

Stock Code:  
1308

**Notice to Readers:**

The consolidated financial statement (Chinese version) of our company is audited by the CPA Cheng Chun Chiu and CPA Pi Yu Chuang of Deloitte Taiwan. For the convenience of reading, the statement has been translated from Chinese to English. If there is any difference regarding the context or interpretation in the English version, the Chinese version shall prevail

## ASIA POLYMER CORPORATION AND SUBSIDIARIES

### Consolidated Financial Statements and Independent Auditors' Review Report Q1 2025 and 2024

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

Tel: (02)87516888

## §CONTENTS§

ITEM	PAGE	NOTE NO. OF FINANCIAL STATEMENTS
1. COVER	1	-
2. CONTENTS	2	-
3. INDEPENDENT AUDITORS' REVIEW REPORT	3-4	-
4. CONSOLIDATED BALANCE SHEETS	5	-
5. CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME	6-7	-
6. CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY	8	-
7. CONSOLIDATED STATEMENTS OF CASH FLOWS	9-10	-
8. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS		
a. GENERAL INFORMATION	11	1
b. APPROVAL OF FINANCIAL STATEMENTS	11	2
c. APPLICATION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS	11-13	3
d. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	13-15	4
e. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY	15	5
f. DETAILS OF MAJOR ACCOUNTING ITEMS	16-48	6-28
g. TRANSACTIONS WITH RELATED PARTIES	48-53	29
h. PLEDGED ASSETS	-	-
i. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS	53-55	30
j. SIGNIFICANT LOSSES FROM DISASTERS	-	-
k. SIGNIFICANT SUBSEQUENT MATTERS	-	-
l. OTHERS	55-57	31
m. SEPARATELY DISCLOSED ITEMS		32
1) Information about significant transactions	57, 59-61	-
2) Information about investees	57, 62	-
3) Information on investments in Mainland China	57-58, 63-64	-
4) Information about substantial shareholders	-	-
n. SEGMENT INFORMATION	58	33

## INDEPENDENT AUDITORS' REVIEW REPORT

To Asia Polymer Corporation:

### Preface

We have audited the accompanying consolidated financial statements of Asia Polymer Corporation and its subsidiaries (the "Group"), which comprise the consolidated balance sheets as of March 31, 2025 and 2024, and the consolidated statements of comprehensive income, consolidated statement of changes in equity and cash flows From January 1 to March 31, 2025 and 2024, and the notes to consolidated financial statements, including a summary of significant accounting policies. It is the responsibility of management to prepare the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting", which have been endorsed by the Financial Supervisory Commission and are effective for issuance.

### Scope

We have conducted our review in accordance with Statement of Auditing Standards No. 2410, "Review of the Financial Report," except for the basis of our qualified opinion. The procedures for reviewing the consolidated financial statements include inquiries (primarily of persons responsible for financial and accounting matters), analytical procedures and other review procedures. A review is significantly less in scope than an audit and, accordingly, we may not be able to discern all significant matters that could be identified by an audit and, accordingly, we cannot express an audit opinion.

### The Basis for the Qualified Conclusion

As stated in Notes 12 and 13 of the consolidated financial statements, the financial statements of the non-significant subsidiaries and certain equity method investments included in the aforementioned consolidated financial statements were not reviewed by CPAs for the same period. The total assets and equity method investment balances as of March 31, 2025 and March 31, 2024 were NT\$3,023,320 thousand and NT\$3,973,624 thousand, respectively, accounting for 23% and 27% of the total consolidated assets. The total liabilities were NT\$31,688 thousand and NT\$54,580 thousand, respectively, accounting for 2% and 4% of the total consolidated liabilities. The unreviewed comprehensive income for the non-significant subsidiaries and certain equity method investments for the period From January 1 to March 31, 2025 and 2024 were (NT\$228,368) thousand and NT\$35,987 thousand, respectively, representing 120% and (9%) of the total consolidated comprehensive income. The information related to the investees mentioned in the notes to the consolidated financial statements is based on the investees' unreviewed financial statements for the same period.

### Qualified Conclusion

Based on our review, we are not aware of any material modifications that might have been made to the consolidated financial statements had we reviewed the financial statements of the

immaterial subsidiaries and certain investments accounted for using the equity method, as described in the Basis for Qualified Conclusions, that are not in accordance, in all material respects, with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 as endorsed by the Financial Supervisory Commission and issued in effect. As a result, the consolidated financial statements of Asia Polymer Corporation and its subsidiaries as of March 31, 2025 and 2024, and the consolidated financial performance From January 1 to March 31, 2025 and 2024, as well as the consolidated financial performance and consolidated cash flows From January 1 to March 31, 2025 and 2024 are not fairly stated.

The engagement partners on the audit resulting in this independent auditors' report are  
Chiu, Cheng-Chun (Financial Supervisory Commission, Jin Guan Zheng Liu Zi No.  
0930160267)  
and Chuang, Pi-Yu (Financial Supervisory Commission, Jin Guan Zheng Shen Zi No.  
1070323246)

Deloitte & Touche

Taipei, Taiwan  
Republic of China  
May 5, 2025

**Notice to Readers:**

The consolidated financial statement (Chinese version) of our company is audited by the CPA Cheng Chun Chiu and CPA Pi Yu Chuang of Deloitte Taiwan. For the convenience of reading, the statement has been translated from Chinese to English. If there is any difference regarding the context or interpretation in the English version, the Chinese version shall prevail.

**ASIA POLYMER CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED BALANCE SHEETS**

**MARCH 31, 2025 AND DECEMBER 31 AND MARCH 31, 2024**

**Unit: In Thousands of New Taiwan Dollars**

Code	Assets	March 31, 2025		December 31, 2024		March 31, 2024	
		Amount	%	Amount	%	Amount	%
1100	Cash and cash equivalents (Note 6)	\$ 1,048,960	8	\$ 1,468,956	11	\$ 1,149,894	8
1110	Financial assets at fair value through profit and loss - current (Note 7)	611,255	5	424,102	3	710,641	5
1120	Financial assets at fair value through other comprehensive income - current (Note 8)	10,968	-	14,054	-	20,228	-
1136	Financial assets at amortized cost - current (Notes 4 and 9)	101,739	1	101,152	1	149,349	1
1170	Accounts receivable (Notes 10 and 23)	502,707	4	376,996	3	284,711	2
1180	Accounts receivable from related parties (Notes 10, 23 and 29)	70,149	-	60,036	-	95,752	1
1200	Other receivables	2,744	-	2,336	-	1,445	-
1210	Other receivables from related parties (Note 29)	33,060	-	20,031	-	3,504	-
1220	Current tax assets (Notes 4 and 25)	-	-	7,538	-	1,544	-
1310	Inventories (Note 11)	699,141	5	592,983	4	505,132	3
1410	Prepayments	189,773	1	226,397	2	187,837	1
1470	Other current assets	128	-	121	-	116	-
11XX	Total current assets	<u>3,270,624</u>	<u>24</u>	<u>3,294,702</u>	<u>24</u>	<u>3,110,153</u>	<u>21</u>
1517	Non-current assets						
1535	Financial assets at fair value through other comprehensive income - non-current (Note 8)	2,044,385	15	2,025,500	15	2,688,841	19
1550	Financial assets at amortized cost - non-current (Note 9)	53,197	1	52,449	1	-	-
1600	Investments accounted for using the equity method (Notes 13 and 30)	3,137,794	24	3,393,088	25	4,085,688	28
1755	Property, plant and equipment (Note 14)	3,595,585	27	3,543,326	26	3,495,036	24
1760	Right-of-use assets (Note 15)	8,538	-	8,704	-	9,202	-
1840	Investment properties (Note 16)	568,866	4	570,903	4	501,239	4
1990	Deferred income tax assets (Notes 4 and 25)	702,399	5	707,411	5	580,352	4
15XX	Other non-current assets	<u>2,692</u>	<u>-</u>	<u>2,507</u>	<u>-</u>	<u>2,802</u>	<u>-</u>
15XX	Total non-current assets	<u>10,113,456</u>	<u>76</u>	<u>10,303,888</u>	<u>76</u>	<u>11,363,160</u>	<u>79</u>
1XXX	<b>TOTAL ASSETS</b>	<u>\$ 13,384,080</u>	<u>100</u>	<u>\$ 13,598,590</u>	<u>100</u>	<u>\$ 14,473,313</u>	<u>100</u>
Code	<b>LIABILITIES AND EQUITY</b>						
2120	<b>CURRENT LIABILITIES</b>						
2170	Financial liabilities at fair value through profit or loss - current (Note 7)	\$ 1,791	-	\$ -	-	\$ -	-
2180	Accounts payable (Note 18)	351,507	3	237,771	2	158,021	1
2200	Accounts payable to related parties (Notes 18 and 29)	25,013	-	29,140	-	53,118	-
2220	Other payables (Note 19)	243,516	2	230,980	2	172,803	1
2230	Other payables to related parties (Note 29)	73,086	1	141,777	1	112,419	1
2250	Current tax liabilities (Notes 4 and 25)	1,694	-	1,192	-	224,629	2
2280	Provision for liabilities - current (Notes 4 and 20)	6,713	-	-	-	-	-
2320	Lease liabilities - current (Note 15)	6,404	-	5,950	-	6,404	-
2365	Current portion of long-term liabilities (Note 17)	394,010	3	393,755	3	131,760	1
2399	Provision for refunds - current	5,899	-	5,899	-	5,899	-
21XX	Other current liabilities (Note 23)	<u>63,620</u>	<u>-</u>	<u>55,520</u>	<u>-</u>	<u>85,955</u>	<u>1</u>
21XX	Total current liabilities	<u>1,173,253</u>	<u>9</u>	<u>1,101,984</u>	<u>8</u>	<u>951,008</u>	<u>7</u>
2540	<b>NON-CURRENT LIABILITIES</b>						
2570	Long-term borrowings (Note 17)	689,323	5	788,155	6	415,015	3
2580	Deferred income tax liabilities (Notes 4 and 25)	52,355	-	45,878	-	31,846	-
2640	Lease liabilities - non-current (Note 15)	79,083	1	80,971	1	9,480	-
2650	Net defined benefit liabilities - non-current (Notes 4 and 21)	79,949	1	81,208	1	99,267	1
2670	Credit balance of investments accounted for using the equity method (Note 13)	-	-	-	-	6,548	-
25XX	Other non-current liabilities	<u>16,946</u>	<u>-</u>	<u>16,702</u>	<u>-</u>	<u>14,634</u>	<u>-</u>
25XX	Total non-current liabilities	<u>917,656</u>	<u>7</u>	<u>1,012,914</u>	<u>8</u>	<u>576,790</u>	<u>4</u>
2XXX	<b>Total liabilities</b>	<u>2,090,909</u>	<u>16</u>	<u>2,114,898</u>	<u>16</u>	<u>1,527,798</u>	<u>11</u>
3110	Equity attributable to owners of the Company (Notes 8, 22 and 25)						
3110	Share Capital						
3200	Ordinary shares	<u>5,937,438</u>	<u>44</u>	<u>5,937,438</u>	<u>44</u>	<u>5,937,438</u>	<u>41</u>
3200	Capital surplus	<u>38,126</u>	<u>-</u>	<u>38,130</u>	<u>-</u>	<u>37,558</u>	<u>-</u>
3310	Retained Earnings						
3310	Legal reserve	2,382,202	18	2,382,202	18	2,370,208	16
3320	Special Reserve	552,669	4	554,105	4	554,105	4
3350	Unappropriated earnings	<u>2,527,003</u>	<u>19</u>	<u>2,762,548</u>	<u>20</u>	<u>3,583,748</u>	<u>25</u>
3300	Total retained earnings	<u>5,461,874</u>	<u>41</u>	<u>5,698,855</u>	<u>42</u>	<u>6,508,061</u>	<u>45</u>
3400	Other Equity	( <u>144,267</u> )	( <u>1</u> )	( <u>190,731</u> )	( <u>2</u> )	<u>462,458</u>	<u>3</u>
3XXX	<b>Total equity</b>	<u>11,293,171</u>	<u>84</u>	<u>11,483,692</u>	<u>84</u>	<u>12,945,515</u>	<u>89</u>
	<b>TOTAL LIABILITIES AND EQUITY</b>	<u>\$ 13,384,080</u>	<u>100</u>	<u>\$ 13,598,590</u>	<u>100</u>	<u>\$ 14,473,313</u>	<u>100</u>

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

(Please refer to the review report issued by Deloitte & Touche on May 5, 2025)

**Notice to Readers:**

The consolidated financial statement (Chinese version) of our company is audited by the CPA Cheng Chun Chiu and CPA Pi Yu Chuang of Deloitte Taiwan. For the convenience of reading, the statement has been translated from Chinese to English. If there is any difference regarding the context or interpretation in the English version, the Chinese version shall prevail.

