Stock Code: 1709

Formosan Union Chemical Corporation and Subsidiaries

Consolidated Financial Statements and Independent Auditor's Review Report

2025Q2 and 2024Q2

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The English version of the financial report is translated without being reviewed by the CPAs.

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Independent Auditor's Review Report

To: Formosan Union Chemical Corporation

Preamble

We have reviewed the consolidated balance sheets of Formosan Union Chemical Corporation and its subsidiaries as of June 30, 2025, and 2024, the consolidated income statements from April 1 to June 30, 2025 and 2024, the consolidated statement of retained earnings and consolidated statement of cash flows from January 1 to June 30, 2025 and 2024, and notes (including the summary of material accounting policies) to the consolidated financial statements. The preparation of fairly presented consolidated financial statements based on the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" endorsed and announced to effect by the Financial Supervisory Commission is the responsibility of the management, we are responsible for expressing a conclusion on the consolidated financial statements in accordance with the review results.

Scope

Except for the descriptions in the "Basis for Qualified Conclusion" section, we conducted our review 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." The consolidated financial statements review procedures include making inquiries (primarily of persons responsible for financial and accounting matters), analytical procedures, 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 opinion

As stated in Note 12 of the consolidated financial statements, the financial statements of some insignificant subsidiaries included in the consolidated financial statements for the same period have not been reviewed by the CPAs. The total assets were NT$1,966,616 thousand and NT2,212,512 thousand on June 30, 2025 and 2024, respectively, accounting for 15.42% and 16.29% of the total consolidated assets, respectively. The total liabilities were NT$291,589 thousand and NT$628,439 thousand, respectively, accounted for 8.15% and 14.93% of the total consolidated liabilities, respectively. The total consolidated profits and losses were NT$42,350 thousand, NT$28,881, NT$71,670 and NT$76,126 from April 1 to June 30 and from January 1 to June 30, 2025 and 2024, respectively, accounted for 27.25%, 3.19%, 33.18%, and 5.42% of the total consolidated profits and losses, respectively. As mentioned in Note 13 of the consolidated financial statements, the amounts of the investment under the equity method were NT$562,869 thousand and NT$639,401 thousand on June 30, 2025 and 2024, respectively. The shares of profits from the associates and joint venture under the equity method were NT$(7,934) thousand, NT$4,879 thousands, NT$(8,709), and NT$5,607 thousand from April 1 to June 30 and from January 1 to June 30, 2025 and 2024, respectively, which were recognized based on the investee company's financial statements for the same period that have not been reviewed by the CPAs. In addition, the relevant information disclosed in Note 39 of the consolidated financial statements and the information related to some of the aforementioned insignificant subsidiaries and investee companies has not been reviewed by the CPAs.

Qualified Opinion

Based on the CPA's review results, except for the financial statements and related information of some insignificant subsidiaries and investee companies under the equity method as mentioned in the preceding paragraph of qualified opinion that may cause an adjustment to the consolidated financial statements if they have been reviewed by the CPAs, we found the consolidated financial statements of Formosan Union Chemical Corporation and subsidiaries on June 30, 2025 and 2024, respectively, the consolidated financial performance from April 1 to June 30, 2025 and 2024, respectively, and the results of operations and cash flows on from January 1 to June 30, 2025 and 2024 present fairly, in all material respects, in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Firms" and InternationalAccounting Standard No. 34 "Interim Financial Reporting" endorsed and promulgated as effective by the Financial Supervisory Commission.

Deloitte & Touche

CPA Wen-Yuan Zhuang	CPA Ze-Li Gong
Financial Supervision Commission Approval Number Jin-Guang-Zheng-Shen-Zi No. 1090347472	Financial Supervision Commission Approval Number Jin-Guang-Zheng-Shen-Zi No. 1000028068

