

Notice to Readers:

The Interim consolidated financial statements (Chinese version) of our company have been reviewed by the CPA Chang, Cheng-Hsiu and CPA Liu, Yi-Ching of Deloitte Taiwan. For the convenience of reading, the statements have been translated from Chinese to English. If there is any difference regarding the context or interpretation in the English version, the Chinese version shall prevail.

**China General Plastics Corporation and
Subsidiaries**

**Consolidated Financial Statements for the
Six Months Ended June 30, 2025 and 2024, and
Independent Auditor's Review Report**

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Independent Auditors' Review Report

The Board of Directors and Shareholders

China General Plastics Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of China General Plastics Corporation and its subsidiaries (collectively referred to as the Group) as of June 30, 2025 and 2024, and the related consolidated statement of comprehensive income for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, and the consolidated statement of changes in equity and statement of cash flows for the six months then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies (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 of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained 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 disclosed in Notes 12 and 13 to the consolidated financial statements, the financial statements of some non-significant subsidiaries and investments accounted for using the equity method included in the consolidated financial statements were not reviewed. As of June 30, 2025 and 2024, the combined total assets of these non-significant subsidiaries and investments accounted for using the equity method were NT\$1,062,876 thousand and NT\$1,099,544 thousand, respectively, representing both 6% of the consolidated total assets, and the combined total liabilities of these non-significant subsidiaries as of June 30, 2025 and 2024, were NT\$60,401 thousand and NT\$56,781 thousand, respectively, representing both 1% of the consolidated total liabilities; for the three months ended June 30, 2025 and 2024, and the six months ended June 30, 2025 and 2024, the amounts of combined comprehensive income of these non-significant subsidiaries were NT\$(19,423) thousand, NT\$14,735

thousand, NT\$(24,774) thousand, and NT\$27,110 thousand, respectively, representing 4%, 16%, 3%, and 47%, respectively, of the consolidated total comprehensive income, and the Group's share of profit (loss) of these investments accounted for using the equity method for the three months ended June 30, 2025 and 2024, and the six months ended June 30, 2025 and 2024, were NT\$3,771 thousand, NT\$3,530 thousand, NT\$(6,422) thousand, and NT\$(11,159) thousand, respectively, representing (1%), 4%, 1%, and (19%), respectively, of the consolidated total comprehensive income. The additional disclosures of these non-significant subsidiaries and investments accounted for using the equity method were based on financial statements which were not reviewed by auditors.

Qualified Conclusion

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries and 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 June 30, 2025 and 2024, its consolidated financial performance for the three months ended June 30, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the six months ended June 30, 2025 and 2024 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 of the Republic of China.

Deloitte & Touche, Taipei, Taiwan,
Republic of China
CPA Chang, Cheng-Hsiu

CPA Liu, Yi-Ching

Financial Supervisory Commission
Approved Document No.
Jin Guan Zheng Shen Zi No. 1120349008

Financial Supervisory Commission
Approved Document No.
Jin Guan Zheng Shen Zi No. 1100356048

August 5, 2025

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China General Plastics Corporation and Subsidiaries
Consolidated Balance Sheets
June 30, 2025 and 2024, And December 31, 2024

		Unit: NT\$ thousands					
CODE	ASSETS	June 30, 2025		December 31, 2024		June 30, 2024	
		Amount	%	Amount	%	Amount	%
	Current assets						
1100	Cash and cash equivalents (Note 6)	\$ 1,159,100	7	\$ 1,523,912	9	\$ 1,537,713	8
1110	Financial assets at fair value through profit or loss (FVTPL) - current (Note 7)	525,973	3	609,197	3	592,898	3
1136	Financial assets at amortized cost - current (Notes 9 and 30)	490,848	3	943,234	5	815,037	4
1150	Notes receivable (Note 10)	110,700	1	118,682	1	158,005	1
1170	Trade receivables (Notes 10 and 29)	1,064,987	6	762,506	4	1,101,238	6
1200	Other receivables (Notes 10 and 29)	82,950	-	69,885	-	107,801	1
1220	Current tax assets	5,182	-	17,186	-	15,264	-
1310	Inventories (Note 11)	1,928,337	11	2,522,089	14	2,661,521	15
1410	Prepayments	106,407	1	133,905	1	97,177	1
1470	Other current assets	339	-	2,139	-	3,407	-
11XX	Total current assets	5,474,823	32	6,702,735	37	7,090,061	39
	Non-current assets						
1517	Financial assets at fair value through other comprehensive income (FVTOCI)- non-current (Note 8)	58,131	-	60,406	-	62,700	-
1550	Investments accounted for using the equity method (Note 13)	326,432	2	336,665	2	351,799	2
1600	Property, plant and equipment (Notes 14, 29, and 30)	10,118,866	58	9,753,364	54	9,431,259	52
1755	Right-of-use assets (Notes 15 and 29)	101,416	1	112,967	1	129,368	1
1760	Investment properties (Note 16)	415,303	2	443,562	2	455,763	3
1840	Deferred tax assets	769,959	4	581,799	3	463,230	3
1990	Other non-current assets (Note 30)	113,907	1	83,578	1	59,175	-
15XX	Total non-current assets	11,904,014	68	11,372,341	63	10,953,294	61
1XXX	Total assets	\$ 17,378,837	100	\$ 18,075,076	100	\$ 18,043,355	100
CODE	LIABILITIES AND EQUITY						
	Current liabilities						
2100	Short-term borrowings (Note 17)	\$ 2,315,000	13	\$ 1,280,000	7	\$ 1,655,000	9
2110	Short-term notes and bills payable (Note 17)	99,957	1	299,872	2	-	-
2120	Financial liabilities at fair value through profit or loss (FVTPL) - current (Note 7)	7,030	-	688	-	-	-
2150	Notes payable (Note 18)	29,788	-	36,559	-	-	-
2170	Trade payables (Note 18)	663,782	4	799,456	4	617,758	3
2180	Trade payables to related parties (Notes 18 and 29)	42,290	-	125,173	1	158,789	1
2200	Other payables (Note 19)	731,140	4	727,652	4	846,681	5
2220	Other payables to related parties (Note 29)	73,870	1	25,493	-	96,998	-
2230	Current tax liabilities	5,570	-	5,695	-	13,995	-
2250	Current provisions (Note 20)	9,397	-	-	-	-	-
2280	Lease liabilities (Notes 15 and 29)	20,569	-	20,928	-	27,400	-
2322	Long-term borrowings due within one year or one operating cycle (Note 17)	1,607,989	9	1,438,743	8	832,765	5
2399	Other current liabilities (Note 23)	115,782	1	164,587	1	134,657	1
21XX	Total current liabilities	5,722,164	33	4,924,846	27	4,384,043	24
	Non-current liabilities						
2540	Long-term borrowings (Note 17)	2,249,272	13	2,851,015	16	2,542,489	14
2570	Deferred tax liabilities	602,140	3	602,255	3	596,369	3
2580	Lease liabilities (Notes 15 and 29)	86,693	1	98,296	1	107,917	1
2640	Net defined benefit liabilities	200,200	1	214,148	1	296,674	2
2670	Other non-current liabilities	60,691	-	68,676	-	64,312	-
25XX	Total non-current liabilities	3,198,996	18	3,834,390	21	3,607,761	20
2XXX	Total liabilities	8,921,160	51	8,759,236	48	7,991,804	44
	Equity attributable to owners of the Company (Note 22)						
3110	Ordinary share	5,810,505	34	5,810,505	32	5,810,505	32
3200	Capital surplus	19,966	-	20,018	-	17,959	-
	Retained earnings						
3310	Legal reserve	1,150,504	7	1,150,504	7	1,150,504	7
3320	Special reserve	408,223	2	408,223	2	408,223	2
3350	Unappropriated retained earnings	554,291	3	1,315,487	7	2,013,456	11
3300	Total retained earnings	2,113,018	12	2,874,214	16	3,572,183	20
3400	Other equity	(25,737)	-	34,845	1	46,970	1
31XX	Total equity attributable to owners of the Company	7,917,752	46	8,739,582	49	9,447,617	53
36XX	Non-controlling interests	539,925	3	576,258	3	603,934	3
3XXX	Total equity	8,457,677	49	9,315,840	52	10,051,551	56
	Total liabilities and equity	\$ 17,378,837	100	\$ 18,075,076	100	\$ 18,043,355	100

The accompanying notes are an integral part of the consolidated financial statements.
(Please refer to Deloitte & Touche auditors' review report dated August 5, 2025)

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China General Plastics Corporation and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Three Months Ended June 30, 2025 and 2024, and for the Six Months Ended June 30, 2025 and 2024

Unit: NT\$ thousands, Except (Losses) Earnings per Share

CODE		For the Three Months Ended June 30, 2025		For the Three Months Ended June 30, 2024		For the Six Months Ended June 30, 2025		For the Six Months Ended June 30, 2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4100	Net revenue (Notes 23 and 29 and 35)	\$ 2,658,164	100	\$ 3,075,862	100	\$ 5,120,293	100	\$ 5,980,637	100
5110	Cost of revenue (Notes 11, 24, and 29)	2,850,416	107	2,754,107	89	5,418,070	106	5,486,302	92
5900	Gross (loss) profit	(192,252)	(7)	321,755	11	(297,777)	(6)	494,335	8
	Operating expenses (Notes 24 and 29)								
6100	Selling and marketing expenses	167,895	6	202,819	7	338,815	7	383,728	6
6200	General and administrative expenses	48,266	2	55,776	2	120,535	2	129,660	2
6300	Research and development expenses	9,009	1	17,048	-	17,825	-	34,899	1
6000	Total operating expenses	225,170	9	275,643	9	477,175	9	548,287	9
6900	Net operating (loss) profit	(417,422)	(16)	46,112	2	(774,952)	(15)	(53,952)	(1)
	Non-operating income and expenses (Notes 13, 24 and 29)								
7100	Interest income	10,630	-	12,290	-	19,149	1	19,905	1
7010	Other income	39,205	2	25,848	1	68,181	1	44,950	1
7020	Other gains and losses	(145,982)	(5)	15,982	1	(149,168)	(3)	52,018	1
7060	Share of profit of associates accounted for using the equity method	11,039	-	9,024	-	1,480	-	7,418	-
7510	Interest expense	(29,165)	(1)	(23,321)	(1)	(56,703)	(1)	(44,488)	(1)
7000	Total non-operating income and expenses	(114,273)	(4)	39,823	1	(117,061)	(2)	79,803	2
7900	Net (loss) profit before income tax	(531,695)	(20)	85,935	3	(892,013)	(17)	25,851	1
7950	Income tax benefit (Note 25)	(105,419)	(4)	(7,380)	-	(181,680)	(3)	(25,188)	-
8200	Net (loss) profit for the period	(426,276)	(16)	93,315	3	(710,333)	(14)	51,039	1
	Other comprehensive income (loss) (Notes 22 and 25)								
	Items that will not be reclassified subsequently to profit or loss:								
8316	Unrealized losses on investments in equity instruments at FVTOCI	(982)	-	(77)	-	(1,079)	-	(821)	-
8326	Share of the other comprehensive income of associates accounted for using the equity method - unrealized losses on investments in equity instruments at FVTOCI	(8,276)	(1)	(4,100)	-	(9,276)	-	(16,248)	-
8310		(9,258)	(1)	(4,177)	-	(10,355)	-	(17,069)	-
	Items that may be reclassified subsequently to profit or loss:								
8361	Exchange differences on translating the financial statements of foreign operations	(67,147)	(3)	6,628	-	(59,785)	(1)	28,426	-
8371	Share of the other comprehensive income of associates accounted for using the equity method - exchange differences on translating the financial statements of foreign operations	(2,907)	-	177	-	(2,437)	-	1,028	-
8399	Income tax relating to items that may be reclassified subsequently to profit or loss	13,429	1	(1,325)	-	11,957	-	(5,685)	-
8360		(56,625)	(2)	5,480	-	(50,265)	(1)	23,769	-
8300	Other comprehensive income (loss) for the period, net of income tax	(65,883)	(3)	1,303	-	(60,620)	(1)	6,700	-
8500	Total comprehensive income (loss) for the period	(\$ 492,159)	(19)	\$ 94,618	3	(\$ 770,953)	(15)	\$ 57,739	1
	Net (loss) profit attributable to:								
8610	Owners of the Company	(\$ 405,542)	(15)	\$ 94,396	3	(\$ 674,038)	(13)	\$ 62,729	1
8620	Non-controlling interests	(20,734)	(1)	(1,081)	-	(36,295)	(1)	(11,690)	-
8600		(\$ 426,276)	(16)	\$ 93,315	3	(\$ 710,333)	(14)	\$ 51,039	1
	Total comprehensive (loss) income attributable to:								
8710	Owners of the Company	(\$ 471,391)	(18)	\$ 95,734	3	(\$ 734,620)	(14)	\$ 69,534	1
8720	Non-controlling interests	(20,768)	(1)	(1,116)	-	(36,333)	(1)	(11,795)	-
8700		(\$ 492,159)	(19)	\$ 94,618	3	(\$ 770,953)	(15)	\$ 57,739	1
	(Losses) Earnings per share (Note 26)								
9750	Basic	(\$ 0.70)		\$ 0.16		(\$ 1.16)		\$ 0.11	
9850	Diluted	(\$ 0.70)		\$ 0.16		(\$ 1.16)		\$ 0.11	

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China General Plastics Corporation and Subsidiaries
Consolidated Statements of Changes in Equity
For the Six Months Ended June 30, 2025 and 2024

