$ 3,954,026	$ 4,720,605

a. Investments in subsidiaries

	December 31, 2024	December 31, 2023
Unlisted company		
APC (BVI) Holding Co., Ltd. (APC (BVI))	$ 693,500	$ 596,737
APC Investment Corporation (APCIC)	142,003	141,678
USI International Corp. (USIIC)	69,501	66,669
	$ 905,004	$ 805,084

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

	December 31, 2024	December 31, 2023
APC(BVI)	100%	100%
APCIC	100%	100%
USIIC	70%	70%

In order to meet the business needs, the Company established XUL in Xiamen City, Fujian Province in Mainland China through joint venture of APC (BVI) and Swanlake Traders Ltd., the subsidiary of USI Corporation. The company has been registered and incorporated on November 6, 2023 with the investments of RMB$ 3,000 thousand from APC (BVI) and RMB$ 7,000 thousand from Swanlake on December 14, 2023.

b. Investments in associates

	December 31, 2024	December 31, 2023
Material associates		
Ever Conquest Global Ltd.	$ 1,767,006	$ 2,541,084
Associates that are not individually material		
Listed company		
China General Plastics Corporation (CGPC)	705,215	773,150
Acme Electronics Corporation (ACME)	64,521	56,503
Unlisted company		
China General Terminal & Distribution Co. (CGTD)	302,831	329,972
Swanson Plastics Corporation (SPC)	203,817	198,518
Taiwan United Venture Capital Corp. (TUVC)	2,752	11,369
USI Optronics Corporation (USIO)	2,880	4,925
	$ 3,049,022	$ 3,915,521

1) Material associates

Name of Associates	Nature of Activities	Principal Place of Business	Proportion of Ownership and Voting Rights December 31, 2024	Proportion of Ownership and Voting Rights December 31, 2023
Ever Conquest Global Ltd.	Reinvestment	British Virgin Islands	40.87%	40.87%

The Company 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 IFRS Accounting Standard and adjusted by the Company for equity accounting purposes.

Ever Conquest Global Ltd.

	December 31, 2024	December 31, 2023
Current assets	$ 1	$ 1
Non-current assets	4,323,787	6,217,923
Equity	$ 4,323,788	$ 6,217,924
Proportion of the Company's ownership	40.87%	40.87%
Equity attributable to the Company	$ 1,767,006	$ 2,541,084
Carrying amount of investments	$ 1,767,006	$ 2,541,084

	2024	2023
The Company’s share of:		
Net loss for the year	($ 901,988)	($ 952,746)
Other comprehensive gain (loss)	127,910	(32,716)
Total comprehensive income for the year	($ 774,078)	($ 985,462)

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, Hsin Tay Petroleum Co., Ltd., Chenergy Global Corporation and Lien Hwa Corporation. The main contents of the contract and commitments include: (1) the shareholders establish Ever Victory Global Limited (hereinafter referred to the “Ever Victory Global”) and agree to pass the establishment of the 100% owned company named Dynamic Ever Investments Limited in Hong Kong (hereinafter referred to as the “DEIL”), 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; (2) DEIL establishes 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. establishes 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 Group”) and acquire 50% of the shares of Gulei Group as a basis for cooperative investment.

Furthermore, due to the increase in the investment amount specified in the "Fujian Gulei Petrochemical Co., Ltd. Joint Venture Agreement" signed by DEIL and Fujian Refining and Chemical Co., Ltd., some of the counterparties to the original joint venture agreement or commitment are unable to subscribe or participate in the subsequent capital increase procedures according to the proportion of investment as stipulated in the original joint venture agreement. To ensure the continuity and achievement of the business objectives of the original agreement, a joint venture agreement was re-signed on September 30, 2016, and CTCI Corporation was added as a new contract or commitment counterparty. On December 18, 2019, the new joint venture agreement was signed and new counterparties, Fubon Financial Holding Venture Capital Co. and Hongfu Investment Co., Ltd. were added to the agreement as counterparties.

In order to increase Gulei Group’s operating capital, Ever Victory Global and Hong Kong Dor Po Investment Company Limited (as “DOR PO”) signed a joint venture contract for an investment in DEIL on June 5, 2019. According to the joint venture contract, DOR PO will invest USD109,215 thousand to participate in the capital increase of DEIL. As of December 31, 2024, DOR PO had invested USD103,915 thousand and acquired 15% ownership interest in DEIL.

As of December 31, 2024, the Company and USI Corporation had cumulatively invested USD170,475 thousand (approximately NT$5,255,587 thousand) and USD246,670 thousand (approximately NT$7,645,981 thousand) in Ever Conquest Global Ltd., respectively, and re-invested in DEIL through Ever Conquest Global Ltd.'s reinvestment in Ever Victory Global. The Company and USI Corporation jointly hold a proportion of ownership of 67.4% in Ever Victory Global. DEIL cumulatively invested a total of RMB4,657,200 thousand in Gulei Group.

2) Aggregate information of subsidiaries and associates that are not individually material

	2024	2023
The Company’s share of:		
Net gain (loss) for the year	($ 33,732)	$ 18,741
Other comprehensive gain (loss)	65,792	(28,875)
Total comprehensive income for the year	$ 32,060	($ 10,134)

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

Name of Associates	December 31, 2024	December 31, 2023
CGPC	8.07%	8.07%
ACME	3.19%	3.19%
CGTD	33.33%	33.33%
SPC	7.95%	7.95%
TUVC	8.33%	8.33%
USIO	9.20%	9.20%

Please refer to Table 3 "Related Information and Locations on Investees" and Table 4 "Information on Investments in Mainland China" for the nature of activities, principal places of business and countries of incorporation of the associates.

The Company did not subscribe for the cash capital increase of ACME in proportion to its shareholding with an amount of $14,894 thousand, resulting in the decrease of shareholding from 3.31% to 3.19%, with the base date of capital increase on January 16, 2023.

TUVC convened a shareholders' meeting on June 28, 2023 and resolved to reduce its capital and return cash to its shareholders, with the base date of the capital reduction on August 22, 2023. The Company received NT$14,155 thousand back in August 2023. Furthermore, TUVC convened a shareholders' meeting on June 5, 2024 and resolved and approved to reduce its capital and return cash to its shareholders, with the base date of the capital reduction on June 18, 2024. The Company received NT$8,327 thousand back in June 2024.

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

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, 2024	December 31, 2023
CGPC	$ 560,290	$ 1,045,562
ACME	$ 186,356	$ 170,713

12. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings and Improvements	Machinery and equipment	Transportation equipment	Other equipment	Construction in Progress and Prepayments for Equipment	Total
Cost							
Balance on January 1, 2024	$ 228,229	$ 781,248	$ 6,663,066	$ 8,336	$ 89,056	$ 953,814	$ 8,723,749
Additions	-	-	43,805	-	-	379,845	423,650
Disposals	-	-	(65,126)	(156)	(3,851)	-	(69,133)
Internal transfer	-	-	67,052	-	1,975	(69,027)	-
Balance at December 31, 2024	$ 228,229	$ 781,248	$ 6,708,797	$ 8,180	$ 87,180	$ 1,264,632	$ 9,078,266
Accumulated depreciation and impairment							
Balance on January 1, 2024	$ -	$ 362,294	$ 4,815,677	$ 6,819	$ 82,424	$ -	$ 5,267,214
Depreciation expenses	-	17,972	307,146	260	1,874	-	327,252
Disposals	-	-	(55,339)	(156)	(3,851)	-	(59,346)
Balance at December 31, 2024	$ -	$ 380,266	$ 5,067,484	$ 6,923	$ 80,447	$ -	$ 5,535,120
Net amount at December 31, 2024	$ 228,229	$ 400,982	$ 1,641,313	$ 1,257	$ 6,733	$ 1,264,632	$ 3,543,146
Cost							
Balance on January 1, 2023	$ 228,229	$ 779,756	$ 6,499,542	$ 8,966	$ 85,982	$ 792,988	$ 8,395,463
Additions	-	-	58,342	-	-	342,806	401,148
Disposals	-	-	(70,938)	(630)	(1,294)	-	(72,862)
Internal transfer	-	1,492	176,120	-	4,368	(181,980)	-
Balance at December 31, 2023	$ 228,229	$ 781,248	$ 6,663,066	$ 8,336	$ 89,056	$ 953,814	$ 8,723,749
Accumulated depreciation and impairment							
Balance on January 1, 2023	$ -	$ 343,539	$ 4,600,641	$ 7,189	$ 80,894	$ -	$ 5,032,263
Depreciation expenses	-	18,755	285,974	260	2,824	-	307,813
Disposals	-	-	(70,938)	(630)	(1,294)	-	(72,862)
Balance at December 31, 2023	$ -	$ 362,294	$ 4,815,677	$ 6,819	$ 82,424	$ -	$ 5,267,214
Net amount at December 31, 2023	$ 228,229	$ 418,954	$ 1,847,389	$ 1,517	$ 6,632	$ 953,814	$ 3,456,535

For the years ended December 31, 2024 and 2023, no impairment loss or reversal of impairment loss was recognized.

The accrual of depreciation expenses is conducted on a straight-line basis over the estimated useful lives as follows:

Buildings and Improvements	
Factory and improvements	15 to 40 years
Office building, laboratory 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
Transportation equipment	5 to 7 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 a quarterly basis. The Board of Directors of the Company resolved to build the Intercontinental

Phase II Petrochemical Oil Products Center in 2019. As of December 31, 2024, the Company has made construction payment of $846,424 thousand, which was booked under the construction in progress.