August 11, 2025

Formosan Union Chemical Corporation and Subsidiaries

Consolidated Balance Sheet

June 30, 2025, and December 31 and June 30, 2024

Unit: NT$ Thousand

Code	Assets	6/30/2025 Amount	%	12/31/2024 Amount	%	6/30/2024 Amount	%
	Current assets						
1100	Cash (Note 6)	$ 584,195	5	$ 449,634	3	$ 529,506	4
1110	Financial assets measured at fair value through profit and loss – current (Note 7)	364,992	3	78,531	1	173,143	1
1136	Financial assets measured at the amortized cost – current (Note 9)	73,000	1	73,000	1	23,000	-
1150	Notes receivable (Note 10 & 26)	217,434	2	166,310	1	228,275	2
1170	Accounts receivable (Note 10 & 26)	856,072	7	1,149,928	9	1,489,735	11
1180	Account receivable – related party (Note 10, 26, & 33)	262	-	262	-	262	-
1200	Other receivables (Note 10)	55,982	-	49,701	-	67,232	1
1210	Other receivables – related party (Note 10 & 33)	21	-	71	-	2,673	-
1220	Income tax assets – current	109	-	131	-	40,401	-
130X	Inventory – net (Note 11)	3,228,660	25	2,968,364	23	3,151,015	23
1410	Prepayments (Note 19 & 33)	84,672	1	246,245	2	89,366	1
1470	Other current assets	3,189	-	4,367	-	6,354	-
11XX	Total current assets	5,468,588	44	5,186,544	40	5,800,962	43
	Noncurrent assets						
1517	Financial assets measured at fair value through other comprehensive profit and loss – noncurrent (Note 8)	1,746,098	14	1,887,418	15	2,355,892	17
1550	Investment under equity method (Note 13)	562,869	4	627,160	5	639,401	5
1600	Property, plant and equipment (Note 14 ,33 & 34)	3,732,143	29	3,804,195	30	3,567,274	26
1755	Right-of-use assets (Note 15)	848,944	7	842,086	7	753,821	6
1760	Investment property – net (Note 16 & 34)	42,135	-	42,457	-	8,990	-
1805	Goodwill (Note 17)	91,897	1	91,897	1	91,897	1
1821	Intangible assets (Note 18)	7,023	-	5,873	-	6,566	-
1840	Deferred income tax assets	150,839	1	137,811	1	116,640	1
1915	Prepaid equipment (Note 19 & 33)	49,864	-	54,383	-	187,206	1
1920	Refundable deposits (Note 19)	6,144	-	6,444	-	12,515	-
1975	Net defined benefit assets – noncurrent	19,090	-	17,808	-	12,061	-
1990	Other noncurrent assets (Note 19 & 34)	27,516	-	75,997	1	27,705	-
15XX	Total noncurrent assets	7,284,562	56	7,593,529	60	7,779,968	57
1XXX	Total assets	$ 12,753,150	100	$ 12,780,073	100	$ 13,580,930	100