**ASIA POLYMER CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**From January 1 to March 31, 2025 AND 2024**  
**Unit: In Thousands of New Taiwan Dollars, Except Earnings Per Share**

Code		From January 1 to March 31, 2025		From January 1 to March 31, 2024	
		Amount	%	Amount	%
		\$	100	\$	100
4100	Net revenue (Notes 23 and 29)	\$ 1,534,387	100	\$ 1,561,353	100
5110	OPERATING COSTS (Notes 11, 21, 24 and 29)	1,432,751	93	1,553,721	100
5900	GROSS PROFIT	101,636	7	7,632	-
	OPERATING EXPENSES (Notes 21, 24 and 29)				
6100	Selling and Marketing Expenses	32,729	2	26,989	2
6200	General and administrative expenses	32,418	2	32,990	2
6300	Research and development expenses			1,465	-
6000	Total operating expenses	65,147	4	61,444	4
6900	Net operating profit (loss)	36,489	3	( 53,812 )	( 4 )
	Non-operating income and expenses (Notes 13, 24 and 29)				
7100	Interest income	5,602	-	4,105	-
7010	Other income	15,670	1	15,072	1
7020	Other gains and losses	6,012	-	13,313	1
7510	Interest expense	( 4,047 )	-	( 2,220 )	-
7060	Share of profit or loss of associates	( 285,057 )	( 18 )	( 208,479 )	( 13 )
7000	Total non-operating income and expenses	( 261,820 )	( 17 )	( 178,209 )	( 11 )
7900	Pre-tax net loss	( 225,331 )	( 14 )	( 232,021 )	( 15 )
7950	Income tax expenses (benefits) (Notes 4 and 25)	11,650	1	( 44,313 )	( 3 )
8200	Net loss for the period	( 236,981 )	( 15 )	( 187,708 )	( 12 )

(Continued)

(Continued)

Code	Description	From January 1 to March 31, 2025		From January 1 to March 31, 2024	
		Amount	%	Amount	%
	Other comprehensive income for the period (Notes 4, 13, 22 and 25)				
	Items that will not be reclassified subsequently to profit or loss:				
8316	Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	\$ 16,567	1	(\$ 302,083)	( 19 )
8320	Share of the other comprehensive income (loss) of associates accounted for using the equity method	( 1,095 )	-	( 13,168 )	( 1 )
8349	Income tax relating to items that will not be reclassified subsequently to profit or loss				
8310	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating the financial statements of foreign operations	33,964	2	124,239	8
8370	Share of the other comprehensive income (loss) of associates accounted for using the equity method	3,132	-	10,496	1
8399	Income tax relating to items that may be reclassified subsequently to profit or loss	( 6,793 )	-	( 24,847 )	( 2 )
8360		30,303	2	109,888	7
8300	Other comprehensive income for the period, net of income tax	46,464	3	( 205,860 )	( 13 )
8500	Total comprehensive income for the period	( \$ 190,517 )	( 12 )	( \$ 393,568 )	( 25 )
9710	Loss per share (Note 26)				
	Basic	( \$ 0.40 )		( \$ 0.32 )	
9810	Diluted	( \$ 0.40 )		( \$ 0.32 )	

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

(Please refer to the review report issued by Deloitte & Touche on May 5, 2025)

**Notice to Readers:**

The consolidated financial statement (Chinese version) of our company is audited by the CPA Cheng Chun Chiu and CPA Pi Yu Chuang of Deloitte Taiwan. For the convenience of reading, the statement has been translated from Chinese to English. If there is any difference regarding the context or interpretation in the English version, the Chinese version shall prevail

**ASIA POLYMER CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

**From January 1 to March 31, 2025 AND 2024**

**Unit: In Thousands of New Taiwan Dollars**

Code		Equity attributable to owners of the Company (Notes 8, 22 and 25)							Other Equity	
		Share Capital			Retained Earnings				Exchange differences on translating the financial statements of foreign operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income
		Shares (In Thousands)	Amount	Capital surplus	Legal reserve	Special Reserve	Unappropriated earnings	(\$)	\$	
A1	Balance on January 1, 2024	593,743	\$ 5,937,438	\$ 37,559	\$ 2,370,208	\$ 554,105	\$ 3,771,456	(\$ 145,105)	\$ 813,423	\$ 13,339,084
C7	Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	( 1 )	-	-	-	-	-	( 1 )
D1	Net losses from January 1 to March 31, 2024	-	-	-	-	-	( 187,708 )	-	-	( 187,708 )
D3	Other comprehensive income (loss) after tax for the period from January 1 to March 31, 2024	-	-	-	-	-	-	109,888	( 315,748 )	( 205,860 )
D5	Total comprehensive income (loss) from January 1 to March 31, 2024	-	-	-	-	-	( 187,708 )	109,888	( 315,748 )	( 393,568 )
Z1	Balance at March 31, 2024	<u>593,743</u>	<u>\$ 5,937,438</u>	<u>\$ 37,558</u>	<u>\$ 2,370,208</u>	<u>\$ 554,105</u>	<u>\$ 3,583,748</u>	<u>(\$ 35,217)</u>	<u>\$ 497,675</u>	<u>\$ 12,945,515</u>
A1	Balance on January 1, 2025	593,743	\$ 5,937,438	\$ 38,130	\$ 2,382,202	\$ 554,105	\$ 2,762,548	\$ 7,754	(\$ 198,485 )	\$ 11,483,692
C7	Changes in capital surplus from investments in associates accounted for using the equity method	-	-	( 4 )	-	-	-	-	-	( 4 )
B17	Reversal for special reserve	-	-	-	-	( 1,436 )	1,436	-	-	-
D1	Net losses From January 1 to March 31, 2025	-	-	-	-	-	( 236,981 )	-	-	( 236,981 )
D3	Other comprehensive income (loss) after tax for the period From January 1 to March 31, 2025	-	-	-	-	-	-	30,303	16,161	46,464
D5	Total comprehensive income (loss) From January 1 to March 31, 2025	-	-	-	-	-	( 236,981 )	30,303	16,161	( 190,517 )
Z1	Balance at March 31, 2025	<u>593,743</u>	<u>\$ 5,937,438</u>	<u>\$ 38,126</u>	<u>\$ 2,382,202</u>	<u>\$ 552,669</u>	<u>\$ 2,527,003</u>	<u>\$ 38,057</u>	<u>(\$ 182,324)</u>	<u>\$ 11,293,171</u>

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

(Please refer to the review report issued by Deloitte & Touche on May 5, 2025)

**Notice to Readers:**

The consolidated financial statement (Chinese version) of our company is audited by the CPA Cheng Chun Chiu and CPA Pi Yu Chuang of Deloitte Taiwan. For the convenience of reading, the statement has been translated from Chinese to English. If there is any difference regarding the context or interpretation in the English version, the Chinese version shall prevail.

**ASIA POLYMER CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

**From January 1 to March 31, 2025 AND 2024**

**Unit: In Thousands of New Taiwan Dollars**

<u>Code</u>		<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
A10000	Net loss before tax for the period	(\$ 225,331)	(\$ 232,021)
A20010	Adjustments for		
A20100	Depreciation expenses	85,308	84,306
A20200	Amortization expenses	110	83
A20400	Net gain on fair value change of financial assets at fair value through profit or loss	( 579)	( 621)
A20900	Interest expense	4,047	2,220
A21200	Interest income	( 5,602)	( 4,105)
A22300	Share of profit or loss of associates	285,057	208,479
A23700	Reversal of write-down of inventories	( 15,693)	( 3,474)
A24100	Net profit on foreign currency exchange	( 3,401)	( 8,407)
A30000	Changes in operating assets and liabilities		
A31115	Financial assets mandatory classified as at fair value through profit or loss	( 184,783)	73,514
A31150	ACCOUNTS RECEIVABLE	( 122,332)	15,395
A31160	Accounts receivable from related parties	( 10,116)	19,099
A31180	Other receivables	( 7)	( 554)
A31190	Other receivables from related parties	( 13,026)	( 1,112)
A31200	Inventories	( 89,923)	134,652
A31230	Prepayments	36,675	18,178
A31240	Other current assets	( 7)	-
A32150	Accounts payable	113,720	( 9,461)
A32160	Accounts payable from related parties	( 4,408)	1,145
A32180	Other payables	( 3,893)	( 75,682)
A32190	Other payables from related parties	( 68,634)	( 113,201)
A32200	Provision for liabilities	6,713	-
A32230	Other current liabilities	8,022	31,493
A32240	Net defined benefit liabilities - non-current	( 1,259)	( 3,097)
A33000	Cash generated from operations	( 209,342)	136,829
A33100	Interest received	5,229	4,319

(Continued)

(Continued)

Code		From January 1 to March 31, 2025	From January 1 to March 31, 2024
A33300	Interest paid	(\$ 4,028)	(\$ 1,522)
A33500	Income tax refund (paid)	1,763	( 1,539)
AAAA	Net cash inflow (outflow) generated from operating activities	( 206,378)	138,087
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
B00030	Capital reduction of financial assets at fair value through other comprehensive income	2,390	-
B00040	Purchase of financial assets at amortized cost	( 112,089)	( 69,732)
B00060	Financial assets at amortized cost repayment of principal at maturity	113,381	51,786
B01800	Acquisition of long-term equity investments accounted for using the equity method	-	( 25,822)
B02700	Payments for property, plant and equipment	( 115,299)	( 102,712)
B03700	Increase in refundable deposits	( 294)	( 188)
B03800	Decrease in refundable deposits	-	186
BBBB	Net cash used in investing activities	( 111,911)	( 146,482)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
C01700	Repayments of long-term borrowings	( 98,577)	-
C03000	Increase in guarantee deposits received	236	-
C04020	Repayment of the principal portion of lease liabilities	( 1,434)	( 1,864)
C04300	Decrease in other non-current liabilities	( 27)	( 9)
C04500	Dividends paid to owners of the Company	( 2,710)	( 18)
CCCC	Net cash used in financing activities	( 102,512)	( 1,891)
DDDD	<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES</b>	805	7,189
EEEE	Net decrease in cash and cash equivalents	( 419,996)	( 3,097)
E00100	<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	1,468,956	1,152,991
E00200	<b>CASH AND CASH EQUIVALENTS AT THE ENDING OF THE PERIOD</b>	\$ 1,048,960	\$ 1,149,894

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

(Please refer to the review report issued by Deloitte & Touche on May 5, 2025)

**Notice to Readers:**

The consolidated financial statement (Chinese version) of our company is audited by the CPA Cheng Chun Chiu and CPA Pi Yu Chuang of Deloitte Taiwan. For the convenience of reading, the statement has been translated from Chinese to English. If there is any difference regarding the context or interpretation in the English version, the Chinese version shall prevail.

