

**Oriental Union Chemical Corporation and  
Subsidiaries**

**Consolidated Financial Statements for the  
Nine Months Ended September 30, 2024 and 2023 and  
Independent Auditors' Review Report**

**INDEPENDENT AUDITORS' REVIEW REPORT**

The Board of Directors and Shareholders  
Oriental Union Chemical Corporation

**Introduction**

We have reviewed the accompanying consolidated balance sheets of Oriental Union Chemical Corporation and its subsidiaries (collectively, the "Group") as of September 30, 2024 and 2023, the related consolidated statements of comprehensive income for the three months ended September 30, 2024 and 2023 and for the nine months ended September 30, 2024 and 2023, the consolidated statements of changes in equity and cash flows for the nine months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission ("FSC") of the Republic of China ("ROC"). Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

**Scope of Review**

Except as stated in the following paragraph, we conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Basis for Qualified Conclusion**

As stated in Note 14 to the consolidated financial statements, the investments accounted for using the equity method as of September 30, 2024 and 2023, with carrying values of NT\$107,146 thousand and NT\$155,107 thousand, respectively, and the related shares of the loss of the investee amounting to NT\$11,676 thousand, NT\$11,180 thousand, NT\$36,660 thousand and NT\$35,537 thousand, for the three months and nine months ended September 30, 2024 and 2023, respectively. These amounts referring to the investment accounted for using the equity method were calculated and disclosed based on unreviewed financial statements of the associate.

## Qualified Conclusion

Based on our reviews, except for adjustments, if any, as might have been determined to be necessary had the financial statements of investments accounted for using the equity method as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of September 30, 2024 and 2023, and its consolidated financial performance for the three months ended September 30, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the nine months ended September 30, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the FSC of the ROC.

The engagement partners on the reviews resulting in this independent auditors’ review report are Wen-Ling Liu and Pei-de Chen.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

November 13, 2024

## Notice to Readers

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

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

# ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2024		December 31, 2023		September 30, 2023	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Notes 6 and 29)	\$ 1,451,338	5	\$ 1,917,016	6	\$ 1,894,492	6
Financial assets at fair value through profit or loss (Note 7)	81,128	-	66,595	-	83,485	-
Notes receivable from unrelated parties (Notes 10 and 29)	109,409	-	110,852	-	250,710	1
Trade receivables from unrelated parties (Note 10)	870,879	3	911,145	3	956,519	3
Trade receivables from related parties (Notes 10 and 29)	100,107	-	80,746	-	50,150	-
Other receivables (Note 29)	636,326	2	563,784	2	576,321	2
Inventories (Note 11)	1,609,852	5	1,397,180	4	1,306,826	4
Prepayments for purchases	107,905	-	364,188	1	162,002	-
Other prepayments	61,646	-	66,911	-	107,884	-
Other current assets (Note 18)	<u>213,278</u>	<u>1</u>	<u>177,571</u>	<u>1</u>	<u>103,857</u>	<u>-</u>
Total current assets	<u>5,241,868</u>	<u>16</u>	<u>5,655,988</u>	<u>17</u>	<u>5,492,246</u>	<u>16</u>
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income (Notes 8 and 30)	6,036,763	19	7,103,068	22	7,456,205	22
Financial assets at amortized cost (Notes 9, 29 and 30)	65,223	-	64,942	-	64,754	-
Investments accounted for using the equity method (Note 14)	107,146	-	138,109	-	155,107	1
Property, plant and equipment (Note 15)	11,889,981	37	11,378,230	35	11,817,593	35
Construction in progress (Note 15)	3,333,499	11	3,113,584	9	2,897,609	9
Right-of-use assets (Note 16)	385,006	1	376,973	1	393,323	1
Investment properties (Notes 17 and 30)	1,682,742	5	1,682,742	5	1,682,742	5
Intangible assets	55,342	-	48,857	-	51,339	-
Deferred tax assets	560,928	2	525,309	2	533,292	2
Other non-current assets (Note 18)	<u>2,757,218</u>	<u>9</u>	<u>2,926,529</u>	<u>9</u>	<u>3,069,898</u>	<u>9</u>
Total non-current assets	<u>26,873,848</u>	<u>84</u>	<u>27,358,343</u>	<u>83</u>	<u>28,121,862</u>	<u>84</u>
TOTAL	<u>\$ 32,115,716</u>	<u>100</u>	<u>\$ 33,014,331</u>	<u>100</u>	<u>\$ 33,614,108</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 19 and 29)	\$ 6,056,748	19	\$ 6,126,925	19	\$ 6,290,217	19
Short-term bills payable (Note 19)	-	-	199,936	1	-	-
Notes payable	144,533	-	151,733	-	224,727	1
Trade payables	1,495,497	5	1,333,301	4	1,419,599	4
Other payables (Note 20)	483,383	2	453,256	1	433,262	1
Other payables to related parties (Note 29)	108,424	-	89,875	-	102,199	-
Lease liabilities (Note 16)	8,028	-	6,629	-	6,475	-
Other current liabilities (Note 21)	<u>274,621</u>	<u>1</u>	<u>262,355</u>	<u>1</u>	<u>299,911</u>	<u>1</u>
Total current liabilities	<u>8,571,234</u>	<u>27</u>	<u>8,624,010</u>	<u>26</u>	<u>8,776,390</u>	<u>26</u>
NON-CURRENT LIABILITIES						
Long-term borrowings (Notes 19 and 30)	8,081,670	25	9,014,232	27	8,650,000	26
Deferred tax liabilities	689,993	2	718,463	2	722,848	2
Lease liabilities (Note 16)	13,903	-	14,998	-	15,901	-
Net defined benefit liabilities	156,035	1	158,090	1	161,930	1
Guarantee deposits	23,290	-	40,530	-	38,213	-
Other non-current liabilities (Note 21)	<u>25,300</u>	<u>-</u>	<u>53,250</u>	<u>-</u>	<u>41,159</u>	<u>-</u>
Total non-current liabilities	<u>8,990,191</u>	<u>28</u>	<u>9,999,563</u>	<u>30</u>	<u>9,630,051</u>	<u>29</u>
Total liabilities	<u>17,561,425</u>	<u>55</u>	<u>18,623,573</u>	<u>56</u>	<u>18,406,441</u>	<u>55</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 23)						
Ordinary shares	<u>8,857,031</u>	<u>27</u>	<u>8,857,031</u>	<u>27</u>	<u>8,857,031</u>	<u>26</u>
Capital surplus	<u>1,091,942</u>	<u>3</u>	<u>1,087,752</u>	<u>3</u>	<u>1,087,752</u>	<u>3</u>
Retained earnings						
Legal reserve	1,645,947	5	1,619,080	5	1,619,080	5
Special reserve	1,911,129	6	1,911,129	6	1,911,129	6
Unappropriated earnings	<u>552,711</u>	<u>2</u>	<u>301,938</u>	<u>1</u>	<u>438,592</u>	<u>1</u>
Total retained earnings	<u>4,109,787</u>	<u>13</u>	<u>3,832,147</u>	<u>12</u>	<u>3,968,801</u>	<u>12</u>
Other equity						
Exchange differences on translating foreign operations	(365,935)	(1)	(545,606)	(2)	(356,111)	(1)
Unrealized loss on financial assets at fair value through other comprehensive income	<u>(1,609,900)</u>	<u>(5)</u>	<u>(1,324,205)</u>	<u>(4)</u>	<u>(1,032,075)</u>	<u>(3)</u>
Total other equity	<u>(1,975,835)</u>	<u>(6)</u>	<u>(1,869,811)</u>	<u>(6)</u>	<u>(1,388,186)</u>	<u>(4)</u>
Treasury shares	<u>(118,460)</u>	<u>-</u>	<u>(124,373)</u>	<u>-</u>	<u>(124,373)</u>	<u>-</u>
NON-CONTROLLING INTERESTS	<u>2,589,826</u>	<u>8</u>	<u>2,608,012</u>	<u>8</u>	<u>2,806,642</u>	<u>8</u>
Total equity	<u>14,554,291</u>	<u>45</u>	<u>14,390,758</u>	<u>44</u>	<u>15,207,667</u>	<u>45</u>
TOTAL	<u>\$ 32,115,716</u>	<u>100</u>	<u>\$ 33,014,331</u>	<u>100</u>	<u>\$ 33,614,108</u>	<u>100</u>

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

(With Deloitte & Touche review report dated November 13, 2024)

# ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE								
Sales revenue (Note 29)	\$ 6,490,118	99	\$ 5,248,419	100	\$ 18,130,478	100	\$ 15,704,076	100
Other operating revenue	<u>44,256</u>	<u>1</u>	<u>20,460</u>	<u>-</u>	<u>55,605</u>	<u>-</u>	<u>27,040</u>	<u>-</u>
Total operating revenue	<u>6,534,374</u>	<u>100</u>	<u>5,268,879</u>	<u>100</u>	<u>18,186,083</u>	<u>100</u>	<u>15,731,116</u>	<u>100</u>
Cost of goods sold (Notes 11, 24 and 29)	<u>6,128,565</u>	<u>94</u>	<u>5,270,517</u>	<u>100</u>	<u>17,221,461</u>	<u>94</u>	<u>15,482,007</u>	<u>98</u>
GROSS PROFIT (LOSS)	<u>405,809</u>	<u>6</u>	<u>(1,638)</u>	<u>-</u>	<u>964,622</u>	<u>6</u>	<u>249,109</u>	<u>2</u>
OPERATING EXPENSES (Notes 24 and 29)								
Selling and marketing expenses	193,182	3	128,787	3	519,326	3	402,322	3
General and administrative expenses	64,291	1	64,499	1	197,661	1	211,267	1
Research and development expenses	53,680	-	52,513	1	160,738	1	156,012	1
Expected credit (gain) loss (Note 10)	<u>(1,055)</u>	<u>-</u>	<u>853</u>	<u>-</u>	<u>(288)</u>	<u>-</u>	<u>161</u>	<u>-</u>
Total operating expenses	<u>310,098</u>	<u>4</u>	<u>246,652</u>	<u>5</u>	<u>877,437</u>	<u>5</u>	<u>769,762</u>	<u>5</u>
INCOME (LOSS) FROM OPERATIONS	<u>95,711</u>	<u>2</u>	<u>(248,290)</u>	<u>(5)</u>	<u>87,185</u>	<u>1</u>	<u>(520,653)</u>	<u>(3)</u>
NON-OPERATING INCOME AND EXPENSES								
Interest income (Note 29)	8,779	-	8,523	-	25,120	-	31,250	-
Rental income (Note 29)	8,737	-	7,800	-	26,228	-	25,198	-
Dividend income	19,159	-	44,631	1	44,466	-	67,886	-
Other income	20,071	-	16,191	-	34,295	-	31,244	-
Gain on disposal of non-current assets held for sale (Notes 12 and 29)	-	-	-	-	-	-	743,178	5
Foreign currency exchange (loss) gain (Note 32)	(6,922)	-	7,215	-	(1,650)	-	29,602	-
(Loss) gain on financial assets at fair value through profit or loss	(2,544)	-	(4,387)	-	(2,593)	-	2,575	-
Interest expense (Notes 24 and 29)	(77,957)	(1)	(88,539)	(1)	(243,624)	(1)	(292,540)	(2)
Other expenses	(8,182)	-	(8,413)	-	(22,658)	-	(31,262)	-
Net (loss) gain on disposal of property, plant and equipment	(32)	-	1,284	-	123	-	1,219	-
Share of loss of associates accounted for using the equity method (Note 14)	<u>(11,676)</u>	<u>-</u>	<u>(11,180)</u>	<u>-</u>	<u>(36,660)</u>	<u>-</u>	<u>(35,537)</u>	<u>-</u>
Total non-operating income and expenses	<u>(50,567)</u>	<u>(1)</u>	<u>(26,875)</u>	<u>-</u>	<u>(176,953)</u>	<u>(1)</u>	<u>572,813</u>	<u>3</u>