Code	Liabilities and shareholders' equity	6/30/2025 Amount	%	12/31/2024 Amount	%	6/30/2024 Amount	%
	Current liabilities						
2100	Short-term loans (Note 20 & 34)	$ 789,559	6	$ 875,758	7	$ 1,362,361	10
2150	Notes payable (Note 21)	29	-	944	-	1,085	-
2170	Accounts payable (Note 21)	535,060	4	410,699	3	638,423	5
2180	Accounts payable – related party (Note 21 & 33)	534	-	-	-	-	-
2219	Other payables (Note 22)	744,065	6	551,906	4	712,519	5
2220	Other payables – related party (Note 22 & 33)	840	-	2,190	-	861	-
2230	Income tax liabilities - current	86,403	1	18,100	-	28,721	-
2250	Liability reserve – current (Note 5 & 23)	30,785	-	25,802	-	35,818	-
2280	Lease liabilities – current (Note 15 & 33)	107,779	1	99,209	1	71,523	1
2322	Long-term loans due within one year (Note 20 & 34)	-	-	2,049	-	-	-
2399	Other current liabilities (Note 22 & 26)	56,475	-	43,831	-	61,116	-
21XX	Total current liabilities	2,351,529	18	2,030,488	15	2,912,427	21
	Noncurrent liabilities						
2540	Non-current portion of non-current borrowings (Note 20 & 34)	-	-	153,654	1	-	-
2570	Deferred income tax liabilities	447,516	4	476,585	4	568,857	4
2580	Lease liabilities – noncurrent (Note 15 & 33)	774,608	6	773,785	6	709,966	5
2640	Defined benefit liabilities – noncurrent (Note 24)	3,446	-	2,970	-	14,777	-
2670	Other noncurrent liabilities	2,765	-	2,798	-	2,333	-
25XX	Total noncurrent liabilities	1,228,335	10	1,409,792	11	1,295,933	9
2XXX	Total liabilities	3,579,864	28	3,440,280	26	4,208,360	30
	Equity attributable to the Company's shareholders						
3110	Common stock capital	4,770,163	37	4,770,163	37	4,770,163	35
3200	Additional paid-in capital	76,139	1	76,139	1	77,090	1
	Retained earnings						
3310	Legal reserve	1,309,244	10	1,223,857	10	1,223,857	9
3320	Special reserve	251,175	2	251,175	2	251,175	2
3350	Unappropriated earnings	1,368,917	11	1,466,391	12	1,072,187	8
3300	Total retained earnings	2,929,336	23	2,941,423	24	2,547,219	19
	Other equities						
3410	Exchange difference from the conversion of the financial statements of foreign operations	(35,085)	-	10,960	-	9,024	-
3420	Unrealized profit and loss in valuation of the financial assets measured at fair value through other comprehensive profit and loss	1,165,136	9	1,271,953	10	1,698,008	13
3400	Total other equities	1,130,051	9	1,282,913	10	1,707,032	13
31XX	Total shareholders' equity of the Company	8,905,689	70	9,070,638	72	9,101,504	68
36XX	Non-controlling interests	267,597	2	269,155	2	271,066	2
3XXX	Total equities	9,173,286	72	9,339,793	74	9,372,570	70
	Total liabilities and shareholders' equity	$ 12,753,150	100	$ 12,780,073	100	$ 13,580,930	100

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

(Please refer to the review report issued by Deloitte & Touche on August 11, 2025)

Chairman: CEO: CFO: Accountant:

Formosan Union Chemical Corporation and Subsidiaries

Consolidated Income Statement

April 1-June 30, 2025 and 2024, and January 1-June 30, 2025 and 2024