Unit: NT\$ thousands

Equity Attributable to Owners of the Company															
										Other Equity					
CODE		Ordinary Share	Capital Surplus			Retained Earnings				Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gains (Losses) on Financial Assets at FVTOCI	Total	Total	Non-controlling Interests	Total Equity
			Unclaimed Dividends	Other	Total	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Total						
A1	Balance as of January 1, 2024	\$ 5,810,505	\$ 15,939	\$ 2,047	\$ 17,986	\$ 1,117,245	\$ 408,223	\$ 2,187,353	\$ 3,712,821	(\$ 21,141)	\$ 61,306	\$ 40,165	\$ 9,581,477	\$ 646,011	\$ 10,227,488
	Appropriation and distribution of earnings for 2023														
B1	Legal reserve	-	-	-	-	33,259	-	(33,259)	-	-	-	-	-	-	-
B5	Cash dividends distributed by the Company	-	-	-	-	-	-	(203,367)	(203,367)	-	-	-	(203,367)	-	(203,367)
O1	Cash dividends distributed by the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(30,282)	(30,282)
C17	Other changes in capital surplus	-	(25)	(2)	(27)	-	-	-	-	-	-	-	(27)	-	(27)
D1	Net profit (loss) for the six months ended June 30, 2024	-	-	-	-	-	-	62,729	62,729	-	-	-	62,729	(11,690)	51,039
D3	Other comprehensive income (loss) for the six months ended June 30, 2024, net of income tax	-	-	-	-	-	-	-	-	23,769	(16,964)	6,805	6,805	(105)	6,700
D5	Total comprehensive income (loss) for the six months ended June 30, 2024	-	-	-	-	-	-	62,729	62,729	23,769	(16,964)	6,805	69,534	(11,795)	57,739
Z1	Balance as of June 30, 2024	<u>\$ 5,810,505</u>	<u>\$ 15,914</u>	<u>\$ 2,045</u>	<u>\$ 17,959</u>	<u>\$ 1,150,504</u>	<u>\$ 408,223</u>	<u>\$ 2,013,456</u>	<u>\$ 3,572,183</u>	<u>\$ 2,628</u>	<u>\$ 44,342</u>	<u>\$ 46,970</u>	<u>\$ 9,447,617</u>	<u>\$ 603,934</u>	<u>\$ 10,051,551</u>
A1	Balance as of January 1, 2025	\$ 5,810,505	\$ 17,938	\$ 2,080	\$ 20,018	\$ 1,150,504	\$ 408,223	\$ 1,315,487	\$ 2,874,214	\$ 6,008	\$ 28,837	\$ 34,845	\$ 8,739,582	\$ 576,258	\$ 9,315,840
	Appropriation and distribution of earnings for 2024														
B5	Cash dividends distributed by the Company	-	-	-	-	-	-	(87,158)	(87,158)	-	-	-	(87,158)	-	(87,158)
C17	Other changes in capital surplus	-	(52)	-	(52)	-	-	-	-	-	-	-	(52)	-	(52)
D1	Net loss for the six months ended June 30, 2025	-	-	-	-	-	-	(674,038)	(674,038)	-	-	-	(674,038)	(36,295)	(710,333)
D3	Other comprehensive loss for the six months ended June 30, 2025, net of income tax	-	-	-	-	-	-	-	-	(50,265)	(10,317)	(60,582)	(60,582)	(38)	(60,620)
D5	Total comprehensive loss for the six months ended June 30, 2025	-	-	-	-	-	-	(674,038)	(674,038)	(50,265)	(10,317)	(60,582)	(734,620)	(36,333)	(770,953)
Z1	Balance as of June 30, 2025	<u>\$ 5,810,505</u>	<u>\$ 17,886</u>	<u>\$ 2,080</u>	<u>\$ 19,966</u>	<u>\$ 1,150,504</u>	<u>\$ 408,223</u>	<u>\$ 554,291</u>	<u>\$ 2,113,018</u>	<u>(\$ 44,257)</u>	<u>\$ 18,520</u>	<u>(\$ 25,737)</u>	<u>\$ 7,917,752</u>	<u>\$ 539,925</u>	<u>\$ 8,457,677</u>

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China General Plastics Corporation and Subsidiaries
Consolidated Statements of Cash Flows
For the Six Months Ended June 30, 2025 and 2024

		Unit: NT\$ thousands	
<u>CODE</u>		<u>For the Six Months Ended June 30, 2025</u>	<u>For the Six Months Ended June 30, 2024</u>
	Cash flows from operating activities		
A10000	Net (loss) profit before income tax	(\$ 892,013)	\$ 25,851
A20010	Adjustments for:		
A20100	Depreciation expenses	405,447	430,364
A20200	Amortization expense	10,479	10,152
A20400	Net loss (gain) on fair value change on financial instruments at FVTPL	23,378 (	37,939)
A20900	Interest expense	56,703	44,488
A21200	Interest income	(19,149)	(19,905)
A21300	Dividend income	(33)	(59)
A22300	Share of profit of associates accounted for using the equity method	(1,480)	(7,418)
A22500	(Gain) Loss on disposal of property, plant, and equipment	(1,483)	3,613
A22700	Gain on disposal of investment property	(47,086)	-
A23700	Provision (reversal) of write-downs of inventories and obsolescence losses	70,256 (	59,030)
A30000	Net changes in operating assets and liabilities		
A31115	Financial Instruments at FVTPL	66,188	385,797
A31130	Notes receivable	7,982 (	18,943)
A31150	Trade receivables (including related parties)	(312,144)	(76,626)
A31180	Other receivables (including related parties)	9,889 (	24,072)
A31200	Inventories	497,449 (	62,948)
A31230	Prepayments	27,498 (	4,430)
A31240	Other current assets	1,800 (	2,569)
A32130	Notes payables	(6,771)	(42,018)
A32150	Trade payables (including related parties)	(217,898)	40,166
A32180	Other payables (including related parties)	(18,675)	(10,977)
A32200	Provisions	9,397	-
A32230	Other current liabilities	(48,805)	42,420
A32240	Net defined benefit liabilities	(20,570)	(18,131)
A33000	Cash (used in) generated from operations	(399,641)	597,786
A33100	Interest received	19,704	18,481
A33300	Interest paid	(48,251)	(37,197)
A33500	Income tax refunded (paid)	17,241	(108,355)
AAAA	Net cash (used in) generated from operating activities	(410,947)	470,715

(Continued)

<u>CODE</u>		<u>For the Six Months Ended June 30, 2025</u>	<u>For the Six Months Ended June 30, 2024</u>
	Cash flows from investing activities		
B00030	Proceed from capital reduction of financial assets at FVTOCI	\$ 1,196	\$ -
B00040	Acquisition of financial assets at amortized cost	(679,112)	(666,537)
B00050	Proceeds from disposal of financial assets at amortized cost	1,124,529	815,738
B02700	Payments for property, plant and equipment	(777,471)	(686,876)
B02800	Proceeds from disposal of property, plant and equipment	4,160	4,149
B03700	Increase in refundable deposits	(34,664)	(2,588)
B03800	Decrease in refundable deposits	-	2,563
B04500	Acquisition of intangible assets	(103)	(438)
B05400	Acquisition of investment properties	-	(319)
B05500	Proceeds from disposal of investment property	26,057	-
BBBB	Net cash used in investing activities	(335,408)	(534,308)
	Cash flows from financing activities		
C00100	Increase in short-term borrowings	1,035,000	275,000
C00600	Decrease in short-term bills payable	(200,000)	-
C01600	Proceeds from long-term borrowings	195,682	150,000
C01700	Repayments of long-term borrowings	(636,241)	-
C03000	Increase in guarantee deposits received	554	670
C03100	Decrease in guarantee deposits received	(1,753)	(12,096)
C04020	Repayment of the principal portion of lease liabilities	(10,239)	(16,492)
C04300	Decrease in other non-current liabilities	(6,285)	(43)
C04500	Dividends paid	(77)	(124)
C05800	Cash dividends paid on non-controlling interests	(3)	(3)
CCCC	Net cash generated from financing activities	376,638	396,912
DDDD	Effects of exchange rate changes on the balance of cash held in foreign currencies	4,905	1,208
EEEE	Net (decrease) increase in cash and cash equivalents of the period	(364,812)	334,527
E00100	Cash and cash equivalents at the beginning of the period	1,523,912	1,203,186
E00200	Cash and cash equivalents at the end of the period	\$ 1,159,100	\$ 1,537,713

(Concluded)

The accompanying notes are an integral part of the consolidated financial statements.
(Please refer to Deloitte & Touche auditors' review report dated August 5, 2025)

Notice to Readers:

The Interim consolidated financial statements (Chinese version) of our company have been reviewed by the CPA Chang, Cheng-Hsiu and CPA Liu, Yi-Ching of Deloitte Taiwan. For the convenience of reading, the statements have been translated from Chinese to English. If there is any difference regarding the context or interpretation in the English version, the Chinese version shall prevail.

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China General Plastics Corporation and Subsidiaries
Notes to Consolidated Financial Statements
For the Six Months Ended June 30, 2025 and 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. Company History

China General Plastics Corporation ("the Company") was incorporated and began operations on April 29, 1964. The Company mainly engages in the production and sale of PVC films, PVC leather, PVC pipes, PVC compounds, PVC resins, construction products, chlor-alkali products and other related products.

The Company's ordinary shares have been listed on the Taiwan Stock Exchange since March 1973.

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

2. Date and Procedures of Authorization of Financial Statements

The consolidated financial statements have been approved by the Board of Directors on August 5, 2025.

3. Application of New, Amended, and Revised Standards and Interpretations

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

Amendments to IAS 21 "Lack of Exchangeability"

The Amendments to IAS 21 "Lack of Exchangeability" will not result in a significant change to the Group's accounting policies.

(2) IFRSs endorsed by the FSC that are applicable in 2026

New/Amended/Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Involving Nature-dependent Electricity"	January 1, 2026
"Annual Improvements to IFRS Accounting Standards - Volume 11"	January 1, 2026
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

As of the date the consolidated financial statements were authorized for issue, the Group continues to assess the impact of each amendment on its financial position and financial performance.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed and issued into effect by the FSC

New/Amended/Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture"	Yet to be decided
IFRS 18 - "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 - "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Note 1: Unless otherwise specified, the aforementioned New/Amended/Revised Standards and Interpretations shall be effective for the annual reporting period after the specified dates.

IFRS 18 - "Presentation and Disclosure in Financial Statements"

IFRS 18 will supersede IAS 1 "Presentation of Financial Statements". The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing other impacts of 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 Significant Accounting Policies

(1) Statement of compliance

The interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Statements 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 IFRS of annual consolidated financial statements.

(2) 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 measurement is classified into three levels based on the observability and importance of related inputs:

- 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., prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

(3) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries). When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. The total comprehensive income of subsidiaries is attributed to the owners of the Company and the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

For details of subsidiaries, shareholding percentages, and business activities, please refer to Note 12, Table 7, and Table 8.

(4) Other significant accounting policies

Except for the following, for the accounting policies applied to these interim consolidated financial statements, please refer to the consolidated financial statements for the year ended December 31, 2024.

1) Carbon Fee Provisions

The provision for carbon fee liabilities recognized in accordance with Taiwan's Carbon Fee Charging Regulations and related laws is based on the best estimate of expenditures required to settle the obligation for the current year. It is recognized and measured proportionally according to the actual emissions relative to the total annual emissions.

2) Defined benefit plan

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 fiscal year, adjusted for significant market fluctuations since that time and significant plan amendments, settlements, or other significant one-off events.

3) Taxation

The 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. Critical Accounting Judgments and Key Sources of Estimation and Uncertainty

When developing significant accounting estimates, the Group incorporates potential impacts on related key estimates such as cash flow projections, growth rates, discount rates, and profitability. Management continuously reviews these estimates and the underlying assumptions. Please refer to the major sources of significant accounting judgments, estimates, and assumptions uncertainty disclosed in the consolidated financial statements for the year ended 2024.

6. Cash and Cash Equivalents

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand and petty cash	\$ 507	\$ 366	\$ 580
Checking accounts and demand deposits	676,619	629,968	261,765
Cash equivalents			
Time deposits	112,805	53,686	142,131
Reverse repurchase agreements collateralized by bonds	369,169	839,892	1,133,237
	<u>\$ 1,159,100</u>	<u>\$ 1,523,912</u>	<u>\$ 1,537,713</u>

The market rate intervals of time deposits in banks and reverse repurchase agreements collateralized by bonds at the end of the reporting period were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Time deposits	4.00%-4.31%	1.00%-4.72%	5.25%-5.30%
Reverse repurchase agreements collateralized by bonds	1.73%	1.44%-1.91%	1.42%-1.90%

7. Financial Instruments at FVTPL

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Financial assets mandatorily classified as at FVTPL</u>			
Derivatives (not under hedge accounting)			
– Foreign exchange forward contracts	\$ 128	\$ 3,799	\$ 1,549
Non-derivative financial assets			
– Mutual Funds	415,346	481,151	434,834
– Beneficiary securities	59,499	60,847	67,111
– Domestic listed equity investments	51,000	63,400	89,404
– Overseas unlisted equity investments	-	-	-
	<u>\$ 525,973</u>	<u>\$ 609,197</u>	<u>\$ 592,898</u>
<u>Financial liabilities held for trading</u>			
Derivatives (not under hedge accounting)			
– Foreign exchange forward contracts	\$ 7,030	\$ 688	\$ -

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

	Currency	Maturity Date	Contract Amount (In Thousands)		
<u>June 30, 2025</u>					
Sell	USD/NTD	2025.07.15-2025.08.21	USD 1,140 /NTD	33,649	
Buy	NTD/USD	2025.07.02-2025.08.08	NTD 287,789 /USD	9,580	
<u>December 31, 2024</u>					
Sell	USD/NTD	2025.01.02-2025.01.06	USD 1,210 /NTD	38,941	
Buy	NTD/USD	2025.01.03-2025.01.14	NTD 161,290 /USD	5,040	
<u>June 30, 2024</u>					
Buy	NTD/USD	2024.07.15-2024.08.05	NTD 144,691 /USD	4,510	

The Group engages in forward foreign exchange transactions primarily to hedge against the risk of exchange rate fluctuations on foreign currency assets and liabilities. These contracts did not meet the criteria for hedge accounting. Therefore, the Group did not apply a hedge accounting treatment for these contracts.