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# ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
PROFIT (LOSS) BEFORE INCOME TAX	\$ 45,144	1	\$ (275,165)	(5)	\$ (89,768)	-	\$ 52,160	-
INCOME TAX (BENEFIT) EXPENSE (Note 25)	(419)	-	(9,228)	-	(52,806)	-	34,772	-
NET PROFIT (LOSS) FOR THE PERIOD	45,563	1	(265,937)	(5)	(36,962)	-	17,388	-
OTHER COMPREHENSIVE INCOME								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	(46,371)	(1)	(138,480)	(3)	78,997	-	58,326	1
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating the financial statement of foreign operations	(54,989)	(1)	346,617	7	288,536	2	193,201	1
Other comprehensive (loss) income for the period, net of income tax	(101,360)	(2)	208,137	4	367,533	2	251,527	2
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD	<u>\$ (55,797)</u>	<u>(1)</u>	<u>\$ (57,800)</u>	<u>(1)</u>	<u>\$ 330,571</u>	<u>2</u>	<u>\$ 268,915</u>	<u>2</u>
NET PROFIT (LOSS) ATTRIBUTED TO:								
Owners of the Corporation	\$ 51,525	1	\$ (148,842)	(3)	\$ 90,089	1	\$ 405,318	3
Non-controlling interests	(5,962)	-	(117,095)	(2)	(127,051)	(1)	(387,930)	(3)
	<u>\$ 45,563</u>	<u>1</u>	<u>\$ (265,937)</u>	<u>(5)</u>	<u>\$ (36,962)</u>	<u>-</u>	<u>\$ 17,388</u>	<u>-</u>
TOTAL COMPREHENSIVE (LOSS) INCOME ATTRIBUTED TO:								
Owners of the Corporation	\$ (29,248)	(1)	\$ (59,094)	(1)	\$ 348,757	2	\$ 585,457	4
Non-controlling interests	(26,549)	-	1,294	-	(18,186)	-	(316,542)	(2)
	<u>\$ (55,797)</u>	<u>(1)</u>	<u>\$ (57,800)</u>	<u>(1)</u>	<u>\$ 330,571</u>	<u>2</u>	<u>\$ 268,915</u>	<u>2</u>
EARNING (LOSS) PER SHARE (Note 26)								
Basic	<u>\$ 0.06</u>		<u>\$ (0.17)</u>		<u>\$ 0.10</u>		<u>\$ 0.46</u>	
Diluted	<u>\$ 0.06</u>		<u>\$ (0.17)</u>		<u>\$ 0.10</u>		<u>\$ 0.46</u>	

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

(With Deloitte & Touche review report dated November 13, 2024)

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ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Corporation											Total Equity
	Ordinary Shares	Capital Surplus			Retained Earnings			Other Equities		Treasury Shares	Non-controlling Interests	
		Paid-in Capital in Excess of Par Value	Treasury Shares	Other	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income			
BALANCE AT JANUARY 1, 2023	\$ 8,857,031	\$ 470,767	\$ 379,705	\$ 235,458	\$ 1,615,037	\$ 1,911,129	\$ 214,458	\$ (477,924)	\$ (1,090,401)	\$ (124,373)	\$ 2,303,848	\$ 14,294,735
Legal reserve	-	-	-	-	4,043	-	(4,043)	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	-	-	(177,141)	-	-	-	-	(177,141)
Net profit (loss) for the nine months ended September 30, 2023	-	-	-	-	-	-	405,318	-	-	-	(387,930)	17,388
Other comprehensive income for the nine months ended September 30, 2023	-	-	-	-	-	-	-	121,813	58,326	-	71,388	251,527
Total comprehensive income (loss) for the nine months ended September 30, 2023	-	-	-	-	-	-	405,318	121,813	58,326	-	(316,542)	268,915
Change in capital surplus from dividends distributed to subsidiaries	-	-	1,822	-	-	-	-	-	-	-	-	1,822
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	819,336	819,336
BALANCE AT SEPTEMBER 30, 2023	<u>\$ 8,857,031</u>	<u>\$ 470,767</u>	<u>\$ 381,527</u>	<u>\$ 235,458</u>	<u>\$ 1,619,080</u>	<u>\$ 1,911,129</u>	<u>\$ 438,592</u>	<u>\$ (356,111)</u>	<u>\$ (1,032,075)</u>	<u>\$ (124,373)</u>	<u>\$ 2,806,642</u>	<u>\$ 15,207,667</u>
BALANCE AT JANUARY 1, 2024	\$ 8,857,031	\$ 470,767	\$ 381,527	\$ 235,458	\$ 1,619,080	\$ 1,911,129	\$ 301,938	\$ (545,606)	\$ (1,324,205)	\$ (124,373)	\$ 2,608,012	\$ 14,390,758
Legal reserve	-	-	-	-	26,867	-	(26,867)	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	-	-	(177,141)	-	-	-	-	(177,141)
Net profit (loss) for the nine months ended September 30, 2024	-	-	-	-	-	-	90,089	-	-	-	(127,051)	(36,962)
Other comprehensive income for the nine months ended September 30, 2024	-	-	-	-	-	-	-	179,671	78,997	-	108,865	367,533
Total comprehensive income (loss) for the nine months ended September 30, 2024	-	-	-	-	-	-	90,089	179,671	78,997	-	(18,186)	330,571
Disposal of the Corporation's shares held by subsidiaries	-	-	2,455	-	-	-	-	-	-	5,913	-	8,368
Change in capital surplus from dividends distributed to subsidiaries	-	-	1,735	-	-	-	-	-	-	-	-	1,735
Disposals of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	-	364,692	-	(364,692)	-	-	-
BALANCE AT SEPTEMBER 30, 2024	<u>\$ 8,857,031</u>	<u>\$ 470,767</u>	<u>\$ 385,717</u>	<u>\$ 235,458</u>	<u>\$ 1,645,947</u>	<u>\$ 1,911,129</u>	<u>\$ 552,711</u>	<u>\$ (365,935)</u>	<u>\$ (1,609,900)</u>	<u>\$ (118,460)</u>	<u>\$ 2,589,826</u>	<u>\$ 14,554,291</u>

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

(With Deloitte & Touche review report dated November 13, 2024)

# ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss) profit before income tax	\$ (89,768)	\$ 52,160
Adjustments:		
Depreciation expenses	829,945	797,821
Amortization expenses	11,915	10,836
Expected credit loss (reversed) recognized on trade receivables	(288)	161
Loss (gain) on financial assets at fair value through profit or loss, net	2,593	(2,575)
Interest expense	243,624	292,540
Interest income	(25,120)	(31,250)
Dividend income	(44,466)	(67,886)
Share of loss of associates accounted for using the equity method	36,660	35,537
Gain on disposal of property, plant and equipment	(123)	(1,219)
Gain on disposal of non-current assets held for sale	-	(743,178)
Write-downs of inventories	11,552	3,553
Net loss on foreign currency exchange	41,948	51,865
Changes in operating assets and liabilities		
Financial assets at fair value through profit or loss	(17,126)	(32,203)
Notes receivable from unrelated parties	1,579	(102,952)
Trade receivables from unrelated parties	40,418	(46,231)
Trade receivables from related parties	(19,361)	18,194
Other receivables	(49,920)	5,512
Inventories	(198,216)	(33,385)
Prepayments	261,550	64,919
Other current assets	(35,707)	229,144
Notes payable	(7,200)	79,215
Trade payables	162,196	224,075
Other payables	36,026	(75,473)
Other current liabilities	12,266	87,647
Net defined benefit liabilities	(2,055)	(6,654)
Other non-current liabilities	(27,950)	(28,879)
Cash generated from operations	1,174,972	781,294
Interest received	25,287	33,661
Interest paid	(244,818)	(344,495)
Income tax paid	(198)	(23,181)
Net cash generated from operating activities	955,243	447,279
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of financial assets at fair value through other comprehensive income	1,180,175	-
Proceeds from the capital reduction of financial assets at fair value through other comprehensive income	-	19,350
(Increase) decrease in financial assets at amortized cost	(281)	352,839

(Continued)



# ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2024	2023
Proceeds from disposal of non-current assets held for sale	\$ -	\$ 1,051,800
Payments for property, plant and equipment	(2,531)	(5,520)
Proceeds from disposal of property, plant and equipment	168	2,398
Payments for intangible assets	(13,530)	(15,663)
Acquisition of right-of-use assets	(512)	-
Decrease in other non-current assets	237,996	352,220
Increase in construction in progress	(1,231,853)	(654,628)
Other dividends received	<u>44,466</u>	<u>67,886</u>
Net cash generated from investing activities	<u>214,098</u>	<u>1,170,682</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayments of short-term borrowings	(320,043)	(1,548,960)
Repayments of short-term bills payable	(199,936)	-
Proceeds from long-term borrowings	13,066,805	18,240,999
Repayments of long-term borrowings	(14,000,000)	(19,189,258)
Decrease in guarantee deposits	(17,240)	(16,162)
Repayment of the principal portion of lease liabilities	(5,669)	(3,749)
Dividends paid to owners of the Corporation	(175,406)	(175,319)
Proceeds from reissuance of treasury shares	8,368	-
Change in non-controlling interests	<u>-</u>	<u>819,336</u>
Net cash used in financing activities	<u>(1,643,121)</u>	<u>(1,873,113)</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES</b>	<u>8,102</u>	<u>4,216</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<u>(465,678)</u>	<u>(250,936)</u>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<u>1,917,016</u>	<u>2,145,428</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u>\$ 1,451,338</u>	<u>\$ 1,894,492</u>

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

(With Deloitte & Touche review report dated November 13, 2024)

(Concluded)

# ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

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### 1. GENERAL INFORMATION

Oriental Union Chemical Corporation (the “Corporation”) was incorporated in December 1975. It manufactures and markets ethylene glycols, ethylene oxide, gas oxygen, gas nitrogen, liquid nitrogen, liquid argon, monoethanolamine, ethylene carbonate, polyethylene glycol, polyoxyethylene lauryl ether and methoxy polyethylene glycols. Its shares were listed on the Taiwan Stock Exchange (“TWSE”) on October 21, 1987.