Unit: NT$ Thousand, except for earning shares in NT$

Code		April 1-June 30, 2025 Amount	%	April 1-June 30, 2024 Amount	%	January 1-June 30, 2025 Amount	%	January 1-June 30, 2024 Amount	%
4100	Operating income – net (Note 26 & 33)	$ 2,193,839	100	$ 2,977,968	100	$ 4,815,909	100	$ 5,523,559	100
5110	Operating cost (Note 11, 27, & 33)	1,939,885	88	2,527,084	85	4,112,087	85	4,742,660	86
5900	Gross profit	253,954	12	450,884	15	703,822	15	780,899	14
5910	Unrealized profit on sales	(267)	-	-	-	-	-	-	-
5920	Realized profit on from sales	-	-	3,674	-	1,335	-	107	-
5950	Realized gross profit	253,687	12	454,558	15	705,157	15	781,006	14
	Operating expense (Note 27 & 33)								
6100	Marketing expense	92,364	4	154,900	5	214,683	5	264,471	5
6200	Managerial expense	45,692	2	65,039	2	108,689	2	117,905	2
6300	R&D expense	13,913	1	20,672	1	30,203	1	37,093	1
6000	Total operating expense	151,969	7	240,611	8	353,575	8	419,469	8
6900	Net operating income	101,718	5	213,947	7	351,582	7	361,537	6
	Non-operating income and expense								
7100	Interest income (Note 27)	1,632	-	2,032	-	2,132	-	2,864	-
7010	Other income (Note 27 & 33)	37,177	2	30,857	1	55,467	1	35,113	1
7020	Other profit and loss (Note 27 & 33)	(54,667)	(3)	87,282	3	(47,358)	(1)	164,580	3
7060	Profit or loss ratio from associates and joint venture under the equity method (Note 13)	(7,934)	-	4,879	-	(8,709)	-	5,607	-
7050	Financial cost (Note 27 & 33)	(9,834)	(1)	(12,138)	-	(19,701)	-	(24,857)	-
7000	Total non-operating income and expense	(33,626)	(2)	112,912	4	(18,169)	-	183,307	4
7900	Net income before tax	68,092	3	326,859	11	333,413	7	544,844	10
7950	Income tax expense (Note 28)	9,906	-	50,287	2	82,527	2	83,454	2
8200	Net income	58,186	3	276,572	9	250,886	5	461,390	8
	Other comprehensive income								
8310	Items not-reclassified to profit or loss:								
8316	Unrealized profit or loss in valuation of equity instrument investment measured at fair value through other comprehensive profit or loss (Note 8 & 25)	174,143	8	797,508	27	(15,928)	-	1,161,492	21
8349	Income tax related to non-reclassified items (Note 28)	26,059	1	161,763	5	(27,123)	(1)	233,800	4
		148,084	7	635,745	22	11,195	1	927,692	17
8360	Items could be reclassified to profit or loss subsequently:								
8361	Exchange difference from conversion of financial statements of foreign operations (Note 25)	(63,581)	(3)	(7,400)	-	(57,556)	(1)	19,014	-
8399	Income tax related to items could be reclassified to profit or loss (Note 28)	(12,716)	-	(1,482)	-	(11,511)	-	3,796	-
		(50,865)	(3)	(5,918)	-	(46,045)	(1)	15,218	-
8300	Total other comprehensive profit or loss	97,219	4	629,827	22	(34,850)	-	942,910	17
8500	Total comprehensive profit or loss – current	$ 155,405	7	$ 906,399	31	$ 216,036	5	$ 1,404,300	25
	Net income (loss) attributable to:								
8610	The company's shareholders	$ 60,093	3	$ 274,787	9	$ 251,514	5	$ 459,668	8
8620	Non-controlling interest	(1,907)	-	1,785	-	(628)	-	1,722	-
8600		$ 58,186	3	$ 276,572	9	$ 250,886	5	$ 461,390	8