13. LEASE ARRANGEMENTS

a. Right-of-use Assets

	December 31, 2024	December 31, 2023
Carrying amounts of right-of-use assets		
Land	$ 8,704	$ 9,368
Transportation equipment	-	34
	$ 8,704	$ 9,402

	2024	2023
Depreciation charge for right-of-use assets		
Land	$ 664	$ 669
Transportation equipment	34	204
	$ 698	$ 873

For the years ended December 31, 2024 and 2023, no impairment loss or reversal of impairment loss was recognized.

The Company 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 14). 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

Range of discount rate for lease liabilities was as follows:

	December 31, 2024	December 31, 2023
Land	1.06%	1.06%
Transportation equipment	-	1.06%
Buildings	2.16%	1.06%

c. Other lease information

	2024	2023
Expenses relating to short-term leases	$ 3,506	$ 3,849
Total cash outflow for leases	($ 10,082)	($ 10,381)

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

14. INVESTMENT PROPERTIES

	Land	Buildings and Improvements	Right-of-use Assets	Total
Cost				
Balance on January 1, 2024	$ 370,202	$ 132,574	$ 34,585	$ 537,361
Additions	-	-	75,595	75,595
Balance at December 31, 2024	$ 370,202	$ 132,574	$ 110,180	$ 612,956
Accumulated depreciation				
Balance on January 1, 2024	$ -	$ 81,511	$ 27,303	$ 108,814
Depreciation expenses	-	2,200	5,461	7,661
Balance at December 31, 2024	$ -	$ 83,711	$ 32,764	$ 116,475
Net amount at December 31, 2024	$ 370,202	$ 48,863	$ 77,416	$ 496,481
Cost				
January 1, 2023 and Balance at December 31, 2023	$ 370,202	$ 132,574	$ 34,585	$ 537,361
Accumulated depreciation				
Balance on January 1, 2023	$ -	$ 79,311	$ 21,842	$ 101,153
Depreciation expenses	-	2,200	5,461	7,661
Balance at December 31, 2023	$ -	$ 81,511	$ 27,303	$ 108,814
Net amount at December 31, 2023	$ 370,202	$ 51,063	$ 7,282	$ 428,547

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 of December 31, 2024 and 2023 was as follows:

	December 31, 2024	December 31, 2023
Year 1	$ 23,530	$ 18,893
Year 2	12,984	9,332
Year 3	4,573	7,607
Year 4	-	972
	$ 41,087	$ 36,804

The investment properties held by the Company 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 Company'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, 2024 and 2023, the fair values derived from the valuation were as follows:

	December 31, 2024	December 31, 2023
Fair Value	$ 1,529,711	$ 1,329,491

15. BORROWINGS

Long-term borrowings

	December 31, 2024	December 31, 2023
Unsecured borrowings	$ 1,181,910	$ 546,094
Less: Current portion due within one year	(393,755)	(65,880)
Long-term borrowings	$ 788,155	$ 480,214
Range of interest rates	1.175%~1.675%	1.05%

In order to fund medium to long-term working capital needs, the Company signed medium to long-term loan agreements with banks with total lines of credit of $2,350,000 thousand. The loan agreements will subsequently expire before November 2027 and these lines of credit are on a revolving basis. The lines of credit have not been used as of December 31, 2024.

Through “Action Plan for Accelerated Investment by Domestic Corporations” the Company obtained a low-interest bank loan, which should be used for subsidized eligible projects. The difference between the market interest rate recognized and measured for the bank loan and the interest paid at preferential rate was recognized as government grant.

As of December 31, 2024, the Company's bank loan limit can be found in Note 25.

Some of the Company'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 Company shall propose improvement measures to the banks concerned. As of December 31, 2024, the Company did not violate these financial ratios and terms.

16. ACCOUNTS PAYABLE

	December 31, 2024	December 31, 2023
Arising from operation (Note 26)	$ 249,973	$ 183,470

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

17. OTHER PAYABLES

	December 31, 2024	December 31, 2023
Other payables		
Payables for equipment	$ 63,623	$ 39,784
Payables for utilities	53,870	46,063
Payables for salaries or bonuses	48,405	94,855
Payables for dividends	11,521	15,417
Payables for freight fees	10,886	8,462
Payables for insurance	2,311	2,422
Others	40,028	24,015
	$ 230,644	$ 231,018

18. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Company 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. In 2024 and 2023, 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. If the estimated balance of the account before the end of the year is not enough to pay for the workers who are qualified for retirement in the following year, the contribution of the difference will be made in one lump sum by the end of March of the following year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor ("the Bureau"); the Company has no right to influence the investment policy and strategy.

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

	December 31, 2024	December 31, 2023
Present Value of the Defined Benefit Obligation	$ 218,464	$ 238,574
Fair Value of the Plan Assets	(137,256)	(136,210)
Net defined benefit liabilities	$ 81,208	$ 102,364

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

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities (Assets)
Balance on January 1, 2024	$ 238,574	($ 136,210)	$ 102,364
Service cost			
Current service cost	1,425	-	1,425
Net interest expense (income)	2,860	(1,643)	1,217
Recognized in Profit or Loss	4,285	(1,643)	2,642
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(13,349)	(13,349)
Actuarial gain - changes in financial assumptions	(3,314)	-	(3,314)
Actuarial loss - experience adjustments	2,392	-	2,392
Recognized in Other Comprehensive Income	(922)	(13,349)	(14,271)
Contributions from the employer	-	(9,527)	(9,527)
Benefits paid	(23,473)	23,473	-
Balance at December 31, 2024	$ 218,464	($ 137,256)	$ 81,208
Balance on January 1, 2023	$ 267,490	($ 155,384)	$ 112,106
Service cost			
Current service cost	1,839	-	1,839
Net interest expense (income)	3,511	(2,073)	1,438
Recognized in Profit or Loss	5,350	(2,073)	3,277
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(1,250)	(1,250)
Actuarial gain - changes in financial assumptions	1,945	-	1,945
Actuarial loss - experience adjustments	(711)	-	(711)
Recognized in Other Comprehensive Income	1,234	(1,250)	(16)
Contributions from the employer	-	(13,003)	(13,003)
Benefits paid	(35,500)	35,500	-
Balance at December 31, 2023	$ 238,574	($ 136,210)	$ 102,364

Through the defined benefit plans under the Labor Standards Act, the Company 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 rate 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, 2024	December 31, 2023
Discount rate	1,50%	1.25%
Expected rate of salary increase	2.75%	2.75%

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, 2024	December 31, 2023
Discount rate		
0.25% increase	($ 3,242)	($ 3,866)
0.25% decrease	$ 3,314	$ 3,960
Expected rate of salary increase		
0.25% increase	$ 3,216	$ 3,833
0.25% decrease	($ 3,162)	($ 3,762)

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, 2024	December 31, 2023
Expected contributions to the plan for the next year	$ 9,732	$ 10,000
Average duration of the defined benefit obligation	6.0 years	6.6 years

19. EQUITY

a. Ordinary shares

	December 31, 2024	December 31, 2023
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	593,743
Shares issued	$ 5,937,438	$ 5,937,438

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

b. Capital surplus

	December 31, 2024	December 31, 2023
Unpaid dividends	$ 26,642	$ 26,247
Share of changes in capital surplus of associates accounted for using the equity method	11,488	11,312
	$ 38,130	$ 37,559

Capital surplus which arises from unclaimed dividends and the share of changes in capital surplus of associates may be used to offset a deficit only.

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 21-7.

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 NT$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 2023 and 2022 approved in the shareholders' meetings on May 30, 2024 and 2023, respectively, were as follows:

	2023	2022
Legal reserve	$ 11,994	$ 147,008
Cash dividends	$ 267,185	$ 712,493
Cash dividends per share (NT$)	$ 0.45	$ 1.20

The appropriation of earnings for 2024 had been proposed by the Company's Board of Directors on March 5, 2025 were as follows:

	2024
Cash dividends	$ 148,346
Cash dividends per share (NT$)	$ 0.25

The appropriation of earnings for 2024 is subject to resolution in the shareholders' meeting to be held on May 30, 2025.

d. Other Equity

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

	2024	2023
Balance at January 1	($ 145,105)	($ 109,403)
Recognized for the year		
Exchange differences on translating the financial statements of foreign operations	171,250	(41,135)
Share from subsidiaries and associates accounted for using the equity method	15,859	(2,794)
Related income tax	(34,250)	8,227
Other comprehensive income recognized for the year	152,859	(35,702)
Balance at December 31	$ 7,754	($ 145,105)

2) Unrealized gain (loss) on financial assets at fair value through other comprehensive income

	2024	2023
Balance at January 1	$ 813,423	$ 1,052,184
Recognized for the year		
Unrealized (gain) loss		
Equity instruments	(1,003,175)	(222,659)
Share from subsidiaries and associates accounted for using the equity method	(2,846)	(16,964)
Related income tax	(5,971)	278
Other comprehensive income recognized for the year	(1,011,992)	(239,345)
Cumulative unrealized gain of equity instruments transferred to retained earnings due to disposal		
Recognized for the year	(250)	-
Share from subsidiaries and associates accounted for using the equity method	334	584
Balance at December 31	($ 198,485)	$ 813,423

20. REVENUE

a. Revenue from contracts with customers

	2024	2023
Revenue from sale of goods	$ 5,816,814	$ 6,541,670

b. Contract balances

	December 31, 2024	December 31, 2023	January 1, 2023
Accounts receivable (Note 9)	$ 470,435	$ 506,613	$ 1,103,665
Contract liabilities (presented in other current liabilities)	$ 47,755	$ 46,371	$ 33,291