**Notice to Readers:**

The consolidated financial statement (Chinese version) of our company is audited by the CPA Cheng Chun Chiu and CPA Pi Yu Chuang of Deloitte Taiwan. For the convenience of reading, the statement has been translated from Chinese to English. If there is any difference regarding the context or interpretation in the English version, the Chinese version shall prevail

**ASIA POLYMER CORPORATION AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**From January 1 to March 31, 2025 AND 2024**

**Unit: 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 March 31, 2025, the ultimate parent company, USI Corporation, held 36.08% of ordinary shares of the Company.

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

**2. APPROVAL OF FINANCIAL STATEMENTS**

The consolidated financial statements were approved and issued by the Board of Directors on May 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).

Amendments to IAS 21 "Lack of Exchangeability"

The amendment to IAS 21 regarding "lack of exchangeability" will not result in significant changes in the accounting policies of the Group.

b The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

<u>New/Revised/Amended Standards and Interpretations</u>	<u>Effective Date Announced by IASB</u>
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 1)

Note 1: Applicable to the annual reporting periods beginning on or after January 1, 2026. Companies may also opt for early adoption starting January 1, 2025.

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

<u>New/Revised/Amended Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
"Annual Improvements to IFRS Accounting Standards — Volume 11"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 for the Classification and Measurement of Financial Instruments regarding the application guidelines for the debt derecognition	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 Group 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 Group cannot find a more informative name, it will label such items as "Other".
- Disclosure of performance measures defining management levels: When the Group engages in public communication outside of financial statements and communicates the perspective of management levels on the overall financial performance of the Group, 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 consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of the above standards and interpretations will have on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

#### **4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **a Statement of compliance**

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. The consolidated financial statements do not include all IFRS Accounting Standards disclosures required by the entire annual financial report.

##### **b Basis of preparation**

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

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

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

c Basis of consolidation

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

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

See Note 12 and Tables 3 to 4 for detailed information on subsidiaries (including the percentages of ownership and main businesses).

d Other significant accounting policies

Except as noted below, please refer to the summary of significant accounting policies in the consolidated financial statements for the year 2024.

1) Classification of current and non-current assets and liabilities

Current assets include:

- a) Assets held primarily for the purpose of trading;
- b) Assets expected to be realized within 12 months after the reporting period; and
- c) 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:

- a) Liabilities held primarily for the purpose of trading;
- b) 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
- c) 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.

2) Provision for carbon fee liabilities

The provision for carbon fee liabilities recognized in accordance with Taiwan's Regulations Governing the Collection of Carbon Fees and related laws are based on the best estimate of expenses required to settle the current year's obligations, and are recognized and measured in proportion to actual emissions relative to total annual emissions.

3) Defined benefits - Post-employment benefits

Pension cost for the interim period is calculated using the actuarially determined pension cost rate as of the prior year-end, based on the beginning of the year to the end of the current period, which is adjusted for significant market fluctuations, significant plan amendments, liquidations or other significant one-time events during the period.

4) Income tax expense

Income tax expense represents the sum of the current tax and deferred income tax. Income taxes for interim periods are evaluated on an annual basis, and the pre-tax benefit for the period is calculated using the tax rate applicable to the expected total annual earnings.

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

Please refer to the description of significant accounting judgments, estimates and key sources of assumption uncertainty in the consolidated financial statements for 2024.

## 6. CASH AND CASH EQUIVALENTS

	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand and petty cash	\$ 185	\$ 250	\$ 144
Checking accounts and demand deposits	174,101	229,131	274,403
Cash equivalents			
Time deposits	175,987	360,893	510,880
Reverse repurchase agreements			
collateralized by bonds	698,687	878,682	364,467
	<u>\$ 1,048,960</u>	<u>\$ 1,468,956</u>	<u>\$ 1,149,894</u>

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

	March 31, 2025	December 31, 2024	March 31, 2024
Time deposits	4.27%~4.50%	1.00%~4.50%	1.31%~5.46%
Reverse repurchase agreements collateralized by bonds	1.65%~1.90%	1.85%~1.93%	1.48%~1.62%

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

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Financial assets - current</u>			
Mandatorily classified as at FVTPL			
Non-derivative financial assets			
— Domestic listed shares	\$ 96,632	\$ 95,582	\$ 158,779
— Foreign listed shares	29,065	28,135	-
— Mutual funds	424,682	238,171	482,069
— Beneficiary securities	<u>60,876</u>	<u>62,214</u>	<u>69,793</u>
	<u>\$ 611,255</u>	<u>\$ 424,102</u>	<u>\$ 710,641</u>

### Financial liabilities - current

Held for trading

Derivative instruments (not under hedge accounting)			
— Foreign exchange forward contracts	\$ 1,791	\$ -	\$ -

The consolidated company generated net income of NT\$840 thousand and NT\$621 thousand for the period from January 1 to March 31 in 2025 and 2024, respectively, from financial assets and liabilities measured at fair value through profit or loss.

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

March 31, 2025

Sell	Currency RMB/NTD	Maturity Date From April 10 to May 22, 2025	Notional Amount (thousand)	
			RMB	NTD

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

## 8. **FINANCIAL ASSETS AT FVTOCI**

### **Investments in equity instruments**

		December 31,		March 31, 2024		
		March 31, 2025	2024			
<b><u>Current</u></b>						
Domestic investments						
Listed shares	\$ 10,968	\$ 14,054	\$ 20,228			
<b><u>Non-current</u></b>						
Domestic investments						
Listed shares	\$ 1,802,351	\$ 1,779,122	\$ 2,468,370			
Unlisted shares	114,761	117,282	120,567			
Subtotal	<u>1,917,112</u>	<u>1,896,404</u>	<u>2,588,937</u>			
Foreign investments						
Listed shares	4,250	5,522	10,249			
Unlisted ordinary shares	-	-	2			
Unlisted preferred shares	<u>123,023</u>	<u>123,574</u>	<u>89,653</u>			
Subtotal	<u>127,273</u>	<u>129,096</u>	<u>99,904</u>			
	<u>\$ 2,044,385</u>	<u>\$ 2,025,500</u>	<u>\$ 2,688,841</u>			

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

## 9. **FINANCIAL ASSETS AT AMORTIZED COST**

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<b><u>Current</u></b>			
Time deposits with original maturities of more than 3 months	<u>\$ 101,739</u>	<u>\$ 101,152</u>	<u>\$ 149,349</u>
<b><u>Non-current</u></b>			
Time deposits with original maturities of more than 12 months	<u>\$ 53,197</u>	<u>\$ 52,449</u>	<u>\$ -</u>
Range of interest rates			
Time deposits with original maturities of more than 3 months	1.30%~3.25%	1.60%~3.25%	1.25%~4.50%
Time deposits with original maturities of more than 12 months	3.00%~3.05%	3.00%~3.05%	-

## 10. **ACCOUNTS RECEIVABLE**

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<b><u>ACCOUNTS RECEIVABLE</u></b>			
At amortized cost			
Gross carrying amount	<u>\$ 504,707</u>	<u>\$ 378,996</u>	<u>\$ 286,711</u>
Less: Allowance for impairment loss	<u>( 2,000 )</u> <u>\$ 502,707</u>	<u>( 2,000 )</u> <u>\$ 376,996</u>	<u>( 2,000 )</u> <u>\$ 284,711</u>
Accounts receivable from related parties (Note 29)	<u>\$ 70,149</u>	<u>\$ 60,036</u>	<u>\$ 95,752</u>

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

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

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

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

March 31, 2025

	Not Past Due	1 to 60 Days	61 to 90 Days	Total
Gross carrying amount	\$ 574,856	\$ -	\$ -	\$ 574,856
Loss allowance (Lifetime ECL)	(2,000)	-	-	(2,000)
Amortized cost	<u>\$ 572,856</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 572,856</u>

December 31, 2024

	Not Past Due	1 to 60 Days	61 to 90 Days	Total
Gross carrying amount	\$ 439,032	\$ -	\$ -	\$ 439,032
Loss allowance (Lifetime ECL)	(2,000)	-	-	(2,000)
Amortized cost	<u>\$ 437,032</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 437,032</u>

March 31, 2024

	Not Past Due	1 to 60 Days	61 to 90 Days	Total
Gross carrying amount	\$ 382,463	\$ -	\$ -	\$ 382,463
Loss allowance (Lifetime ECL)	(2,000)	-	-	(2,000)
Amortized cost	<u>\$ 380,463</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 380,463</u>

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

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

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Beginning balance	\$ 2,000	\$ 2,000
Add: Impairment loss charged to current period	-	-
Ending balance	<u>\$ 2,000</u>	<u>\$ 2,000</u>

## 11. INVENTORIES

	March 31, 2025	December 31, 2024	March 31, 2024
Finished goods	\$ 523,224	\$ 414,046	\$ 312,106
Work in process	23,291	23,072	8,422
Raw materials	94,861	103,772	124,726
Production supplies	<u>57,765</u>	<u>52,093</u>	<u>59,878</u>
	<u><u>\$ 699,141</u></u>	<u><u>\$ 592,983</u></u>	<u><u>\$ 505,132</u></u>

The cost of goods sold for the year 2025 and from January 1 to March 31 of the year 2024 includes a benefit of NT\$15,693 thousand and NT\$3,474 thousand from the decrease in inventory value and the recovery of obsolete inventory. The increase in net realizable value of inventory is due to the rise in selling prices in the market.

## 12. SUBSIDIARY

Subsidiaries included in the consolidated financial statements

The entities included in the consolidated financial statements:

Investor Company	Name of Subsidiary	Nature of Activities	% of Ownership			Remark
			March 31, 2025	December 31, 2024	March 31, 2024	
The Company	APC Investment Corporation (APCIC)	Investment	100.00%	100.00%	100.00%	1
The Company	APC (BVI) Holding Co., Ltd. (APC (BVI))	Reinvestment	100.00%	100.00%	100.00%	1
The Company	USI International Corp. (USIIC)	Reinvestment	70.00%	70.00%	70.00%	1
APC (BVI)	USI International Corp. (USIIC)	Reinvestment	30.00%	30.00%	30.00%	1
APC (BVI)	USI Trading (Shanghai) Co., Ltd (USITA)	Sale of chemical products and equipment	100.00%	100.00%	100.00%	1

Note:

- APCIC, APC (BVI), USIIC and USITA are not material subsidiaries and their financial statements have not been reviewed by CPAs.