8. **Financial Assets at FVTOCI - Non-Current**

Investments in equity instruments

	June 30, 2025	December 31, 2024	June 30, 2024
Domestic equity investments			
Listed ordinary shares			
Asia Polymer Corporation	\$ 1,465	\$ 1,771	\$ 2,226
Unlisted ordinary share			
KHL IB Venture Capital Co., Ltd.	56,666	58,635	60,474
	<u>\$ 58,131</u>	<u>\$ 60,406</u>	<u>\$ 62,700</u>

The Group invested in equity instruments for medium to long-term strategic purposes and expects to make a profit via long-term investment. Accordingly, the management elected to designate these investments in equity instruments as at fair value through other comprehensive income as it believes that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

9. **Financial Assets at Amortized Cost - Current**

	June 30, 2025	December 31, 2024	June 30, 2024
Domestic equity investments			
Pledged time deposits	\$285,036	\$284,672	\$284,002
Time deposits with maturity over 3 months	58,600	65,570	74,900
Reverse repurchase agreements collateralized by bonds with maturities over 3 months	147,212	592,992	456,135
	<u>\$ 490,848</u>	<u>\$ 943,234</u>	<u>\$ 815,037</u>

The market rate intervals of financial assets at amortized cost - current at the end of the reporting period were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Domestic equity investments			
Pledged time deposits	0.660%-1.655%	0.660%-1.655%	0.535%-1.530%
Time deposits with maturity over 3 months	4.420%	4.880%	1.250%-5.380%
Reverse repurchase agreements collateralized by bonds with maturities over 3 months	1.920%	1.800%-1.920%	1.530%-1.770%

Refer to Note 30 for information related to financial assets at amortized cost pledged as security.

10. Notes Receivable, Trade Receivables and Other Receivables

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Notes receivable</u>			
Notes receivable - operating	\$ 110,700	\$ 118,682	\$ 158,005
<u>Trade receivables (including related parties) (Note 29)</u>			
At amortized cost			
Gross carrying amount	\$ 1,077,845	\$ 775,626	\$ 1,114,333
Less: Allowance for impairment loss	(12,858)	(13,120)	(13,095)
	\$ 1,064,987	\$ 762,506	\$ 1,101,238
<u>Other receivables (including related parties) (Note 29)</u>			
Tax refunds receivables	\$ 52,599	\$ 55,143	\$ 64,180
Interest receivable	4,979	5,534	6,034
Others	25,372	9,208	37,587
	\$ 82,950	\$ 69,885	\$ 107,801

Notes/trade receivables

The Group's credit period for the sale of goods ranges from 10 days to 120 days. In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. Before accepting a new customer, the Group surveys the customers' credit history and measures the potential customer's credit quality to set a credit limit. A customer's credit limit and rating are reviewed annually. In addition, the Group reviews the recoverable amount of trade debt at the end of the reporting period to ensure that adequate allowance of impairment loss is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using an allowance matrix by referencing to past default experience with the respective debtors and an analysis of the debtors' current financial positions, adjusted for general economic conditions of the industry and an assessment of economic conditions at the reporting date.

The Group writes off a trade receivable when there is information indicating that the debtor is experiencing severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the due receivables. Where recoveries are made, they are recognized in profit or loss.

The following table details the loss allowance of notes and trade receivables based on the Group's allowance matrix:

June 30, 2025

	Credit Rating A	Credit Rating B	Credit Rating C	Others	Total
Gross carrying amount	\$ 368,902	\$ 266,240	\$ 136,262	\$ 417,141	\$ 1,188,545
Loss allowance (lifetime ECLs)	-	(2,171)	(2,854)	(7,833)	(12,858)
Amortized cost	<u>\$ 368,902</u>	<u>\$ 264,069</u>	<u>\$ 133,408</u>	<u>\$ 409,308</u>	<u>\$ 1,175,687</u>

December 31, 2024

	Credit Rating A	Credit Rating B	Credit Rating C	Others	Total
Gross carrying amount	\$ 165,924	\$ 238,926	\$ 141,165	\$ 348,293	\$ 894,308
Loss allowance (lifetime ECLs)	-	(2,217)	(2,865)	(8,038)	(13,120)
Amortized cost	<u>\$ 165,924</u>	<u>\$ 236,709</u>	<u>\$ 138,300</u>	<u>\$ 340,255</u>	<u>\$ 881,188</u>

June 30, 2024

	Credit Rating A	Credit Rating B	Credit Rating C	Others	Total
Gross carrying amount	\$ 184,801	\$ 298,296	\$ 184,888	\$ 604,353	\$ 1,272,338
Loss allowance (lifetime ECLs)	-	(3,406)	(3,664)	(6,025)	(13,095)
Amortized cost	<u>\$ 184,801</u>	<u>\$ 294,890</u>	<u>\$ 181,224</u>	<u>\$ 598,328</u>	<u>\$ 1,259,243</u>

The aging of notes receivable and trade receivables was as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Not past due	\$ 1,143,684	\$ 871,141	\$ 1,194,831
Less than and including 60 days	43,972	21,566	76,496
Over 60 days	889	1,601	1,011
	<u>\$ 1,188,545</u>	<u>\$ 894,308</u>	<u>\$ 1,272,338</u>

The above aging schedule was based on the number of days past due from the end of the credit term.

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

	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Balance at January 1	\$ 13,120	\$ 12,964
Foreign exchange gains and losses	(262)	131
Balance at June 30	<u>\$ 12,858</u>	<u>\$ 13,095</u>

11. Inventories

	June 30, 2025	December 31, 2024	June 30, 2024
Finished goods	\$ 1,160,644	\$ 1,483,902	\$ 2,047,482
Work in progress	63,383	61,355	64,921
Raw materials	704,310	976,832	549,118
	<u>\$ 1,928,337</u>	<u>\$ 2,522,089</u>	<u>\$ 2,661,521</u>

The cost of sales related to inventory for the periods for the three months ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024 were \$2,850,416 thousand, \$2,754,107 thousand, \$5,418,070 thousand, and \$5,486,302 thousand, respectively. The cost of sales for the periods for the three months ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024 included provision for (reversal of) inventory allowance for price decline and obsolescence of \$18,179 thousand, \$(24,310) thousand, \$70,256 thousand, and \$(59,030) thousand, respectively. The reversal of write-downs of inventories and obsolescence losses are resulted by the recovery of inventory prices.

12. Subsidiary

Subsidiaries are included in the consolidated financial statements, and the subject of the consolidated financial statements is as follows:

Investor Company	Subsidiary	Nature of Activities	Proportion of Ownership (%)			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
The Company	CGPC Polymer Corporation ("CGPCPOL")	Manufacturing and marketing of PVC resins	100.00%	100.00%	100.00%	Subsidiary
The Company	Taiwan VCM Corporation ("TVCM")	Manufacturing and marketing of VCM	87.27%	87.27%	87.27%	Subsidiary
The Company	CGPC (BVI) Holding Co., Ltd. ("CGPC(BVI)")	Reinvestment	100.00%	100.00%	100.00%	Subsidiary
The Company	CGPC America Corporation ("CGPC-America")	Marketing of PVC film and leather products	100.00%	100.00%	100.00%	Subsidiary
TVCM	Global Green Technology Corporation ("GGTC")	Environmental detection services	100.00%	100.00%	100.00%	Subsidiary of TVCM (Note 1)
CGPC (BVI)	Continental General Plastics (Zhong Shan) Co., Ltd. ("CGPC (ZS)")	Manufacturing and marketing of PVC film and consumer products	100.00%	100.00%	100.00%	Subsidiary of CGPC (BVI)

Note 1: The board of directors acting for the shareholders' meeting of GGTC resolved on May 12, 2025 and May 15, 2024 to approve earnings capitalization of \$663 thousand and \$1,152 thousand, and the issuance of 66 thousand shares and 115 thousand shares, respectively, with capital increase record dates of August 4, 2025 and August 5, 2024, respectively.

Except for the financial statements of TVCM and CGPCPOL, the financial statements of other non-significant subsidiaries included in the consolidated financial statements were not reviewed by the auditors.

13. Investment Accounted for Equity Method

Investments in associates that are not individually material

	June 30, 2025	December 31, 2024	June 30, 2024
Listed companies			
Acme Electronics Corporation ("ACME")	\$ 30,024	\$ 33,834	\$ 32,986
Unlisted companies			
China General Terminal & Distribution Corporation ("CGTD")	296,408	302,831	318,813
	<u>\$ 326,432</u>	<u>\$ 336,665</u>	<u>\$ 351,799</u>

Aggregate Information of Associates That are not Individually Material

	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
The Group's share of:				
Profit for the period	\$ 11,039	\$ 9,024	\$ 1,480	\$ 7,418
Other comprehensive loss	(11,183)	(3,923)	(11,713)	(15,220)
Total comprehensive income (loss)	(\$ 144)	\$ 5,101	(\$ 10,233)	(\$ 7,802)

At the end of the reporting periods, the percentage of ownership and voting rights held by the Group in the associates were as follows:

Company Name	June 30, 2025	December 31, 2024	June 30, 2024
ACME	1.67%	1.67%	1.67%
CGTD	33.33%	33.33%	33.33%

Information regarding the nature of business, principal places of business, and countries of incorporation of the aforementioned associates is provided in Table 7 "Information on investee companies including names, locations, and other relevant details."

The Group in conjunction with its affiliates jointly held more than 20% of each of the shareholdings of ACME and had significant influence over each entity. Therefore, the Group adopted the equity method to evaluate the above investments.

Fair values (Level 1) of investments in associates with open market quotations are summarized as follows:

Company Name	June 30, 2025	December 31, 2024	June 30, 2024
ACME	<u>\$ 70,439</u>	<u>\$ 97,723</u>	<u>\$ 157,997</u>

Except for those of ACME, the Group's investments accounted for using the equity method and its share of profit or loss and other comprehensive income or loss for the six months ended June 30, 2025 and 2024 were not reviewed by auditors.

14. Property, Plant and Equipment

	Freehold Land	Buildings and Improvements	Machinery and Equipment	Transportation Equipment	Miscellaneous Equipment	Construction in Progress and Machinery in Transit	Total
Cost							
Balance as of January 1, 2025	\$ 2,090,707	\$ 1,807,673	\$ 12,079,889	\$ 77,083	\$ 388,930	\$ 3,382,570	\$ 19,826,852
Additions	-	-	-	-	140	763,424	763,564
Disposal	- (	225)	(43,197)	- (	6,050)	- (	49,472)
Reclassification	-	7,614	156,084	1,140	9,230	(174,068)	-
Effect of foreign currency exchange differences	- (	128)	(4,012)	(363)	(1,297)	(10,708)	(16,508)
Balance as of June 30, 2025	<u>\$ 2,090,707</u>	<u>\$ 1,814,934</u>	<u>\$ 12,188,764</u>	<u>\$ 77,860</u>	<u>\$ 390,953</u>	<u>\$ 3,961,218</u>	<u>\$ 20,524,436</u>
Accumulated depreciation and impairment							
Balance as of January 1, 2025	\$ -	\$ 1,138,656	\$ 8,551,819	\$ 59,582	\$ 322,990	\$ 441	\$ 10,073,488
Depreciation expenses	-	34,340	334,521	3,100	11,931	-	383,892
Disposal	- (	225)	(41,384)	- (	5,186)	- (	46,795)
Effect of foreign currency exchange differences	- (	41)	(3,865)	(364)	(700)	(45)	(5,015)
Balance as of June 30, 2025	<u>\$ -</u>	<u>\$ 1,172,730</u>	<u>\$ 8,841,091</u>	<u>\$ 62,318</u>	<u>\$ 329,035</u>	<u>\$ 396</u>	<u>\$ 10,405,570</u>
Net amount as of June 30, 2025	<u>\$ 2,090,707</u>	<u>\$ 642,204</u>	<u>\$ 3,347,673</u>	<u>\$ 15,542</u>	<u>\$ 61,918</u>	<u>\$ 3,960,822</u>	<u>\$ 10,118,866</u>
Cost							
Balance as of January 1, 2024	\$ 2,090,707	\$ 1,873,218	\$ 12,616,326	\$ 74,373	\$ 440,348	\$ 2,457,864	\$ 19,552,836
Additions	-	311	344	-	5,100	591,456	597,211
Disposal	- (	24,184)	(324,945)	(1,281)	(1,069)	- (	351,479)
Reclassification	-	6,403	141,332	1,005	14,682	(171,228)	(7,806)
Effect of foreign currency exchange differences	-	57	1,879	175	479	30	2,620
Balance as of June 30, 2024	<u>\$ 2,090,707</u>	<u>\$ 1,855,805</u>	<u>\$ 12,434,936</u>	<u>\$ 74,272</u>	<u>\$ 459,540</u>	<u>\$ 2,878,122</u>	<u>\$ 19,793,382</u>
Accumulated depreciation and impairment							
Balance as of January 1, 2024	\$ -	\$ 1,137,859	\$ 8,749,676	\$ 59,872	\$ 355,218	\$ 420	\$ 10,303,045
Depreciation expenses	-	36,891	345,956	2,736	14,900	-	400,483
Disposal	- (	19,217)	(322,150)	(1,281)	(1,069)	- (	343,717)
Effect of foreign currency exchange differences	-	9	1,798	175	308	22	2,312
Balance as of June 30, 2024	<u>\$ -</u>	<u>\$ 1,155,542</u>	<u>\$ 8,775,280</u>	<u>\$ 61,502</u>	<u>\$ 369,357</u>	<u>\$ 442</u>	<u>\$ 10,362,123</u>
Net amount as of June 30, 2024	<u>\$ 2,090,707</u>	<u>\$ 700,263</u>	<u>\$ 3,659,656</u>	<u>\$ 12,770</u>	<u>\$ 90,183</u>	<u>\$ 2,877,680</u>	<u>\$ 9,431,259</u>

The Group's depreciation expenses are calculated on a straight-line basis over the following useful lives:

Buildings and Improvements	3~60 years
Machinery and Equipment	2~26 years
Transportation Equipment	2~10 years
Miscellaneous Equipment	2~21 years

For the six months ended June 30, 2025 and 2024, no impairment losses were recognized or reversed.