21. NET PROFIT (LOSS) FOR THE YEAR

a. Interest income

	2024	2023
Interest income		
Bank deposits	$ 4,395	$ 5,640
Financial assets at FVTPL	2,101	1,533
Reverse repurchase agreements collateralized by bonds	10,901	5,475
	$ 17,397	$ 12,648

b. Other income

	2024	2023
Lease income	$ 52,393	$ 48,502
Dividend income		
Financial assets at FVTPL	3,429	1,757
Investments in equity instruments at FVTOCI	72,331	105,789
	75,760	107,546
Others	8,487	12,156
	$ 136,640	$ 168,204

c. Other gains and losses

	2024	2023
Gain on financial assets and financial liabilities		
Financial assets at FVTPL	$ 335	$ 9,540
Financial liabilities at FVTPL	259	758
Scrapping losses of property, plant and equipment	(9,787)	-
Net gain on foreign currency exchange	29,540	1,787
Others	(29,288)	(12,704)
	($ 8,941)	($ 619)

d. Interest expense

	2024	2023
Interest on bank loans	$ 12,306	$ 8,889
Interest on lease liabilities	155	223
	$ 12,461	$ 9,112

There was no capitalization of interest costs between 2024 and 2023.

e. Depreciation and amortization

	2024	2023
Property, plant and equipment	$ 327,252	$ 307,813
Investment properties	7,661	7,661
Right-of-use Assets	698	873
Intangible assets	480	359
Total	$ 336,091	$ 316,706
An analysis of depreciation by function		
Operating cost	$ 327,837	$ 308,600
Operating expenses	113	86
Other gains and losses	7,661	7,661
	$ 335,611	$ 316,347
An analysis of amortization by function		
Operating expenses	$ 480	$ 359

f. Employee benefits expense

	2024	2023
Post-employment benefits (Note 18)		
Defined contribution plans	$ 9,505	$ 9,137
Defined benefit plans	2,642	3,277
	12,147	12,414
Other employee benefits	302,651	349,048
Total employee benefits expense	$ 314,798	$ 361,462
An analysis of employee benefits expense by function		
Operating cost	$ 267,786	$ 312,565
Operating expenses	47,012	48,897
	$ 314,798	$ 361,462

g. Employees’ compensation and remuneration of directors

The Company accrued employees’ compensation and remuneration of directors 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. In 2024, due to losses, employee and director remuneration were not estimated. The employees’ compensation and remuneration of directors for the year ended December 31, 2023, which were approved by the Company’s Board of Directors on March 7, 2024, were as follows:

Accrual rate

	2023
	Cash
Employees’ compensation	1%
Directors’ remuneration	-

Amount

	2023
	Cash
Employees’ compensation	$ 1,467
Directors’ remuneration	$ -

If there is a change in the amounts after the annual 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 financial statements for the years ended December 31, 2023 and 2022.

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

	2024	2023
Foreign exchange gains	$ 43,495	$ 48,995
Foreign exchange losses	(13,955)	(47,208)
Net gain	$ 29,540	$ 1,787

22. INCOME TAX

a. Income tax recognized in profit or loss

Major components of income tax (benefits) expenses are as follows:

	2024	2023
Current tax		
In respect of the current year	$ 62	$ 198,630
Income tax on unappropriated earnings	-	24,529
Adjustments for prior years	2,522	(890)
	2,584	222,269
Deferred income tax		
In respect of the current year	(176,370)	(193,276)
Income tax (benefits) expenses recognized in profit or loss	($ 173,786)	$ 28,993

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

	2024	2023
Profit (loss) before income tax	($ 924,286)	$ 145,277
Income tax (benefit) expense calculated on pre-tax net (loss) income at the statutory tax rate	($ 184,857)	$ 29,055
Items which should be adjusted according to statutory taxable income	26,185	(579)
Tax-exempt income	(17,636)	(23,122)
Income tax on unappropriated earnings	-	24,529
Adjustments for prior years' tax	2,522	(890)
Income tax (benefits) expenses recognized in profit or loss	($ 173,786)	$ 28,993

b. Income tax recognized in other comprehensive income

	2024	2023
Deferred income tax		
In respect of current year		
—Translation of foreign operations	$ 34,250	($ 8,227)
—Unrealized gain (loss) on financial assets at fair value through other comprehensive income	5,971	(278)
—Remeasurement on defined benefit plans	2,854	3
Total income tax expense (benefits) recognized in other comprehensive income	$ 43,075	($ 8,502)

c. Deferred income tax assets and liabilities

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

2024

	Balance at January	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Balance at December 31
Deferred income tax assets				
Temporary differences				
Unrealized foreign exchange losses	$ 1,777	($ 1,777)	$ -	$ -
Allowance for inventory valuation and obsolescence losses	2,254	2,312	-	4,566
Allowance for office supplies impairment losses	9,626	1,139	-	10,765
Customer rebates	1,179	-	-	1,179
Allowance for production supplies losses	1,077	(228)	-	849
FVTPL financial instruments	$ -	$ 218	$ -	$ 218
Payables for annual leave	2,273	152	-	2,425
Defined benefit obligation	20,899	(1,377)	(2,854)	16,668
Inventory tax differences	111	(21)	-	90
Depreciation tax differences	-	29	-	29
Exchange differences on foreign operations	25,345	-	(25,345)	-
Investment loss recognized by the equity method	488,883	175,051	-	663,934
Unappropriated earnings of controlled foreign company	4,636	2,052	-	6,688
	$ 558,060	$ 177,550	($ 28,199)	$ 707,411
Deferred income tax liabilities				
Temporary differences				
Land value increment tax reserve	$ 21,469	$ -	$ -	$ 21,469
Loss allowance for accounts receivable	267	-	-	267
Unrealized foreign exchange gains	-	1,215	-	1,215
FVTPL financial instruments	191	(191)	-	-
Depreciation tax differences	15	(15)	-	-
Financial assets at FVTOCI	7,462	-	5,971	13,433
Exchange differences on foreign operations	-	-	8,905	8,905
Unrealized gross loss on sales	418	171	-	589
	$ 29,822	$ 1,180	$ 14,876	$ 45,878

2023

	Balance at January	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Balance at December
Deferred income tax assets				
Temporary differences				
Unrealized foreign exchange losses	$ -	$ 1,777	$ -	$ 1,777
Allowance for inventory valuation and obsolescence losses	230	2,024	-	2,254
Allowance for office supplies impairment losses	9,343	283	-	9,626
Customer rebates	1,179	-	-	1,179
Allowance for production supplies losses	1,087	(10)	-	1,077
FVTPL financial instruments	517	(517)	-	-
Payables for annual leave	2,266	7	-	2,273
Defined benefit obligation	22,635	(1,733)	(3)	20,899
Inventory tax differences	90	21	-	111
Exchange differences on foreign operations	17,118	-	8,227	25,345
Investment loss recognized by the equity method	301,662	187,221	-	488,883
Unappropriated earnings of controlled foreign company	-	4,636	-	4,636
	$ 356,127	$ 193,709	$ 8,224	$ 558,060
Deferred income tax liabilities				
Temporary differences				
Land value increment tax reserve	$ 21,469	$ -	$ -	$ 21,469
Loss allowance for accounts receivable	267	-	-	267
Unrealized foreign exchange gains	9	(9)	-	-
FVTPL financial instruments	-	191	-	191
Depreciation tax differences	182	(167)	-	15
Financial assets at FVTOCI	7,740	-	(278)	7,462
Unrealized gross loss on sales	-	418	-	418
	$ 29,667	$ 433	($ 278)	$ 29,822

d. Income tax assessments

The Company’s income tax returns as of 2022 have been assessed by the tax authorities.

23. EARNINGS (LOSSES) PER SHARE

Unit: NT$ Per Share

	2024	2023
Basic earnings (losses) per share	($ 1.26)	$ 0.20
Diluted earnings (losses) per share	($ 1.26)	$ 0.20

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

Net profit (loss) for the year

	2024	2023
Net profit (loss) used in the computation of basic and diluted earnings (losses) per share	($ 750,500)	$ 116,284

(In Thousand Shares)

	2024	2023
Number of Shares		
Weighted average number of ordinary shares used in the computation of basic earnings (losses) per share	593,743	593,743
Effect of potentially dilutive ordinary shares:		
Employees' compensation		168
Weighted average number of ordinary shares used in the computation of diluted earnings (loss) per share		593,911

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

As the Company incurred a loss in 2024, potential dilution was anti-dilutive and was therefore not included in the calculation of diluted loss per share.

24. CAPITAL MANAGEMENT

The Company manages its capital to ensure that the Company 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 capital structure of the Company 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).

25. FINANCIAL INSTRUMENTS

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

The Company’s management believes that the carrying amounts of financial assets and financial liabilities which are recognized in the 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, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic listed shares	$ 63,400	$ -	$ -	$ 63,400
Foreign listed shares	18,369	-	-	18,369
Mutual funds	229,862	-	-	229,862
Beneficiary securities	62,214	-	-	62,214
	$ 373,845	$ -	$ -	$ 373,845
Financial Assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	$1,793,176	$ -	$ -	$1,793,176
Domestic unlisted shares	-	-	117,282	117,282
	$1,793,176	$ -	$ 117,282	$1,910,458

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative instruments	$ -	$ 955	$ -	$ 955
Domestic listed shares	94,054	-	-	94,054
Mutual funds	543,227	-	-	543,227
Beneficiary securities	68,820	-	-	68,820
	$ 706,101	$ 955	$ -	$ 707,056
Financial Assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	$2,772,797	$ -	$ -	$2,772,797
Domestic unlisted shares	-	-	140,936	140,936
	$2,772,797	$ -	$ 140,936	$2,913,733

There were no transfers between Levels 1 and 2 in 2024 and 2023.