## 13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Material associates</u>			
Ever Conquest Global Ltd.	\$ 1,540,094	\$ 1,767,006	\$ 2,433,766
<u>Associates that are not individually material</u>			
<u>Listed company</u>			
China General Plastics Corporation (CGPC)	683,971	705,215	771,034
Acme Electronics Corporation (ACME)	94,375	94,084	87,356

(Continued)

(Continued)

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Unlisted company</u>			
China General Terminal & Distribution Co. (CGTD)	292,638	302,831	315,284
ACME Electronics (Cayman) Corp. (ACME(Cayman))	249,533	248,008	219,801
Swanson Plastics Corporation (SPC)	202,539	203,817	203,822
Taiwan United Venture Capital Corp. (TUV) (TUV)	2,712	2,752	11,344
USI Optronics Corporation (USIO)	2,613	2,880	4,272
Zhangzhou Taiju Trading Co., Ltd. (GUL)	22,342	22,218	22,343
Xiamen USI Trading Co., Ltd. (XUL)	29,274	25,672	16,666
Swanson Technologies Corporation (STC)	<u>17,703</u>	<u>18,605</u>	( <u>6,548</u> )
	<u>3,137,794</u>	<u>3,393,088</u>	<u>4,079,140</u>
Add: Credit balance of investments accounted for using the equity method reclassified as liabilities	<u>-</u>	<u>-</u>	<u>6,548</u>
	<u><u>\$ 3,137,794</u></u>	<u><u>\$ 3,393,088</u></u>	<u><u>\$ 4,085,688</u></u>

a Material associates

Name of Associates	Nature of Activities	Principal Place of Business	Proportion of Ownership and Voting Rights		
			March 31, 2025	December 31, 2024	March 31, 2024
Ever Conquest Global Ltd.	Reinvestment	British Virgin Islands	40.87%	40.87%	40.87%

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

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

Ever Conquest Global Ltd.

	March 31, 2025	December 31, 2024	March 31, 2024
Current assets	\$ 1	\$ 1	\$ 1
Non-current assets	<u>3,768,543</u>	<u>4,323,787</u>	<u>5,955,318</u>
Equity	<u>\$ 3,768,544</u>	<u>\$ 4,323,788</u>	<u>\$ 5,955,319</u>
Proportion of the Group's ownership	40.87%	40.87%	40.87%
Equity attributable to the Group	<u>\$ 1,540,094</u>	<u>\$ 1,767,006</u>	<u>\$ 2,433,766</u>
Carrying amount of investments	<u>\$ 1,540,094</u>	<u>\$ 1,767,006</u>	<u>\$ 2,433,766</u>

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
The Group's share of		
Net loss for the period	(\$ 249,262)	(\$ 206,662)
Other comprehensive income	<u>22,350</u>	<u>99,344</u>
Total comprehensive income for the year	(\$ 226,912)	(\$ 107,318)

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 US\$109,215 thousand to participate in the capital increase of DEIL. As of March 31, 2025, DOR PO had invested US\$103,915 thousand and acquired 15% ownership interest in DEIL.

As of March 31, 2025, the Company and USI Corporation had accumulatively invested US\$170,475 thousand (approximately NT\$5,255,587 thousand) and US\$246,670 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.

b Aggregate information of associates that are not individually material

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
The Group's share of		
Net loss for the period	(\$ 35,795)	(\$ 1,817)
Other comprehensive income	3,627	( 5,585)
Total comprehensive income for the year	(\$ 32,168)	(\$ 7,402)

The Group'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,		
	March 31, 2025	2024	March 31, 2024
CGPC	8.07%	8.07%	8.07%
ACME	4.66%	4.66%	4.66%
CGTD	33.33%	33.33%	33.33%
ACME (Cayman)	13.63%	13.63%	13.63%
SPC	7.95%	7.95%	7.95%
TUVC	8.33%	8.33%	8.33%
STC	15.00%	15.00%	15.00%
USIO	9.20%	9.20%	9.20%
GUL	30.00%	30.00%	30.00%
XUL	30.00%	30.00%	30.00%

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.

ACME (Cayman) carried out a cash capital increase in February 2024 and December 2024, issuing 6,000 thousand new shares. The Group participated in the aforementioned capital increase based on its original ownership percentage of 13.63%, with a capital increase amount of USD 818 thousand for each.

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.

STC held a shareholders' extraordinary general meeting and board meeting on August 14, 2024, where it was resolved to carry out a capital reduction to offset losses and a cash capital increase. The record dates for the capital reduction and capital increase are August 20, 2024, and August 28, 2024, respectively. The Group's outstanding shares will be reduced by 2,250 thousand shares, and a cash capital increase of NT\$30,000 thousand will be subscribed, maintaining the same ownership percentage.

The Group's percentage of ownership over CGPC, ACME, ACME (Cayman), SPC, TUVC, STC, and USIO was less than 20%. These associates were accounted for using the equity method, as the Group retained significant influence over them due to the ultimate parent company retaining control 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,		
	March 31, 2025	2024	March 31, 2024
CGPC	<u>\$ 562,634</u>	<u>\$ 560,290</u>	<u>\$ 853,329</u>
ACME	<u>\$ 218,683</u>	<u>\$ 271,742</u>	<u>\$ 275,213</u>

The calculation of the equity in earnings and other comprehensive income shares of investments and the Group using the equity method is based on unreviewed financial statements for the same period, except for CGPC, ACME and ACME (Cayman), which are based on reviewed financial statements for the same period. The rest is based on the unreviewed financial statements for the same period.

## 14. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings and Improvements	Machinery and equipment	Transportation equipment	Other equipment	Construction in Progress and Prepayments for Equipment	Total
<b>Cost</b>							
Balance on January 1, 2025	\$ 228,229	\$ 781,248	\$ 6,708,798	\$ 9,281	\$ 90,327	\$ 1,264,632	\$ 9,082,515
Additions	-	-	13,533	-	18	120,865	134,416
Disposals	-	-	( 8,856 )	-	-	-	( 8,856 )
Internal transfer	-	-	5,861	-	-	( 5,861 )	-
Effect of foreign currency exchange differences	-	-	-	15	41	-	56
Balance at March 31, 2025	<u>\$ 228,229</u>	<u>\$ 781,248</u>	<u>\$ 6,719,336</u>	<u>\$ 9,296</u>	<u>\$ 90,386</u>	<u>\$ 1,379,636</u>	<u>\$ 9,208,131</u>
<b>Accumulated depreciation and impairment</b>							
Balance on January 1, 2025	\$ -	\$ 380,266	\$ 5,067,484	\$ 8,025	\$ 83,414	\$ -	\$ 5,539,189
Depreciation expenses	-	4,429	77,189	65	476	-	82,159
Disposals	-	-	( 8,856 )	-	-	-	( 8,856 )
Effect of foreign currency exchange differences	-	-	-	15	39	-	54
Balance at March 31, 2025	<u>\$ -</u>	<u>\$ 384,695</u>	<u>\$ 5,135,817</u>	<u>\$ 8,105</u>	<u>\$ 83,929</u>	<u>\$ -</u>	<u>\$ 5,612,546</u>
Net Amount at March 31, 2025	<u>\$ 228,229</u>	<u>\$ 396,553</u>	<u>\$ 1,583,519</u>	<u>\$ 1,191</u>	<u>\$ 6,457</u>	<u>\$ 1,379,636</u>	<u>\$ 3,595,585</u>
<b>Cost</b>							
Balance on January 1, 2024	\$ 228,229	\$ 781,248	\$ 6,663,066	\$ 9,382	\$ 91,966	\$ 953,814	\$ 8,727,705
Additions	-	-	10,343	-	-	109,500	119,843
Disposals	-	-	( 700 )	-	-	-	( 700 )
Internal transfer	-	-	19,207	-	1,965	( 21,172 )	-
Effect of foreign currency exchange differences	-	-	-	42	122	-	164
Balance at March 31, 2024	<u>\$ 228,229</u>	<u>\$ 781,248</u>	<u>\$ 6,691,916</u>	<u>\$ 9,424</u>	<u>\$ 94,053</u>	<u>\$ 1,042,142</u>	<u>\$ 8,847,012</u>
<b>Accumulated depreciation and impairment</b>							
Balance on January 1, 2024	\$ -	\$ 362,294	\$ 4,815,677	\$ 7,866	\$ 85,137	\$ -	\$ 5,270,974
Depreciation expenses	-	4,483	76,514	65	484	-	81,546
Disposals	-	-	( 700 )	-	-	-	( 700 )
Effect of foreign currency exchange differences	-	-	-	42	114	-	156
Balance at March 31, 2024	<u>\$ -</u>	<u>\$ 366,777</u>	<u>\$ 4,891,491</u>	<u>\$ 7,973</u>	<u>\$ 85,735</u>	<u>\$ -</u>	<u>\$ 5,351,976</u>
Net Amount at March 31, 2024	<u>\$ 228,229</u>	<u>\$ 414,471</u>	<u>\$ 1,800,425</u>	<u>\$ 1,451</u>	<u>\$ 8,318</u>	<u>\$ 1,042,142</u>	<u>\$ 3,495,036</u>

No impairment loss was recognized or reversed from January 1 and March 31, 2025 and 2024.

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 4 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 Group resolved to build the Intercontinental Phase II Petrochemical Oil Products Center in 2019. As of March 31, 2025, the Group has made construction payment of \$858,618 thousand, which was booked under the construction in progress.

## **15. LEASE ARRANGEMENTS**

### a Right-of-use Assets

	December 31, March 31, 2025	2024	March 31, 2024
Carrying amounts of right-of-use assets			
Land	\$ 8,538	\$ 8,704	\$ 9,202
Depreciation charge for right-of-use assets			
Land	\$ 166	\$ 166	
Transportation equipment	\$ -	\$ 34	
	<u>\$ 166</u>	<u>\$ 200</u>	

Except for the depreciation expense recognized listed above, there was no significant sublease or impairment of the Group's right-of-use assets From January 1 to March 31, 2025 and 2024.

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

### b Lease liabilities

	December 31, March 31, 2025	2024	March 31, 2024
Carrying amounts			

	December 31,		
	March 31, 2025	2024	March 31, 2024
Current	\$ 6,404	\$ 5,950	\$ 6,404
Non-current	\$ 79,083	\$ 80,971	\$ 9,480

Range of discount rate for lease liabilities was as follows:

	December 31,		
	March 31, 2025	2024	March 31, 2024
Land	1.06%	1.06%	1.06%
Buildings	2.16%	2.16%	1.06%

c Other lease information

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Expenses relating to short-term leases	\$ 1,131	\$ 1,020
Expenses relating to variable lease payments not included in the measurement of lease liabilities	\$ 618	\$ 201
Total cash outflow for leases	(\$ 3,623)	(\$ 3,130)

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

**16. INVESTMENT PROPERTIES**

	Land	Buildings and Improvements	Right-of-use Assets	Total
<u>Cost</u>				
Balance on January 1, 2025	\$ 370,202	\$ 271,607	\$ 110,180	\$ 751,989
Effect of foreign currency exchange differences	-----	1,781	-----	1,781
Balance at March 31, 2025	\$ 370,202	\$ 273,388	\$ 110,180	\$ 753,770

(Continued)

(Continued)

	Land	Buildings and Improvements	Right-of-use Assets	Total
<u>Accumulated depreciation</u>				
Balance on January 1, 2025	\$ -	\$ 148,322	\$ 32,764	\$ 181,086
Depreciation expenses	-	1,224	1,759	2,983
Effect of foreign currency exchange differences	-	835	-	835
Balance at March 31, 2025	\$ -	\$ 150,381	\$ 34,523	\$ 184,904
Net Amount at March 31, 2025	<u>\$ 370,202</u>	<u>\$ 123,007</u>	<u>\$ 75,657</u>	<u>\$ 568,866</u>
<u>Cost</u>				
Balance on January 1, 2024	\$ 370,202	\$ 262,786	\$ 34,585	\$ 667,573
Effect of foreign currency exchange differences	-	5,492	-	5,492
Balance at March 31, 2024	<u>\$ 370,202</u>	<u>\$ 268,278</u>	<u>\$ 34,585</u>	<u>\$ 673,065</u>
<u>Accumulated depreciation</u>				
Balance on January 1, 2024	\$ -	\$ 139,506	\$ 27,303	\$ 166,809
Depreciation expenses	-	1,195	1,365	2,560
Effect of foreign currency exchange differences	-	2,457	-	2,457
Balance at March 31, 2024	\$ -	\$ 143,158	\$ 28,668	\$ 171,826
Net Amount at March 31, 2024	<u>\$ 370,202</u>	<u>\$ 125,120</u>	<u>\$ 5,917</u>	<u>\$ 501,239</u>

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 from March 31, 2025 and December 31, 2024 and March 31, 2024 was as follows:

	December 31,		
	March 31, 2025	2024	March 31, 2024
Year 1	\$ 28,165	\$ 25,009	\$ 24,098
Year 2	12,668	14,463	8,925
Year 3	2,775	5,312	6,367
	<u>\$ 43,608</u>	<u>\$ 44,784</u>	<u>\$ 39,390</u>

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	10 years

The fair value of the investment property (i.e. the land) located in Linyuan Industrial Park, which is for industrial use, cannot be reliably determined due to infrequent market transactions. The investment properties - land (excluding those located in Linyuan Industrial Park), buildings and improvements were not evaluated by the independent appraisers. The fair values of these investment properties were measured by the Group's management 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.