The consolidated financial statements of the Corporation and its subsidiaries, collectively the “Group”, are presented in the Corporation’s functional currency, New Taiwan dollars.

### 2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Corporation’s board of directors on November 13, 2024.

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

- a. Initial application of the amendments to 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 FSC

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Group’s accounting policies.

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

<b><u>New, Amended and Revised Standards and Interpretations</u></b>	<b><u>Effective Date Announced by IASB</u></b>
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025 (Note)

Note: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments to IAS 21, the Group shall not restate the comparative information and shall recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or, if applicable, to the cumulative amount of translation differences in equity as well as affected assets or liabilities.

As of the date the consolidated financial statements were authorized for issue, the Group has assessed that the application of above standards and interpretations will not have a material impact on the Group’s financial position and financial performance.

- c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

<b>New, Amended and Revised Standards and Interpretations</b>	<b>Effective Date Announced by IASB (Note)</b>
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	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 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

Note: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing other impacts of the above amended standards and interpretations on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

#### **4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION**

Except for the following description, the material accounting policy information adopted for the consolidated financial statements are the same as those adopted for the consolidated financial statements for the year ended December 31, 2023.

a. Statement of compliance

These interim 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. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

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

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, 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 basis for the consolidated financial statements is consistent with those applied in the consolidated financial statements for the year ended December 31, 2023.

Refer to Note 13, Table 7 and 8 for the detailed information of subsidiaries, including percentages of ownership and main businesses.

d. Employee benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

e. Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

## 5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The same material accounting judgments and key sources of estimates and uncertainty have been followed in these consolidated financial statements as were applied in the preparation of the Group's consolidated financial statements for the year ended December 31, 2023.

## 6. CASH AND CASH EQUIVALENTS

	September 30, 2024	December 31, 2023	September 30, 2023
Cash on hand	\$ 100	\$ 110	\$ 110
Checking accounts and demand deposits	1,273,282	1,737,428	1,706,308
Cash equivalents			
Time deposits with original maturities of less than 3 months	177,956	179,478	186,074
Repurchase agreements collateralized by bonds	<u>-</u>	<u>-</u>	<u>2,000</u>
	<u>\$ 1,451,338</u>	<u>\$ 1,917,016</u>	<u>\$ 1,894,492</u>

## 7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	September 30, 2024	December 31, 2023	September 30, 2023
Financial assets mandatorily classified as at FVTPL			
Domestic listed shares	<u>\$ 81,128</u>	<u>\$ 66,595</u>	<u>\$ 83,485</u>

## 8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

## Investments in Equity Instruments at FVTOCI

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Non-current</u>			
Domestic listed shares	\$ 575,472	\$ 1,590,083	\$ 1,513,913
Domestic and foreign unlisted shares	<u>5,461,291</u>	<u>5,512,985</u>	<u>5,942,292</u>
	<u>\$ 6,036,763</u>	<u>\$ 7,103,068</u>	<u>\$ 7,456,205</u>

These investments in equity instruments are not held for trading. Instead, they 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.

Refer to Note 30 for information relating to financial assets at fair value through other comprehensive income pledged as security.

## 9. FINANCIAL ASSETS AT AMORTIZED COST

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Non-current</u>			
Pledged certificates of deposits (a)	<u>\$ 65,223</u>	<u>\$ 64,942</u>	<u>\$ 64,754</u>

a. The ranges of interest rates for the pledged certificates of deposits were 0.90%-1.70%, 0.90%-1.58% and 0.90%-1.58% per annum as of September 30, 2024, December 31, 2023 and September 30, 2023, respectively. The Group assesses there has not been a significant expected credit losses and an increase in credit risk since the original recognize.

b. Refer to Note 30 for information relating to financial assets at amortized cost as security.

## 10. NOTES RECEIVABLE AND TRADE RECEIVABLES

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Notes receivable</u>			
Notes receivable	\$ 109,742	\$ 111,321	\$ 251,153
Less: Allowance for impairment loss	<u>(333)</u>	<u>(469)</u>	<u>(443)</u>
	<u>\$ 109,409</u>	<u>\$ 110,852</u>	<u>\$ 250,710</u>

(Continued)

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Trade receivables</u>			
Trade receivables	\$ 975,405	\$ 996,462	\$ 1,011,025
Less: Allowance for impairment loss	<u>(4,419)</u>	<u>(4,571)</u>	<u>(4,356)</u>
	<u>\$ 970,986</u>	<u>\$ 991,891</u>	<u>\$ 1,006,669</u> (Concluded)

The Group applies for expected credit losses, which permits the use of lifetime expected loss provision for all notes receivable and trade receivables. The expected credit losses on notes receivable and trade receivables are estimated using a 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 forecasted GDP and industry outlook at the reporting date.

The following table details the loss allowance of notes receivable and trade receivables:

September 30, 2024

	0 to 60 Days	61 to 90 Days	91 to 120 Days	Over 121 Days	Total
Carrying amount	\$ 1,064,047	\$ 18,763	\$ 2,256	\$ 81	\$ 1,085,147
Loss allowance (Lifetime ECLs)	<u>(333)</u>	<u>(2,082)</u>	<u>(2,256)</u>	<u>(81)</u>	<u>(4,752)</u>
Amortized cost	<u>\$ 1,063,714</u>	<u>\$ 16,681</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,080,395</u>

December 31, 2023

	0 to 60 Days	61 to 90 Days	91 to 120 Days	Over 121 Days	Total
Carrying amount	\$ 1,075,751	\$ 19,698	\$ 12,278	\$ 56	\$ 1,107,783
Loss allowance (Lifetime ECLs)	<u>(469)</u>	<u>-</u>	<u>(4,515)</u>	<u>(56)</u>	<u>(5,040)</u>
Amortized cost	<u>\$ 1,075,282</u>	<u>\$ 19,698</u>	<u>\$ 7,763</u>	<u>\$ -</u>	<u>\$ 1,102,743</u>

September 30, 2023

	0 to 60 Days	61 to 90 Days	91 to 120 Days	Over 121 Days	Total
Carrying amount	\$ 1,241,103	\$ 16,873	\$ 2,750	\$ 1,452	\$ 1,262,178
Loss allowance (Lifetime ECLs)	<u>(443)</u>	<u>(154)</u>	<u>(2,750)</u>	<u>(1,452)</u>	<u>(4,799)</u>
Amortized cost	<u>\$ 1,240,660</u>	<u>\$ 16,719</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,257,379</u>

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

The movements of the loss allowance of notes receivable and trade receivables were as follows:

	<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>
Balance at January 1	\$ 5,040	\$ 4,638
Net remeasurement of loss allowance	<u>(288)</u>	<u>161</u>
Balance at September 30	<u>\$ 4,752</u>	<u>\$ 4,799</u>

## 11. INVENTORIES

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Finished goods	\$ 1,198,830	\$ 1,006,098	\$ 861,236
Work in progress	30,980	43,368	54,954
Raw materials	<u>380,042</u>	<u>347,714</u>	<u>390,636</u>
	<u>\$ 1,609,852</u>	<u>\$ 1,397,180</u>	<u>\$ 1,306,826</u>

The costs of inventories recognized as cost of goods sold for the three months and nine months ended September 30, 2024 and 2023 were \$6,128,565 thousand, \$5,270,517 thousand, \$17,221,461 thousand and \$15,482,007 thousand, respectively.

The costs of goods sold for the three months and nine months ended September 30, 2024 and 2023 included inventory write-downs of \$21,320 thousand, \$1,520 thousand, \$11,552 thousand and \$3,553 thousand, respectively.

## 12. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

In order to revitalize assets and realize value-added benefits, on March 7, 2023, the Company's board of directors resolved to dispose of the land located in No.1099-6 and No.1099-7, Zhonglinzi Section, Xiaogang District, Kaohsiung to Fu-Ming Transport Corporation at the amount of \$1,052,000 thousand. The transfer was completed on March 22, 2023, and the gain on the disposal was \$743,178 thousand.

### 13. SUBSIDIARIES

#### a. Subsidiaries included in the consolidated financial statements

Investor	Investee	Nature of Activities	Proportion of Ownership			Remark
			September 30, 2024	December 31, 2023	September 30, 2023	
The Corporation	Ton Fu Investment Corp. ("TFIC")	Investment	100.00%	100.00%	100.00%	1)
	Pacific Petrochemical (Holding) Ltd. ("PPL")	Investment	100.00%	100.00%	100.00%	-
	Oucc (Bermuda) Holding Ltd. ("OUCC (Bermuda)")	Investment	100.00%	100.00%	100.00%	1)
OUCC (Bermuda)	Far Eastern Union Petrochemical (Yangzhou) Ltd. ("FUPY")	Manufacturing and selling chemical products (ethylene glycol, diethylene glycol, triethylene glycol and ethylene oxide) and other specific chemical products.	9.65%	9.65%	9.65%	2)
PPL	FUPY	Manufacturing and selling chemical products (ethylene glycol, diethylene glycol, triethylene glycol and ethylene oxide) and other specific chemical products.	46.15%	46.15%	46.15%	2)

Remarks:

- 1) Non-significant subsidiaries, of which financial statements have been reviewed.
  - 2) Subsidiaries with material non-controlling interests.
  - 3) The Company's subsidiary, FUPY, plans to increase capital in cash by US\$60,000 thousand in response to capital expenditures such as future capacity expansion plans, environmental protection and carbon reduction projects, and also enrich the working capital, which was approved by the Company's board of directors on March 7, 2023. In June 2023, the Corporation increased the capital of PPL through a subsidiary in the third region, by US\$23,480 thousand, after which PPL increased the capital of FUPY by US\$33,480 thousand, and the shareholding ratio of the Group in FUPY remained at 55.8%.
- b. Subsidiaries excluded from the consolidated financial statements: None.
- c. Details of subsidiaries that have material non-controlling interests

Name of Subsidiary	Principal Place of Business	Proportion of Ownership and Voting Rights Held by Non-controlling Interests		
		September 30, 2024	December 31, 2023	September 30, 2023
FUPY	Yang Zhou, China	44.2%	44.2%	44.2%

### 14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

#### Investments in Associates

	September 30, 2024	December 31, 2023	September 30, 2023
Associates that are not individually material			
Hwa Xu Heat Supply Co. ("HXYZ")	<u>\$ 107,146</u>	<u>\$ 138,109</u>	<u>\$ 155,107</u>



The investments accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments were based on the associates' financial statements which have not been reviewed. Management believes that there is no material impact on the equity method of accounting or the calculation of the share of profit or loss and other comprehensive income from the financial statements of these investments in associates which have not been reviewed.