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

2024

Financial Assets	Financial Assets at FVTOCI Equity Instruments
Balance at January 1	$ 140,936
Transfer out of Level 3	(19,975)
Recognized in other comprehensive income (included in unrealized gain on financial assets at FVTOCI)	(3,679)
Balance at December 31	$ 117,282

2023

Financial Assets	Financial Assets at FVTOCI Equity Instruments
Balance at January 1	$ 135,304
Purchase	19,975
Recognized in other comprehensive income (included in unrealized gain on financial assets at FVTOCI)	(14,343)
Balance at December 31	$ 140,936

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

Type of 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 Company’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 $1,173 thousand in 2024 and $1,409 thousand in 2023.

c. Categories of financial instruments

	December 31, 2024	December 31, 2023
Financial Assets		
Financial assets at FVTPL		
Mandatorily classified as at FVTPL	$ 373,845	$ 707,056
Financial assets at amortized cost (Note 1)	1,784,336	1,371,112
Financial Assets at FVTOCI		
Investments in equity instruments	1,910,458	2,913,733
Financial liabilities		
Financial liabilities at amortized cost (Note 2)	1,760,535	1,094,031

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

Note 2: The balances include financial liabilities at amortized cost, which comprise, accounts payable (including related parties), other payables (including related parties and excluding payables for salaries and taxes), current portion of long-term liabilities, long-term borrowings, and guarantee deposits received.

d. Financial risk management objectives and policies

The Company's risk control and hedging strategy are influenced by its operational environment. The Company 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 Company'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 Company's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

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

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities is set out in Note 29. Please refer to Note 7 for the carrying amount of derivative instrument with foreign exchange exposure.

Sensitivity analysis

The Company was mainly exposed to the USD and RMB. 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 Company's functional currency against the USD, there would be a decrease/an increase of $8,380 thousand and $8,859 thousand in pre-tax profit for the years ended December 31, 2024 and 2023, respectively. For a 3% strengthening/weakening of the Company's functional currency against the RMB, there would be a decrease/an increase of $1,857 thousand and $5,336 thousand in pre-tax profit for the years ended December 31, 2024 and 2023, respectively.

In management's opinion, this sensitivity analysis is unrepresentative of the Company'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 Company was exposed to fair value interest rate risk because the Company held financial assets and financial liabilities at fixed rates; the Company was exposed to cash flow interest rate risk because the Company held financial assets and financial liabilities at floating rates. The Company's management personnel monitors the changes in the market rates on a regular basis and adjusts the floating rate financial liabilities to make the Company's rates approach market rates in response to the risk caused by changing market rates.

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

	December 31, 2024	December 31, 2023
Fair value interest rate risk		
－Financial Assets	$ 1,185,480	$ 803,383
－Financial Liabilities	86,921	17,748
Cash flow interest rate risk		
－Financial Assets	105,164	54,290
－Financial Liabilities	1,190,303	546,094

Sensitivity analysis

The sensitivity analysis below was determined based on the Company'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 Company's pre-tax profit for the years ended December 31, 2024 and 2023 would have decreased/increased by $5,426 thousand and $2,459 thousand, respectively.

c) Other price risk

The Company was exposed to securities price risk through its investments in securities listed in the ROC or other countries. The Company manages this exposure by maintaining a portfolio of investments with different risks. In addition, the Company has appointed a special team to monitor 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 Company invested, the risk of price fluctuation of money market funds was very limited, so it was not included in the analysis.

If the marketable securities increases / decreases by 5%, the net profit before tax for 2024 would increase / decrease by $8,030 thousand a due to the increase / decrease in the fair value of financial assets (excluding investment in money market funds); the pre-tax net profit for the 2023 would increase/decrease by NT$8,144 thousand. Other comprehensive income before tax for 2024 and 2023 would increase / decrease by $95,523 thousand and $145,687 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 Company. As at the end of the reporting period, the Company's maximum exposure to credit risk, which would cause a financial loss to the Company due to the failure of the counterparty to discharge its obligation and due to the financial guarantees provided by the Company, could be equal to the total of the following:

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

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

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

The Company 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 Company's credit risk is limited.

3) Liquidity risk

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

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

a) Liquidity and interest rate risk table

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

December 31, 2024

	Weighted Average Interest Rate (%)	On Demand or Less than 1 Year	1 to 5 Years	5+ Years
Non-derivative financial liabilities				
Non-interest bearing liabilities		$ 572,727	$ -	$ -
Lease liabilities	1.06%~2.16%	7,668	34,173	55,744
Floating interest rate instruments	1.05%	404,810	796,491	-
		$ 985,205	$ 830,664	$ 55,744

December 31, 2023

	Weighted Average Interest Rate (%)	On Demand or Less than 1 Year	1 to 5 Years	5+ Years
Non-derivative financial liabilities				
Non-interest bearing liabilities		$ 543,138	$ -	$ -
Lease liabilities	1.06%	6,577	4,948	7,151
Floating interest rate instruments	1.05%	72,031	489,477	-
		$ 621,746	$ 494,425	$ 7,151

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

Liquidity analysis of derivative financial instruments with gross delivery is prepared on the basis of undiscounted gross cash inflows and outflows. When the amount payable or receivable is not fixed, the amount disclosed is determined by the expected interest rate derived from the yield curve on the balance sheet date (as of December 31, 2024: none).

December 31, 2023

	On Demand or Less than 1 Month
Gross settled	
Foreign exchange forward contracts	
－Inflows	$ 66,336
－Outflows	(65,462)
	$ 874

c) Financing facilities

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

	December 31, 2024	December 31, 2023
Bank loan facilities		
－Amount used	$ 1,182,923	$ 549,000
－Amount unused	5,870,000	9,750,000
	$ 7,052,923	$ 10,299,000

26. 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, 2024 and 2023.

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

a. Names and relationships of the related parties which have significant transactions with the Company are summarized as follows:

Name of the Related Party	Relationship with the Company
USI Corporation	Ultimate parent company
Union Polymer International Investment Corporation (Union Polymer)	Parent entity
USI International Corp. (USIIC)	Subsidiary
USI Trading (Shanghai) Co., Ltd (USITA)	Subsidiary
APC Investment Corporation (APCIC)	Subsidiary
China General Plastics Corporation (CGPC)	Associate
China General Terminal & Distribution Co. (CGTD)	Associate
Acme Electronics Corporation (ACME)	Associate
USI Optronics Corporation (USIO)	Associate
Swanson Plastics Corporation (SPC)	Associate
Swanson Plastics (Kunshan) Corporation (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. (GL)	Associate
Global Green Technology Corporation (GGT)	Associate
Dynamic Ever Investments Limited (DEIL)	Associate
Zhangzhou Taiju Trading Co., Ltd. (GUL)	Associate
Xiamen USI Trading Co., Ltd. (XUL)	Associate
Swanson Plastics（Malaysia）Sdn. Bhd.	Associate
Swanson Plastics（India）Private Limited	Associate
PT Swanson Plastics Indonesia	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	Fellow subsidiary
Chong Loong Trading Co., Ltd.	Fellow subsidiary
USI（Hong Kong）Company Limited（USI (HK)）	Fellow subsidiary
USI Green Energy Corporation	Fellow subsidiary
USIG (Shanghai) Co., Ltd.	Fellow subsidiary
USI Education Foundation (USIF)	Essential related party
Delmind Inc.	Essential related party

b. Sales of goods

Related Party Category/Name	2024	2023
Ultimate parent company		
USI Corporation	$ 394,661	$ 813,245
Associate	83,154	34,192
Fellow subsidiary	44,248	25,417
Subsidiary		
USITA	205,812	336,955
	$ 727,875	$ 1,209,809

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. Purchases of goods

Related Party Category/Name	2024	2023
Ultimate parent company		
USI Corporation	$ 143,556	$ 201,867
Associate		
GL	453,872	651,304
SPC	34,066	38,161
	487,938	689,465
	$ 631,494	$ 891,332

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	2024	2023
Ultimate parent company		
USI Corporation	$ 11,798	$ 9,255
Fellow subsidiary		
UM	54,536	54,800
	$ 66,334	$ 64,055

e. Property, plant and equipment

	Receipt of Payment	
Related Party Category	2024	2023
Essential related party	$ 1,345	$ -

f. Lease arrangements - Company is lessee

Lease expense

Related Party Category/Name	2024	2023
Ultimate parent company		
USI Corporation	$ 2,325	$ 2,408

g. Lease arrangement - Company is lessor

Lease income

Related Party Category/Name	2024	2023
Ultimate parent company		
USI Corporation	$ 3,508	$ 3,196
Parent entity	1	22
Subsidiary	135	135
Associate		
TVCM	12,529	13,013
CGPCP	3,024	3,062
Others	3,404	3,321
	18,957	19,396
Fellow subsidiary		
TTC	7,477	6,818
Others	2,071	1,988
	9,548	8,806
	$ 32,149	$ 31,555

Affiliated enterprises lease land from the Company for a term of three years. If the lease is not declared upon expiration, it shall be deemed renewed.

h. Donation expenses (under general and administrative expenses)

Related Party Category/Name	2024	2023
Essential related party - USIF	$ 3,000	$ 5,000

i. Management income (under other income)

Related Party Category/Name	2024	2023
Associate		
DEIL	$ 2,650	$ 1,951

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

Related Party Category/Name	2024	2023
Fellow subsidiary		
TUVM	$ 1,683	$ 1,353

k. Accounts receivable

Related Party Category/Name	December 31, 2024	December 31, 2023
Ultimate parent company		
USI Corporation	$ 52,140	$ 98,763
Associate	2,944	7,045
Subsidiary		
USITA	33,403	102,062
Fellow subsidiary	4,952	5,618
	$ 93,439	$ 213,488

l. Other receivables

Related Party Category/Name	December 31, 2024	December 31, 2023
Ultimate parent company		
USI Corporation	$ 17,800	$ 255
Associate		
DEIL	696	696
CGPC	153	186
Others	256	142
	1,105	1,024
Fellow subsidiary		
TTC	$ 705	$ 671
Others	83	89
	788	760
	$ 19,693	$ 2,039