Please refer to Note 30 for the amount of property, plant and equipment pledged as collaterals for borrowings.

15. Lease Arrangements

(1) Right-of-use assets

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amount of right-of-use assets			
Land	\$ 88,972	\$ 96,348	\$ 106,810
Buildings	12,444	16,619	19,117
Machinery and equipment	-	-	3,441
	<u>\$ 101,416</u>	<u>\$ 112,967</u>	<u>\$ 129,368</u>

	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Depreciation expense of right-of-use assets				
Land	\$ 3,687	\$ 5,232	\$ 7,375	\$ 10,463
Buildings	1,267	1,329	2,619	2,622
Machinery and equipment	-	1,721	-	3,441
	<u>\$ 4,954</u>	<u>\$ 8,282</u>	<u>\$ 9,994</u>	<u>\$ 16,526</u>

Except for the recognition of depreciation expense, the Group's right-of-use assets did not experience significant sub-lease and impairment for the six months ended June 30, 2025 and 2024.

(2) Lease liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amount of lease liabilities			
Current	<u>\$ 20,569</u>	<u>\$ 20,928</u>	<u>\$ 27,400</u>
Non-current	<u>\$ 86,693</u>	<u>\$ 98,296</u>	<u>\$ 107,917</u>

Range of discount rate for lease liabilities was as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Land	0.8244%-2.0500%	0.8244%-2.0500%	0.8244%-2.0500%
Buildings	5.7000%-8.0000%	5.7000%-8.0000%	5.7000%-8.0000%
Machinery and equipment	-	-	1.9250%

(3) Material lease activities and contractual terms and conditions

The Group has leased certain land and buildings from others for use as factories and offices, with lease term ranging from 4 to 14 years. At the end of the lease term, the Group has no preferential right to purchase the leased land and buildings.

The Group has also leased certain machinery and equipment from others for use as product manufacturing and company operations, with a lease term of 5 years. The lease was terminated at the end of 2024 and was not renewed.

The Group adjusted its lease payments arising from the lease contract of land located in Kaohsiung for the change in the publicly announced land price.

(4) Other lease information

	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Expenses relating to short-term leases	<u>\$ 4,718</u>	<u>\$ 3,507</u>	<u>\$ 8,322</u>	<u>\$ 6,758</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 16,676</u>	<u>\$ 17,826</u>	<u>\$ 35,116</u>	<u>\$ 34,520</u>
Total cash outflow for leases			<u>(\$ 54,710)</u>	<u>(\$ 59,134)</u>

The Group has elected to apply the exemptions to recognize the leases of land, buildings, transportation equipment, and office equipment that eligible for short term leases so no corresponding right-of-use assets and lease liabilities are recognized for these leases.

16. **Investment Property**

	June 30, 2025	December 31, 2024	June 30, 2024
Land	\$ 118,597	\$ 118,597	\$ 118,251
Buildings and Improvements, net	231,286	245,521	256,476
Right-of-use assets, net	65,420	79,444	81,036
	<u>\$ 415,303</u>	<u>\$ 443,562</u>	<u>\$ 455,763</u>

The Group's investment properties are located in industrial districts. Due to the characteristics of the districts, the market for comparable properties is inactive and alternative reliable measurements of fair value were not available. Therefore, the Group determined that the fair value of its investment properties is not reliably measurable.

CGPC (ZS), a subsidiary of CGPC (BVI), which is a subsidiary of the Group, leases land located in Huojia Development Zone, Zhongshan City, Guangdong Province and sub-leases to other companies under operating leases. The corresponding right-of-use assets are accounted for as investment properties.

The total future lease payments to be received from investment properties leased out under operating leases as of June 30, 2025, and December 31 and June 30, 2024, are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Year 1	\$ 48,941	\$ 48,290	\$ 43,365
Year 2	40,479	41,503	28,129
Year 3	39,725	41,241	25,715
Year 4	39,725	41,219	25,647
Year 5	28,833	36,364	25,647
Over 5 years	79,965	93,293	102,590
	<u>\$ 277,668</u>	<u>\$ 301,910</u>	<u>\$ 251,093</u>

Except for the recognition of depreciation expense, the Group's investment properties did not experience significant additions, disposals, and impairments for the six months ended June 30, 2025 and 2024.

Investment property is depreciated on a straight-line basis over the following useful lives:

Buildings and Improvements	5~26 years
Right-of-use assets	50 years

17. Borrowings

(1) Short-term borrowings

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Unsecured borrowings</u>			
Bank loans	<u>\$ 2,315,000</u>	<u>\$ 1,280,000</u>	<u>\$ 1,655,000</u>
The range of interest rate	1.848%-2.030%	1.846%-2.025%	1.770%-1.840%

(2) Short-term notes and bills payable

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Commercial note payable</u>	<u>\$ 100,000</u>	<u>\$ 300,000</u>	<u>\$ -</u>
Less: Discount on commercial note payable	(<u>43</u>)	(<u>128</u>)	-
	<u>\$ 99,957</u>	<u>\$ 299,872</u>	<u>\$ -</u>
The range of interest rate	1.740%	1.740%-1.840%	-

(3) Long-term borrowings

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Secured borrowings</u> (Note 30)			
Bank loans	\$ 457,663	\$ 289,821	\$ -
<u>Unsecured borrowings</u>			
Bank loans	<u>3,399,598</u>	<u>3,999,937</u>	<u>3,375,254</u>
	<u>3,857,261</u>	<u>4,289,758</u>	<u>3,375,254</u>
Less: Portion listed as due within 1 year	(<u>1,607,989</u>)	(<u>1,438,743</u>)	(<u>832,765</u>)
	<u>\$ 2,249,272</u>	<u>\$ 2,851,015</u>	<u>\$ 2,542,489</u>
The range of interest rate	1.075%-2.200%	1.025%-2.200%	1.025%-1.375%

Based on "Action Plan for Accelerated Investment by Domestic Corporations" and "Action Plan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan," the Company obtained a special low-interest bank loan, which was to be used for projects eligible for the subsidy, and it recognized and measured the loan according to the market interest rate. The difference between the actual interest paid and the preferential interest rate shall be treated as government subsidies.

Based on "Action Plan for Accelerated Investment by SMEs", TVCM obtained a special low-interest bank loan, which was to be used for projects eligible for the subsidy, and it recognized and measured the loan according to the market interest rate. The difference between the actual interest paid and the preferential interest rate shall be treated as government subsidies.

The Group has certain loan agreements that stipulate the financial statements that must maintain current ratios and debt ratios not below specific ratios. In the event of non-compliance, the Group must submit improvement measures to the banks.

18. Notes/Trade Payables

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Notes payables</u>			
Operating	\$ 29,788	\$ 36,559	\$ -
<u>Trade payables (including related parties) (Note 29)</u>			
Operating	\$ 706,072	\$ 924,629	\$ 776,547

The average payment period of trade payables was 2 months. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

19. Other Payables - Non-related Parties

	June 30, 2025	December 31, 2024	June 30, 2024
Payables for utilities and fuel fees	\$ 181,078	\$ 164,518	\$ 157,712
Payables for purchases of equipment	156,983	170,890	128,799
Payables for salaries or bonuses	128,924	159,781	153,454
Dividends payable	66,266	10,183	173,442
Payables for freight	65,585	52,205	80,328
Miscellaneous tax payable	5,461	7,749	4,898
Others	126,843	162,326	148,048
	<u>\$ 731,140</u>	<u>\$ 727,652</u>	<u>\$ 846,681</u>

20. Provisions

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Current</u>			
Carbon fee	\$ 9,397	\$ -	\$ -

Since 2025, the Group has recognized a provision for carbon fee liabilities in accordance with Taiwan's Carbon Fee Charging Regulations and other related laws. The Group assesses that it is highly probable to obtain approval from the competent authority for its voluntary emission reduction plan and is likely to achieve the designated target for 2025. Furthermore, the Group expects to submit the 2025 voluntary emission reduction progress report by April 30, 2026. Therefore, the provision for carbon fee liabilities is calculated based on the preferential rate.

21. Retirement Benefit Plans

The retirement benefit costs related to defined benefit plans recognized for the three months ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024, were calculated using the retirement benefit cost rates determined by actuarial calculations as of December 31, 2024 and 2023, amounting to \$1,852 thousand, \$2,537 thousand, \$3,704 thousand, and \$5,075 thousand, respectively. Among the Group companies, the Company and TVCM apply defined benefit plans, with the Company and TVCM contributing retirement benefits at 10% of employees' total monthly salaries.

For the six months ended June 30, 2025 and 2024, the Group contributed \$21,083 thousand and \$23,151 thousand, respectively, to the designated Bank of Taiwan account specified by the Labor Retirement Fund Supervisory Committee.

22. Equity

(1) Ordinary share

	June 30, 2025	December 31, 2024	June 30, 2024
Number of shares authorized (in thousands)	650,000	650,000	650,000
Share authorized	\$ 6,500,000	\$ 6,500,000	\$ 6,500,000
Number of shares issued and fully paid (in thousands)	581,050	581,050	581,050
Share issued	\$ 5,810,505	\$ 5,810,505	\$ 5,810,505

The holders of issued ordinary shares with a par value of \$10 are entitled to the right to one vote and to receive dividends.

(2) Capital surplus

Capital surplus relating to unclaimed dividends of which the claim period has expired and which generated from investments in associates accounted for using the equity method may be used only to offset previous deficits.

Capital surplus generated from the difference between the acquisition price of a subsidiary's equity and the book value may be used to offset deficits, be distributed in cash, or be appropriated to share capital.

(3) Retained earnings and dividends policy

Under the dividends policy as set forth in the Company's Articles of Incorporation, where the Company makes a net income in a fiscal year, the profit shall be used first for offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. The shareholders' meeting may retain part or all of such earnings depending on the operating circumstances. The industry that the Company operates in is in the maturity stage.

Consequently, in order to take R&D needs and diversification into consideration, shareholders' dividends shall not be less than 10% of the distributable earnings in the current year, of which the cash dividends shall not be less than 10% of the total dividends. However, if the distributable earnings of the year is less than \$0.1 per share, it shall not be distributed. For the policies on the distribution of employees' compensation and remuneration of directors after amendment, refer to "Employees' compensation and remuneration of directors" in Note 24(7).

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

The Company held general shareholders' meetings on May 27, 2025 and May 28, 2024, which respectively resolved and approved the earnings distribution proposals for 2024 and 2023 as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	2024	2023	2024	2023
Legal reserve	\$ -	\$ 33,259		
Cash dividends	87,158	203,367	\$ 0.15	\$ 0.35

(4) Special reserve

The Company has recognized a special reserve of \$408,223 thousand, which represents the net amount after offsetting losses from the retained earnings increase of \$428,727 thousand resulting from the transition to IFRS accounting standards. As of June 30, 2025, such amount has not changed.

(5) Other equity

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

	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Balance at January 1	\$ 6,008	(\$ 21,141)
Recognized for the period		
Exchange differences on translating the financial statements of foreign operations	(59,785)	28,426
Share of exchange of differences associates accounted for using the equity method	(2,437)	1,028
Related income tax	11,957	(5,685)
Balance at June 30	<u>(\$ 44,257)</u>	<u>\$ 2,628</u>

- 2) Unrealized gains (losses) on financial assets at fair value through other comprehensive income

	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Balance at January 1	\$ 28,837	\$ 61,306
Recognized for the period		
Unrealized losses		
Equity instruments	(1,041)	(716)
Share of exchange of differences associates accounted for using the equity method	(9,276)	(16,248)
Balance at June 30	<u>\$ 18,520</u>	<u>\$ 44,342</u>

23. Revenue

- (1) Revenue from contracts with customers

	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Revenue from the sale of goods				
PVC products	\$ 2,314,500	\$ 2,879,670	\$ 4,584,859	\$ 5,648,682
VCM Products	343,664	196,192	535,434	331,955
	<u>\$ 2,658,164</u>	<u>\$ 3,075,862</u>	<u>\$ 5,120,293</u>	<u>\$ 5,980,637</u>

Revenue of the Group mainly comes from the sale of VCM, chlor-alkali products, PVC resins, PVC compounds and other related products.

Refer to Note 35 for details about revenue from contracts with customers.

(2) Contract balances

Please refer to Note 10 for information related to notes receivable and trade receivables.

	June 30, 2025	December 31, 2024	June 30, 2024	January 1, 2024
Contract liabilities (presented in other current liabilities)	<u>\$ 67,275</u>	<u>\$ 110,791</u>	<u>\$ 91,066</u>	<u>\$ 47,011</u>

The changes in the balance of contract liabilities primarily result from the timing difference between the Company's fulfillment of performance obligation and the respective customers' payment.

(3) Refunds liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
Refunds liabilities (presented in other current liabilities)	<u>\$ 23,257</u>	<u>\$ 34,816</u>	<u>\$ 22,443</u>

Refund liabilities relating to sales return and discount are estimated based on historical experience, management judgment, and other known factors, and are presented as a deduction to operating revenue in the period in which the goods are sold.