## 15. PROPERTY, PLANT AND EQUIPMENT AND CONSTRUCTION IN PROGRESS

	September 30, 2024	December 31, 2023	September 30, 2023
Land	\$ 1,591,461	\$ 1,591,461	\$ 1,591,461
Land improvements	90,465	81,147	82,449
Buildings	1,160,586	978,241	1,023,469
Machinery and equipment	8,950,321	8,637,775	9,024,134
Other equipment	<u>97,148</u>	<u>89,606</u>	<u>96,080</u>
	11,889,981	11,378,230	11,817,593
Construction in progress and equipment to be inspected	<u>3,333,499</u>	<u>3,113,584</u>	<u>2,897,609</u>
	<u>\$ 15,223,480</u>	<u>\$ 14,491,814</u>	<u>\$ 14,715,202</u>

Except for depreciation recognized and certain transfers of buildings, machinery and equipment from construction in progress and equipment to be inspected, the Group had no significant disposal and impairment of property, plant and equipment for the nine months ended September 30, 2024 and 2023.

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

Land improvements	15-25 years
Buildings	7-60 years
Machinery and equipment	2-20 years
Other equipment	3-20 years

## 16. LEASE ARRANGEMENTS

### a. Right-of-use assets

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Carrying amounts</u>			
Land	\$ 364,005	\$ 356,774	\$ 371,517
Buildings	320	-	-
Transportation equipment	<u>20,681</u>	<u>20,199</u>	<u>21,806</u>
	<u>\$ 385,006</u>	<u>\$ 376,973</u>	<u>\$ 393,323</u>

		<b>For the Nine Months Ended September 30</b>	
		<b>2024</b>	<b>2023</b>
Additions to right-of-use assets		<u>\$ 6,484</u>	<u>\$ 12,127</u>
		<b>For the Three Months Ended September 30</b>	
		<b>2024</b>	<b>2023</b>
Depreciation charge for right-of-use assets			
Land	\$ 2,564	\$ 2,476	\$ 7,636
Buildings	64	55	192
Transportation equipment	<u>1,946</u>	<u>1,466</u>	<u>5,490</u>
	<u>\$ 4,574</u>	<u>\$ 3,997</u>	<u>\$ 13,318</u>
			<u>\$ 11,333</u>

Except for depreciation recognized and addition, the Group had no significant disposal and impairment of right-of-use assets for the nine months ended September 30, 2024 and 2023.

b. Lease liabilities

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
<u>Carrying amounts</u>			
Current	<u>\$ 8,028</u>	<u>\$ 6,629</u>	<u>\$ 6,475</u>
Non-current	<u>\$ 13,903</u>	<u>\$ 14,998</u>	<u>\$ 15,901</u>

Ranges of discount rates for lease liabilities were 0.82%-2.01%, 0.82%-1.92% and 0.82%-1.92% per annum as of September 30, 2024, December 31, 2023 and September 30, 2023, respectively.

c. Material lease-in activities and terms

Prepayments for leases include land use rights located in People's Republic of China; the Group has obtained the land use right certificates with lease terms of 45 to 50 years.

d. Other lease information

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

The Group as lessor

Operating leases relate to leasing the investment properties owned by the Corporation with lease terms of 2 years. According to the agreement, the lease can be terminated by either party by giving 2 months formal notice in writing to the other party.

## 17. INVESTMENT PROPERTIES

The Group had no significant addition and impairment of investment properties for the nine months ended September 30, 2024 and 2023. Disposal of investment properties, please refer to Note 12.

The fair values of investment properties were \$3,279,381 thousand and \$2,822,930 thousand as of December 31, 2023 and 2022, respectively. The fair values were arrived at on the basis of a valuation carried out by independent qualified professional valuer, Mr. Chia-ho Tsai from Debenham Tie Leung Real Estate Appraiser Office.

The information of investment properties pledged, please refer to Note 30.

## 18. OTHER ASSETS

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Other assets</u>			
Silver and catalysts	\$ 2,142,633	\$ 2,263,826	\$ 2,393,959
Materials	597,967	574,082	578,941
Input tax	57,888	106,538	13,691
Others	<u>172,008</u>	<u>159,654</u>	<u>187,164</u>
	<u>\$ 2,970,496</u>	<u>\$ 3,104,100</u>	<u>\$ 3,173,755</u>
Current	\$ 213,278	\$ 177,571	\$ 103,857
Non-current	<u>2,757,218</u>	<u>2,926,529</u>	<u>3,069,898</u>
	<u>\$ 2,970,496</u>	<u>\$ 3,104,100</u>	<u>\$ 3,173,755</u>

Other assets include silver and catalysts used in the production, parts and components for the maintenance of equipment and input tax.

## 19. BORROWINGS

### a. Short-term borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Unsecured borrowings</u>			
Line of credit borrowings	\$ 3,979,089	\$ 3,915,968	\$ 3,997,996
Loans from related parties (Note 29)	<u>2,077,659</u>	<u>2,210,957</u>	<u>2,292,221</u>
	<u>\$ 6,056,748</u>	<u>\$ 6,126,925</u>	<u>\$ 6,290,217</u>
Interest rate	1.90%-3.05%	1.95%-3.55%	1.79%-3.55%

b. Short-term bills payable

	September 30, 2024	December 31, 2023	September 30, 2023
Commercial paper	\$ -	\$ 200,000	\$ -
Less: Unamortized discount on bills payable	<u>-</u>	<u>(64)</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ 199,936</u>	<u>\$ -</u>

c. Long-term borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Secured borrowings (Note 30)</u>			
Bank loans	<u>\$ 2,200,000</u>	<u>\$ 2,200,000</u>	<u>\$ 2,450,000</u>
<u>Unsecured borrowings</u>			
Bank loans	<u>5,881,670</u>	<u>6,814,232</u>	<u>6,200,000</u>
Long-term borrowings	<u>\$ 8,081,670</u>	<u>\$ 9,014,232</u>	<u>\$ 8,650,000</u>
Interest rate	1.93%-3.50%	1.84%-3.50%	1.75%-2.20%
Maturity date	December 2026	December 2026	September 2025

**20. OTHER PAYABLES**

	September 30, 2024	December 31, 2023	September 30, 2023
Payables for purchase of equipment	\$ 187,444	\$ 170,918	\$ 123,757
Payables for taxes	36,477	8,991	32,870
Payables for salaries	33,508	55,457	26,983
Payables for export sales expenses	24,470	17,948	13,397
Payables for annual leave	19,584	19,584	9,000
Interest payables	15,326	16,520	14,814
Freight payables	15,011	9,880	10,486
Pension payables	14,638	13,404	13,284
Payables for pipeline's rental	7,996	-	10,171
Payables for dividends	7,978	5,174	5,269
Payables for royalties	5,506	4,108	4,050
Payables for employees' compensation and remuneration of directors	2,796	9,943	16,266
Others	<u>112,649</u>	<u>121,329</u>	<u>152,915</u>
	<u>\$ 483,383</u>	<u>\$ 453,256</u>	<u>\$ 433,262</u>

## 21. OTHER LIABILITIES

	September 30, 2024	December 31, 2023	September 30, 2023
Contract liabilities	\$ 238,194	\$ 231,278	\$ 268,623
Provisions for repairs and maintenance	25,300	53,250	41,159
Others	<u>36,427</u>	<u>31,077</u>	<u>31,288</u>
	<u>\$ 299,921</u>	<u>\$ 315,605</u>	<u>\$ 341,070</u>
Current	\$ 274,621	\$ 262,355	\$ 299,911
Non-current	<u>25,300</u>	<u>53,250</u>	<u>41,159</u>
	<u>\$ 299,921</u>	<u>\$ 315,605</u>	<u>\$ 341,070</u>

Contract liabilities were receipts in advance.

## 22. RETIREMENT BENEFIT PLANS

Post-employee benefits in respect of the Corporation's defined benefit retirement plans were calculated by using the actuarially determined pension cost discount rates as of December 31, 2023 and 2022. The amounts were \$2,368 thousand, \$2,551 thousand, \$7,348 thousand and \$7,653 thousand for the three months and nine months ended September 30, 2024 and 2023, respectively.

## 23. EQUITY

### a. Ordinary shares

	September 30, 2024	December 31, 2023	September 30, 2023
Number of shares authorized (in thousands)	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Shares authorized	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>885,703</u>	<u>885,703</u>	<u>885,703</u>
Shares issued	<u>\$ 8,857,031</u>	<u>\$ 8,857,031</u>	<u>\$ 8,857,031</u>

A total of 10,000 thousand shares of the Corporation's shares were authorized to be reserved for the issuance of employee share options.

b. Capital surplus

	September 30, 2024	December 31, 2023	September 30, 2023
May be used to offset a deficit, distributed as cash dividends, or transferred to capital stock (Note)			
Issuance of ordinary shares	\$ 470,767	\$ 470,767	\$ 470,767
Changes in percentage of ownership interests in subsidiaries	16,367	16,367	16,367
Treasury shares transactions	385,717	381,527	381,527
Only be used to offset a deficit			
Dividends unclaimed by shareholders	35,794	35,794	35,794
Changes in capital surplus from investments in associates accounted for using the equity method	<u>183,297</u>	<u>183,297</u>	<u>183,297</u>
	<u>\$ 1,091,942</u>	<u>\$ 1,087,752</u>	<u>\$ 1,087,752</u>

Note: Such capital surplus may be used to offset a deficit; in addition, when the Corporation has no deficit, such capital surplus may be distributed as cash dividends or transferred to capital shares (limited to a certain percentage of the Corporation's capital surplus and once a year).

c. Retained earnings and dividends policy

Under the dividend policy as set forth in the Corporation's Articles of Incorporation ("Articles"), apart from paying all its income taxes in the case where there are profits at the end of the year, the Corporation shall make up for accumulated deficits in past years. Where there is still balance, 10% of the unappropriated earnings from the yearly net income coupled with other items that recognized in retained earning directly thereof shall be set aside by the Corporation as legal reserve. Subject to certain business conditions under which the Corporation may retain a portion, and distribute to the shareholders the remainder after deducting special reserve as required by law together with undistributed profits from previous years in proportion to the number of the shares held by each stockholders as shareholders' dividend. When there is a share capital increase, the distributed dividends of the year for the new shares shall be dealt with according to the resolution of the shareholders' meeting. For the policies on the distribution of employees' compensation and remuneration of directors before and after amendment, refer to Note 24 (c) "Employee benefits expense".