Other receivables – related party amounts refer to payments from the ultimate parent company for the allocation of ethylene to the Company, as well as payments from the ultimate parent company and related companies, including sibling companies, for office rentals and management service fees.

m. Accounts payable

Related Party Category/Name	December 31, 2024	December 31, 2023
Ultimate parent company		
USI Corporation	$ 10,971	$ 17,007
Associate		
SPC	2,559	1,847
	$ 13,530	$ 18,854

n. Other payables

Related Party Category/Name	December 31, 2024	December 31, 2023
Ultimate parent company		
USI Corporation	$ 132,927	$ 218,104
Subsidiary	547	749
Associate	8,052	5,662
Fellow subsidiary	798	770
	$ 142,324	$ 225,285

Other payables to related parties mainly refer to the payments of purchase of Ethylene by the Company from the ultimate parent company.

o. Compensation of key management personnel

Total remuneration for directors and other key management personnel in 2024 and 2023 is as follows:

	2024	2023
Short-term employee benefits	$ 18,479	$ 19,772

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

27. SIGNIFICANT COMMITMENTS, CRITICAL EVENTS AFTER THE REPORTING DATE AND CONTINGENCIES

a. Significant commitments

The amount available under unused letters of credit as of December 31, 2024 was $410,000 thousand.

b. Key contingencies

Regarding the gas explosion of the propylene pipeline of Lee Chang Yung Chemical Industry Corporation ("LCY Chemical Corp.") on the night of July 31, 2014 operated by the investee company accounted for using 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 NT$234,785 thousand, interest 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 ("CPC"). Taiwan Power Company applied to the court for provisional attachment against CGTD's property on August 27 and November 26, 2015 and CGTD had deposited cash of NT$99,207 thousand to the court to avoid provisional attachment. Taiwan Water Corporation also applied to the court for provisional attachment against CGTD's property on February 3 and March 2, 2017, respectively. As of February 28, 2025, the provisionally attached bank deposits of CGTD amounted to NT$6,401 thousand.

As for the victims of the gas explosion, CGTD, LCY Chemical Corp. and the Kaohsiung City Government signed a tripartite agreement on July 17, 2015, agreeing to negotiate compensation in advance for all the heirs and claimants of the 32 victims (hereinafter referred to as "the families of the victims"). Each victim’s family received NT$12,000 thousand, and the total compensation was NT$384,000 thousand. The compensation was advanced by LCY Chemical Corp, and 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. In accordance with the tripartite agreement, CGTD paid NT$157,347 thousand to LCY Chemical Corp. on August 10, 2022 according to the proportion of fault liability of 30% in the first-instance judgments of this case. After settling the civil litigation later, compensation will be made according to the determined liability proportion.

As for the seriously injured, CGTD, LCY Chemical Corp. and the Kaohsiung City Government signed a tripartite agreement for severe injuries on October 25, 2017, agreeing to negotiate compensation in advance with the 65 seriously injured victims. The compensation was advanced by CGTD and the Kaohsiung City Government, and CGTD was in charge of negotiating the compensation with the seriously injured victims and signing the settlement agreement on behalf of the three parties with the 64 seriously injured victims.

As of February 28, 2025, the victims and victims’ families had written letters or filed civil procedures (and criminal procedures) against LCY Chemical Corp., CGTD 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 compensation was $4,519 thousand. Along with the case still in litigation and the above-mentioned compensation, the accumulated amount of compensation is approximately NT$3,831,211 thousand. The first instance judgments of some of the above-mentioned civil cases (the amount of compensation requested is approximately NT$1,467,830 thousand) have been gradually announced, starting from June 22, 2018. The proportion of fault liability of the Kaohsiung

City Government, LCY Chemical Corp. and CGTD is 4:3:3 in most judgments. The total amount of compensation that CGTD, LCY Chemical Corp. and the other defendants should pay is about NT$401,979 thousand, of which CGTD was exempted to pay NT$6,194 thousand.

For the civil cases that have been adjudicated in the first instance and have not been settled, CGTD has filed an appeal for the second instance. Starting from July 10, 2024, the second instance has been adjudicated continuously. For the second instance cases ruled by February 28, 2025, there are 9 cases involving the Kaohsiung City Government's claims for compensation (total claim amount of approximately NT$1,137,677 thousand). Among these, 8 cases determined that CGTD, together with LCY Chemical Corp., should jointly bear 10% (5 cases) or 20% (3 cases) of the liability for negligence. CGTD's joint compensation amount with LCY Chemical Corp. totals NT$79,726 thousand. In one case, CGTD was found to be solely responsible for 10% of the negligence and should compensate NT$297 thousand on its own. Additionally, in the second-instance cases ruled regarding Taiwan Power Company's claim (claim amount NT$265,822 thousand) and the National Health Insurance Administration's claim (claim amount NT$35,688 thousand), it was determined that CGTD, together with LCY Chemical Corp., should jointly compensate NT$108,835 thousand. The aforementioned second-instance cases have been adjudicated, and except for those that cannot be appealed to the third instance, CGTD has filed appeals to the third instance for all other cases. The rest of the cases are still under trial in the Court of First Instance (the amount of compensation requested is approximately NT$1,860,557 thousand).

Based on the negligence liability ratios determined in the relevant judgments for the gas explosion incident, the estimated settlement amounts for the 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 NT$136,375 thousand, which has been recorded in the accounts. However, the actual amount of such settlement and compensation shall not be confirmed until the proportion of liability to be borne by CGTD is determined in the civil case judgment in the future.

28. OTHER MATTERS

On February 15, 2023, President Tsai Ing-Wen announced the amendment of the Climate Change Response Act, which included provisions for carbon fee collection. Subsequently, on August 29, 2024, the Ministry of Environment announced the "Regulations Governing the Collection of Carbon Fees," "Regulations for Administration of Self-Determined Reduction Plan," and "Designated Greenhouse Gas Reduction Goal for Entities Subject to Carbon Fees." The carbon fee rates were announced on October 21, 2024, and would take effect on January 1, 2025. Based on the emission assessment for 2023, the Company will be subject to carbon fee collection. Therefore, relevant liability provisions will be estimated starting from 2025 in accordance with the aforementioned regulations.

29. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information is expressed in aggregate in foreign currencies other than the functional currency of the Company, and the exchange rates disclosed refer to the exchange rates at which these foreign currencies were translated into the functional currency. Significant financial assets and liabilities denominated in foreign currencies are as follows:

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

December 31, 2024

	Foreign Currency	Exchange Rate		Functional Currency	Carrying Amount
Financial Assets					
Monetary items					
USD	$ 15,597	32.785	(USD:NTD)	$ 511,343	$ 511,343
RMB	13,575	4.5608	(RMB:NTD)	61,912	61,912
					$ 573,255
Non-monetary items					
Subsidiaries and associates accounted for using the equity method					
USD	77,170	32.785	(USD:NTD)	2,530,007	$ 2,530,007
Financial liabilities					
Monetary items					
USD	7,076	32.785	(USD:NTD)	231,999	$ 231,999

December 31, 2023

	Foreign Currency	Exchange Rate		Functional Currency	Carrying Amount
Financial Assets					
Monetary items					
USD	$ 15,562	30.705	(USD:NTD)	$ 477,816	$ 477,816
RMB	41,026	4.3352	(RMB:NTD)	177,854	177,854
					$ 655,670
Non-monetary items					
Subsidiaries and associates accounted for using the equity method					
USD	104,364	30.705	(USD:NTD)	3,204,490	$ 3,204,490
Derivative instruments					
RMB	15,100	4.3352	(RMB:NTD)	955	$ 955
Financial liabilities					
Monetary items					
USD	5,944	30.705	(USD:NTD)	182,506	$ 182,506

For the years ended December 31, 2024 and 2023, realized and unrealized foreign exchange gains were $29,540 thousand and $1,787 thousand, respectively. It is impractical to disclose net foreign exchange (losses) gains by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the Company.

30. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

1) Financing provided to others. (None)
2) Endorsements/guarantees provided. (None)
3) Marketable securities held (excluding investments in subsidiaries, associates and interests in 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. (None)
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 2)
8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital. (None)

9) Trading in derivative instruments. (Note 7)

b. Information about investees. (Table 3)

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, 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 4)

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 5)

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 6)

Besides Tables 1 to 6 as disclosed, there was no other information about significant transactions, investees and investments in mainland China which should be disclosed.

31. SEGMENT INFORMATION

According to the Regulations Governing the Preparation of Financial Reports by Securities Issuers, International Financial Reporting Standard (IFRS) No. 8 on segment information does not apply to the Company's financial statements.