24. Net (Loss) Profit for the Period

(1) Interest income

	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Bank deposits	<u>\$ 5,478</u>	<u>\$ 3,776</u>	<u>\$ 6,645</u>	<u>\$ 5,467</u>
Financial assets at fair value through profit or loss	186	1,668	360	1,668
Financial assets at amortized cost	2,302	2,732	6,751	5,407
Others	<u>2,664</u>	<u>4,114</u>	<u>5,393</u>	<u>7,363</u>
	<u>\$ 10,630</u>	<u>\$ 12,290</u>	<u>\$ 19,149</u>	<u>\$ 19,905</u>

(2) Other income

	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Rental income	<u>\$ 17,682</u>	<u>\$ 12,243</u>	<u>\$ 33,369</u>	<u>\$ 24,356</u>
Others	<u>21,523</u>	<u>13,605</u>	<u>34,812</u>	<u>20,594</u>
	<u>\$ 39,205</u>	<u>\$ 25,848</u>	<u>\$ 68,181</u>	<u>\$ 44,950</u>

(3) Other gains and losses

	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Net gains (losses) on disposal of property, plant and equipment	\$ 2,505	\$ 103	\$ 1,483	(\$ 3,613)
Net gains on disposal of investment property	47,086	-	47,086	-
Gross foreign exchange gains	18,586	24,264	47,094	89,960
Gross foreign exchange losses	(138,256)	(12,375)	(154,802)	(42,952)
Net (losses) gains on financial instruments at fair value through profit or loss	(28,306)	20,876	(23,378)	37,939
Depreciation expenses from investment properties	(5,624)	(6,903)	(11,561)	(13,355)
Depreciation expenses of property, plant and equipment	(1,302)	(1,012)	(2,603)	(2,023)
Others	(40,671)	(8,971)	(52,487)	(13,938)
	<u>(\$ 145,982)</u>	<u>\$ 15,982</u>	<u>(\$ 149,168)</u>	<u>\$ 52,018</u>

(4) Interest expense

	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Interest on bank loans	\$ 30,264	\$ 22,656	\$ 58,639	\$ 43,124
Interest on lease liabilities	493	665	1,033	1,364
Less: Capitalized interest (presented under construction in progress)	(1,592)	-	(2,969)	-
	<u>\$ 29,165</u>	<u>\$ 23,321</u>	<u>\$ 56,703</u>	<u>\$ 44,488</u>

Information about capitalized interest was as follows:

	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Capitalized interest	\$ 1,592	\$ -	\$ 2,969	\$ -
Capitalization rate	1.25%-1.28%	-	1.25%-1.28%	-

(5) Depreciation and amortization

	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Property, plant and equipment	\$ 191,313	\$ 200,504	\$ 383,892	\$ 400,483
Right-of-use assets	4,954	8,282	9,994	16,526
Investment property	5,624	6,903	11,561	13,355
Intangible assets	544	526	1,087	1,041
Others	4,332	4,133	9,392	9,111
	<u>\$ 206,767</u>	<u>\$ 220,348</u>	<u>\$ 415,926</u>	<u>\$ 440,516</u>
Analysis of depreciation by function				
Operating costs	\$ 191,785	\$ 202,395	\$ 384,796	\$ 404,345
Operating expenses	3,180	5,379	6,487	10,641
Other gains and losses	6,926	7,915	14,164	15,378
	<u>\$ 201,891</u>	<u>\$ 215,689</u>	<u>\$ 405,447</u>	<u>\$ 430,364</u>
Analysis of amortization by function				
Operating costs	\$ 4,831	\$ 4,631	\$ 10,389	\$ 10,108
Administrative expenses	45	28	90	44
	<u>\$ 4,876</u>	<u>\$ 4,659</u>	<u>\$ 10,479</u>	<u>\$ 10,152</u>

(6) Employee benefits expense

	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Post-employment benefits (Note 21)				
Defined contribution plans	\$ 8,449	\$ 8,295	\$ 17,024	\$ 16,495
Defined benefit plans	1,852	2,537	3,704	5,075
	10,301	10,832	20,728	21,570
Other employee benefits	247,806	256,998	508,387	518,212
Total employee benefits expenses	<u>\$ 258,107</u>	<u>\$ 267,830</u>	<u>\$ 529,115</u>	<u>\$ 539,782</u>
Analysis of employee benefits expense by function				
Operating costs	\$ 210,165	\$ 216,790	\$ 432,036	\$ 437,468
Operating expenses	47,942	51,040	97,079	102,314
	<u>\$ 258,107</u>	<u>\$ 267,830</u>	<u>\$ 529,115</u>	<u>\$ 539,782</u>

(7) The remuneration of employees and directors

The Company accrued remuneration of employees and directors at rates of no less than 1% and no higher than 1%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. Following the amendment of the Securities and Exchange Act in August 2024, the Company passed a resolution to amend its Articles of Incorporation at the 2025 shareholders' meeting, stipulating that no less than 40% of the employee remuneration appropriated for the current year shall be allocated as grassroots employee remuneration. No remuneration for employees and directors has been estimated for the six months ended June 30, 2025 due to losses. The estimated remuneration of employees (including grassroots employee remuneration) and directors remuneration for the three months ended June 30, 2024, and for the six months ended June 30, 2024, were as follows:

Accrual rate

	For the Six Months Ended June 30, 2024
Remuneration of employees	1%
Remuneration of directors	-

Amount

	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2024
Remuneration of employees	\$ 748	\$ 748

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

The remuneration of employees and directors for 2023, approved by the Company's board of directors on March 5, 2024 was as follows:

Accrual rate

	2023
Remuneration of employees	1%
Remuneration of directors	-

Amount

	2023
	Cash
Remuneration of employees	\$ 3,130

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

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

25. Taxation

(1) Income tax expense recognized in profit or loss

Major components of income tax benefits are as follows:

	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Current tax				
In respect of the current period	\$ 7,138	\$ 9,240	\$ 7,138	\$ 9,529
Adjustments for prior periods	(5,989)	(13,349)	(12,500)	(13,495)
	<u>1,149</u>	<u>4,109</u>	<u>5,362</u>	<u>3,966</u>
Deferred tax				
In respect of the current period	(106,320)	(3,272)	(176,077)	(21,223)
Adjustments for prior periods	(248)	1	(241)	1
	<u>(106,568)</u>	<u>(3,271)</u>	<u>(176,318)</u>	<u>(21,222)</u>
Income tax benefits recognized in profit or loss	<u>(\$ 105,419)</u>	<u>(\$ 7,380)</u>	<u>(\$ 181,680)</u>	<u>(\$ 25,188)</u>

(2) Income tax recognized in other comprehensive income

	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
<u>Deferred tax</u>				
Recognized for the period				
— Translation of foreign operations	<u>\$ 13,429</u>	<u>(\$ 1,325)</u>	<u>\$ 11,957</u>	<u>(\$ 5,685)</u>

(3) Income tax assessments

The income tax returns of the Company through 2022 and CGPCPOL and TVCM through 2023 have been assessed by the tax authorities.

26. (Losses) Earnings Per Share

Unit: NT\$ Per Share

	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Basic (losses) earnings per share	(\$ 0.70)	\$ 0.16	(\$ 1.16)	\$ 0.11
Diluted (losses) earnings per share	(\$ 0.70)	\$ 0.16	(\$ 1.16)	\$ 0.11

(Losses) Earnings and weighted average number of ordinary shares used to calculate (losses) earnings per share were as follows:

Net (loss) profit for the period

	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Net (loss) profit for calculating basic and diluted (losses) earnings per share	(\$ 405,542)	\$ 94,396	(\$ 674,038)	\$ 62,729

Shares

Unit: Thousands of shares

	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Weighted average number of ordinary shares used to calculate basic (losses) earnings per share	581,050	581,050	581,050	581,050
Effect of potentially dilutive ordinary shares:				
Remuneration of employees	-	45	-	100
Weighted average number of ordinary shares used in the computation of diluted (losses) earnings per share	581,050	581,095	581,050	581,150

If the Group offered to settle remuneration paid to employees in cash or shares, the Group assumed the entire amount of the remuneration would be settled in shares, and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. The 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. For the six months ended June 30, 2025, due to the loss status, the number of shares for employee remuneration would create an anti-dilutive effect and therefore is not included.

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.

28. Financial Instruments

(1) Fair value of financial instruments not measured at fair value

The management of the Group believes the carrying amounts of financial assets and financial liabilities not measured at fair value approximate their fair value or their fair value cannot be reliably measured.

(2) Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

June 30, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at fair value</u>				
<u>through profit or loss</u>				
Derivatives financial assets	\$ -	\$ 128	\$ -	\$ 128
Mutual funds	415,346	-	-	415,346
Beneficiary securities	59,499	-	-	59,499
Investments in equity instruments				
– Domestic listed equity investments	51,000	-	-	51,000
– Overseas unlisted equity investments	-	-	-	-
	<u>\$ 525,845</u>	<u>\$ 128</u>	<u>\$ -</u>	<u>\$ 525,973</u>
<u>Financial assets at fair value</u>				
<u>through other comprehensive income</u>				
Investments in equity instruments				
– Domestic listed equity investments	\$ 1,465	\$ -	\$ -	\$ 1,465
– Domestic unlisted equity investments	-	-	56,666	56,666
	<u>\$ 1,465</u>	<u>\$ -</u>	<u>\$ 56,666</u>	<u>\$ 58,131</u>
<u>Financial liabilities at fair value through profit or loss</u>				
Derivatives financial liabilities	\$ -	\$ 7,030	\$ -	\$ 7,030

December 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at fair value</u>				
<u>through profit or loss</u>				
Derivatives financial assets	\$ -	\$ 3,799	\$ -	\$ 3,799
Mutual funds	481,151	-	-	481,151
Beneficiary securities	60,847	-	-	60,847
Investments in equity instruments				
– Domestic listed equity investments	63,400	-	-	63,400
– Overseas unlisted equity investments	-	-	-	-
	<u>\$ 605,398</u>	<u>\$ 3,799</u>	<u>\$ -</u>	<u>\$ 609,197</u>
<u>Financial assets at fair value</u>				
<u>through other comprehensive income</u>				
Investments in equity instruments				
– Domestic listed equity investments	\$ 1,771	\$ -	\$ -	\$ 1,771
– Domestic unlisted equity investments	-	-	58,635	58,635
	<u>\$ 1,771</u>	<u>\$ -</u>	<u>\$ 58,635</u>	<u>\$ 60,406</u>
<u>Financial liabilities at fair value through profit or loss</u>				
Derivatives financial liabilities	\$ -	\$ 688	\$ -	\$ 688

June 30, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at fair value</u>				
<u>through profit or loss</u>				
Derivatives financial assets	\$ -	\$ 1,549	\$ -	\$ 1,549
Mutual funds	434,834	-	-	434,834
Beneficiary securities	67,111	-	-	67,111
Investments in equity instruments				
– Domestic listed equity investments	89,404	-	-	89,404
– Overseas unlisted equity investments	-	-	-	-
	<u>\$ 591,349</u>	<u>\$ 1,549</u>	<u>\$ -</u>	<u>\$ 592,898</u>
<u>Financial assets at fair value</u>				
<u>through other comprehensive income</u>				
Investments in equity instruments				
– Domestic listed equity investments	\$ 2,226	\$ -	\$ -	\$ 2,226
– Domestic unlisted equity investments	-	-	60,474	60,474
	<u>\$ 2,226</u>	<u>\$ -</u>	<u>\$ 60,474</u>	<u>\$ 62,700</u>

There were no transfers between Levels 1 and 2 fair value measurement for the six months ended June 30, 2025 and 2024.

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

For the Six Months Ended June 30, 2025

	Financial Assets at Fair Value Through Other Comprehensive Income
Balance at January 1	\$ 58,635
Capital reduction and return of capital	(1,196)
Components recognized in other comprehensive income	(773)
Balance at June 30	<u>\$ 56,666</u>

For the Six Months Ended June 30, 2024

	Financial Assets at Fair Value Through Other Comprehensive Income
Balance at January 1	\$ 60,474
Components recognized in other comprehensive income	-
Balance at June 30	<u>\$ 60,474</u>

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

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

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

To determine the fair value for Level 3 financial instruments, the Group's financial department conducts independent fair value verification using independent sources so as to better reflect the market conditions, as well as periodically reviewing the valuation results in order to guarantee the rationality of the measurement. For unlisted domestic equity investments, the Group utilizes the asset approach and takes into account the most recent net asset value, observable financial status as well as the financing activities of investees in order to determine their net asset value. The unobservable input used was a discount for the lack of marketability of 15% on June 30, 2025, December 31, 2024, and June 30, 2024. When other inputs remain unchanged, the fair value will decrease by \$667 thousand, \$690 thousand, and \$711 thousand, respectively, if the discount for lack of marketability increases by 1%.

(3) Categories of financial instruments

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Mandatorily classified at fair value through profit or loss	\$ 525,973	\$ 609,197	\$ 592,898
Financial assets at amortized cost			
Cash and cash equivalents	1,159,100	1,523,912	1,537,713
Pledged time deposits	285,036	284,672	284,002
Time deposits with maturity over 3 months	58,600	65,570	74,900
Reverse repurchase agreements collateralized by bonds with maturity over 3 months	147,212	592,992	456,135
Notes receivable	110,700	118,682	158,005
Trade receivables (including related parties)	1,064,987	762,506	1,101,238
Other receivables (including related parties and excluding tax refund receivable)	30,351	14,742	43,621
Refundable deposits	65,459	31,376	31,190
Financial assets at fair value through other comprehensive income - Equity instruments	58,131	60,406	62,700
<u>Financial liabilities</u>			
Financial liabilities at fair value through profit or loss - Held for trading	7,030	688	-
At amortized cost			
Short-term notes and bills payable	99,957	299,872	-
Short-term borrowings	2,315,000	1,280,000	1,655,000
Notes payables	29,788	36,559	-
Trade payables (including related parties)	706,072	924,629	776,547
Other payables (Note)	670,625	585,615	785,327
Long-term borrowings (including due within one year)	3,857,261	4,289,758	3,375,254
Guarantee deposits	15,524	17,224	15,244

Note: Other payables (including related parties) exclude amounts of salaries and bonuses payable and miscellaneous taxes payable.

(4) Financial risk management objectives and policies

The Group's conduct of risk control and hedging strategy is influenced by the operational environment. The Group monitors and manages the financial risk by business nature and risk dispersion. These risks include market risk (including foreign currency risk, interest rate risk and other price risks), credit risk and liquidity risk.