In accordance with the Articles, the dividend distribution takes into consideration the characteristics of industry that the Group operates in and the forthcoming capital requirement and tax policy that is influenced by the Group's products or services, and it should be settled for the purpose of maintaining stable dividends. For the purposes of improving the financial structure effectively, coping with reinvestment, expanding capacity or other significant capital expenditures in which capital is required, when distributing shareholders' dividend, the dividend payout ratio each fiscal year shall be no less than 50% of the final surplus which is the sum of after-tax profit of the fiscal year to offset previous loss, if any, and to appropriate legal reserve and special reserve as required by law; the amount of cash dividends shall not be less than 10% of the total dividends and bonuses to be distributed to shareholders in the fiscal year.

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

The appropriation of earnings for 2023 and 2022 that were resolved by the shareholder's in their meeting on June 12, 2024 and June 6, 2023, respectively, were as follows

	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Legal reserve	\$ 26,867	\$ 4,043
Cash dividends	177,141	177,141
Cash dividends per share (NT\$)	0.20	0.20

d. Special reserves

On the initial application of IFRS Accounting Standards, the Corporation appropriated to special reserve, the amounts that were the same as the unrealized revaluation increment, the fair value of investment properties at the date of transition as the deemed cost and the cumulative translation differences transferred to retained earnings, which were \$985,545 thousand, \$787,176 thousand and \$138,408 thousand, respectively.

e. Treasury shares

The Corporation's shares held by its subsidiaries at the end of the reporting periods were as follows:

<b>Name of Subsidiary</b>	<b>Number of Shares Held (In Thousands of Shares)</b>	<b>Carrying Amount</b>	<b>Market Price</b>
<u>September 30, 2024</u>			
TFIC	8,676	<u>\$ 118,460</u>	<u>\$ 163,100</u>
<u>December 31, 2023</u>			
TFIC	9,109	<u>\$ 124,373</u>	<u>\$ 183,537</u>
<u>September 30, 2023</u>			
TFIC	9,109	<u>\$ 124,373</u>	<u>\$ 173,973</u>

Under the Securities and Exchange Act, the Corporation shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as rights to dividends and to vote. The subsidiaries holding treasury shares, however, retain shareholders' rights, except the rights to participate in any share issuance for cash and to vote.

## 24. NET PROFIT (LOSS)

### a. Interest expense

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Interest on bank loans	\$ 65,885	\$ 74,137	\$ 204,194	\$ 229,572
Interest on loans from related parties (Note 29)	11,980	14,335	39,146	62,816
Interest on lease liabilities	92	67	265	134
Other interest expense	<u>-</u>	<u>-</u>	<u>19</u>	<u>18</u>
	<u>\$ 77,957</u>	<u>\$ 88,539</u>	<u>\$ 243,624</u>	<u>\$ 292,540</u>

Information about capitalized interest was as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Capitalized interest	\$ 4,710	\$ 2,943	\$ 11,864	\$ 8,416
Capitalization rate	1.83%-3.50%	1.74%-1.94%	1.73%-3.50%	1.22%-2.17%

### b. Depreciation and amortization

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Property, plant and equipment	\$ 278,609	\$ 262,017	\$ 816,627	\$ 786,488
Right-of-use assets	4,574	3,997	13,318	11,333
Intangible assets and other assets	<u>3,983</u>	<u>3,551</u>	<u>11,915</u>	<u>10,836</u>
	<u>\$ 287,166</u>	<u>\$ 269,565</u>	<u>\$ 841,860</u>	<u>\$ 808,657</u>
An analysis of depreciation by function				
Operating costs	\$ 268,912	\$ 250,616	\$ 785,609	\$ 751,917
Operating expenses	<u>14,271</u>	<u>15,398</u>	<u>44,336</u>	<u>45,904</u>
	<u>\$ 283,183</u>	<u>\$ 266,014</u>	<u>\$ 829,945</u>	<u>\$ 797,821</u>
An analysis of amortization by function				
Operating costs	\$ 3,026	\$ 2,662	\$ 9,042	\$ 8,041
Operating expenses	<u>957</u>	<u>889</u>	<u>2,873</u>	<u>2,795</u>
	<u>\$ 3,983</u>	<u>\$ 3,551</u>	<u>\$ 11,915</u>	<u>\$ 10,836</u>



c. Employee benefits expense

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Salary expense	\$ 150,512	\$ 140,595	\$ 437,481	\$ 428,771
Insurance expense	17,765	16,948	51,710	48,713
Post-employment benefits				
Defined contribution plans	9,812	16,109	29,169	29,000
Defined benefit plans (Note 22)	2,368	2,551	7,348	7,657
Other employee benefits	<u>29,538</u>	<u>29,623</u>	<u>91,277</u>	<u>90,470</u>
Total employee benefits expense	<u>\$ 209,995</u>	<u>\$ 205,826</u>	<u>\$ 616,985</u>	<u>\$ 604,611</u>
An analysis of employee benefits expense by function				
Operating costs	\$ 124,550	\$ 113,581	\$ 360,243	\$ 328,778
Operating expenses	<u>85,445</u>	<u>92,245</u>	<u>256,742</u>	<u>275,833</u>
	<u>\$ 209,995</u>	<u>\$ 205,826</u>	<u>\$ 616,985</u>	<u>\$ 604,611</u>

In compliance with the Articles, the Corporation accrued employees' compensation and remuneration of directors at the rates from 1% to 2% and no higher than 1%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. However, if the Corporation has accumulated any deficit, the profit should be set aside for offsetting the losses. The accrued employees' compensation and remuneration of directors for the nine months ended September 30, 2024 and 2023 were as follows:

	<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>
Employees' compensation	\$ 1,031	\$ 10,309
Remuneration of directors	515	5,155

There is no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the financial statements for the years ended December 31, 2023 and 2022.

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

Information on the employees' compensation and remuneration of directors resolved by the Corporation's board of directors is available on the Market Observation Post System website of the TWSE.

## 25. INCOME TAXES

- a. Major components of income tax (benefit) expense recognized in profit or loss were as follows:

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Current tax				
Land revaluation increment tax	\$ -	\$ -	\$ -	\$ 19,954
Deferred tax				
In respect of the current periods	<u>(419)</u>	<u>(9,228)</u>	<u>(52,806)</u>	<u>14,818</u>
Income tax (benefit) expense recognized in profit or loss	<u>\$ (419)</u>	<u>\$ (9,228)</u>	<u>\$ (52,806)</u>	<u>\$ 34,772</u>

- b. Income tax assessments

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

The income tax returns of TFIC through 2021 have been assessed by the tax authorities.

## 26. EARNINGS (LOSS) PER SHARE

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

### Net Profit (Loss) for the Period

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Net profit (loss) used in the computation of basic/diluted earnings (loss) per share	<u>\$ 51,525</u>	<u>\$ (148,842)</u>	<u>\$ 90,089</u>	<u>\$ 405,318</u>

Weighted average number of ordinary shares outstanding (in thousand shares):

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Weighted average number of ordinary shares	885,703	885,703	885,703	885,703
Less: Reclassification of the Corporation's shares held by subsidiaries	<u>(8,676)</u>	<u>(9,109)</u>	<u>(8,692)</u>	<u>(9,109)</u>
Weighted average number of ordinary shares used in the computation of basic earnings (loss) per share	877,027	876,594	877,011	876,594
Effect of potentially dilutive ordinary shares:				
Employees' compensation or bonuses issued to employees	<u>55</u>	<u>-</u>	<u>120</u>	<u>554</u>
Weighted average number of ordinary shares used in the computation of diluted earnings (loss) per share	<u>877,082</u>	<u>876,594</u>	<u>877,131</u>	<u>877,148</u>

If the Corporation offered to settle compensation or bonuses paid to employees in cash or shares, the Corporation assumed the entire amount of the compensation or bonuses will 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, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

## 27. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance. The capital structure of the Group consists of bank loans and equity of the Group.

Financial management department of the Group reviews the capital structure on a monthly basis. As part of this review, the financial management department considers whether there were exceptions between the current ratio, the debt ratio and the target ratio set by the financial management department.

## 28. FINANCIAL INSTRUMENTS

- a. Fair value of financial instruments that are not measured at fair value

Management believes the carrying amounts of non-financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values or the fair values cannot be reliably measured.

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

1) Fair value hierarchy

September 30, 2024

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTPL				
Domestic listed shares	<u>\$ 81,128</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 81,128</u>
Financial assets at FVTOCI				
Investments in equity instruments at FVTOCI				
Domestic listed shares	\$ 575,472	\$ -	\$ -	\$ 575,472
Domestic and foreign unlisted shares	<u>-</u>	<u>-</u>	<u>5,461,291</u>	<u>5,461,291</u>
	<u>\$ 575,472</u>	<u>\$ -</u>	<u>\$ 5,461,291</u>	<u>\$ 6,036,763</u>

December 31, 2023

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTPL				
Domestic listed shares	<u>\$ 66,595</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,595</u>
Financial assets at FVTOCI				
Investments in equity instruments at FVTOCI				
Domestic listed shares	\$ 1,590,083	\$ -	\$ -	\$ 1,590,083
Domestic and foreign unlisted shares	<u>-</u>	<u>-</u>	<u>5,512,985</u>	<u>5,512,985</u>
	<u>\$ 1,590,083</u>	<u>\$ -</u>	<u>\$ 5,512,985</u>	<u>\$ 7,103,068</u>

September 30, 2023

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTPL				
Domestic listed shares	<u>\$ 83,485</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 83,485</u>
Financial assets at FVTOCI				
Investments in equity instruments at FVTOCI				
Domestic listed shares	\$ 1,513,913	\$ -	\$ -	\$ 1,513,913
Domestic and foreign unlisted shares	<u>-</u>	<u>-</u>	<u>5,942,292</u>	<u>5,942,292</u>
	<u>\$ 1,513,913</u>	<u>\$ -</u>	<u>\$ 5,942,292</u>	<u>\$ 7,456,205</u>

For the nine months ended September 30, 2024 and 2023, there were no transfers between Levels 1 and 2.