TABLE 1

Asia Polymer Corporation

MARKETABLE SECURITIES HELD
DECEMBER 31, 2024
Unit: In Thousands of New Taiwan Dollars, Unless Stated Otherwise

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Ending				Note
				Number of Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Asia Polymer Corporation	Shares							
	Harbinger Venture Capital Corp.	None	Financial assets at fair value through other comprehensive income - non-current	2,377	$ 12	1.20%	$ 12	
	KHL IB Venture Capital Co., Ltd.	〃	〃	13,132,193	117,270	11.90%	117,270	
	PELL Bio-Med Technology Co. Ltd.	〃	〃	235,000	19,200	0.41%	19,200	
	USI Corporation	Ultimate parent company	〃	101,355,673	1,089,573	8.53%	1,089,573	
	CTCI Corporation	None	〃	14,446,107	557,620	1.78%	557,620	
	AUO Corporation	〃	〃	7,694,812	112,729	0.10%	112,729	
	Wafer Works Corporation	〃	Financial assets at fair value through other comprehensive income - current	518,605	14,054	0.09%	14,054	
	Taiwan Cement Corporation	〃	Financial assets at fair value through profit or loss - current	2,000,000	63,400	0.03%	63,400	
	Zeon Corp.	〃	〃	39,500	12,434	0.02%	12,434	
	Kyushu Electric Power Co., Inc.	〃	〃	20,000	5,935	-	5,935	
	Beneficiary securities							
	Cathay No. 1 Real Estate Investment Trust Fund	〃	〃	4,053,000	62,214	-	62,214	
	Beneficiary certificates							
	Taishin Ta-Chong Money Market Fund	〃	〃	3,188,590	47,253	-	47,253	
	Taishin 1699 Money Market Fund	〃	〃	3,575,848	50,589	-	50,589	
	UPAMC James Bond Money Market Fund	〃	〃	5,769,976	100,357	-	100,357	
	FSITC Taiwan Money Market Fund	〃	〃	942,353	15,046	-	15,046	
	Yuanta US Treasury 20+ Year Bond ETF	〃	〃	580,000	16,617	-	16,617	

(Continued)

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Ending				Note
				Number of Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
APC (BVI) Holding Co., Ltd.	Shares							
	Budworth Investment Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	40,467	$ -	4.45%	$ -	(Note 1)
	Silicon Technology Investment (Cayman) Corp. - preference shares	〃	〃	1,139,776	123,574	2.21%	123,574	
	NeuroSky, Inc. - series D preference shares	〃	〃	2,397,364	-	0.37%	-	(Note 1)
	Solargiga Energy Holdings Ltd.	〃	〃	14,863,333	5,522	0.45%	5,522	
	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 Corporation	Shares							
	USI Corporation	Ultimate parent company	Financial assets at fair value through profit or loss - current	44,808	482	-	482	
	Taiwan Cement Corporation	None	〃	1,000,000	31,700	0.01%	31,700	
	Zeon Corp.	〃	〃	21,600	6,799	0.01%	6,799	
	Kyushu Electric Power Co., Inc.	〃	〃	10,000	2,967	-	2,967	
	Beneficiary certificates							
	Yuanta US Treasury 20+ Year Bond ETF	〃	〃	290,000	8,309	-	8,309	

Note 1: The carrying amount of long-term equity investments in the company was zero due to the investment losses recognized in prior years.

Note 2: Please refer to Tables 3 and 4 for information on investments in subsidiaries and associates.

TABLE 2

Asia Polymer Corporation

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2024
Unit: In Thousands of New Taiwan Dollars, Unless Stated Otherwise

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		
			Purchase/Sale	Amount	Ratio to Total Purchase/Sale (%)	Credit Period	Unit Price	Credit Period	Financial Statement Account and Ending Balance		Ratio to Total Notes/Accounts Receivable (Payable) (%)
Asia Polymer Corporation	USI Corporation	Ultimate parent company	Sales of goods	($ 394,661)	(6.78%)	60 days	No significant difference	No significant difference	Accounts receivable from related parties	$ 52,140	11.08 %
〃	USI Trading (Shanghai) Co., Ltd.	Subsidiary	Sales of goods	(205,812)	(3.54%)	90 days	No significant difference	No significant difference	Accounts receivable from related parties	33,403	7.10 %
〃	USI Corporation	Ultimate parent company	Purchases of goods	143,556	3.61%	30 days	No significant difference	No significant difference	Accounts payable from related parties	(10,971)	(4.39 %)
〃	Fujian Gulei Petrochemical Co., Ltd.	Associate	Purchases of goods	453,872	11.41%	Letters of credit	No significant difference	No significant difference	—	-	-
USI Trading (Shanghai) Co., Ltd.	USI Corporation	Ultimate parent company	Purchases of goods	101,987	26.76%	30 days	No significant difference	No significant difference	Accounts payable from related parties	(15,610)	(52.86 %)
	Fujian Gulei Petrochemical Co., Ltd.	Associate	Purchases of goods	47,756	12.53%	Letters of credit	No significant difference	No significant difference	—	-	-

TABLE 3

Asia Polymer Corporation

RELATED INFORMATION AND LOCATIONS ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2024
Unit: In Thousands of New Taiwan Dollars, Unless Stated Otherwise

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Holding at the End of Year			Net Income (Loss) of Investee	Investment Income (Loss)	Note
				Ending of Current Year	Ending of Previous Year	Number of Shares	Percentage	Carrying Amount			
Asia Polymer Corporation	APC (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment	$ 451,607 (USD 13,775 thousand)	$ 451,607 (USD 13,775 thousand)	11,342,594	100.00%	$ 693,500	$ 28,370	$ 28,370	Subsidiary (Note 1)
	APC Investment Corporation	Taipei City	Investment	200,000	200,000	20,000,000	100.00%	142,003	(1,110)	(1,110)	Subsidiary (Note 1)
	USI International Corp.	British Virgin Islands	Reinvestment	68,849 (USD 2,100 thousand)	68,849 (USD 2,100 thousand)	2,100,000	70.00%	69,501	(2,341)	(1,639)	Subsidiary (Note 1)
	China General Plastics Corporation	Taipei City	Production and selling of plastic cloth, plastic skin, plastic pipes, plastic particles, plastic powder, alkali chlorine products, and other related products as main business	247,412	247,412	46,886,185	8.07%	705,215	(709,967)	(57,289)	Investments accounted for using the equity method
	China General Terminal & Distribution Corporation	Taipei City	Warehousing and transportation of petrochemical raw materials	41,082	41,082	25,053,469	33.33%	302,831	(1,480)	(493)	Investments accounted for using the equity method
	Swanson Plastics Corporation	Taipei City	Manufacture and marketing of stretch films and industrial use multi-layer films	75,242	75,242	12,266,779	7.95%	203,817	(55,683)	(4,426)	Investments accounted for using the equity method
	Acme Electronics Corporation	Taipei City	Manufacture and marketing of manganese-zinc and ferrite core	76,241	76,241	6,801,315	3.19%	64,521	155,298	4,959	Investments accounted for using the equity method
	Taiwan United Venture Capital Corp.	Taipei City	Investment in high technology businesses	30,309	38,636	832,666	8.33%	2,752	(709)	(59)	Investments accounted for using the equity method
	USI Optronics Corporation	Taipei City	Manufacture and marketing of sapphire products	59,725	59,725	5,972,464	9.20%	2,880	(22,224)	(2,045)	Investments accounted for using the equity method
	Ever Conquest Global Ltd.	British Virgin Islands	Reinvestment	5,589,023 (USD 170,475 thousand)	5,589,023 (USD 170,475 thousand)	170,475,000	40.87%	1,767,006	(2,207,125)	(901,988)	Investments accounted for using the equity method
APC (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment	225,570 (USD 6,880 thousand)	171,954 (USD 5,245 thousand)	9,951,820	13.63%	248,008	(60,469)		APC (BVI) Holding Co., Ltd. Investments accounted for using the equity method
	USI International Corp.	British Virgin Islands	Reinvestment	29,507 (USD 900 thousand)	29,507 (USD 900 thousand)	900,000	30.00%	29,786	(2,341)		APC (BVI) Holding Co., Ltd. Investments accounted for using the equity method (Note 1)
APC Investment Corporation	Acme Electronics Corporation	Taipei City	Manufacture and marketing of manganese-zinc and ferrite core	39,523	39,523	3,116,462	1.46%	29,563	155,298		APC Investment Corporation Investments accounted for using the equity method
	Swanson Technologies Corporation	Taipei City	Farming, sales, research and development of agricultural products and production, sales and development of EVA packaging films and other high value-added plastic products	52,500	22,500	3,000,015	15.00%	18,605	(38,509)		APC Investment Corporation Investments accounted for using the equity method
Ever Conquest Global Ltd.	Ever Victory Global Ltd.	British Virgin Islands	Reinvestment	13,676,099 (USD 417,145 thousand)	13,676,099 (USD 417,145 thousand)	417,145,000	67.40%	4,323,787 (USD 131,883 thousand)	(3,274,537) (USD -101,924 thousand)		Ever Conquest Global Ltd. Investments accounted for using the equity method
Ever Victory Global Ltd.	Dynamic Ever Investments Ltd.	Hong Kong	Reinvestment	19,305,447 (USD 588,850 thousand)	19,305,447 (USD 588,850 thousand)	588,850,000	85.00%	5,310,597 (USD 161,983 thousand)	(3,915,767) (USD -121,885 thousand)		Ever Victory Global Ltd. Investments accounted for using the equity method

Note 1: Please refer to Table 4 for information on investee companies in mainland China.