The fair values of the proceeds as of March 31, 2025 and December 31, 2024 and March 31, 2024, are as follows:

		December 31,	
	March 31, 2025	2024	March 31, 2024
Fair Value	<u>\$ 2,277,584</u>	<u>\$ 2,206,912</u>	<u>\$ 2,003,972</u>

## 17. BORROWINGS

Long-term borrowings

	March 31, 2025	December 31, 2024	March 31, 2024
Unsecured borrowings	\$ 1,083,333	\$ 1,181,910	\$ 546,775
Less: Current portion due within one year	( 394,010 )	( 393,755 )	( 131,760 )
Long-term borrowings	<u>\$ 689,323</u>	<u>\$ 788,155</u>	<u>\$ 415,015</u>
Range of interest rates	1.175%~1.675%	1.175%~1.675%	1.18%

In order to fund medium to long-term working capital needs, the Group signed medium to long-term loan agreements with banks with total lines of credit of NT\$1,850,000 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 March 31, 2025.

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 March 31, 2025, the Company's bank loan limit can be found in Note 28.

Some of the Group's loan agreements stipulate that the current ratio and debt ratio as stated on the financial statements shall not be less than a specified percentage, and that if such a percentage fails to be met, the Group shall propose improvement measures to the banks concerned. As of March 31, 2025, the Group did not violate these financial ratios and terms.

## **18. ACCOUNTS PAYABLE (INCLUDING RELATED PARTIES)**

	March 31, 2025	December 31, 2024	March 31, 2024
Arising from operation (Note 29)	<u>\$ 376,520</u>	<u>\$ 266,911</u>	<u>\$ 211,139</u>

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

## **19. OTHER PAYABLES**

	March 31, 2025	December 31, 2024	March 31, 2024
Payables for equipment	<u>\$ 82,740</u>	<u>\$ 63,623</u>	<u>\$ 56,915</u>
Payables for utilities	<u>57,143</u>	<u>53,870</u>	<u>29,638</u>
Payables for salaries or bonuses	<u>35,348</u>	<u>48,405</u>	<u>32,091</u>
Payables for surrogate shopping	<u>21,030</u>	<u>16,421</u>	<u>-</u>
Payables for freight fees	<u>10,673</u>	<u>10,886</u>	<u>7,517</u>
Payables for dividends	<u>8,812</u>	<u>11,521</u>	<u>15,399</u>
Payables for insurance	<u>2,609</u>	<u>2,311</u>	<u>2,448</u>
OTHERS	<u>25,161</u>	<u>23,943</u>	<u>28,795</u>
	<u><u>\$ 243,516</u></u>	<u><u>\$ 230,980</u></u>	<u><u>\$ 172,803</u></u>

## **20. PROVISION FOR LIABILITIES (December 31, 2024, and March 31, 2024: none)**

	March 31, 2025
<u>Current</u>	
Carbon Fee	<u>\$ 6,713</u>

The Group has recognized provisions for carbon fee liabilities in accordance with Taiwan's Regulations Governing the Collection of Carbon Fees and related laws starting from 2025. The Group's provisions for carbon fee liabilities are calculated based on the standard rate.

## 21. RETIREMENT BENEFIT PLANS

Pension expense related to defined benefit plans recognized From January 1 to March 31, 2025 and 2024 was recognized in each period using the actuarially determined pension cost rates as of December 31, 2024 and 2023, respectively, as follows:

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Classified as Operating Cost	\$ 472	\$ 576
Selling and Marketing Expenses	50	56
General and administrative expenses	14	16
Research and Development Expenses	-	13
	<u>\$ 536</u>	<u>\$ 661</u>

## 22. EQUITY

### a Ordinary shares

	March 31, 2025	December 31, 2024	March 31, 2024
Number of shares authorized (in thousands)	<u>620,000</u>	<u>620,000</u>	<u>620,000</u>
Shares authorized	<u>\$ 6,200,000</u>	<u>\$ 6,200,000</u>	<u>\$ 6,200,000</u>
Number of shares issued and fully paid (in thousands)	<u>593,743</u>	<u>593,743</u>	<u>593,743</u>
Shares issued	<u>\$ 5,937,438</u>	<u>\$ 5,937,438</u>	<u>\$ 5,937,438</u>

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

### b Capital surplus

	March 31, 2025	December 31, 2024	March 31, 2024
Unpaid dividends	<u>\$ 26,642</u>	<u>\$ 26,642</u>	<u>\$ 26,247</u>
Share of changes in capital surplus of associates accounted for using the equity method	<u>11,484</u> <u>\$ 38,126</u>	<u>11,488</u> <u>\$ 38,130</u>	<u>11,311</u> <u>\$ 37,558</u>

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 24-7.

The Company's Board of Directors proposed amendments to the Articles on March 5, 2025, stipulating that where the Company made a profit in a fiscal year, entry-level employees shall receive no less than 40% of the total employees' compensation to be distributed. This proposal is subject to resolution in the shareholders' general meeting to be held on May 28, 2025.

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 2024 and 2023 approved in the shareholders' meetings on March 5, 2025 and May 30, 2024, respectively, were as follows:

	2024	2023
Legal reserve	\$ -	\$ 11,994
Cash dividends	\$ 148,346	\$ 267,185
Cash dividends per share (NT\$)	\$ 0.25	\$ 0.45

The appropriation of earnings for 2024 is subject to resolution in the shareholders' meeting to be held on May 28, 2025.

d Special Reserve

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Beginning Balance	<u>\$ 554,105</u>	<u>\$ 554,105</u>
Reversal for special reserve		
Disposal of property, plant and equipment	( 1,436)	-
Ending Balance	<u>\$ 552,669</u>	<u>\$ 554,105</u>

The special reserve established for property, plant and equipment, excluding land, shall be reversed upon disposal upon first-time adoption of IFRS accounting standards.

e Other Equity

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

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Beginning Balance	<u>\$ 7,754</u>	<u>(\$ 145,105)</u>
Generated for the period		
Exchange differences on translating the financial statements of foreign operations	33,964	124,239
Share of exchange differences of associates accounted for using the equity method	3,132	10,496
Related income tax	( 6,793)	( 24,847)
Other comprehensive income for the period	30,303	109,888
Ending Balance	<u>\$ 38,057</u>	<u>(\$ 35,217)</u>

2) Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Beginning Balance	<u>(\$ 198,485)</u>	<u>\$ 813,423</u>
Generated for the period		
Unrealized (Gain) Loss		
Equity Instruments	16,567	( 302,083)
Share from associates accounted for using the equity method	( 1,095)	( 13,168)
Related income tax	689	( 497)
Other comprehensive income for the period	16,161	( 315,748)
Ending Balance	<u>(\$ 182,324)</u>	<u>\$ 497,675</u>

### 23. REVENUE

#### a Revenue from contracts with customers

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Revenue from sale of goods	<u>\$ 1,534,387</u>	<u>\$ 1,561,353</u>

#### b Contract balances

	March 31, 2025	December 31, 2024	March 31, 2024	January 1, 2024
Accounts receivable (Note 10)	<u>\$ 572,856</u>	<u>\$ 437,032</u>	<u>\$ 380,463</u>	<u>\$ 404,551</u>
Contract liabilities (presented in other current liabilities)	<u>\$ 62,396</u>	<u>\$ 54,560</u>	<u>\$ 84,776</u>	<u>\$ 53,244</u>

### 24. NET LOSS FOR THE PERIOD

#### a Interest income

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Interest income		
Bank deposits	\$ 2,029	\$ 2,387
Financial assets at amortized cost	800	475
Financial assets at FVTPL	261	-
Reverse repurchase agreements	<u>2,512</u>	<u>1,243</u>
	<u>\$ 5,602</u>	<u>\$ 4,105</u>

#### b Other income

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Lease income	\$ 13,677	\$ 13,212
Others	<u>1,993</u>	<u>1,860</u>
	<u>\$ 15,670</u>	<u>\$ 15,072</u>

c Other gains and losses

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Fair value changes of financial assets and financial liabilities		
Financial assets at FVTPL	\$ 2,370	\$ 85
Financial liabilities at FVTPL	( 1,791 )	536
Net gain on foreign currency exchange	14,182	18,547
Others	( 8,749 )	( 5,855 )
	<u>\$ 6,012</u>	<u>\$ 13,313</u>

d Interest expense

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Interest on bank loans	\$ 3,607	\$ 2,175
Interest on lease liabilities	440	45
	<u>\$ 4,047</u>	<u>\$ 2,220</u>

The Group did not capitalize interest for the period From January 1 to March 31, 2025 and 2024.

e Depreciation and amortization

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Property, plant and equipment	\$ 82,159	\$ 81,546
Investment properties	2,983	2,560
Right-of-use Assets	166	200
Intangible assets	110	83
Total	<u>\$ 85,418</u>	<u>\$ 84,389</u>

An analysis of depreciation by function

Classified as Operating Cost	\$ 82,272	\$ 81,699
Operating expenses	53	47
Other gains and losses	2,983	2,560
	<u>\$ 85,308</u>	<u>\$ 84,306</u>

An analysis of amortization by function

Operating expenses	\$ 110	\$ 83
--------------------	--------	-------

f Employee benefits expense

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Post-employment benefits (Note 21)		
Defined contribution plans	\$ 2,459	\$ 2,355
Defined benefit plans	<u>536</u>	<u>661</u>
	2,995	3,016
Other employee benefits	<u>76,958</u>	<u>75,785</u>
Total employee benefits expense	<u><u>\$ 79,953</u></u>	<u><u>\$ 78,801</u></u>
An analysis of employee benefits expense by function		
Classified as Operating		
Cost	\$ 68,056	\$ 67,729
Operating expenses	<u>11,897</u>	<u>11,072</u>
	<u><u>\$ 79,953</u></u>	<u><u>\$ 78,801</u></u>

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 accordance with the August 2024 amendments to the Securities and Exchange Act, the Company expects to obtain shareholder approval at the 2025 shareholder's meeting to amend the Articles, stipulating that when the Company makes profit for the year, entry-level employees shall receive no less than 40% of the total employees' compensation to be distributed. In 2025 and from January 1 to March 31, 2024, due to losses, employee and director remuneration was not estimated.