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

Financial assets at FVTOCI

	<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>
Balance at January 1	\$ 5,512,985	\$ 5,908,359
Recognized in other comprehensive income	(86,567)	20,696
Reduction in capital	-	(19,350)
Change of exchange rate	<u>34,873</u>	<u>32,587</u>
Balance at September 30	<u>\$ 5,461,291</u>	<u>\$ 5,942,292</u>

3) Valuation techniques and assumptions applied for the purpose of measuring fair value

- a) The fair value of financial instruments traded in active markets is based on quoted market prices.
- b) Valuation techniques and inputs applied for Level 3 fair value measurement: The significant and unobservable input parameter for unlisted investments use market-based approach mainly relates to liquidity discount rate. Market-based approach adopts the equity basis multiplier (P/B) of comparable listed companies, the fair price of the Company's share is calculated after considering the liquidity discount parameter.
- c. Categories of financial instruments

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
<u>Financial assets</u>			
Fair value through profit or loss (FVTPL)			
Mandatorily classified as at FVTPL	\$ 81,128	\$ 66,595	\$ 83,485
Financial assets at amortized cost (Note 1)	3,233,282	3,648,485	3,792,946
Financial assets at FVTOCI			
Equity instruments	6,036,763	7,103,068	7,456,205

Financial liabilities

Amortized cost (Note 2)	16,393,545	17,409,788	17,158,217
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Note 1: The balances include financial assets at amortized cost, which comprise cash and cash equivalents, notes receivable, trade receivables (including related parties), and other receivables (including related parties) and debt investments.

Note 2: The balances include financial liabilities at amortized cost, which comprise short-term and long-term loans, short-term bills payable, notes payable, trade payables (including related parties), other payables (including related parties), and guarantee deposits.

d. Financial risk management objectives and policies

The Group's major financial instruments included equity and debt investments, trade receivables, trade payables and borrowings. The Group's Corporate Treasury function provides services to the business, monitors and manages the financial risks relating to the operations of the Group through internal risk evaluation. 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.

a) Foreign currency risk

The Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk. To protect against reductions foreign assets in value and the volatility of future cash flows caused by changes in foreign exchange rates, the Group managed the risk by balancing positions of assets and liabilities denominated in foreign currencies.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities and of the derivatives exposed to foreign currency risk at the end of the reporting period are set out in Note 32.

Sensitivity analysis

The Group was mainly exposed to the USD and RMB.

The following details the effects of a 5% increase in NTD (the functional currency) against the relevant foreign currencies. For a 5% weakening of relevant currency against the NTD, the pre-tax (loss) profit would decrease by \$729 thousand and increase by \$10,772 thousand for the nine months ended September 30, 2024 and 2023, respectively. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rate is 5%.

b) Interest rate risk

The Group was exposed to interest rate risk because entities in the Group borrowed funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings, ensuring the most cost-effective hedging strategies are applied.

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:

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Fair value interest rate risk			
Financial assets	\$ 243,179	\$ 244,420	\$ 252,828
Financial liabilities	9,960,349	9,462,720	9,512,593
Cash flow interest rate risk			
Financial assets	1,175,469	1,595,611	1,550,786
Financial liabilities	4,200,000	5,900,000	5,450,000

### Sensitivity analysis

The sensitivity analyses below were determined based on the Group's exposure to interest rates at the end of the reporting period. A 50 basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's pre-tax (loss) profit for the nine months ended September 30, 2024 and 2023 would have increased/decreased by \$11,342 thousand and decreased/increased by \$14,622 thousand, respectively, which was mainly attributable to the Group's exposure to interest rates on its cash flow by variable-rate bank loans.

#### c) Other price risk

The Group was exposed to equity price risk through its investments in listed equity securities and beneficiary certificates of open-end funds.

### Sensitivity analysis

The sensitivity analyses below were determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% higher/lower, pre-tax (loss) profit for the nine months ended September 30, 2024 and 2023 would have decreased/increased by \$4,056 thousand and increased/decreased by \$4,174 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL, and the pre-tax other comprehensive income for the nine months ended September 30, 2024 and 2023 would have increased/decreased by \$28,774 thousand and \$75,696 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

## 2) Credit risk

Credit risk refers to the risk that 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 will cause a financial loss to the Group due to failure of counterparties to discharge an obligation and financial guarantees provided by the Group could arise from:

- a) The carrying amount of the respective recognized financial assets as stated in the balance sheets; and
- b) The amount of contingent liabilities in relation to financial guarantee issued by the Group.

The Group adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated good. The Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the credit organization.

Trade receivables consisted of a large number of unrelated customers. Ongoing credit evaluation is performed on the financial condition of trade receivables.

Credit risk represents the potential impact to financial asset that the Group might encounter if counterparties or third parties breach the contracts. The Group evaluated credit risk exposure for contracts with positive carrying value. The Group evaluated the credit risk exposure as immaterial because all counterparties are reputable financial institutions and companies with credit ratings.

### 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. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As of September 30, 2024, December 31, 2023 and September 30, 2023, the Group had available unutilized bank loan facilities set out in (b) below.

#### a) Liquidity and interest risk rate tables

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables had been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay.

##### September 30, 2024

	<b>On Demand or Less than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>	<b>More than 5 Years</b>
Non-interest bearing liabilities	\$ -	\$ 1,640,030	\$ -	\$ -	\$ -
Lease liabilities	673	1,345	6,216	14,151	173
Variable interest rate liabilities	-	-	-	4,333,905	-
Fixed interest rate liabilities	<u>1,423,461</u>	<u>2,129,101</u>	<u>2,554,683</u>	<u>3,891,054</u>	<u>-</u>
	<u>\$ 1,424,134</u>	<u>\$ 3,770,476</u>	<u>\$ 2,560,899</u>	<u>\$ 8,239,110</u>	<u>\$ 173</u>

##### December 31, 2023

	<b>On Demand or Less than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>	<b>More than 5 Years</b>
Non-interest bearing liabilities	\$ -	\$ 1,485,034	\$ -	\$ -	\$ -
Lease liabilities	797	1,110	4,996	15,022	335
Variable interest rate liabilities	-	-	-	6,050,700	-
Fixed interest rate liabilities	<u>2,086,686</u>	<u>1,434,831</u>	<u>2,862,703</u>	<u>3,122,224</u>	<u>-</u>
	<u>\$ 2,087,483</u>	<u>\$ 2,920,975</u>	<u>\$ 2,867,699</u>	<u>\$ 9,187,946</u>	<u>\$ 335</u>



September 30, 2023

	<b>On Demand or Less than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>	<b>More than 5 Years</b>
Non-interest bearing liabilities	\$ -	\$ 1,644,326	\$ -	\$ -	\$ -
Lease liabilities	555	1,110	5,092	16,102	189
Variable interest rate liabilities	-	-	-	5,586,667	-
Fixed interest rate liabilities	<u>2,140,919</u>	<u>1,986,880</u>	<u>2,212,148</u>	<u>3,204,679</u>	<u>-</u>
	<u>\$ 2,141,474</u>	<u>\$ 3,632,316</u>	<u>\$ 2,217,240</u>	<u>\$ 8,807,448</u>	<u>\$ 189</u>

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities were subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.

b) Financing facilities

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Unsecured bank borrowing limit			
Amount used	\$ 13,278,000	\$ 13,971,000	\$ 13,695,000
Amount unused	<u>14,109,000</u>	<u>13,241,000</u>	<u>14,979,000</u>
	<u>\$ 27,387,000</u>	<u>\$ 27,212,000</u>	<u>\$ 28,674,000</u>
Secured bank borrowing limit			
Amount used	\$ 2,200,000	\$ 2,200,000	\$ 2,450,000
Amount unused	<u>150,000</u>	<u>250,000</u>	<u>-</u>
	<u>\$ 2,350,000</u>	<u>\$ 2,450,000</u>	<u>\$ 2,450,000</u>

## 29. TRANSACTIONS WITH RELATED PARTIES

Besides information disclosed elsewhere in the other notes, balances and transactions between the Corporation and its subsidiaries, which are related parties of the Corporation, have been eliminated on consolidation and are not disclosed in this note. The prices and payment terms of these transactions were similar to those for third parties. Details of transactions between the Group and other related parties are disclosed below.

a.

<b>Related Party Name</b>	<b>Related Party Category</b>
Far Eastern New Century Corp.	Investors with significant influence over the Group
Hwa Xu Heat Supply Co. (HXYZ)	Associates
Asia Cement Corp.	Others
Oriental Petrochemical (Taiwan) Co., Ltd. (OPTC)	Others
Air Liquide Far Eastern Ltd.	Others

(Continued)

<b>Related Party Name</b>	<b>Related Party Category</b>
Oriental Green Materials Ltd.	Others
Ya Tung Ready Mixed Concrete Co., Ltd.	Others
Everest Textile Co., Ltd.	Others
Far Eastern Polytex (Vietnam) Ltd.	Others
Asia Cement (Singapore) Pte. Ltd.	Others
Fu-Ming Transport Corp.	Others
Fu-Da Transport Corp.	Others
Far Eastern International Bank (FEIB)	Others
PET Far Eastern (Holding) Ltd. (PETH)	Others
Hubei Yadong Cement Co., Ltd.	Others
Yangzhou Yadong Cement Co., Ltd.	Others
Jiangxi Yadong Cement Co., Ltd.	Others
Huanggang Yadong Cement Co., Ltd.	Others
Sichuan Yadong Cement Co., Ltd.	Others
Sichuan Lanfeng Cement Co., Ltd.	Others
Far Eastern Industries (Shanghai) Ltd.	Others
Far Eastern Industries (Yangzhou) Ltd.	Others
Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Others
Oriental Industries (Suzhou) Ltd.	Others
Shanghai Yuanhua Logistics Co., Ltd.	Others
Shanghai Yuanzi Information Technology Ltd.	Others
Speedy (Shanghai) Digital Technology Co., Ltd.	Others
Far Eastern Apparel (Suzhou) Ltd.	Others

(Concluded)

b. Sale of goods

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Investors with significant influence over the Group	\$ 278,118	\$ 211,316	\$ 604,474	\$ 634,011
Others	<u>103,653</u>	<u>80,879</u>	<u>350,701</u>	<u>161,416</u>
	<u>\$ 381,771</u>	<u>\$ 292,195</u>	<u>\$ 955,175</u>	<u>\$ 795,427</u>

c. Purchase of goods

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Others	<u>\$ -</u>	<u>\$ 207</u>	<u>\$ 1,500</u>	<u>\$ 377</u>

d. Operating expenses

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Others				
Fu-Ming Transport Corp.	\$ 45,348	43,938	\$ 120,328	127,342
Others	<u>22,544</u>	<u>13,407</u>	<u>54,400</u>	<u>32,331</u>
	<u>\$ 67,892</u>	<u>\$ 57,345</u>	<u>\$ 174,728</u>	<u>\$ 159,673</u>

e. Interest expense

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Others				
Oriental Industries (Suzhou) Ltd.	\$ 9,219	\$ 9,458	\$ 29,108	\$ 26,304
Others	<u>2,761</u>	<u>4,877</u>	<u>10,038</u>	<u>36,512</u>
	<u>\$ 11,980</u>	<u>\$ 14,335</u>	<u>\$ 39,146</u>	<u>\$ 62,816</u>

f. Interest income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Associates				
HXYZ	\$ 1,736	\$ 1,662	\$ 5,132	\$ 4,926
Others				
FEIB	<u>163</u>	<u>165</u>	<u>885</u>	<u>647</u>
	<u>\$ 1,899</u>	<u>\$ 1,827</u>	<u>\$ 6,017</u>	<u>\$ 5,573</u>

g. Rental income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Others				
Fu-Da Transport Corp.	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,039</u>

h. Cash and cash equivalents

	September 30, 2024	December 31, 2023	September 30, 2023
Others			
FEIB	<u>\$ 38,327</u>	<u>\$ 75,317</u>	<u>\$ 41,572</u>

i. Receivables from related parties

Line Item	Related Party Category/Name	September 30, 2024	December 31, 2023	September 30, 2023
Notes receivable	Others			
	Oriental Petrochemical (Shanghai) Corp. (OPSC)	\$ -	\$ -	\$ 73,266
Trade receivables	Investors with significant influence over the Group	82,310	46,253	41,583
	Others	<u>17,797</u>	<u>34,493</u>	<u>8,567</u>
		<u>100,107</u>	<u>80,746</u>	<u>50,150</u>
		<u>\$ 100,107</u>	<u>\$ 80,746</u>	<u>\$ 123,416</u>