1) Market risk

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

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

a) Foreign currency risk

The Group conducted foreign currency sales and purchases, which exposed the Group to foreign currency risk. In order to avoid the impact of foreign currency exchange rate changes, which lead to deductions in foreign currency denominated assets and fluctuations in their future cash flows, the Group maintains a balance of hedged net foreign currency denominated assets and liabilities. The Group also utilizes foreign exchange forward contracts to hedge the currency exposure. The use of foreign exchange forward contracts is regulated by the policies passed by the Group's board of directors. Internal auditors focus on reviewing the observance of the policies and the quota of risk exposures. The foreign exchange forward contracts that the Group engaged in were not for speculation purposes.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities measured at the end of the reporting period are set out in Note 33.

Sensitivity Analysis

The Group's sensitivity analysis mainly focuses on the foreign currency risk of U.S. dollars at the end of the reporting period. When the Group's functional currency appreciates/depreciates by 3% against the US dollar, the Group's net loss before tax for the six months ended June 30, 2025 will increase/decrease by \$11,497 thousand; the net profit before tax for the six months ended June 30, 2024 will decrease/increase by \$22,919 thousand, respectively.

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

b) Interest rate risk

The Group was exposed to the fair value risk of interest rate fluctuations for the fixed interest rate bearing financial assets and financial liabilities; the Group was exposed to the cash flow risk of interest rate fluctuations for the floating interest rate bearing financial assets and financial liabilities. The Group's management regularly monitors the fluctuations in market rates and then adjusted its balance of floating rate bearing financial liabilities to make the Group's interest rates more closely approach market rates in response to the interest rate risk.

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:

	June 30, 2025	December 31, 2024	June 30, 2024
Fair value interest rate risk			
– Financial assets	\$ 970,695	\$ 1,843,299	\$ 2,036,806
– Financial liabilities	2,292,220	1,469,096	1,410,317
Cash flow interest rate risk			
– Financial assets	672,749	620,144	293,370
– Financial liabilities	4,087,260	4,570,888	3,755,254

Sensitivity Analysis

The Group's fixed-rate financial assets and financial liabilities are all measured at amortized cost and are therefore not included in the analysis; the analysis of floating-rate financial assets and financial liabilities assumes that the amounts of assets and liabilities outstanding on the balance sheet date remain outstanding throughout the reporting period. When reporting interest rates to key management personnel within the Group, the variable rate used is an increase or decrease of 50 basis points in interest rates, which also represents management's assessment of the reasonably possible range of interest rate changes.

When reporting to the management, the Group considers any interest rate fluctuation within 50 basis points reasonable. Under the assumption that all other variables remain constant, if market interest rates increase/decrease by 50 basis points, the Group's pre-tax net loss for the six months ended June 30, 2025 would increase/decrease by \$8,536 thousand, respectively; and the pre-tax net profit for the six months ended June 30, 2024 would decrease/increase by \$8,655 thousand, respectively.

c) Other price risks

The Group was exposed to the equity price risk through its investments in domestic listed shares, domestic unlisted shares, mutual funds, and other equity securities investments. The Group manages this exposure by maintaining a portfolio of investments with different risks. In addition, the Group has appointed a special team to monitor the price risk.

Sensitivity Analysis

The sensitivity analysis below was determined based on the exposure to securities price risk at the end of the reporting period. As such, the Group's money market funds recognized under financial assets at fair value through profit or loss were not included in the analysis because their price fluctuation risk is extremely low.

If securities prices increase/decrease by 5%, the pre-tax net loss for the period for the six months ended June 30, 2025 would decrease/increase by \$6,251 thousand, respectively, due to the fair value increase/decrease of financial assets at fair value through profit or loss (excluding money market fund investments). For the six months ended June 30, 2024, the pre-tax net profit would increase/decrease by \$8,694 thousand, respectively, due to the fair value increase/decrease of financial assets at fair value through profit or loss. Other comprehensive income for the six months ended June 30, 2025 and 2024 would increase/decrease by \$2,907 thousand and \$3,135 thousand, respectively, due to the fair value increase/decrease of financial assets at fair value through other comprehensive income.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations and result in financial loss to the Group. As at the end of the reporting period, the maximum credit risk exposure that the Group may face due to financial losses resulting from counterparts' failure to fulfill their obligations and the Group's provision of financial guarantees primarily arises from:

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

The Group adopts a policy of conducting transactions only with counterparts of good credit standing to reduce the risk of financial losses arising therefrom, and continuously monitors credit exposure and the credit status of counterparties.

The Group's accounts receivable encompass numerous customers distributed across different regions, with no concentration in a single customer or geographic area. Additionally, the Group continuously evaluates the financial condition of accounts receivable customers; therefore, its credit risk remains limited. As of the end of the reporting period, the Group's largest exposure to credit risk is approximately that of the carrying amounts of its financial assets.

3) Liquidity risk

The Group managers maintain working capital and mitigate liquidity risk by maintaining a level of cash and cash equivalents and financing facilities deemed adequate.

a) Liquidity and interest rate risk tables

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

June 30, 2025

	Effective Interest Rate (%)	On Demand or Less Than 1 Years	1~5 years	Over 5 Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities		\$ 1,406,485	\$ -	\$ -
Lease liabilities	0.824-8.000	21,599	72,880	17,404
Floating interest rate liabilities	1.075-2.200	2,179,056	1,925,666	176,402
Fixed interest rate liabilities	1.740-2.030	2,336,918	801,898	-
		<u>\$ 5,944,058</u>	<u>\$ 2,800,444</u>	<u>\$ 193,806</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1~5 Years	5~10 Years	Over 10 Years
Lease liabilities	<u>\$ 21,599</u>	<u>\$ 72,880</u>	<u>\$ 12,142</u>	<u>\$ 5,262</u>

December 31, 2024

	Effective Interest Rate (%)	On Demand or Less Than 1 Years	1~5 Years	Over 5 Years
<u>Non-derivative</u> <u>financial</u> <u>liabilities</u>				
Non-interest bearing liabilities		\$ 1,546,802	\$ -	\$ -
Lease liabilities	0.824-8.000	22,193	77,228	25,616
Floating interest rate liabilities	1.025-2.200	1,723,466	2,782,369	149,897
Fixed interest rate liabilities	1.840-2.025	1,351,883	-	-
		<u>\$ 4,644,344</u>	<u>\$ 2,859,597</u>	<u>\$ 175,513</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1~5 Years	5~10 Years	Over 10 Years
Lease liabilities	<u>\$ 22,193</u>	<u>\$ 77,228</u>	<u>\$ 19,961</u>	<u>\$ 5,655</u>

June 30, 2024

	Effective Interest Rate (%)	On Demand or Less Than 1 Years	1~5 Years	Over 5 Years
<u>Non-derivative</u> <u>financial</u> <u>liabilities</u>				
Non-interest bearing liabilities		\$ 1,561,874	\$ -	\$ -
Lease liabilities	0.824-8.000	28,806	80,219	33,285
Floating interest rate liabilities	1.025-1.818	1,317,120	2,574,256	-
Fixed interest rate liabilities	1.770-1.840	1,276,591	-	-
		<u>\$ 4,184,391</u>	<u>\$ 2,654,475</u>	<u>\$ 33,285</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1~5 years	5~10 Years	Over 10 Years
Lease liabilities	<u>\$ 28,806</u>	<u>\$ 80,219</u>	<u>\$ 27,302</u>	<u>\$ 5,983</u>

b) Financing facilities

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

	June 30, 2025	December 31, 2024	June 30, 2024
Bank loan facilities			
— Amount unused	<u>\$ 11,277,810</u>	<u>\$ 12,304,820</u>	<u>\$ 9,074,250</u>

29. Transactions with Related Parties

As of June 30, 2025, December 31, 2024, and June 30, 2024, USI Corporation held through its subsidiary, Union Polymer International Investment Corporation, 24.97% of the Company's outstanding ordinary shares.

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

(1) Related parties names and categories

<u>Related Party Name</u>	<u>Related Party Category</u>
USI Corporation	Ultimate parent company
Union Polymer International Investment Corporation	Parent company
Taita Chemical Company, Limited ("TTC")	Investor with significant influence
Asia Polymer Corporation ("APC")	Investor with significant influence
CGTD	Associate
ACME	Associate
USI Optronics Corporation ("USIO")	Fellow subsidiary
USI Management Consulting Corporation ("UM")	Fellow subsidiary
Swanson Plastics Corporation	Fellow subsidiary
Swanson Technologies Corporation	Fellow subsidiary
Taiwan United Venture Management Corporation	Fellow subsidiary
Chong Loong Trading Co., Ltd.	Fellow subsidiary
USIFE Investment Co., Ltd.	Fellow subsidiary
USI Green Energy Corporation	Fellow subsidiary
Taita Chemical (Zhong Shan) Co., Ltd.	Subsidiary of investor with significant influence
APC Investment Corporation	Subsidiary of investor with significant influence
USI Educational Foundation ("USIF")	Related party in substance
Fujian Gulei Petrochemical Co., Ltd.	Related party in substance
Delmind Inc.	Related party in substance

(2) Sales

<u>Related Party Category</u>	<u>For the Three Months Ended June 30, 2025</u>	<u>For the Three Months Ended June 30, 2024</u>	<u>For the Six Months Ended June 30, 2025</u>	<u>For the Six Months Ended June 30, 2024</u>
Ultimate parent company	\$ 379	\$ -	\$ 2,879	\$ -
Associate	395	-	395	1,355
Fellow subsidiary	-	-	249	116
Investor with significant influence	-	1,014	-	2,562
	<u>\$ 774</u>	<u>\$ 1,014</u>	<u>\$ 3,523</u>	<u>\$ 4,033</u>

The sales of goods to related parties had no material differences from those of general sales transactions.

(3) Purchases

Related Party Category	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Fellow subsidiary	\$ 4,092	\$ 5,059	\$ 8,221	\$ 11,180
Ultimate parent company	166	260	166	359
Related party in substance	-	134,109	-	190,863
Investor with significant influence	-	61	-	61
	<u>\$ 4,258</u>	<u>\$ 139,489</u>	<u>\$ 8,387</u>	<u>\$ 202,463</u>

Purchases from related parties had no material differences from those of general purchase transactions.

(4) Trade receivables

Related Party Category	June 30, 2025	December 31, 2024	June 30, 2024
Investor with significant influence	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 476</u>

The outstanding trade receivables from related parties were unsecured. No loss allowance was set aside for receivables from related parties for the six months ended June 30, 2025 and 2024.

(5) Trade payables to related parties

Related Party Category	June 30, 2025	December 31, 2024	June 30, 2024
Ultimate parent company	\$ 40,620	\$ 121,146	\$ 153,901
Fellow subsidiary	1,670	4,027	4,824
Investor with significant influence	-	-	64
	<u>\$ 42,290</u>	<u>\$ 125,173</u>	<u>\$ 158,789</u>

TVCM appointed the ultimate parent company to import ethylene, and the trade payables to the ultimate parent company are to be paid off when the ultimate parent company makes a payment.

The outstanding trade payables to related parties were unsecured.

(6) Other receivables from related parties

Related Party Category	June 30, 2025	December 31, 2024	June 30, 2024
Investor with significant influence	\$ 690	\$ 1,458	\$ 608
Fellow subsidiary	9	39	39
Associate	8	8	-
Ultimate parent company	4	1,194	36,702
	<u>\$ 711</u>	<u>\$ 2,699</u>	<u>\$ 37,349</u>

(7) Other payables to related parties

Related Party Category	June 30, 2025	December 31, 2024	June 30, 2024
Associate	\$ 40,196	\$ 23,318	\$ 22,625
Parent company	21,762	-	50,778
Investor with significant influence	8,982	257	20,705
Ultimate parent company	1,482	1,290	1,026
Fellow subsidiary	1,435	283	1,827
Subsidiary of investor with significant influence	13	-	37
Related party in substance	-	345	-
	<u>\$ 73,870</u>	<u>\$ 25,493</u>	<u>\$ 96,998</u>

Other payables to the parent company and investors with significant influence as of June 30, 2025 and 2024, mainly represent cash dividends payable.

(8) Acquisitions of property, plant and equipment

Related Party Category	Purchase Price	
	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Ultimate parent company	\$ 384	\$ -

(9) Lease arrangements

Related Party Category/Name	June 30, 2025	December 31, 2024	June 30, 2024
<u>Lease liabilities</u>			
Investor with significant influence			
APC	\$ 76,984	\$ 83,767	\$ 90,515
TTC	1,920	2,047	5,664
Associate	-	-	3,131
	<u>\$ 78,904</u>	<u>\$ 85,814</u>	<u>\$ 99,310</u>

Related Party Category/Name	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
<u>Interest expense</u>				
Investor with significant influence				
APC	\$ 206	\$ 241	\$ 421	\$ 491
TTC	5	28	10	65
Associate	-	20	-	47
	<u>\$ 211</u>	<u>\$ 289</u>	<u>\$ 431</u>	<u>\$ 603</u>
<u>Lease expenses</u>				
Ultimate parent company	\$ 1,666	\$ 1,735	\$ 3,332	\$ 3,449
Investor with significant influence	962	694	1,948	1,494
	<u>\$ 2,628</u>	<u>\$ 2,429</u>	<u>\$ 5,280</u>	<u>\$ 4,943</u>

The Company leases offices in Neihu from Ultimate parent company and APC. The rentals are paid on a monthly basis.

The factory belonging to the Company's subsidiaries located on the land in Linyuan was rented from APC. The original lease term expired in December 2011. However, if neither counterparties argued, the lease term would automatically extend for another year.

The Company's subsidiaries leased storage tanks for vinyl chloride monomer from TTC. The original lease term expired in December 2024 and will not be renewed.

The Company's subsidiary leased land for their warehouses from APC. The lease term will expire in May 2026. The lease contract is renewable, and the rental is paid on a monthly basis.