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

	<u>2023</u>
Employees' compensation	<u>Cash</u>
Directors' remuneration	<u>1%</u>
	-

Amount

	2023
Employees' compensation	<u>Cash</u>
Directors' remuneration	<u>\$ 1,467</u>
	<u>\$ _____ -</u>

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate. There is no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the year 2023.

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

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Foreign exchange gains	\$ 14,841	\$ 29,687
Foreign exchange losses	( 659 )	( 11,140 )
Net gain	<u>\$ 14,182</u>	<u>\$ 18,547</u>

## 25. INCOME TAX

a Income tax recognized in profit or loss

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

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Current tax		
In respect of the current period	\$ 9,515	\$ 1,379
Adjustments for prior years	( 3,250 )	( 80 )
	<u>6,265</u>	<u>1,299</u>
Deferred income tax		
In respect of the current period	3,031	( 45,612 )
Adjustments for prior years	2,354	( _____ - )
	<u>5,385</u>	<u>( 45,612 )</u>
Income tax expenses (benefits) recognized in profit or loss	<u>\$ 11,650</u>	<u>( \$ 44,313 )</u>

b Income tax recognized in other comprehensive income

From January 1 to March 31, 2025	From January 1 to March 31, 2024
-------------------------------------	-------------------------------------

<u>Deferred income tax</u>		
Generated for the period		
– Translation of foreign operations	\$ 6,793	\$ 24,847
– Unrealized gain (loss) on financial assets at fair value through other comprehensive income	( 689 )	497
Income tax expense recognized in other comprehensive income	\$ 6,104	\$ 25,344

c Income tax assessments

The Company and APCI's income tax declaration through 2023 have been approved by the tax authorities.

## 26. LOSS PER SHARE

	From January 1 to March 31, 2025	From January 1 to March 31, 2024	Unit: NT\$ Per Share
Basic loss per share	(\$ 0.40)	(\$ 0.32)	
Diluted loss per share	(\$ 0.40)	(\$ 0.32)	

The net loss and weighted average number of ordinary shares used to calculate the loss per share from continuing operations were as follows:

Net loss for the period

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
To calculate the net loss per share for basic and diluted purposes.	(\$ 236,981)	(\$ 187,708)

Unit: In Thousand Shares

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
<u>Number of Shares</u>	<u>593,743</u>	<u>593,743</u>

If the Group offered to settle compensation paid to employees in cash or shares, the Group assumed the entire amount of the compensation would be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in

the computation of diluted earnings per share, if the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the shareholders resolve the number of shares to be distributed to employees at their meeting in the following year.

The Group incurred a loss in 2025 and the period from January 1 to March 31, 2024. However, due to its anti-dilutive effect, this loss was not included in the calculation of diluted loss per share.

## **27. CAPITAL MANAGEMENT**

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

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

## **28. FINANCIAL INSTRUMENTS**

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

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

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

1) Fair value hierarchy

March 31, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Domestic listed shares	\$ 96,632	\$ -	\$ -	\$ 96,632
Foreign listed shares	29,065	-	-	29,065
Mutual funds	424,682	-	-	424,682
Beneficiary securities	60,876	-	-	60,876
	<u>\$ 611,255</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 611,255</u>

FINANCIAL ASSETS AT  
FAIR VALUE  
THROUGH OTHER  
COMPREHENSIVE  
INCOME (FVTOCI)

Investments in equity instruments				
Domestic listed shares	\$ 1,813,319	\$ -	\$ -	\$ 1,813,319
Foreign listed shares	4,250	-	-	4,250
Domestic unlisted shares	-	-	114,761	114,761
Foreign unlisted shares	-	-	123,023	123,023
	<u>\$ 1,817,569</u>	<u>\$ -</u>	<u>\$ 237,784</u>	<u>\$ 2,055,353</u>

Financial liabilities at FVTPL

Derivative instruments	\$ -	\$ 1,791	\$ -	\$ 1,791
------------------------	------	----------	------	----------

December 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Foreign listed shares	\$ 28,135	\$ -	\$ -	\$ 28,135
Domestic listed shares	95,582	-	-	95,582
Mutual funds	238,171	-	-	238,171
Beneficiary securities	62,214	-	-	62,214
	<u>\$ 424,102</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 424,102</u>

FINANCIAL ASSETS AT  
FAIR VALUE  
THROUGH OTHER  
COMPREHENSIVE  
INCOME (FVTOCI)

Investments in equity instruments				
Domestic listed shares	\$ 1,793,176	\$ -	\$ -	\$ 1,793,176
Foreign listed shares	5,522	-	-	5,522
Domestic unlisted shares	-	-	117,282	117,282
Foreign unlisted shares	-	-	123,574	123,574
	<u>\$ 1,798,698</u>	<u>\$ -</u>	<u>\$ 240,856</u>	<u>\$ 2,039,554</u>

March 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Domestic listed shares	\$ 158,779	\$ -	\$ -	\$ 158,779
Mutual funds	482,069	-	-	482,069
Beneficiary securities	<u>69,793</u>	<u>-</u>	<u>-</u>	<u>69,793</u>
	<u>\$ 710,641</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 710,641</u>

FINANCIAL ASSETS AT  
FAIR VALUE  
THROUGH OTHER  
COMPREHENSIVE  
INCOME (FVTOCI)

Investments in equity instruments				
Domestic listed shares	\$ 2,488,598	\$ -	\$ -	\$ 2,488,598
Foreign listed shares	10,249	-	-	10,249
Domestic unlisted shares	-	-	120,567	120,567
Foreign unlisted shares	<u>-</u>	<u>-</u>	<u>89,655</u>	<u>89,655</u>
	<u>\$ 2,498,847</u>	<u>\$ -</u>	<u>\$ 210,222</u>	<u>\$ 2,709,069</u>

There were no transfers between Levels 1 and 2 From January 1 to March 31, 2025 and 2024.

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

From January 1 to March 31, 2025

Financial Assets	Financial Instruments at FVTOCI
Beginning Balance	\$ 240,856
Decrease for this period	( 2,390)
Recognized in other comprehensive income (included in unrealized gain on financial assets at FVTOCI)	( 682)
Ending Balance	<u>\$ 237,784</u>

From January 1 to March 31, 2024

Financial Assets	Financial Instruments at FVTOCI
Beginning Balance	\$ 224,960
Recognized in other comprehensive income (included in unrealized gain on financial assets at FVTOCI)	( 14,738)
Ending Balance	<u>\$ 210,222</u>

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 Group's financial department used valuation techniques in measuring Level 3 fair value of financial instruments. The assumptions of and the inputs to the measurement are based on information from independent resources. The results of the measurement are evaluated against the market state and reviewed periodically to ensure that they are reasonable. The fair values of domestic and foreign unlisted equity securities were determined using the asset-based approach. In this approach, the fair value is determined by the latest net value of the investee company and the financial and business conditions of an observable company. If the discount for the lack of marketability decreases, the fair value of investments will increase. When the net asset value of the investee company increases/decreases by 1%, it will increase/decrease the fair value by NT\$2,378 thousand From January 1 to March 31, 2025; and increase/decrease the fair value by NT\$2,102 thousand from January 1 to March 31, 2024.

c Categories of financial instruments

	December 31, March 31, 2025	2024	March 31, 2024
<b>Financial Assets</b>			
Financial assets at FVTPL			
Mandatorily classified as at FVTPL	\$ 611,255	\$ 424,102	\$ 710,641
Financial assets at amortized cost (Note 1)	1,815,024	2,084,130	1,686,845
<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVTOCI)</b>			
Investments in equity instruments	2,055,353	2,039,554	2,709,069

(Continued)

(Continued)

	March 31, 2025	December 31, 2024	March 31, 2024
<b><u>Financial liabilities</u></b>			
Financial assets at FVTPL			
Held for trading	1,791	-	-
Financial liabilities at amortized cost (Note 2)	1,745,279	1,779,402	1,013,515

Note 1: The balances include financial assets at amortized cost, which comprise cash and cash equivalents, time deposits and RS with original maturities exceeding three months, 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 Group's risk control and hedging strategy are influenced by its operational environment. The Group properly monitors and manages the risks related to business nature and according to the principle of risk diversification. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

1) Market risk

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

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

a) Foreign currency risk

The Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk. In order to avoid the impact of foreign currency exchange rate changes, which lead to deductions in foreign currency denominated assets and fluctuations in their future cash flows, the Group used the natural offset between foreign currency assets and liabilities and foreign exchange forward contracts on the net position. The Group sought to minimize

the effects of these risks by using foreign exchange forward contracts to hedge risk exposures. The use of foreign exchange forward contracts was governed by the Group's policies approved by the Board of Directors. Compliance with policies and exposure limits was reviewed by internal auditors on a continuous basis. The Group did not enter into or trade foreign exchange forward contracts for speculative purposes.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities is set out in Note 31. 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. When the functional currency of the Group appreciates/depreciates against the US dollar by 3%, the pre-tax net loss of the merged company for the period from January 1 to March 31 in 2025 and 2024 will increase/decrease by NT\$12,490 thousand and NT\$10,144 thousand, respectively. When the functional currency of the Group appreciates/depreciates against the US dollar by 3%, the pre-tax net loss of the Group for the period from January 1 to March 31 in 2025 and 2024 will increase/decrease by NT\$6,456 thousand and NT\$4,145 thousand, respectively.

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

#### b) Interest rate risk

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

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

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Fair value interest rate risk			
– Financial Assets	\$ 1,029,609	\$ 1,393,176	\$ 1,024,696
– Financial liabilities	85,487	86,921	15,884
Cash flow interest rate risk			
– Financial Assets	165,753	228,145	270,518
– Financial liabilities	1,083,333	1,190,303	546,775

#### Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for both financial assets and liabilities at the end of the reporting period. A 0.5% 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. With all other variables are held constant, a 0.5% increase/decrease in market interest rates, financial assets and liabilities exposed to cash flow interest rate risk would increase/decrease the Group's net loss before income tax by NT\$1,157 thousand/NT\$345 thousand From January 1 to March 31, 2025 and 2024.

c) Other price risk

The Group was exposed to fair value risk through its investments in domestic and foreign stocks, as well as beneficial securities. The Group manages this exposure by maintaining a portfolio of investments with different risks. In addition, the Group has appointed a special team to monitor price risk.

#### Sensitivity analysis

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

If the marketable securities price increases/decreases by 5%, the net loss before tax for January 1 to March 31, 2025 and 2024 would increase/decrease by NT\$10,621 thousand and NT\$11,429 thousand respectively due to the increase/decrease in the fair value of financial assets (excluding investment in

money market funds) measured through profit or loss. Other comprehensive income before tax From January 1 to March 31, 2025 and 2024 will increase/decrease by NT\$102,768 thousand and NT\$135,453 thousand due to the increase/decrease in fair value of financial assets measured at fair value through other comprehensive income.

2) Credit risk

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

- a) The carrying amount of the respective recognized financial assets as stated in consolidated balance sheets; and
- b) The maximum amount the Group would have to pay if the financial guarantee is called upon, irrespective of the likelihood of the guaranteee being exercised.