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Code		April 1-June 30, 2025 Amount	%	April 1-June 30, 2024 Amount	%	January 1-June 30, 2025 Amount	%	January 1-June 30, 2024 Amount	%
	Comprehensive profit or loss attributable to:								
8710	The company's shareholders	$ 157,312	7	$ 904,604	31	$ 216,664	5	$ 1,402,542	25
8720	Non-controlling interest	(1,907)	-	1,795	-	(628)	-	1,758	-
8700		$ 155,405	7	$ 906,399	31	$ 216,036	5	$ 1,404,300	25
	Earnings per share (Note 29)								
9710	Basic	$ 0.13		$ 0.58		$ 0.53		$ 0.96	
9810	Diluted	$ 0.13		$ 0.58		$ 0.53		$ 0.96	

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

(Please refer to the review report issued by Deloitte & Touche on August 11, 2025)

Chairman: CEO: CFO: Accountant:

Formosan Union Chemical Corporation and Subsidiaries

Consolidated Statement of Retained Earnings

January 1 – June 30, 2025 and 2024

Unit: NT$ Thousand

Code		Equity attributable to the company's shareholders											Non-controlling interests	
		Capital stock (Note 25)		Capital Reserves	Retained earnings (Note 8 & 25 & 30)				Other equity (Note 8 & 25)					
		Shares (thousand)	Total share capital	(Note 25)	Legal Reserve	Special Reserve	Undistributed surplus	Total	Exchange difference from conversion of financial instruments of foreign operations	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income	Total	Grand Total	(Note 12 & 25)	Total Equity
A1	Balance – 1/1/2024	477,016	$ 4,770,163	$ 77,090	$ 1,182,361	$ 251,175	$ 940,225	$ 2,373,761	($ 6,158)	$ 770,316	$ 764,158	$ 7,985,172	$ 269,657	$ 8,254,829
	2023 earnings appropriation and distribution													
B1	Legal reserve appropriated	-	-	-	41,496	-	(41,496)	-	-	-	-	-	-	-
B5	Cash dividends of ordinary share	-	-	-	-	-	(286,210)	(286,210)	-	-	-	(286,210)	-	(286,210)
		-	-	-	41,496	-	(327,706)	(286,210)	-	-	-	(286,210)	-	(286,210)
D1	Net income (loss) – 1/1 – 6/30 2024	-	-	-	-	-	459,668	459,668	-	-	-	459,668	1,722	461,390
D3	Other comprehensive profit and loss – 1/1-6/30 2024	-	-	-	-	-	-	-	15,182	927,692	942,874	942,874	36	942,910
D5	Comprehensive profit or loss 1/1-6/30 2024	-	-	-	-	-	459,668	459,668	15,182	927,692	942,874	1,402,542	1,758	1,404,300
O1	Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(349)	(349)
Z1	Balance – 6/30/2024	477,016	$ 4,770,163	$ 77,090	$ 1,223,857	$ 251,175	$ 1,072,187	$ 2,547,219	$ 9,024	$ 1,698,008	$ 1,707,032	$ 9,101,504	$ 271,066	$ 9,372,570
A1	Balance – 1/1/2025	477,016	$ 4,770,163	$ 76,139	$ 1,223,857	$ 251,175	$ 1,466,391	$ 2,941,423	$ 10,960	$ 1,271,953	$ 1,282,913	$ 9,070,638	$ 269,155	$ 9,339,793
	2024 earnings appropriation and distribution													
B1	Legal reserve appropriated	-	-	-	85,387	-	(85,387)	-	-	-	-	-	-	-
B5	Cash dividends of ordinary share	-	-	-	-	-	(381,613)	(381,613)	-	-	-	(381,613)	-	(381,613)
		-	-	-	85,387	-	(467,000)	(381,613)	-	-	-	(381,613)	-	(381,613)
D1	Net income (loss) 1/1-6/30 2025.	-	-	-	-	-	251,514	251,514	-	-	-	251,514	(628)	250,886
D3	Other comprehensive profit or loss 1/1-6/30 2025.	-	-	-	-	-	-	-	(46,045)	11,195	(34,850)	(34,850)	-	(34,850)
D5	Total comprehensive profit or loss 1/1 to 6/30 2025.	-	-	-	-	-	251,514	251,514	(46,045)	11,195	(34,850)	216,664	(628)	216,036
O1	Changes in non-controlling equity	-	-	-	-	-	-	-	-	-	-	-	(930)	(930)
Q1	Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	118,012	118,012	-	(118,012)	(118,012)	-	-	-
Z1	Balance -6/30/2025	477,016	$ 4,770,163	$ 76,139	$ 1,309,244	$ 251,175	$ 1,368,917	$ 2,929,336	($ 35,085)	$ 1,165,136	$ 1,130,051	$ 8,905,689	$ 267,597	$ 9,173,286

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

(Please refer to the review report issued by Deloitte & Touche on August 11, 2025)

Chairman: CEO: CFO: Accountant:

Formosan Union Chemical Corporation and Subsidiaries

Consolidated Statement of Cash Flows

January 1 -June 30, 2025 and 2024

Unit: NT$ Thousand

Code		1/1-6/30 2025	1/1-6/30 2024
	Cash flow from operating activities		
A00010	Net income before tax	$ 333,413	$ 544,844
A20010	Income and expenses		
A20100	Depreciation expense	128,696	130,912
A20200	Amortization expense	1,329	1,691
A20400	Net profit of financial assets measured at fair value through profit or loss	(1,033)	(120,438)
A20900	Financial cost	19,701	24,857
A21200	Interest income	(2,132)	(2,864)
A21300	Dividend income	(15,192)	(19,071)
A22300	Profit ratio from associates and joint venture under the equity method	8,709	(5,607)
A22500	Profit or loss from the disposal of property, plant, and equipment	871	(197)
A23700	Loss in valuation of inventory (reversed profit)	(10,064)	(10,891)
A24000	Realized profit on from sales	(1,335)	(107)
A24100	Unrealized foreign currency exchange loss (gain)	16,579	(2,982)
A30000	Net changes in operating assets and liabilities		
A31115	Financial assets mandated to be measured at fair value through profit or loss	(285,428)	117,618
A31130	Notes receivable	(51,124)	(43,243)
A31150	Accounts receivable	272,424	(393,913)
A31160	Accounts receivable – related party	-	(3)
A31180	Other receivable	(5,737)	(21,961)
A31190	Other receivable – related party	50	3
A31200	Inventories	(230,461)	28,716
A31230	Prepayments	170,234	(8,763)
A31240	Other current assets	760	(1,612)
A31990	Defined benefit assets – net	(1,282)	(1,346)
A32130	Notes payable	(915)	(10,118)
A32150	Accounts payable	126,797	7,176
A32160	Accounts payable – related party	534	-
A32180	Other payables	(174,804)	53,099
A32190	Other payables – related party	(1,350)	286
A32200	Liability reserve	4,983	10,805
A32230	Other current liabilities	12,048	23,557
A32240	Defined benefit liabilities – net	476	(295)
A33000	Cash from operating activities	316,747	300,153
A33100	Interest collected	$ 1,552	$ 2,996
A33200	Dividends received	15,192	19,071
A33300	Interest paid	(19,891)	(25,144)
A33500	Income tax paid	(17,665)	(88,152)
AAAA	Net cash flows from operating activities	295,935	208,924