(10) Storage tank operating service expenses

Related Party Category/Name	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Associate				
CGTD	\$ 34,524	\$ 83,208	\$ 58,082	\$ 105,290

The Company's subsidiaries appointed CGTD to handle the storage tank used to transport, store and load vinyl chloride monomer, ethylene and dichloroethane. The storage tank operating service expenses are paid each month.

(11) Management service revenue

Related Party Category	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Ultimate parent company	\$ -	\$ -	\$ -	\$ 804

(12) Management service expenses

Related Party Category/Name	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Fellow subsidiary				
UM	\$ 28,921	\$ 31,737	\$ 63,349	\$ 65,758
Ultimate parent company	458	454	907	1,703
	\$ 29,379	\$ 32,191	\$ 64,256	\$ 67,461

UM and the ultimate parent company provide labor support, equipment and other related services to the Company and its subsidiaries. The service expenses were based on the actual quarterly expenses which should be paid in the subsequent quarter following the related service.

(13) Donations

Related Party Category/Name	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Related party in substance				
USIF	\$ -	\$ -	\$ 3,000	\$ 3,000

(14) Rental income

Related Party Category	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Fellow subsidiary	\$ 1,378	\$ 1,373	\$ 2,751	\$ 2,746
Subsidiary of investor with significant influence	263	303	568	597
Investor with significant influence	67	66	133	133
	<u>\$ 1,708</u>	<u>\$ 1,742</u>	<u>\$ 3,452</u>	<u>\$ 3,476</u>

The Company has signed a plant lease agreement with USIO, with the lease period ending on April 15, 2026, collecting a fixed monthly rent. USIO does not have a bargain purchase option to acquire the leased factory at the expiry of the lease period.

(15) Other income

Related Party Category	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Investor with significant influence	\$ 251	\$ 242	\$ 453	\$ 440

(16) Other expenses

Related Party Category	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Fellow subsidiary	\$ 2,380	\$ -	\$ 4,420	\$ -

(17) Compensation of key management personnel

The compensation of directors and key executives for the three months and the six months ended June 30, 2025 and 2024 was as follows:

	For the Three Months Ended June 30, 2025	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Salaries and others	\$ 2,891	\$ 3,307	\$ 5,664	\$ 5,964
Post-employment benefits	54	54	108	108
	<u>\$ 2,945</u>	<u>\$ 3,361</u>	<u>\$ 5,772</u>	<u>\$ 6,072</u>

The compensation 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 of the Group were provided as collateral for the performance guarantee for the tariffs of imported raw materials, use of fuel, and borrowings:

	June 30, 2025	December 31, 2024	June 30, 2024
Pledge time deposits (classified as financial assets at amortized cost and other non-current assets)	\$ 310,294	\$ 309,931	\$ 309,103
Property, plant and equipment	1,507,016	1,507,016	-
	<u>\$ 1,817,310</u>	<u>\$ 1,816,947</u>	<u>\$ 309,103</u>

31. **Significant Contingent Liabilities and Unrecognized Commitments**

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of the end of the reporting period were as follows:

- (1) As of June 30, 2025, December 31, 2024, and June 30, 2024, the Group's unused balances of letters of credit issued amounted to \$418,970 thousand, \$569,797 thousand, and \$522,965 thousand, respectively.
- (2) Description of Kaohsiung gas explosions:

Regarding the equity-accounted investee, China General Terminal & Distribution Corporation (hereinafter "CGTD"), which was commissioned to operate LCY Chemical Corp.'s propylene pipeline resulting in a gas explosion on July 31, 2014, the appeal was dismissed by the Supreme Court on September 15, 2021, and all three employees of CGTD were innocent.

CGTD reached an agreement with the Kaohsiung City Government on February 12, 2015, providing bank certificates of deposit totaling \$235,671 thousand (including interest) with a pledge right established in favor of the Kaohsiung City Government as collateral for losses incurred from the gas explosion incident. The Kaohsiung City Government has also filed civil litigation against LCY Chemical Corp. CGTD, and CPC Corporation, Taiwan. Taiwan Power Company applied for provisional attachment against CGTD's property on August 27 and November 26, 2015. CGTD had deposited cash of \$99,207 thousand to the court to avoid provisional attachment. Taiwan Water Corporation also applied for provisional attachment against CGTD's property on February 3 and March 2, 2017. As of July 31, 2025, the bank deposits of CGTD under seizure amounted to \$6,401 thousand.

As for the victims, CGTD, LCY Chemical Corp. and Kaohsiung City Government signed a tripartite agreement on July 17, 2015 agreeing to negotiate the compensation first with the 32 victims' successors and persons entitled to the claims ("family of the victim"). Each victim's family was entitled to \$12,000 thousand and the total compensation was \$384,000 thousand. The compensation was first paid by LCY Chemical Corp. who also represent the three parties in the settlement negotiation and the signing of settlement agreements with family of the victim. CGTD also agreed to pay \$157,347 thousand to LCY Chemical Corp. on August 10, 2022 in accordance with 30% of the proportion of fault liability in the first instance judgment in accordance with a tripartite agreement. After that, when the civil litigation is determined, it will be compensated according to the determined liability ratio.

Regarding the seriously injured victims, CGTD, LCY Chemical Corp., and Kaohsiung City Government signed a tripartite agreement for the serious injury incident on October 25, 2017, agreeing to proceed with compensation negotiations for 65 seriously injured victims. The settlement funds were advanced by CGTD and Kaohsiung City Government; additionally, CGTD represented the three parties in negotiating settlements with the seriously injured victims from the gas explosion incident, and signed settlement agreements with 64 of them.

As of July 31, 2025, victims, injured parties, or their relatives from the Kaohsiung gas explosion incident have filed civil lawsuits (including civil actions incidental to criminal proceedings) against LCY Chemical Corp., CGTD, and CPC Corporation, Taiwan, seeking compensation. Based on considerations to reduce litigation costs, CGTD has reached settlements for claims originally amounting to \$46,677 thousand, with settlement compensation amounts totaling \$4,519 thousand. Along with the case still under litigation and the above-mentioned compensation, the accumulated amount of compensation is \$3,831,211 thousand. The first-instance judgments of some of the above-mentioned civil cases (with a total amount of compensation of approximately \$1,616,883 thousand) have been gradually announced, starting from June 22, 2018. The proportion of fault liability of the Kaohsiung City Government, LCY Chemical Corp. and CGTD is 4:3:3 in most judgments. The total amount of compensation that CGTD, LCY Chemical Corp. and other defendants should pay is around \$489,861 thousand. (In particular, CGTD was exempted to pay \$6,194 thousand according to the court's judgment.)

For civil cases that have been adjudicated at the first instance but not settled, CGTD has filed an appeal to the second instance. The second-instance judgments have been issued progressively since July 10, 2024. As of July 31, 2025, the second-instance rulings on claims filed by the Kaohsiung City Government (totaling approximately \$1,137,677 thousand) cover 9 cases. Among them, in 8 cases, CGTD was found jointly liable with LCY Chemical Corp for 10% liability in 5 cases and 20% liability in 3 cases, with a total compensation amount of \$79,726 thousand. In 1 case, CGTD was solely responsible for 10% liability, with an independent compensation amount of \$297 thousand. Additionally, in the second-instance rulings on claims filed by Taiwan Power Company (\$265,822 thousand) and the National Health Insurance Administration (\$35,688 thousand), CGTD and LCY Chemical Corp were held jointly liable for a total compensation amount of \$108,835 thousand. For the aforementioned second-instance rulings, CGTD has filed an appeal to the third instance for all cases eligible for further appeal. Other cases remain under first-instance court proceedings, with total claims amounting to approximately \$1,711,504 thousand.

Based on the court-determined liability ratios related to this gas explosion incident, the estimated settlement amounts for fatalities and severe injuries, as well as compensation for civil lawsuits (including settled cases), have been calculated. After deducting the maximum insurance coverage, the estimated self-borne amount has been recorded at \$136,375 thousand. However, the actual amounts for settlements and compensations will only be finalized upon the conclusion of civil litigation and the determination of CGTD's allocated liability.

- (3) TVCM signed an ethylene or dichloroethane purchase contract with CPC Corporation, Taiwan, Formosa Plastics Corporation, Blue Water Alliance JV LLP, and Mitsubishi Corporation. The purchase price was negotiated by both parties according to a pricing formula.

32. Significant Losses Attributed to Critical Incidents or Disasters

On October 19, 2024, a fire accident of the calendar plant of the Company, resulting in damage to some equipment and inventory. The carrying amount of the property loss as of June 30, 2025 was \$158,433 thousand, which was recorded under other gains and losses. The Company has secured relevant property insurance and is negotiating the claims process with the insurance provider. However, as insurance claims involve disaster assessment, subsequent insurance compensation will only be recognized when it can be reasonably confirmed by the Company. Based on the Company's preliminary assessment of the fire-related losses and subsequent claims, the incident has no significant impact on overall operations.

33. Significant Assets and Liabilities Denominated in Foreign Currencies

The group entities' significant financial assets and liabilities denominated in foreign currencies and aggregated by foreign currencies other than functional currencies and the related exchange rates. Assets and liabilities with significant impact recognized in foreign currencies are as follows:

Unit: Except for the exchange rate, all in thousands

June 30, 2025

	Foreign Currencies	Exchange Rate (In Single Dollars)	Functional Currencies	NTD
<u>Foreign currency assets</u>				
<u>Monetary items</u>				
USD	\$ 26,345	29.300 (USD:NTD)	\$ 771,912	\$ 771,912
JPY	111,338	0.2034 (JPY:NTD)	22,646	22,646
EUR	486	34.350 (EUR:NTD)	16,704	16,704
USD	301	7.1586 (USD:RMB)	2,154	8,818
AUD	451	19.140 (AUD:NTD)	8,631	8,631
GBP	71	40.160 (GBP:NTD)	2,865	2,865
<u>Foreign currency liabilities</u>				
<u>Monetary items</u>				
USD	13,559	29.300 (USD:NTD)	397,272	397,272
GBP	91	40.160 (GBP:NTD)	3,655	3,655
RMB	244	4.0930 (RMB : NTD)	999	999
JPY	4,700	0.2034 (JPY:NTD)	956	956
EUR	17	34.350 (EUR:NTD)	583	583
USD	8	7.1586 (USD:RMB)	57	232

December 31, 2024

	Foreign Currencies	Exchange Rate (In Single Dollars)	Functional Currencies	NTD
<u>Foreign currency assets</u>				
<u>Monetary items</u>				
USD	\$ 18,633	32.785 (USD:NTD)	\$ 610,894	\$ 610,894
AUD	494	20.390 (AUD:NTD)	10,064	10,064
USD	301	7.1884 (USD:RMB)	2,164	9,864
EUR	146	34.140 (EUR:NTD)	4,994	4,994
GBP	83	41.190 (GBP:NTD)	3,422	3,422
<u>Foreign currency liabilities</u>				
<u>Monetary items</u>				
USD	17,134	32.785 (USD:NTD)	561,742	561,742
JPY	10,068	0.2099 (JPY:NTD)	2,113	2,113
GBP	48	41.190 (GBP:NTD)	1,987	1,987
RMB	140	4.5608 (RMB : NTD)	640	640
EUR	17	34.140 (EUR:NTD)	580	580
USD	8	7.1884 (USD:RMB)	58	260

June 30, 2024

	Foreign Currencies	Exchange Rate (In Single Dollars)	Functional Currencies	NTD
<u>Foreign currency assets</u>				
<u>Monetary items</u>				
USD	\$ 31,003	32.450 (USD:NTD)	\$ 1,006,047	\$ 1,006,047
AUD	916	21.520 (AUD:NTD)	19,713	19,713
EUR	452	34.710 (EUR:NTD)	15,700	15,700
USD	301	7.1269 (USD:RMB)	2,144	9,761
GBP	53	41.040 (GBP:NTD)	2,168	2,168
<u>Foreign currency liabilities</u>				
<u>Monetary items</u>				
USD	7,752	32.450 (USD:NTD)	251,568	251,568
EUR	139	34.710 (EUR:NTD)	4,825	4,825
RMB	242	4.5532 (RMB : NTD)	1,102	1,102
USD	8	7.1269 (USD:RMB)	56	257
AUD	4	21.520 (AUD:NTD)	84	84

For the three months ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024, net foreign exchange (losses) gains were \$(119,670) thousand, \$11,889 thousand, \$(107,708) thousand, and \$47,008thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the group entities.

34. Supplementary Disclosures

(1) Information on Significant Transactions

- 1) Financing provided to others: Table 1.
- 2) Endorsements / guarantees provided: Table 2.
- 3) Marketable securities held: Table 3.
- 4) Total Purchases from and sales to related parties amounting to at least NT\$100 million or 20% of paid-in capital: Table 4.
- 5) Receivables from related parties amounting to NT\$100 million or 20% of paid-in capital: Table 5.
- 6) Others: Intercompany relationships and significant Intercompany transactions: Table 6.

(2) Information on reinvestment: Table 7.

(3) Information on Investments in Mainland China

- 1) Information on any investee company in Mainland China, including the company names, major business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the Mainland China: Table 8.
- 2) The following information on 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/losses involved: None.
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) The balance of negotiable instrument offered as endorsement or guarantee or pledges of collateral at the end of the period and their purposes.
 - e) The highest balance during the period, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds.
 - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.