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

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

3) Liquidity risk

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

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

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

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods based on the probable earliest repayment dates. The table was drawn up based on the

undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

March 31, 2025

	Weighted Average Interest Rate (%)	On Demand or Less than 1 Year	1 to 5 Years	5+ Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities		\$ 653,486	\$ -	\$ -
Lease liabilities	1.06%~2.16%	8,091	34,360	53,260
Floating interest rate instruments	1.32%	404,497	695,787	-
		<u>\$ 1,066,074</u>	<u>\$ 730,147</u>	<u>\$ 53,260</u>

December 31, 2024

	Weighted Average Interest Rate (%)	On Demand or Less than 1 Year	1 to 5 Years	5+ Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities		\$ 589,304	\$ -	\$ -
Lease liabilities	1.06%~2.16%	7,668	34,173	55,744
Floating interest rate instruments	1.05%	404,810	796,491	-
		<u>\$ 1,001,782</u>	<u>\$ 830,664</u>	<u>\$ 55,744</u>

March 31, 2024

	Weighted Average Interest Rate (%)	On Demand or Less than 1 Year	1 to 5 Years	5+ Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities		\$ 460,062	\$ -	\$ -
Lease liabilities	1.06%	6,542	3,501	6,724
Floating interest rate instruments	1.18%	138,690	422,405	-
		<u>\$ 605,294</u>	<u>\$ 425,906</u>	<u>\$ 6,724</u>

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 and March 31, 2024: none).

March 31, 2025

	On Demand or Less than 1 Month	1 to 3 Months
<u>Gross settled</u>		
Foreign exchange forward contracts		
— Inflows	\$ 41,946	\$ 87,379
— Outflows	( 43,483 )	( 89,278 )
	(\$ 1,537 )	(\$ 1,899 )

c) Financing facilities

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

	March 31, 2025	December 31, 2024	March 31, 2024
Bank loan facilities			
— Amount used	\$ 1,084,346	\$ 1,182,923	\$ 549,000
— Amount unused	5,780,000	5,870,000	8,770,597
	<u>\$ 6,864,346</u>	<u>\$ 7,052,923</u>	<u>\$ 9,319,597</u>

## **29. TRANSACTIONS WITH RELATED PARTIES**

The Company's ultimate parent is USI Corporation, which held 36.08% of the ordinary shares of the Company as of March 31, 2025 and December 31 and March 31, 2024.

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

a 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
China General Plastics Corporation (CGPC)	Associate
China General Terminal & Distribution Co. (CGTD)	Associate
Acme Electronics Corporation (ACME)	Associate
ACME Electronics (Guangzhou) Co., Ltd. (ACME Guangzhou)	Associate
USI Optronics Corporation (USIO)	Associate
Taiwan VCM Corporation (TVCM)	Associate
Swanson Plastics Corporation (SPC)	Associate
Swanson Plastics (Kunshan) Corporation (SPC Kunshan)	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 (TUVVM)	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	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Ultimate parent company		
USI Corporation	\$ 72,683	\$ 111,623
Associate	20,132	8,711
Fellow subsidiary	<u>8,338</u>	<u>21,402</u>
	<u><u>\$ 101,153</u></u>	<u><u>\$ 141,736</u></u>

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	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Ultimate parent company		
USI Corporation	<u>\$ 37,263</u>	<u>\$ 85,752</u>
Associate		
SPC	7,399	9,131
GL	<u>2,726</u>	<u>112,121</u>
	<u>10,125</u>	<u>121,252</u>
	<u><u>\$ 47,388</u></u>	<u><u>\$ 207,004</u></u>

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	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Ultimate parent company		
USI Corporation	\$ 3,095	\$ 2,974
Fellow subsidiary		
UM	<u>15,575</u>	<u>16,134</u>
	<u><u>\$ 18,670</u></u>	<u><u>\$ 19,108</u></u>

e Property, plant and equipment

Related Party Category/Name	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Essential related party	<u>\$ 3,800</u>	<u>\$ -</u>

f Lease arrangements - Company is lessee

Lease expense

Related Party Category/Name	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Ultimate parent company		
USI Corporation	<u>\$ 621</u>	<u>\$ 581</u>

g Lease arrangement - Group is lessor

Lease income

Related Party Category	From January 1 to March 31, 2025	From January 1 to March 31, 2024
------------------------	-------------------------------------	-------------------------------------

Ultimate parent company		
USI Corporation	<u>\$ 461</u>	<u>\$ 758</u>
Parent entity		
Union Polymer	<u>8</u>	<u>1</u>
Associate		
TVCM	<u>3,272</u>	<u>3,196</u>
Others	<u>1,851</u>	<u>1,611</u>
	<u>5,123</u>	<u>4,807</u>
Fellow subsidiary		
TTC	<u>1,736</u>	<u>1,923</u>
Others	<u>492</u>	<u>511</u>
	<u>2,228</u>	<u>2,434</u>
	<u><u>\$ 7,820</u></u>	<u><u>\$ 8,000</u></u>

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)

<u>Related Party Category/Name</u>	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Essential related party		
USIF	<u>\$ 3,000</u>	<u>\$ 3,000</u>

i Management income (under other income)

<u>Related Party Category/Name</u>	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Associate	<u>\$ 663</u>	<u>\$ 663</u>

j Investment consultant fees (under other gains and losses)

<u>Related Party Category/Name</u>	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Fellow subsidiary		
TUVM	<u>\$ 416</u>	<u>\$ 421</u>

k Accounts receivable

<u>Related Party Category/ Name</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Ultimate parent company			
USI Corporation	<u>\$ 53,771</u>	<u>\$ 52,140</u>	<u>\$ 76,638</u>
Associate			
SPC (Kunshan)	<u>11,508</u>	<u>-</u>	<u>5,228</u>
Other	<u>2,639</u>	<u>2,944</u>	<u>2,696</u>
	<u>14,147</u>	<u>2,944</u>	<u>7,924</u>
Fellow subsidiary			
2,231	<u>4,952</u>		<u>11,190</u>
	<u><u>\$ 70,149</u></u>	<u><u>\$ 60,036</u></u>	<u><u>\$ 95,752</u></u>

1 Other receivables

Related Party Category/ Name	March 31, 2025	December 31, 2024	March 31, 2024
Ultimate parent company			
USI Corporation	<u>\$ 28,539</u>	<u>\$ 18,132</u>	<u>\$ 1,507</u>
Associate			
Dynamic Ever			
Investments Limited	696	696	696
Others	<u>3,137</u>	<u>415</u>	<u>469</u>
	<u>3,833</u>	<u>1,111</u>	<u>1,165</u>
Fellow subsidiary			
TTC	680	705	832
Others	<u>8</u>	<u>83</u>	<u>-</u>
	<u>688</u>	<u>788</u>	<u>832</u>
	<u><u>\$ 33,060</u></u>	<u><u>\$ 20,031</u></u>	<u><u>\$ 3,504</u></u>

Other receivables – related party amounts mainly include 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	March 31, 2025	December 31, 2024	March 31, 2024
Ultimate parent company			
USI Corporation	<u>\$ 22,326</u>	<u>\$ 26,581</u>	<u>\$ 51,355</u>
Associate			
SPC	<u>2,687</u>	<u>2,559</u>	<u>1,763</u>
	<u><u>\$ 25,013</u></u>	<u><u>\$ 29,140</u></u>	<u><u>\$ 53,118</u></u>

n Other payables

Related Party Category/ Name	March 31, 2025	December 31, 2024	March 31, 2024
Ultimate parent company			
USI Corporation	<u>\$ 63,761</u>	<u>\$ 132,927</u>	<u>\$ 109,393</u>
Associate	<u>4,252</u>	<u>6,640</u>	<u>2,454</u>
Essential related party	<u>3,230</u>	<u>1,412</u>	<u>-</u>
Fellow subsidiary	<u>1,843</u>	<u>798</u>	<u>572</u>
	<u><u>\$ 73,086</u></u>	<u><u>\$ 141,777</u></u>	<u><u>\$ 112,419</u></u>

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

o Compensation and bonus of key management personnel

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Short-term employee benefits	\$ 3,256	\$ 3,240

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

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

a Significant commitments

The amount available under unused letters of credit as of March 31, 2025 was NT\$500,000 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 April 29, 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 April 29, 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\$1,616,883 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\$489,861 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 April 29, 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\$1,711,504 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.

### **31. 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 Group, and the exchange rates disclosed refer to the exchange rates at which these foreign currencies were translated into the functional currency. Significant 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  
March 31, 2025

Financial Assets	Foreign Currency	Exchange Rate	Functional Currency	Carrying Amount
<u>Monetary items</u>				
USD	\$ 15,666	33.205 (USD:NTD)	\$ 520,182	\$ 520,182
USD	504	7.1782 (USD:RMB)	3,618	16,737
RMB	2,888	0.1393 (RMB:USD)	402	13,359
RMB	43,632	4.6258 (RMB:NTD)	201,835	<u>201,835</u>
				<u>\$ 752,113</u>
<u>Non-monetary items</u>				
Associates accounted for using the equity method				
USD	46,381	33.205 (USD:NTD)	1,540,094	\$ 1,540,094

RMB	Foreign Currency	Exchange Rate	Functional Currency	Carrying Amount
	11,158	0.1393(RMB:USD)	1,554	<u>51,616</u> <u>\$ 1,591,710</u>
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	3,632	33.205 (USD:NTD)	120,593	\$ 120,593
EUR	116	35.970 (EUR:NTD)	4,159	<u>4,159</u> <u>\$ 124,752</u>

December 31, 2024

Financial Assets	Foreign Currency	Exchange Rate	Functional Currency	Carrying Amount
<u>Monetary items</u>				
USD	\$ 15,597	32.785 (USD:NTD)	\$ 511,343	\$ 511,343
USD	477	7.1884 (USD:RMB)	3,429	15,639
RMB	2,722	0.1391 (RMB:USD)	379	12,426
RMB	13,575	4.5608 (RMB:NTD)	61,912	<u>61,912</u> <u>\$ 601,320</u>
<u>Non-monetary items</u>				
Associates accounted for using the equity method				
USD	53,897	32.785 (USD:NTD)	1,767,006	\$ 1,767,006
RMB	10,500	0.1391(RMB:USD)	1,461	<u>47,899</u> <u>\$ 1,814,912</u>
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	7,076	32.785 (USD:NTD)	231,999	<u>\$ 231,999</u>

March 31, 2024

Financial Assets	Foreign Currency	Exchange Rate	Functional Currency	Carrying Amount
<u>Monetary items</u>				
USD	\$ 15,273	32.000 (USD:NTD)	\$ 488,732	\$ 488,732
USD	425	7.0950 (USD:RMB)	3,019	13,615
RMB	3,014	0.1409 (RMB:USD)	425	13,593
RMB	27,819	4.5102 (RMB:NTD)	125,469	125,469
JPY	47,130	0.2115 (JPY: NTD)	9,968	<u>9,968</u> <u>\$ 651,377</u>
<u>Non-monetary items</u>				
Associates accounted for using the equity method				
USD	76,055	32.000 (USD:NTD)	2,433,766	\$ 2,433,766
RMB	8,649	0.1409(RMB:USD)	1,219	<u>39,009</u> <u>\$ 2,472,775</u>
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	5,132	32.000 (USD:NTD)	164,227	\$ 164,227
RMB	197	0.1409 (RMB:USD)	28	890
JPY	2,609	0.2115 (JPY: NTD)	552	<u>552</u> <u>\$ 165,669</u>

For the period From January 1 to March 31, 2025 and 2024, realized and unrealized net foreign exchange gains of the Group were NT\$14,182 thousand and NT\$18,547 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.