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Code		1/1-6/30 2025	1/1-6/30 2024
	Cash flow from investing activities		
B00010	Acquisition of financial assets at fair value through other comprehensive income	-	(26,305)
B00020	Disposal of financial assets at fair value through other comprehensive income	125,392	-
B00050	Disposal of financial assets measured at the amortized cost	-	43,000
B01800	Acquisition of investment under the equity method	(1,750)	(11,000)
B02100	Decrease in prepayments for investments	48,353	-
B02400	Proceeds from capital reduction of investments accounted for using equity method	-	191,531
B02700	Acquisition of property, plant, and equipment	(23,452)	(33,716)
B02800	Disposal of property, plant, and equipment	1,096	513
B03700	Increase (Decrease) in refundable deposit	690	(7,865)
B04500	Acquisition of intangible assets	(2,479)	(6,659)
B06800	Decrease (increase) in noncurrent assets	128	(532)
B07100	Increase in prepaid equipment	(14,720)	(119,322)
B07600	Dividends received	2,275	1,750
BBBB	Net cash flows from investing activities	135,533	31,395
	Cash flow from financing activities		
C00200	Decrease in short-term loans	(84,110)	(164,379)
C01700	Repayments of long-term debt	(155,703)	(104)
C03000	Increase in deposits received	563	3,817
C04020	Payments of lease liabilities	(56,012)	(38,790)
C05800	Change in non-controlling interests	(930)	(194)
CCCC	Net cash flows used in financing activities	(296,192)	(199,650)
DDDD	Effect of changes in exchange rate on cash	(715)	789
EEEE	Net increase in cash	134,561	41,458
E00100	Balance of cash –beginning	449,634	488,048
E00200	Balance of cash –ending	$ 584,195	$ 529,506

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

(Please refer to the review report issued by Deloitte & Touche on August 11, 2025)

Chairman: CEO: CFO: Accountant:

Formosan Union Chemical Corporation and Subsidiaries

Notes to the Consolidated Financial Statements

January 1 – June 30, 2025 and 2024

(Unless otherwise noted, all units are expressed in NT$ Thousand)

1. Company History

Formosan Union Chemical Corporation (hereinafter referred to as the Company) was established on June 21, 1973, to engage in the production, processing, and trading of alkylbenzene (dodecyl benzene), alkenes, alkanol (nonylphenol), and their derivatives; also, the operation and investment of other related businesses.

The company's stock shares have been listed and traded on the Taiwan Stock Exchange since July 1986.

This consolidated financial report is expressed in the company's functional currency (New Taiwan Dollar).

2. Date of and procedure for the approval of the financial statement

The consolidated financial statements were approved by the board of directors on August 11, 2025.

3. Application of the newly announced and amended regulations and interpretations

(1) The company has adopted International Financial Reporting Standards (IFRS) that were endorsed by the Financial Supervisory Commission, International Accounting Standards (IAS), Interpretations, and Notices (IFRS), Interpretation (IFRIC) and Interpretative Announcement (SIC) (hereinafter collectively referred to as the "IFRSs") for the first time.

The company has started applying the amended "International Financial Reporting Standards (IFRSs)" that was endorsed and announced by the Financial Supervisory Commission and it will not cause a material change to the accounting policies of the company and the business entities controlled by the company (hereinafter referred to as "the merged company").