Asia Polymer Corporation

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2024
Unit: In Thousands of New Taiwan Dollars, Unless Stated Otherwise

Investee Company	Main Businesses and Products	Paid-in Capital (Note 4)	Method and Medium of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of the Beginning of the Period	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of the End of the Period	Net Income (Loss) of Investee (Note 3)	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 3)	Carrying Amount of Investment as of the End of the Period (Note 4)	Accumulated Repatriation of Investment Income as of the End of the Period
					Outflow	Inflow						
ACME Electronics (Kunshan) Co., Ltd.	Manufacture and marketing of manganese-zinc soft ferrite core	$ 1,007,319 (USD 30,725 thousand)	(2) ACME Electronics (Cayman) Corp.	$ 136,955 (USD 4,177 thousand)	$ - -	$ - -	$ 136,955 (USD 4,177 thousand)	B ($ 51,536)	13.63%	($ 7,023)	$ 90,097	$ -
USI Trading (Shanghai) Co., Ltd.	Sale of chemical products and equipment	81,963 (USD 2,500 thousand)	(2) APC (BVI) Holding Co., Ltd.	99,522 (USD 3,036 thousand)	- -	- -	99,522 (USD 3,036 thousand)	B 12,707	100.00%	12,707	183,816	-
Fujian Gulei Petrochemical Co., Ltd.	Processing of crude oil and manufacture of petroleum products	42,481,116 (RMB 9,314,400 thousand)	(2) Dynamic Ever Investments Ltd.,(Note 2)	5,176,190 (USD 157,883 thousand)	- -	- -	5,176,190 (USD 157,883 thousand)	A (7,830,232)	11.71%	(916,673)	1,356,027	-
Zhangzhou Taiju Trading Co., Ltd.	Sales of chemical products	45,608 (RMB 10,000 thousand)	(2) APC (BVI) Holding Co., Ltd.	13,682 (RMB 3,000 thousand)	- -	- -	13,682 (RMB 3,000 thousand)	A 2,872	30.00%	862	22,218	-
Xiamen USI Trading Co., Ltd.	Sales of chemical products	45,608 (RMB 10,000 thousand)	(2) APC (BVI) Holding Co., Ltd.	13,682 (RMB 3,000 thousand)	- -	- -	13,682 (RMB 3,000 thousand)	A 39,527	30.00%	11,858	25,672	-
Zhangzhou Dynamic Ever Property Co., Ltd.	Property management	95,777 (RMB 21,000 thousand)	(2) Dynamic Ever Investments Ltd.,(Note 2)	22,425 (RMB 4,917 thousand)	- -	- -	22,425 (RMB 4,917 thousand)	A 890	23.41%	208	22,641	-

Accumulated Outward Remittance for Investment from Taiwan to Mainland China as of the End of the Period	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
$5,621,093 (Note 5) (USD 171,453 thousand)	$ 7,508,127 (USD 229,011 thousand)	$ - - (Note 6)

Note 1: Method and medium of investments are divided into three categories as follows:

(1) Direct investment in mainland China.

(2) Investments through a holding company registered in a third region (Please specify the investment company in the third region).

(3) Others.

Note 2: The Company indirectly reinvested in 50% of the outstanding shares of Fujian Gulei Petrochemical Co., Ltd. via Ever Conquest Global Ltd. (40.87%) in the third region, then via Ever Victory Global Limited (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 types, 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 CPAs of the parent company in Taiwan.

C. Others.

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

Note 5: The Company includes investments in China through Silicon Technology Investment (Cayman) Corp. (STIC) and Solargiga Energy Holdings Ltd., which are invested through APC (BVI) Holding Co., Ltd.

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

TABLE 5

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, 2024
Unit: In Thousands of New Taiwan Dollars, Unless Stated Otherwise

Investee Company	Transaction Type	Amount	%	Price	Transaction Terms		Notes/Accounts Receivable (Payable)		Unrealized (Gain) Loss	Note
					Payment Terms	Comparison with Normal Transactions	Amount	%		
USI Trading (Shanghai) Co., Ltd.	Sales of goods	$ 205,812	3.54 %	No significant difference	T/T 90 days	No significant difference	$ 33,403	7.10 %	$ -	—
Fujian Gulei Petrochemical Co., Ltd.	Purchases of goods	453,872	11.41 %	No significant difference	Letters of credit	No significant difference	-	-	-	—

TABLE 6

Asia Polymer Corporation

INFORMATION ABOUT SUBSTANTIAL SHAREHOLDERS
DECEMBER 31, 2024

Name of Substantial Shareholders	Shares	
	Number of shares held (shares)	%
Union Polymer International Investment Corporation	214,245,822	36.08%

Note: The information of substantial shareholders in this table refers to the information calculated by TDCC on the last business day at the end of the current quarter of which the total number of ordinary shares and preferred shares (including treasury shares) of the Company held, amounting to more than 5%, by the shareholder that has completed the dematerialized registration and delivery. The share capital recorded in the consolidated financial statements of the Company and the actual number of shares that have completed the dematerialized registration and delivery may be different or discrepant due to different compilation and calculation basis.

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Schedule 1

Asia Polymer Corporation

STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Item	Description	Amount
Cash		
Cash on hand and petty cash		$ 79
Checking accounts		875
Deposit account		71,471
Foreign currency deposits	USD 1,010,085.47, @ 32.785	33,116
Foreign currency deposits	EUR 1,736.73, @ 34.14	59
Foreign currency deposits	RMB 29,917.72, @ 4.5608	137
Foreign currency deposits	JPY 1,816,492, @ 0.2099	381
Subtotal		106,118
Cash equivalents		
Foreign currency time deposits	USD 2,800,000, at 32.785, annual interest rate of 4.28%, expired by January 2025	91,798
Time deposits	Annual interest rate: 1.00% to 1.72%, expired between February and March 2025.	215,000
Reverse repurchase agreements collateralized by bonds	Annual interest rate: 1.85% to 1.93%, expired by March 2025.	878,682
Subtotal		1,185,480
		$ 1,291,598

Asia Polymer Corporation

STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT
DECEMBER 31, 2024
Unit: In Thousands of New Taiwan Dollars, Unless Stated Otherwise

			Fair Value (Note)		
Type and Name of Marketable Securities	Number of Shares	Cost	Unit Price (NT$)	Total Amount	Note
Current					
Financial assets mandatorily classified as at FVTPL - Non-derivative financial assets					
Domestic and foreign listed shares					
Taiwan Cement Corporation	2,000,000	$ 67,908	31.70	$ 63,400	
Zeon Corp.	39,500	12,012	314.79	12,434	
Kyushu Electric Power Co., Inc.	20,000	7,448	296.73	5,935	
		87,368		81,769	
Beneficiary securities					
Cathay No. 1 Real Estate Investment Trust Fund	4,053,000	46,702	15.35	62,214	
Beneficiary certificates					
Taishin 1699 Money Market Fund	3,575,848	50,000	14.15	50,589	
Taishin Ta-Chong Money Market Fund	3,188,590	47,000	14.82	47,253	
UPAMC James Bond Money Market Fund	5,769,976	100,000	17.39	100,357	
FSITC Taiwan Money Market Fund	942,353	15,000	15.97	15,046	
Yuanta US Treasury 20+ Year Bond ETF	580,000	17,088	28.65	16,617	
		229,088		229,862	
Total		$ 363,158		$ 373,845	

Note: The calculation basis of market price is as follows.

1. The value of open-end funds is calculated based on the net assets value of each fund on the last trading day of December 2024.
2. The stock prices of listed companies at stock exchange market (or OTC market) and the values of closed-end funds are calculated based on the closing prices at the centralized securities exchange market or Taipei Exchange on the last trading day of December 2024.

Schedule 3

Asia Polymer Corporation

STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - CURRENT
DECEMBER 31, 2024
Unit: In Thousands of New Taiwan Dollars, Unless Stated Otherwise

Type and Name of Marketable Securities	Number of Shares	Cost	Fair Value (Note) Unit Price (NT$)	Fair Value (Note) Total Amount	Note
Wafer Works Corporation - ordinary shares	518,605	$ 10,488	27.10	$ 14,054	

Note: The fair value is calculated based on the closing prices at Taipei Exchange on the last trading day of December 2024.

Schedule 4

Asia Polymer Corporation

STATEMENT OF ACCOUNTS RECEIVABLE
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Client Name	Amount
Accounts receivable from unrelated parties	
Client A	$ 47,105
Client B	44,833
Client C	41,025
Client D	28,372
Client E	27,572
Client F	27,021
Client G	23,359
Client H	21,832
Client I	20,489
Client J	20,402
Others (Note)	76,986
Subtotal	378,996
Less: Allowance for impairment loss	(2,000)
	376,996
Accounts receivable from related parties	
Client K	52,140
Client L	33,403
Client M	4,952
Others (Note)	2,944
Subtotal	93,439
Net accounts receivable	$ 470,435

Note: The amount of individual client included in others does not exceed 5% of the account balance.

Schedule 5

Asia Polymer Corporation

STATEMENT OF INVENTORIES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Amount: Cost	Amount: Market Value	Basis of Market Value
Finished goods	$ 403,185	$ 400,798	Net realizable value
Work in process	24,094	24,070	Net realizable value
Raw materials	104,082	103,803	Replacement cost
Production supplies	52,729	52,093	Replacement cost
	584,090	$ 580,764	
Less: Allowance for impairment loss	(22,837)		
	$ 561,253		

Schedule 6

Asia Polymer Corporation

STATEMENT OF CHANGES IN FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON-CURRENT
FOR THE YEAR ENDED DECEMBER 31, 2024
Unit: In Thousands of New Taiwan Dollars, Unless Stated Otherwise

Name	Balance at January 1, 2023		Additions (Note)		Decrease (Note)		Balance at December 31, 2023		Collateral
	Number of Shares	Fair Value	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Fair Value	
USI Corporation	101,355,673	$ 2,001,775	-	$ -	-	$ 912,202	101,355,673	$ 1,089,573	None
CTCI Corporation	14,446,107	608,903	-	-	-	51,283	14,446,107	557,620	None
AUO Corporation	7,694,812	139,661	-	-	-	26,932	7,694,812	112,729	None
PELL Bio-Med Technology Co. Ltd.	235,000	19,975	-	-	-	775	235,000	19,200	None
Harbinger Venture Capital Corp.	2,377	14	-	-	-	2	2,377	12	None
KHL IB Venture Capital Co., Ltd.	13,132,193	120,947	-	-	-	3,677	13,132,193	117,270	None
Total		$ 2,891,275		$ -		$ 994,871		$ 1,896,404	

Note: The changes for this year are due to adjustments in fair value changes.