The outstanding trade receivables from related parties are unsecured. For the nine months ended September 30, 2024 and 2023, no impairment loss was recognized for trade receivables from related parties.

j. Other receivables

	September 30, 2024	December 31, 2023	September 30, 2023
Associates			
HXYZ (Note)	\$ 556,970	\$ 529,659	\$ 545,097
Others	<u>908</u>	<u>1,728</u>	<u>344</u>
	<u>\$ 557,878</u>	<u>\$ 531,387</u>	<u>\$ 545,441</u>

Note: The Group provided secured short-term loans to HXYZ amounted to \$551,031 thousand. Refer to Table 1 for detailed information.

k. Financial assets at amortized cost - non-current

	September 30, 2024	December 31, 2023	September 30, 2023
Others			
FEIB	<u>\$ 65,223</u>	<u>\$ 64,942</u>	<u>\$ 64,754</u>

l. Loans from related parties (accounted for as short-term borrowings)

	September 30, 2024	December 31, 2023	September 30, 2023
Others			
Oriental Industries (Suzhou) Ltd.	\$ 1,535,661	\$ 1,473,971	\$ 1,528,147
Far Eastern Industries (Yangzhou) Ltd.	541,998	520,225	539,346
Far Eastern Dyeing & Finishing (Suzhou) Ltd.	<u>-</u>	<u>216,761</u>	<u>224,728</u>
	<u>\$ 2,077,659</u>	<u>\$ 2,210,957</u>	<u>\$ 2,292,221</u>

The Group obtained loans at rates comparable to market interest rates for the loans from related parties.

m. Other payables

	September 30, 2024	December 31, 2023	September 30, 2023
Others	\$ <u>108,424</u>	\$ <u>89,875</u>	\$ <u>102,199</u>

n. Disposal of non-current assets held for sale

The Group disposed of non-current assets held for sale to Fu-Ming Transport Corp. on March 2023. Refer to Note 12 for detailed information.

o. Remuneration of key management personnel

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Short-term employee benefits	\$ 7,214	\$ 11,779	\$ 23,500	\$ 32,269
Post-employment benefits	<u>54</u>	<u>54</u>	<u>162</u>	<u>270</u>
	\$ <u>7,268</u>	\$ <u>11,833</u>	\$ <u>23,662</u>	\$ <u>32,539</u>

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

### 30. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets had been pledged by bank, as collateral for borrowings and guarantees for Suppliers and Customers:

	September 30, 2024	December 31, 2023	September 30, 2023
Pledged deposits (financial assets at amortized cost - non-current)	\$ 65,223	\$ 64,942	\$ 64,754
Listed shares (financial assets at fair value through other comprehensive income)	-	-	404,968
Investment properties	<u>1,682,742</u>	<u>1,682,742</u>	<u>1,682,742</u>
	\$ <u>1,747,965</u>	\$ <u>1,747,684</u>	\$ <u>2,152,464</u>

As of September 30, 2024, the Corporation pledged 28,599 thousand shares of the subsidiary TFIC as security.

### 31. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of September 30, 2024 as follows:

- a. As of September 30, 2024, unused letters of credit for purchases of raw materials amounted to \$1,593,801 thousand; purchase guarantees from banking institution and performance guarantees for grants from Taipei Computer Association amounted to \$556,863 thousand; refundable deposit with the Harbor Bureau amounted to \$135,500 thousand; and leased silver for catalysts from financial institution amounted to \$1,082,017 thousand.
- b. Endorsements/guarantees provided to subsidiaries and associates

#### The Corporation

TFIC	<u>\$ 1,600,000</u>
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- c. The Corporation has a long-term ethylene purchase agreement with Chinese Petroleum Corporation, Taiwan under which the Corporation is committed to purchase ethylene until December 31, 2024. The purchase price under the agreement is in U.S. dollars.
- d. The Corporation has a three-year agreement beginning from 2004, to sell ethylene glycols to major customers, namely, Far Eastern New Century Corporation, Tainan Spinning Co., Ltd. and Shinkong Synthetic Fibers Corporation. The agreement is automatically renewed for successive periods of three years unless otherwise terminated by either party with prior notice. The determined price under the agreement is in U.S. dollars.
- e. In 2021, the Corporation signed a two-year ethylene carbonate designated production/sales agreement with Chi Mei Corporation (“CMC”). Also, the Corporation agreed to purchase from CMC any qualified ethylene glycol by-products which are produced during the manufacturing process. And the purchase price is determined by agreed upon bases. Both sides agreed that the Corporation could sell part of the output to a specific-purpose market. The agreement is automatically renewed for another two years, as specified in the contract.
- f. The Corporation’s Board of Directors resolved to construct ethylene storage tanks at the Kaohsiung Intercontinental Container Terminal in 2019. The total contract amount is \$765,893 thousand. As of September 30, 2024, the Corporation had paid \$643,650 thousand, which is accounted for as construction in progress and equipment to be inspected.

### 32. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

September 30, 2024

	<b>Foreign Currencies</b>	<b>Exchange Rate</b>	<b>Carrying Amount</b>
<u>Financial assets</u>			
Monetary items			
USD	\$ 5,009	31.65 (USD:NTD)	\$ 158,535
USD	300	7.01 (USD:RMB)	<u>9,495</u>
			<u>\$ 168,030</u>
Non-monetary items			
Investments accounted for using the equity method			
RMB	23,722	4.52 (RMB:NTD)	<u>\$ 107,146</u>

#### Financial liabilities

Monetary items			
USD	5,666	7.01 (USD:RMB)	\$ 179,329
USD	69	31.65 (USD:NTD)	2,184
RMB	242	4.52 (RMB:NTD)	<u>1,093</u>
			<u>\$ 182,606</u>

December 31, 2023

	<b>Foreign Currencies</b>	<b>Exchange Rate</b>	<b>Carrying Amount</b>
<u>Financial assets</u>			
Monetary items			
USD	\$ 8,010	30.71 (USD:NTD)	\$ 245,947
USD	229	7.08 (USD:RMB)	<u>7,031</u>
			<u>\$ 252,978</u>
Non-monetary items			
Investments accounted for using the equity method			
RMB	31,858	4.34 (RMB:NTD)	<u>\$ 138,109</u>

(Continued)

	Foreign Currencies	Exchange Rate	Carrying Amount
<u>Financial liabilities</u>			
Monetary items			
USD	\$ 2,028	7.08 (USD:RMB)	\$ 62,270
USD	1,942	30.71 (USD:NTD)	59,629
RMB	47	4.34 (RMB:NTD)	<u>204</u>
			<u>\$ 122,103</u>
			(Concluded)

September 30, 2023

	Foreign Currencies	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 3,334	32.27 (USD:NTD)	\$ 107,588
USD	431	7.18 (USD:RMB)	<u>13,908</u>
			<u>\$ 121,496</u>
Non-monetary items			
Investments accounted for using the equity method			
RMB	34,510	4.49 (RMB:NTD)	<u>\$ 155,107</u>
<u>Financial liabilities</u>			
Monetary items			
USD	7,868	7.18 (USD:RMB)	\$ 253,900
USD	2,569	32.27 (USD:NTD)	82,902
RMB	29	4.49 (RMB:NTD)	<u>130</u>
			<u>\$ 336,932</u>

The significant realized and unrealized foreign exchange gains (losses) were as follows:

<b>For the Three Months Ended September 30</b>				
<b>2024</b>			<b>2023</b>	
Foreign Currencies	Exchange Rate	Net Foreign Exchange Gain (Loss)	Exchange Rate	Net Foreign Exchange Gain (Loss)
NTD	1 (NTD:NTD)	\$ (2,524)	1 (NTD:NTD)	\$ 8,081
RMB	4.50 (RMB:NTD)	<u>(4,398)</u>	4.42 (RMB:NTD)	<u>(866)</u>
		<u>\$ (6,922)</u>		<u>\$ 7,215</u>



For the Nine Months Ended September 30				
2024			2023	
Foreign Currencies	Exchange Rate	Net Foreign Exchange Gain (Loss)	Exchange Rate	Net Foreign Exchange Gain (Loss)
NTD	1 (NTD:NTD)	\$ 2,741	1 (NTD:NTD)	\$ 13,995
RMB	4.51 (RMB:NTD)	<u>(4,391)</u>	4.49 (RMB:NTD)	<u>15,607</u>
		<u>\$ (1,650)</u>		<u>\$ 29,602</u>

### 33. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions:

- 1) Financing provided to others. (Table 1)
- 2) Endorsements/guarantees provided. (Table 2)
- 3) Marketable securities held. (Table 3)
- 4) Marketable securities acquired or disposed at costs or prices at least NT\$300 million or 20% of the paid-in capital. (Table 4)
- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital. (None)
- 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital. (None)
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 5)
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 6)
- 9) Trading in derivative instruments. (None)
- 10) Intercompany relationships and significant intercompany transactions. (None)

b. Information on investees. (Table 7)

c. Information on investments in mainland China

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 8)
- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses. (None)

- d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholders, the number of shares owned, and percentage of ownership of each shareholders. (Table 9)

### 34. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. Specifically, the Group's reportable segments under IFRS 8 "Operating Segments" were as follows:

- Ethylene glycols business
- Special chemicals business
- Gas business
- Investment and others

a. Segment revenues and results

The following was an analysis of the Group's revenue and results by reportable segments.