(2) IFRS Accounting Standards Approved by the FSC Applicable in 2026

Newly announced/revised/amended regulations and interpretations	Effective date for the announcement of International Accounting Standards Board (IASB)
Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments	January 1, 2026
Amendments to IFRS 9 and IFRS 7 – Contracts Involving Natural Dependency on Electricity	January 1, 2026
Annual Improvements to IFRS Accounting Standards –Issue 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 of authorization for issuance of these consolidated financial statements,the merged company is still assessing the impact of the aforementioned amendments on its financial position and financial performance.The related effects will be disclosed once the assessment is completed.

(3) IFRSs announced by IASB but not yet endorsed and announced by the FSC

Newly announced/revised/amended regulations and interpretations	Effective date for the announcement of the IASB (Note)
Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
IFRS 18 – Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19 – Subsidiaries without Public Accountability: Disclosures	January 1, 2027

Note : Unless otherwise specified, the aforementioned newly announced/revised/amended regulations and interpretations will be effective in the annual reporting period starting after the respective date.

IFRS 18 Presentation and Disclosure in Financial Statements"

IFRS 18 will replace IAS 1 "Presentation and Disclosure in Financial Statements" with the following changes:

- The income, expense, and loss in the income statement should be classified into the categories of operation, investment, financing, income tax, and discontinued entities.
- The subtotal and total amount of operating profit and loss, financing, profit and loss before income tax, and profit and loss should be booked in the income statement.
- Guidelines for enhancing aggregation and segmentation: The merged company must identify the assets, liabilities, equity, income, expenses, losses, and cash flows from individual transactions or other events, and must base the classification and summary on the common charact eristics in order to have each account on the financial statement has at least one similar characteristic. Items with different characteristics should be classified on the financial statements and notes. The merged company will have such items classified as "other" only when there is not a more informative name available.
- Disclose the performance evaluation defined by management: When the merged company communicates to the public on matters other than the financial statements and communicates management's views on a certain aspect of the merged company's overall financial performance to the users of the financial statements, it is necessary to disclose the information related to the performance evaluation defined by management in a specific note, including the description of the measurement, how it is calculated, its reconciliation with the subtotal or tot al specified in IFRS accounting standards, and the impact of income tax and non-controlling interests on related reconciliation items.

Aside from the aforementioned impacts, as of the date of authorization for issuance of these consolidated financial statements, the merged company is still assessing the additional effects of the amendments to various standards and interpretations on its financial position and financial performance. The related impacts will be disclosed once the assessment is completed.

4. Summary of material accounting policies

(1) Statement of compliance

This consolidated financial report is prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” endorsed and announced to effect by the Financial Supervisory Commission. This consolidated financial report does not contain all the disclosures required by IFRS accounting standards for a comprehensive annual financial report.

(2) Preparation basis for financial statements

Except for the financial instruments measured at fair value and the net defined benefit liabilities recognized at the present value of the defined benefit obligati on net of the fair value of the planned assets, this consolidated financial report is prepared at the historical cost.

The measurement of fair value is di vided into Level 1 to Level 3 according to the observability and importance of the relevant input values:

1. Level 1 input values: It refers to the market price (unadjusted) of the same asset or liability available on the measurement date.
2. Level 2 input values: It refers to the directly (namely, the price) or indirectly (namely, deduced from price) observable input value of an asset or li ability, except for Level 1 quotation.
3. Level 3 input values: It refers to the unobservable input value of an asset or liability.

(3) Consolidation basis

This consolidated financial report includes the financial statements of the company and the entities (subsidiaries) controlled by the company. The consolidated income statement has included the operating profit or loss of the acquired or disposed subsidiaries from the date of acquisition or till the date of disposal in the current period. The financial reports of the subsidiaries have been adjusted to make their accounting policies consistent with the accounting policies of the merged company. All transactions, account balances, incomes, expenses, and losses between business entities have been written-off at the time of preparing the consolidated financial report. The total comprehensive profit or loss of subsidiaries is attributable to the shareholders and non-controlling interests of the company, even if the non-controlling interests are with a negative balance thereafter.