Schedule 7

Asia Polymer Corporation

STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2024
Unit: In Thousands of New Taiwan Dollars, Unless Stated Otherwise

	Balance at January 1, 2024		Additions		Decrease		Balance at December 31, 2024			Market Value or Net Equity Value (Note 2)			
Investee Company	Shares (In Thousands)	Amount	Shares (In Thousands)	Amount (Note 3)	Shares (In Thousands)	Amount (Note 3)	Shares (In Thousands)	%	Amount	Unit Price (NT$)	Total Amount	Collateral	Note
Listed Company													
China General Plastics Corporation	46,886	$ 774,855	-	$ -	-	$ 70,125	46,886	8.07	$ 704,730	11.95	$ 560,290	None	Note 1
Acme Electronics Corporation	6,801	62,515	-	5,026	-	-	6,801	3.19	67,541	27.40	186,356	〃	Note 1
		837,370		5,026		70,125			772,271		746,646		
Unlisted Company													
China General Terminal & Distribution Corporation	25,053	329,972	-	-	-	27,141	25,053	33.33	302,831		302,831	None	Note 1
APC (BVI) Holding Co., Ltd.	11,343	641,646	-	57,892	-	-	11,343	100.00	699,538		693,500	〃	Note 1
Taiwan United Venture Capital Corp.	1,665	11,369	-	-	833	8,617	832	8.33	2,752		2,752	〃	Note 1
Swanson Plastics Corporation	12,266	222,418	-	-	-	3,972	12,266	7.95	218,446		203,817	〃	Note 1
USI International Corp.	2,100	68,337	-	-	-	1,639	2,100	70.00	66,698		69,501	〃	Note 1
APC Investment Corporation	20,000	143,704	-	-	-	1,079	20,000	100.00	142,625		142,003	〃	Note 1
Ever Conquest Global Ltd.	170,475	2,633,380	-	-	-	901,988	170,475	40.87	1,731,392		1,767,006	〃	Note 1
USI Optronics Corporation	5,972	4,925	-	-	-	2,045	5,972	9.20	2,880		2,880	〃	Note 1
		4,055,751		57,892		946,481			3,167,162		3,184,290		
		4,893,121		62,918		1,016,606			3,939,433		3,930,936		
Adjustments resulting from the exchange differences		(172,516)		187,109		-			14,593		-		
		$ 4,720,605		$ 250,027		$ 1,016,606			$ 3,954,026		$ 3,930,936		

Note 1: The calculation was based on the investee company's financial report audited by CPA at the end of December 2024.

Note 2: The market price refers to the closing price at the end of December 2024. The net equity value is mainly calculated on the basis of the financial statements of the investee company and the Company's shareholding ratio.

Note 3: The amount includes the investment profit (loss) recognized by the equity method, cumulative translation adjustment, capital surplus, unrealized gain (loss) on financial assets, actuarial gain (loss), cash dividends received from investees, return of capital reduction from investees, and subscription of equity of cash capital increase of investees.

Schedule 8

Asia Polymer Corporation

STATEMENT OF ACCOUNTS PAYABLE
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Vendor Name	Amount
Accounts payable from unrelated parties	
Supplier A	$ 147,386
Supplier B	41,642
Others (Note)	47,415
Subtotal	236,443
Accounts payable from related parties	
Supplier C	10,971
Supplier D	2,559
Subtotal	13,530
	$ 249,973

Note: The amount of individual supplier included in others does not exceed 5% of the account balance.

Schedule 9

Asia Polymer Corporation

STATEMENT OF NET REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2024
Unit: In Thousands of New Taiwan Dollars, Unless Stated Otherwise

Item	Unit (kg)	Price Per Unit (NT$)	Amount
Revenue			
Low-density polyethylene			
Domestic sales	30,728,525	48.93	$ 1,503,623
Export sales	14,413,600	43.81	631,425
Ethylene vinyl acetate copolymer			
Domestic sales	2,468,925	46.91	115,811
Export sales	84,887,400	42.01	3,565,955
Net revenue			$ 5,816,814

Schedule 10

Asia Polymer Corporation

STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024
Unit: In Thousands of New Taiwan Dollars

Item	Amount
Raw materials	
Balance, beginning of year	$ 78,581
Raw materials purchased	3,978,139
Loss on raw materials stock count	(1,624)
Balance, end of year	(104,082)
Raw materials used in current year	3,951,014
Direct labor	87,455
Production overheads (Statement 11)	1,603,553
Transferred to losses on work stoppages	(68,346)
Manufacturing cost	5,573,676
Work in process, beginning of year	23,145
Adjustment of work in process	6,397
Work in process, end of year	(24,094)
Cost of finished goods	5,579,124
Finished goods, beginning of year	451,024
Promotion samples and consumption on research	(687)
Adjustment of finished goods	(6,419)
Allocation of differences of manufacturing cost to inventory	(1,881)
Finished goods, end of year	(403,185)
Costs of goods sold before adjustment	5,617,976
Idle capacity	68,346
Loss on write-down of inventories	11,562
Other costs adjustments	3,328
Classified as Operating Cost	$ 5,701,212

Schedule 11

Asia Polymer Corporation

STATEMENT OF PRODUCTION OVERHEADS
FOR THE YEAR ENDED DECEMBER 31, 2024
Unit: In Thousands of New Taiwan Dollars

Item	Amount
Electricity expense	$ 597,016
Depreciation expense	327,837
Consumption of production supplies	282,648
Payroll expense (Note 1)	180,331
Others (Note 2)	215,721
	$ 1,603,553

Note 1: The amount of payroll expense includes salary, allowance, pension, labor and health insurance and so on.

Note 2: The amount of individual item included in others does not exceed 5% of total production overheads.

Schedule 12

Asia Polymer Corporation

STATEMENT OF OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
Unit: In Thousands of New Taiwan Dollars

Item	Selling and Marketing Expenses	General and administrative expenses	Research and Development Expenses	Total
Management fees	$ -	$ 66,334	$ -	$ 66,334
Freight fees	76,478	14	-	76,492
Payroll expense (Note 1)	24,410	18,496	4,106	47,012
Import / Export expense	10,872	-	-	10,872
Others (Note 2)	10,244	25,849	-	36,093
Total	$ 122,004	$ 110,693	$ 4,106	$ 236,803

Note 1: The amount of payroll expense includes salary, allowance, pension, labor and health insurance and so on.

Note 2: The amount of individual item included in others does not exceed 5% of the operating expenses.

Schedule 13

Asia Polymer Corporation

STATEMENT OF LABOR, DEPRECIATION AND AMORTIZATION BY FUNCTION
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
Unit: In Thousands of New Taiwan Dollars

	2024				2023			
	Classified as Operating Cost	Operating expenses	Other gains and losses	Total	Classified as Operating Cost	Operating expenses	Other gains and losses	Total
Employee benefits expense								
Salary and bonus	$ 222,577	$ 35,413	$ -	$ 257,990	$ 265,266	$ 36,477	$ -	$ 301,743
Labor and health insurance	21,077	1,735	-	22,812	21,605	1,821	-	23,426
Pension	11,126	1,021	-	12,147	11,316	1,098	-	12,414
Directors' remuneration	-	7,880	-	7,880	-	7,880	-	7,880
Other employee benefits expense	13,006	963	-	13,969	14,378	1,621	-	15,999
Total	$ 267,786	$ 47,012	$ -	$ 314,798	$ 312,565	$ 48,897	$ -	$ 361,462
Depreciation expenses	$ 327,837	$ 113	$ 7,661	$ 335,611	$ 308,600	$ 86	$ 7,661	$ 316,347
Amortization expenses	$ -	$ 480	$ -	$ 480	$ -	$ 359	$ -	$ 359

Note:

1. As of December 31, 2024 and 2023, the Company had 241 and 242 employees, respectively including 8 and 8 directors who have not served as employees.
2. For companies whose stocks are listed on the stock exchange or traded on the OTC center, the following information should be disclosed:
   (1) The average employee benefits expense of the current year was $1,317 thousand ("The total employee benefits expense of the current year - the total directors' remuneration of the current year" / "the number of employees of the current year - the number of directors not serving as employees of the current year").
   The average employee benefits expense of the previous year was $1,511 thousand ("The total employee benefits expense of the previous year - the total directors' remuneration of the previous year" / "the number of employees of the previous year - the number of directors not serving as employees of the previous year").
   (2) The average employee salary and bonus of the current year was $1,107 thousand (The total salary and bonus of the current year / "the number of employees of the current year - the number of directors not serving as employees of the current year").
   The average employee salary and bonus of the previous year was $1,290 thousand (The total salary and bonus of the previous year / "the number of employees of the previous year - the number of directors not serving as employees of the previous year").
   (3) The adjustment of the average employee salary and bonus decreased by 14% ("The average employee salary and bonus of the current year - the average employee salary and bonus of the previous year" / the average employee salary and bonus of the previous year).
   (4) The Company has exercised the supervisory powers through the Audit Committee; therefore, it is not applicable.
   (5) Remuneration policy for directors and managers of the Company: a. Remuneration should refer to the industry's median level of payment, and consider the reasonableness based on individual performance, company operating performance and future risks. b. Directors and managers should not be led to engage in behavior that exceeds the company's risk appetite in pursuit of remuneration. c. The proportion of employee remuneration for short-term performance and the time of payment of variable salary shall be determined by taking into account the characteristics of the industry and the nature of the Company's business; The employee remuneration policy is formulated by referring to governmental laws and regulations, salary levels and trends of the same industry, overall economic and industrial business cycle and corporate organizational structure. The salary shall be issued according to the Company's "Salary Management Method," "Employee Performance Appraisal Method" and "Payment Method of Allowance for Staff in Charge," and other provisions. The Company has also formulated the "Year-end Bonus Management Methods" to issue year-end bonus (including employee remuneration) on the basis of the Company's profit situation and the performance of employees.