	<b>Segment Revenues</b>		<b>Segment Profit (Loss)</b>	
	<b>For the Nine Months Ended</b>		<b>For the Nine Months Ended</b>	
	<b>September 30</b>		<b>September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Ethylene glycols business	\$ 11,618,037	\$ 9,797,205	\$ (428,189)	\$ (883,227)
Special chemicals business	5,328,517	4,661,193	218,517	(76,034)
Gas business	1,183,924	1,245,678	261,557	421,964
Investment and others	55,605	27,040	35,219	16,563
Other eliminations and adjustments	-	-	81	81
Total operating segments	<u>\$ 18,186,083</u>	<u>\$ 15,731,116</u>	87,185	(520,653)
Non-operating income and expense			<u>(176,953)</u>	<u>572,813</u>
(Loss) profit before income tax			<u>\$ (89,768)</u>	<u>\$ 52,160</u>

Segment profit represents the profit earned by each segment. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

b. Segment total assets

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
<u>Segment assets</u>			
Ethylene glycols business	\$ 11,128,272	\$ 9,999,102	\$ 10,500,449
Special chemicals business	5,015,370	4,853,227	4,778,961
Gas business	2,091,521	2,068,279	2,143,619
Investment and others	23,172,387	25,267,231	26,657,124
Other eliminations and adjustments	<u>(9,291,834)</u>	<u>(9,173,508)</u>	<u>(10,466,045)</u>
Total segment assets	<u>\$ 32,115,716</u>	<u>\$ 33,014,331</u>	<u>\$ 33,614,108</u>

c. Information of major customers:

In the first nine months of 2024 and 2023, Ethylene glycol business - the amount of direct sales revenue were \$11,618,037 thousand and \$9,797,205 thousand, respectively, and had included \$2,924,326 thousand and \$2,147,574 thousand, respectively, which came from East China Branch of China Petroleum & Chemical Corporation, the largest customer of the Group.

TABLE 1

ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

FINANCINGS PROVIDED TO OTHERS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024  
(In Thousands of New Taiwan Dollars)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note)	Aggregate Financing Amount Limits (Note)	Note
													Item	Value			
1	FUPY	HXYZ	Other receivables - related parties loans	Yes	\$ 551,031	\$ 551,031	\$ 551,031	1.3%	Necessary for short-term financing	\$ -	Operating capital	\$ -	Promissory notes	\$ -	40% of net worth of FUPY \$2,343,734	40% of net worth of FUPY \$2,343,734	

Note:   Based on reviewed financial statements.

TABLE 2

ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024  
(In Thousands of New Taiwan Dollars)

No.	Endorser/ Guarantor	Endorsee/Guaranteed		Limits on Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China	Note
		Name	Relationship (Note)											
0	The Corporation	TFIC	2	50% of net worth of the Corporation \$5,982,233	\$ 1,600,000	\$ 1,600,000	\$ 140,000	\$ -	13.37	100% of net worth of the Corporation \$11,964,465	Y	N	N	

Note:   The relationships between the endorser/guarantor and the endorsee/guaranteed are listed below:

2.   Represents the entity whose voting shares are exceed fifty percent (50%) owned directly or indirectly by the Corporation.

**TABLE 3**

**ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES**

**MARKETABLE SECURITIES HELD**  
**SEPTEMBER 30, 2024**  
(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2024				Note
				Number of Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
The Corporation	Far Eastern Department Stores Ltd.	Same chairman	Financial assets at FVTOCI - non-current	5,500,000	\$ 149,325	-	\$ 149,325	Note 1
	Asia Cement Corp.	Same chairman	Same as above	4,243,315	202,618	-	202,618	Note 1
	Everest Textile Co., Ltd.	The chairman of Everest Textile Co., Ltd. is a director of the Corporation	Same as above	16,040,145	117,093	2	117,093	Note 1
	Oriental Petrochemical (Taiwan) Co., Ltd.	The Corporation is one of its director	Same as above	350,286,055	2,707,711	13	2,707,711	Note 2
	Grand Cathay Venture Capital Co., Ltd.	The Corporation is one of its director	Same as above	26,666,667	414,400	17	414,400	Note 2
	Eminent Venture Capital Corp.	The Corporation is one of its director	Same as above	675,000	5,204	10	5,204	Note 2
	Eminent II Venture Capital Corp.	The Corporation is one of its director	Same as above	2,340,000	14,183	6	14,183	Note 2
	Tai An Technologies Corp.	-	Same as above	499,998	6,769	5	6,769	Note 2
TFIC	Chung Hsin Electric & Machinery Manufacturing Corp.	-	Financial assets at FVTPL - current	30,000	5,175	-	5,175	Note 1
	Shihlin Electric & Engineering Corp.	-	Same as above	20,000	4,420	-	4,420	Note 1
	United Microelectronics Corp.	-	Same as above	180,000	9,684	-	9,684	Note 1
	Hon Hai Precision Industry Co., Ltd.	-	Same as above	60,000	11,250	-	11,250	Note 1
	YAGEO Corp.	-	Same as above	12,000	7,476	-	7,476	Note 1
	Taiwan Semiconductor Manufacturing Co., Ltd.	-	Same as above	12,000	11,484	-	11,484	Note 1
	Cheng Uei Precision Industry Co., Ltd.	-	Same as above	60,000	3,858	-	3,858	Note 1
	Wan Hai Lines Ltd.	-	Same as above	45,000	4,410	-	4,410	Note 1
	Kinsus Interconnect Technology Corp.	-	Same as above	45,000	4,950	-	4,950	Note 1
	International Games System Co., Ltd.	-	Same as above	5,000	4,930	-	4,930	Note 1
	Shin Zu Shing Co., Ltd.	-	Same as above	2,000	396	-	396	Note 1
	E Ink Holdings Inc.	-	Same as above	15,000	4,395	-	4,395	Note 1
	Giant Manufacturing Co., Ltd.	-	Same as above	21,000	4,704	-	4,704	Note 1
	Century Iron and Steel Industrial Co., Ltd.	-	Same as above	18,000	3,996	-	3,996	Note 1
	The Corporation	Treasury share	Financial assets at FVTOCI - non-current	8,675,554	118,460	1	163,100	Note 1
	Everest Textile Co., Ltd.	The chairman of Everest Textile Co., Ltd. is the Corporation's parent corporation's director	Same as above	14,580,194	106,436	2	106,436	Note 1
	Yue Ding Industry Co., Ltd.	Related party in substance	Same as above	6,260,174	103,356	5	103,356	Note 2
	Ding Shen Investment Co., Ltd.	Related party in substance	Same as above	40,328,640	477,088	18	477,088	Note 2
	Oriental Petrochemical (Taiwan) Co., Ltd.	The Corporation is one of its director	Same as above	111,834,375	864,479	4	864,479	Note 2
PPL	Far Eastern Polytex (Shanghai),Ltd.	Related party in substance	Same as above	-	868,101	10	868,101	Note 2

Note 1: The market value was calculated at closing price on September 30, 2024.

Note 2: The net asset value was calculated based on the latest assessments.

**TABLE 4**

**ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES**

**MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024  
(In Thousands of New Taiwan Dollars)**

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Carrying Amount	Gain (Loss) on Disposal	Number of Shares	Amount
TFIC	Far Eastern International Commercial Bank (“FEIB”)	Financial assets at FVTOCI - non-current	-	-	34,761,214	\$ 439,729	-	\$ -	34,761,214	\$ 494,934	\$ 362,068	\$ 132,866	-	\$ -

**TABLE 5**

**ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES**

**TOTAL PURCHASE FROM OR SALE TO RELATED PARTIES OF AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024  
(In Thousands of New Taiwan Dollars)**

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
The Corporation	Far Eastern New Century Corp.	Same chairman	Sale	\$ (604,474)	(3)	Same as those to unrelated parties	-	-	\$ 82,310	8	-



**TABLE 6**

**ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES**

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
SEPTEMBER 30, 2024  
(In Thousands of New Taiwan Dollars)**

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
FUPY	HXYZ	Investee by using equity method	Other receivables     \$ 556,970	-	\$ -	-	\$ -	\$ -

TABLE 7

ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEEES  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024  
(In Thousands of New Taiwan Dollars or Foreign Currency)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of September 30, 2024			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				September 30, 2024	December 31, 2023	Shares	%	Carrying Amount			
The Corporation	PPL	British Virgin Islands	Investment	US\$ 216,452	US\$ 216,452	149,000	100	\$ 3,687,348	\$ (148,864)	\$ (148,864)	Note
	TFIC	Taipei City, ROC	Enterprise and financial institution investments	1,110,000	1,110,000	162,913,789	100	1,553,330	47,414	45,679	
	OUCG (Bermuda)	British Bermuda Islands	Investment	US\$ 90,000	US\$ 90,000	103,580	100	618,546	(27,401)	(27,401)	

Note: The ending balance includes 28,599,328 shares pledged to financial institutions.

TABLE 8

ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

INFORMATION OF INVESTMENTS IN MAINLAND CHINA  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024  
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investee Company	Major Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2024	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of September 30, 2024	Accumulated Repatriation of Investment Income as of September 30, 2024	Note
					Outflow	Inflow							
FUPY	Manufacturing and selling chemical products (ethylene glycol, diethylene glycol, triethylene glycol and ethylene oxide) and other specific chemical products.	US\$ 357,500	Indirect	US\$ 202,980	US\$ -	US\$ -	US\$ 202,980	RMB (63,785)	56	\$ (160,394) (Note 2)	\$ 3,269,509	\$ -	Note 4
HXYZ	The production and sales of hot water (non-potable water) and steam; the erection and maintenance of heat-supply pipelines; the consultancy service in heat-supply technologies.	RMB 160,000	Indirect	-	-	-	-	RMB (16,303)	28	(36,660) (Note 3)	107,146	-	

Accumulated Outward Remittance for Investment in Mainland China as of September 30, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
US\$295,866	US\$315,116	(Note 1)

Note 1: The Corporation obtained certificate No. 11351002620 from Industrial Development Administration, Ministry of Economic Affairs according to the “Regulations Governing the Approval of Investment or Technical Cooperation in Mainland China”, the accumulation of fund is not limited.

Note 2: Based on reviewed financial statements.

Note 3: Based on non-reviewed financial statements.

Note 4: Significant non-controlling interests.

**TABLE 9****ORIENTAL UNION CHEMICAL CORPORATION****INFORMATION OF MAJOR SHAREHOLDERS  
SEPTEMBER 30, 2024**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Far Eastern New Century Corp.	81,217,005	9.16
Asia Cement Corp.	63,766,522	7.19
Yuan Ding Investment Co., Ltd.	56,254,684	6.35
Yuan Tong Investment Co., Ltd.	49,942,396	5.63

Note: The table discloses shareholding information of shareholders whose shareholding percentages are more than 5%. The Taiwan Depository & Clearing Corporation calculates the total number of ordinary shares (including treasury shares) that have completed the dematerialized registration and delivery on the last business day of the quarter. The shares reported in the financial statements and the actual number of shares that have completed the dematerialized registration and delivery may be different due to the basis of calculation.