35. Segment Information

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

Segment Revenue and Results

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

For the Six Months Ended June 30, 2025

	<u>VCM Products</u>	<u>PVC Products</u>	<u>Total</u>
Revenue from external customers	\$ 535,434	\$ 4,584,859	\$ 5,120,293
Inter-segment revenue	2,379,541	254,918	2,634,459
Segment revenue	<u>\$2,914,975</u>	<u>\$4,839,777</u>	<u>7,754,752</u>
Eliminations			(2,634,459)
Consolidated revenue			<u>\$ 5,120,293</u>
Segment loss	(\$ 64,920)	(\$ 710,032)	(\$ 774,952)
Interest income			19,149
Other income			68,181
Other gains and losses			(149,168)
Interest expense			(56,703)
Share of profit of associates accounted for using the equity method			1,480
Net loss before income tax			<u>(\$ 892,013)</u>

For the Six Months Ended June 30, 2024

	<u>VCM Products</u>	<u>PVC Products</u>	<u>Total</u>
Revenue from external customers	\$ 331,955	\$ 5,648,682	\$ 5,980,637
Inter-segment revenue	3,401,875	258,790	3,660,665
Segment revenue	<u>\$ 3,733,830</u>	<u>\$ 5,907,472</u>	<u>9,641,302</u>
Eliminations			(3,660,665)
Consolidated revenue			<u>\$ 5,980,637</u>
Segment loss	(\$ 16,599)	(\$ 37,353)	(\$ 53,952)
Interest income			19,905
Other income			44,950
Other gains and losses			52,018
Interest expense			(44,488)
Share of profit of associates accounted for using the equity method			7,418
Net profit before income tax			<u>\$ 25,851</u>

Segment profit represented the profit before tax earned by each segment without the share of profit (loss) of associates, interest income, rental income, gains (losses) on disposal of property, plant and equipment, foreign exchange gains (losses), gains (losses) arising from the valuation of financial instruments, and financing costs. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

Since the Group's individual segment assets and liabilities were not included in the segment information provided to the chief operating decision-maker, the measured amount of operating segment assets and liabilities was not disclosed herein.

China General Plastics Corporation and Subsidiaries
Financing Provided to Others
For the Six Months Ended June 30, 2025

Table 1

Unit: NT\$ thousands, Unless Stated Otherwise

No.	Lender	Borrower	Financial Statement Account	Related Party (Yes/No)	Highest Balance for the Period	Balance at the End of the period	Actual Borrowing Amount	Range of Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing Necessity	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Name	Value		
0	China General Plastics Corporation	CGPC Polymer Corporation	Other receivables from related parties	Yes	\$ 500,000	\$ 500,000	\$ -	-	Short-term financing	\$ -	Business turnover	\$ -	-	\$ -	\$ 3,167,101	\$ 3,167,101

Note 1: The total amount of the Company’s financing provided to others shall not exceed 40% of the Company's net worth on the latest financial statements audited or reviewed by certified public accountants.

Note 2: All the transactions were written off when preparing the consolidated financial statements.

China General Plastics Corporation and Subsidiaries
Endorsements/Guarantees Provided
For the Six Months Ended June 30, 2025

Table 2

Unit: NT\$ thousands

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%) (Note 1)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Made by Parent for Subsidiaries	Endorsement/ Guarantee Made by Subsidiaries for Parent	Endorsement/ Guarantee Made for Companies in Mainland China
		Company Name	Relationship										
0	China General Plastics Corporation	CGPC Polymer Corporation	Subsidiary	\$ 4,750,651	\$ 1,058,893	\$ 1,000,293	\$ 500,293	None	12.63%	\$ 7,917,752	Yes	No	No

Note 1: The ratio is calculated using the ending balance of equity of the Company as of June 30, 2025.
Note 2: The total amount of guarantee that may be provided by the Company shall not exceed 100% of the Company’s net worth stated on the latest financial statements; the total amount of guarantee provided by the Company to any single entity shall not exceed 60% of the Company’s net worth stated on the latest financial statements.

China General Plastics Corporation and Subsidiaries
Marketable Securities Held
June 30, 2025

Table 3

Unit: NT\$ thousands

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2025				Note
				Unit / Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
China General Plastics Corporation	<u>Beneficiary securities</u> Cathay No. 1 Real Estate Investment Trust	—	Financial assets at FVTPL - current	3,964,000	\$ 59,499	-	\$ 59,499	(Note 1)
	<u>Mutual funds</u> Yuanta U.S. Treasury 20+ Year Bond ETF	—	Financial assets at FVTPL - current	580,000	14,529	-	14,529	(Note 1)
Taiwan VCM Corporation	<u>Ordinary shares</u> Taiwan Cement Corporation	—	Financial assets at FVTPL - current	2,000,000	51,000	-	51,000	(Note 1)
	<u>Ordinary shares</u> KHL IB Venture Capital Co., Ltd.	—	Financial assets at FVTOCI - non-current	6,446,593	56,666	5.95%	56,666	(Note 1)
	<u>Mutual funds</u> UPAMC James Bond Money Market Fund	—	Financial assets at FVTPL - current	17,115,472	300,000	-	300,000	(Note 1)
	<u>Ordinary shares</u> Asia Polymer Corporation	The major shareholders are the same as the those of the Company	Financial assets at FVTOCI - non-current	130,244	1,465	0.02%	1,465	(Note 1)
	<u>Mutual funds</u> Taishin Ta Chong Money Market Fund		Financial assets at FVTPL - current	5,357,083	80,000	-	80,000	(Note 1)
CGPC (BVI) Holding Co., Ltd.	<u>Ordinary shares</u> Teratech Corporation	—	Financial assets at FVTPL- non-current	112,000	-	0.65%	-	(Notes 1 and 3)
	SOHOWare, Inc.- preferred shares	—	//	100,000	-	-	-	(Notes 1, 2, and 3)
Global Green Technology Corporation	<u>Mutual funds</u> Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	1,459,897	20,817	-	20,817	(Note 1)

Note 1: The marketable securities were not pledged as guarantees or collateral for borrowings and are not subject to restrictions.

Note 2: The preferred shares are not used in the calculation of the shareholding ratio.

Note 3: As of June 30, 2025, the Group evaluates the fair value of the equity instrument as NT\$0.

China General Plastics Corporation and Subsidiaries
Total Purchases from or Sales to Related Parties Amounting to at Least NT\$100 Million or 20% of the Paid-in Capital
For the Six Months Ended June 30, 2025

Table 4

Unit: NT\$ thousands

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Trade Receivables (Payables)		Note
			Purchase/ Sales	Amount	Ratio to Total Purchase/ Sales	Payment Terms	Unit Price	Payment Terms	Balance	Ratio to Total Notes or Trade Receivables (Payables)	
China General Plastics Corporation	CGPC America Corporation	Subsidiary	Sales	(\$ 251,999)	(10%)	90 days	No major difference	No major difference	\$ 162,715	25%	Note.
Taiwan VCM Corporation	China General Plastics Corporation	Parent company	Sales	(1,003,857)	(35%)	45 days	"	"	314,321	24%	Note.
	CGPC Polymer Corporation	Fellow subsidiary	Sales	(1,371,814)	(47%)	75 days	"	"	691,587	54%	Note.

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

China General Plastics Corporation and Subsidiaries
Receivables from Related Parties Amounting to at Least NT\$100 Million or 20% of the Paid-in Capital
June 30, 2025

Table 5

Unit: NT\$ thousands

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Treatment Method		
China General Plastics Corporation	CGPC America Corporation	Subsidiary	Trade receivables from related parties \$ 162,715	3.39	\$ -	—	\$ 32,205	Note 1
Taiwan VCM Corporation	China General Plastics Corporation	Parent company	Trade receivables from related parties 314,321	5.22	-	—	164,737	Note 1
	CGPC Polymer Corporation	Fellow subsidiary	Trade receivables from related parties 691,587	3.07	-	—	150,697	Note 1

Note 1: There is no allowance for impairment loss after an impairment assessment.
Note 2: The subsequent period is between July 1 and July 25, 2025.
Note 3: All the transactions were written off when preparing the consolidated financial statements.

China General Plastics Corporation and Subsidiaries
Intercompany Relationships and Significant Intercompany Transactions
For the Six Months Ended June 30, 2025

Table 6

Unit: NT\$ thousands

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Accounts	Amount	Transaction Terms	% of Total Sales or Asset (Note 3)
0	China General Plastics Corporation	Taiwan VCM Corporation	1	Trade payables to related parties	\$ 314,321	No major difference	2%
			1	Purchases	1,003,857	"	20%
		CGPC America Corporation	1	Trade receivables from related parties	162,715	"	1%
			1	Sales revenue	251,999	"	5%
1	Taiwan VCM Corporation	Global Green Technology Corporation	3	Other expenses	17,754	"	-
2	CGPC Polymer Corporation	Taiwan VCM Corporation	3	Trade payables to related parties	691,587	"	4%
			3	Other payables to related parties	25,489	"	-
			3	Purchases	1,371,814	"	27%

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

1. The parent company: 0.
2. The subsidiaries: 1 onward.

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

1. The parent company to its subsidiary.
2. The subsidiary to the parent company.
3. Between subsidiaries.

Note 3: The ratio of transactions related to total sales revenue or assets is calculated as follows: a. Assets or liabilities: The ratio was calculated based on the ending balance of total consolidated assets; and b. Income or loss: The ratio was calculated based on the midterm accumulated amount of total consolidated sales revenue.

Note 4: Disclosure of transaction amounts of NT\$10,000 thousand or more.

China General Plastics Corporation and Subsidiaries
Information on Investees
For the Six Months Ended June 30, 2025

Table 7

Unit: NT\$ thousands

Investor Company	Investee Company	Location	Business Content	Original Investment Amount		As of June 30, 2025			Net Income (Loss) of Investee	Share of Profit (Loss)	Note
				June 30, 2025	January 1, 2025	Shares	%	Carrying Amount			
China General Plastics Corporation	Taiwan VCM Corporation	No. 1, Gongye 1st Rd., Linyuan Dist., Kaohsiung City 832, Taiwan (R.O.C.)	Manufacturing and marketing of VCM	\$ 2,933,648	\$ 2,933,648	259,591,005	87.27%	\$ 3,702,879	(\$ 285,206)	(\$ 248,912)	Subsidiary, Note
	CGPC Polymer Corporation	12F., No. 37, Jihu Rd., Neihs Dist., Taipei City 114, Taiwan (R.O.C.)	Manufacturing and marketing of PVC resins	800,000	800,000	70,170,682	100%	225,087	(229,465)	(229,465)	Subsidiary, Note
	CGPC (BVI) Holding Co., Ltd.	Citco Building, Wickhams Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands	Reinvestment	1,059,344	1,059,344	14,808,258	100%	349,657	58,264	58,264	Subsidiary, Note
	China General Terminal & Distribution Corporation	No. 1, Jianji St., Qianzhen Dist., Kaohsiung City 806, Taiwan (R.O.C.)	Warehousing and transportation of petrochemical raw materials	41,106	41,106	25,053,469	33.33%	296,408	8,559	2,853	Associate accounted for using the equity method
	CGPC America Corporation	4 Latitude Way, Suite 108 Corona, CA 92881, USA	Marketing of PVC film and leather products	648,931	648,931	100	100%	145,335	(6,153)	(6,153)	Subsidiary, Note
	Acme Electronics Corporation	8F., No. 39, Jihu Rd., Neihs Dist., Taipei City 114, Taiwan (R.O.C.)	Manufacturing and marketing of Mn-Zn and Ni-Zn ferrite cores	41,805	41,805	3,566,526	1.67%	30,024	(82,008)	(1,373)	Associate accounted for using the equity method
Taiwan VCM Corporation	Global Green Technology Corporation	12F., No. 37, Jihu Rd., Neihs Dist., Taipei City 114, Taiwan (R.O.C.)	Environmental detection services	50,000	50,000	5,315,193	100%	47,791	(6,497)	-	Subsidiary, Note

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

China General Plastics Corporation and Subsidiaries
Information on Investments in Mainland China
For the Six Months Ended June 30, 2025

Table 8

Unit: NT\$ thousands, Unless Stated Otherwise

Investee Company	Business Content	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025 (Note 1)	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of June 30, 2025 (Note 1)	Net Income of Investee	Ownership Percentage of Direct or Indirect Investment	Current Investment Gain (Note 4)	Carrying Amount as of June 30, 2025 (Notes 1 and 4)	Accumulated Repatriation of Investment Income as of June 30, 2025
					Outflow	Inflow						
Continental General Plastics (Zhong Shan) Co., Ltd.	Manufacturing and marketing of PVC film and consumer products	\$ 586,000 (USD 20,000 thousand)	Investment through CGPC (BVI) Holding Co., Ltd.	\$ 586,000 (USD 20,000 thousand)	\$ -	\$ -	\$ 586,000 (USD 20,000 thousand)	\$ 56,271 (USD 1,826 thousand)	100%	\$ 56,271 (USD 1,826 thousand)	\$ 264,388 (USD 9,023 thousand)	\$ -

Accumulated Outward Remittance for Investment in Mainland China as of June 30, 2025 (Notes 1 and 3)	Investment Amounts Authorized by Investment Commission, MOEA (Note 1)	Upper Limit on the Amount of Investment Stipulated in Mainland China by Investment Commission, MOEA (Note 2)
\$ 779,820(USD 26,615 thousand)	\$ 876,070(USD 29,900 thousand)	\$ -

Note 1: The calculation was based on the spot exchange rate of June 30, 2025.

Note 2: As the Company has obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11251035580 on September 6, 2023, the upper limit on investment is not applicable.

Note 3: QuanZhou Continental General Plastics Co., Ltd. ("CGPC (QZ)") and Union (Zhong Shan) Co., Ltd. ("Union (ZS)") completed dissolution procedures, and CGPC (BVI) retrieved the residual assets. The shares of China General Plastics (SanHe) Co., Ltd. ("CGPC (SH)") were fully sold, and CGPC (BVI) retrieved the residual assets. However, the amount of capital has not been wired back to Taiwan. The accumulated amount includes the investment amount of CGPC (QZ) of USD684 thousand, the investment amount of Union (ZS) of USD898 thousand, and the investment amount of CGPC (SH) of USD4,000 thousand.

Note 4: All the transactions were written off when preparing the consolidated financial statements; the investment loss was recognized based on the financial statements not reviewed by auditors. Please refer to Note 12.