## **32. SEPARATELY DISCLOSED ITEMS**

- a Information on significant transactions:
  - 1) Financing provided to others. (None)
  - 2) Endorsements/guarantees provided. (None)
  - 3) Material marketable securities held (excluding investments in subsidiaries, associates and interests in joint ventures). (Table 1)
  - 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (None)
  - 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (None)
  - 6) Others: Intercompany relationships and significant intercompany transactions. (Table 2)
- 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.

### **33. SEGMENT INFORMATION**

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

TABLE 1

**ASIA POLYMER CORPORATION AND SUBSIDIARIES**  
**MATERIAL MARKETABLE SECURITIES HELD**  
**March 31, 2025**  
**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	<u>Shares</u>	None " " " " None " " " " " " " "	Financial assets at fair value through other comprehensive income - non-current " " " " " " " "	2,377	\$ 11	1.20%	\$ 11	
	Harbinger Venture Capital Corp.			12,893,187	114,750	11.90%	114,750	
	KHL IB Venture Capital Co., Ltd.			101,355,673	1,089,574	8.53%	1,089,574	
	USI Corporation			14,446,107	575,677	1.78%	575,677	
	CTCI Corporation			7,694,812	103,495	0.10%	103,495	
	AUO Corporation			235,000	33,605	0.41%	33,605	
	PELL Bio-Med Technology Co. Ltd.			518,605	10,968	0.09%	10,968	
	Wafer Works Corporation			2,000,000	64,100	-	64,100	
	Taiwan Cement Corporation			39,500	13,152	-	13,152	
	Zeon Corp.			20,000	5,815	-	5,815	
	Kyushu Electric Power Co., Inc.			4,053,000	60,876	-	60,876	
	<u>Beneficiary securities</u>			7,096,131	100,788	-	100,788	
	Cathay No. 1 Real Estate Investment Trust Fund			7,894,440	117,446	-	117,446	
	<u>Beneficiary certificates</u>			7,191,728	125,570	-	125,570	
	Taishin 1699 Money Market Fund			2,495,648	40,000	-	40,000	
	Taishin Ta-Chong Money Market Fund			580,000	17,220	-	17,220	
	UPAMC James Bond Money Market Fund							
	FSITC Taiwan Money Market Fund							
	Yuanta US Treasury 20+ Year Bond ETF							

(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.	<u>Shares</u>	None	Financial assets at fair value through other comprehensive income - non-current	40,467	\$ -	4.45%	\$ -	(Note 1)
	Budworth Investment Ltd.			1,139,776	123,023	2.21%	123,023	
	Silicon Technology Investment (Cayman) Corp. - preference shares			2,397,364	-	0.37%	-	(Note 1)
	NeuroSky, Inc. - series D preference shares			14,863,333	4,250	0.45%	4,250	
	Solargiga Energy Holdings Ltd.			112,000	-	0.67%	-	(Note 1)
	Teratech Corp.			300,000	-	-	-	(Note 1)
	TGF Linux Communication, Inc. - preference shares		Financial assets at fair value through profit or loss - non-current	450,000	-	-	-	(Note 1)
	Sohware, Inc. - preference shares			689,266	-	-	-	(Note 1)
	Boldworks, Inc. - preference shares			44,808	482	-	482	
	<u>Shares</u>	Ultimate parent company		1,000,000	32,050	0.01%	32,050	
APC Investment Corporation	USI Corporation	Financial assets at fair value through profit or loss - current	21,600	7,191	0.01%	7,191		
	Taiwan Cement Corporation		10,000	2,907	-	2,907		
	Zeon Corp.		1,158,802	15,048	-	15,048		
	Kyushu Electric Power Co., Inc.	<u>Beneficiary certificates</u>	Financial assets at fair value through profit or loss - current	290,000	8,610	-	8,610	
	Cathay Taiwan Money Market Fund							
	Yuanta US Treasury 20+ Year Bond ETF							

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 AND SUBSIDIARIES****INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS**

From January 1 to March 31, 2025

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

No. (Note 1)	Trading Company	Counterparty	Relationship (Note 2)	Transactions Details			
				Account	Amount (Note 4)	Transaction Terms	% of Total Sales or Assets (Note 3)
0	Asia Polymer Corporation	USI Trading (Shanghai) Co., Ltd.	(1)	Accounts receivable from related parties	\$ 36,096	No significant difference	0.27%
				Commission expenses	331	No significant difference	0.02%
				Sales of goods	35,031	No significant difference	2.28%
1	USI International Corp.	USI Trading (Shanghai) Co., Ltd.	(3)	Other receivables from related parties	1,381	No significant difference	0.01%
				Other payables from related parties	412	No significant difference	-
				Non-operating income and expenses - rental income	415	No significant difference	0.03%

Note 1: The information about the transactions between the parent company and the subsidiaries should be marked in the No. column as follows:

- (1) The parent company: 0.
- (2) The subsidiaries: 1 onward.

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

- (1) The parent company to the subsidiaries.
- (2) The subsidiaries to the parent company.
- (3) Between subsidiaries.

Note 3: The following numerals indicate the manner of ratio calculation of the respective transaction type: Asset or liability: The ratio was calculated based on the ending balance of total consolidated assets; Income or loss: The ratio was calculated based on the midterm accumulated amounts of total consolidated operating revenue.

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

TABLE 3

## ASIA POLYMER CORPORATION AND SUBSIDIARIES

## RELATED INFORMATION AND LOCATIONS ON INVESTEES

From January 1 to March 31, 2025

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 Period	Ending of Previous Year	Number of Shares	Percentage	Carrying Amount			
Asia Polymer Corporation	APC (BVI) Holding Co., Ltd.	British Virgin Islands	Reinvestment	\$ 457,392 ( USD 13,775 thousand )	\$ 457,392 ( USD 13,775 thousand )	11,342,594	100.00%	\$ 703,032	\$ 2,250	\$ 2,250	Subsidiary (Note 1)
	APC Investment Corporation	Taipei City	Investment	200,000	200,000	20,000,000	100.00%	142,246	( 196 )	( 196 )	Subsidiary (Note 1)
	USI International Corp.	British Virgin Islands	Reinvestment	69,731 ( USD 2,100 thousand )	69,731 ( USD 2,100 thousand )	2,100,000	70.00%	70,048	( 487 )	( 341 )	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%	683,971	( 268,496 )	( 21,665 )	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%	292,638	( 27,582 )	( 9,194 )	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%	202,539	( 32,204 )	( 2,560 )	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%	64,721	( 21,820 )	( 697 )	Investments accounted for using the equity method
	Taiwan United Venture Capital Corp.	Taipei City	Investment in high technology businesses	30,309	30,309	832,666	8.33%	2,712	( 396 )	( 33 )	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%	2,613	( 2,905 )	( 267 )	Investments accounted for using the equity method
	Ever Conquest Global Ltd.	British Virgin Islands	Reinvestment	5,660,622 ( USD 170,475 thousand )	5,660,622 ( USD 170,475 thousand )	170,475,000	40.87%	1,540,094	( 609,932 )	( 249,262 )	Investments accounted for using the equity method
APC (BVI) Holding Co., Ltd.	ACME Electronics (Cayman) Corp.	British Cayman Islands	Reinvestment	228,450 ( USD 6,880 thousand )	228,450 ( USD 6,880 thousand )	9,951,820	13.63%	249,533	( 23,071 )		APC (BVI) Holding Co., Ltd. Investments accounted for using the equity method
	USI International Corp.	British Virgin Islands	Reinvestment	29,885 ( USD 900 thousand )	29,885 ( USD 900 thousand )	900,000	30.00%	30,020	( 487 )		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	3,116,262	1.46%	29,654	( 21,820 )		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	52,500	3,000,015	15.00%	17,703	( 6,212 )		APC Investment Corporation Investments accounted for using the equity method
Ever Conquest Global Ltd.	Ever Victory Global Ltd.	British Virgin Islands	Reinvestment	13,851,300 ( USD 417,145 thousand )	13,851,300 ( USD 417,145 thousand )	417,145,000	67.40% ( USD thousand )	3,768,544 ( 113,493 )	( 904,908 ) ( USD 27,509 thousand )		Ever Conquest Global Ltd. Investments accounted for using the equity method
Ever Victory Global Ltd.	Dynamic Ever Investments Ltd.	Hong Kong	Reinvestment	19,552,764 ( USD 588,850 thousand )	19,552,764 ( USD 588,850 thousand )	588,850,000	85.00% ( USD thousand )	4,460,272 ( 134,325 )	( 1,079,059 ) ( USD 32,803 thousand )		Ever Victory Global Ltd. Investments accounted for using the equity method

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

Note 2: Please refer to Table 5 for information on investee companies in mainland China.

TABLE 4

**ASIA POLYMER CORPORATION AND SUBSIDIARIES**  
**INFORMATION ON INVESTMENTS IN MAINLAND CHINA**  
**From January 1 to March 31, 2025**  
**Unit: In Thousands of New Taiwan Dollars, Unless Stated Otherwise**

Investee Company	Main Businesses and Products	Paid-in Capital (Note 3)	Method and Medium of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of 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 December 31, 2023 (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	\$ 1,020,224 (USD 30,725 thousand)	(2) ACME Electronics (Cayman) Corp.	\$ 138,710 (USD 4,177 thousand)	\$ -	\$ -	\$ 138,710 (USD 4,177 thousand)	(\$ B 6,758)	13.63%	(\$ 921)	\$ 90,451	\$ -
USI Trading (Shanghai) Co., Ltd.	Sale of chemical products and equipment	83,013 (USD 2,500 thousand)	(2) APC (BVI) Holding Co., Ltd.	100,797 (USD 3,036 thousand)	-	-	100,797 (USD 3,036 thousand)	C 1,971	100.00%	1,971	188,425	-
Fujian Gulei Petrochemical Co., Ltd.	Processing of crude oil and manufacture of petroleum products	43,086,552 (RMB 9,314,400 thousand)	(2) Dynamic Ever Investments Ltd., (Note 2)	5,242,501 (USD 157,883 thousand)	-	-	5,242,501 (USD 157,883 thousand)	(C 2,152,368)	11.71%	(251,974)	1,121,081	-
Zhangzhou Taiju Trading Co., Ltd.	Sales of chemical products	46,258 (RMB 10,000 thousand)	(2) APC (BVI) Holding Co., Ltd.	13,877 (RMB 3,000 thousand)	-	-	13,877 (RMB 3,000 thousand)	(C 637)	30.00%	(191)	22,342	-
Xiamen USI Trading Co., Ltd.	Sales of chemical products	46,258 (RMB 10,000 thousand)	(2) APC (BVI) Holding Co., Ltd.	13,877 (RMB 3,000 thousand)	-	-	13,877 (RMB 3,000 thousand)	C 10,691	30.00%	3,207	29,274	-
Zhangzhou Dynamic Ever Property Co., Ltd.	Property management	97,142 (RMB 21,000 thousand)	(2) Dynamic Ever Investments Ltd., (Note 2)	22,744 (RMB 4,917 thousand)	-	-	22,744 (RMB 4,917 thousand)	C 19	23.41%	5	22,969	-

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
\$5,693,104 (Note 5) (USD 171,453 thousand)	\$ 7,604,312 (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 the parent company's CPA.
  - C. Others.

Note 4: The calculation was based on the exchange rate as of March 31, 2025.

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 AND SUBSIDIARIES

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

From January 1 to March 31, 2025

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	\$ 35,031	2.28%	No significant difference	T/T 90 days	No significant difference	\$ 36,096	6.30%	\$ -	-

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