When the changes in the equity of the subsidiary owned by the merged company do not result in the loss of control, it is treated as an equity transaction. The book amount of the merged company and non-controlling interests has been adjusted to reflect changes in its relative equity in the subsidiary. The difference between the adjustment amount of non-controlling interests and the fair value of the consideration paid or received is directly recognized as equity and attributable to the company's shareholders.

When the merged company loses control over the subsidiary, the disposal profit or loss is the difference between the following two items: (1) the sum of the fair value of the consideration received and the fair value of the residual investment in the former subsidiary at the date of losing control over the former subsidiary, and (2) the sum of the book amount of the assets (including goodwill) and liabilities and non-controlling interest of the subsidiary on the day losing control of the former subsidiary. The basis of accounting treatment for all the amounts previously recognized in other comprehensive profit or loss related to the subsidiary is same as the mandatory basis for the relevant assets or liabilities directly disposed by the merged company.

Please refer to Note 12 and Appendix 6 for the subsidiaries, shareholding ratio, and business items in det ails.

(4) Other material accounting policies

In addition to the following explanations, please refer to the summary of material accounting policies in the 2024 Consolidated Financial Report.

1. Provision for Carbon Fee Liability

The provision for carbon fee liability, recognized in accordance with relevant regulations such as the Carbon Fee

Charging Regulations of the Republic of China, is based on the best estimate of the expenditure required to settle the obligation for the current year. It is recognized and measured in proportion to the actual emissions relative to the total annual emissions.

2. Defined benefits of pensions

The pension cost during the interim period is calculated based on the actuarially determined pension cost rate at the end of the previous year, from the beginning of the year to the end of the current period, and adjusts the material market fluctuations of the current period, as well as material amendments, liquidations, or other material non-recurring changes.

3. Income tax expense

Income tax expense is the sum of current income tax and deferred income tax. Income tax for the interim period is evaluated on an annual basis and it is calculated on interim net income before tax at the tax rate applicable to the expected total annual earnings.

5. Material accounting judgment, estimation, and the main source of assumption uncertainties

When applying accounting policies, if relevant information is not readily available from other sources, the merged company's management must make judgments, estimates, and assumptions based on historical experience and other relevant factors. Actual results may differ from those estimates.

In developing significant accounting estimates, the merged company considers the potential impacts of climate change and related government policies and regulations on key estimates such as projected cash flows, growth rates, discount rates, and profitability. Management will continue to review the estimates and underlying assumptions. Except as described below, please refer to the disclosures on significant sources of accounting judgments, estimates, and assumption uncertainties in the consolidated financial statements for the year ended 2024.

Major Sources of Estimation and Assumption Uncertainty

Carbon Fee

The provision for carbon fee liability, recognized in accordance with the Carbon Fee Charging Regulations and other relevant laws in Taiwan, is estimated based on the chargeable emissions and the general fee rate. This estimate may change depending on the merged company's carbon reduction efforts, the likelihood of the competent authority approving self-reduction programs, the effectiveness of such programs, the probability of achieving the designated annual targets, or amendments to relevant regulations. As a result, the estimate of the provision is subject to significant uncertainty. As of June 30, 2025, the carrying amount of the carbon fee liability provision was NT$5,781 thousand. Please refer to Note 23 "Provisions."

6. Cash

	6/30/2025	12/31/2024	6/30/2024
Cash on hand and petty cash	$ 822	$ 773	$ 753
Bank checking deposit and demand deposit	583,373	448,861	528,753
Cash equivalents	$ 584,195	$ 449,634	$ 529,506

7. Financial assets measured at fair value through profit or loss

	6/30/2025	12/31/2024	6/30/2024
Financial assets- Current			
Financial assets mandated to be measured at fair value through profit or loss			
Non-derivative financial assets			
－Domestic Listed Stocks	$ -	$ -	$ 122,892
－Domestic Emerging Stocks	1,200	-	-
－Fund beneficiarycertificat	363,792	78,531	50,251
	$ 364,992	$ 78,531	$ 173,143

8. Financial assets measured at fair value through other comprehensive profit or loss

	6/30/2025	12/31/2024	6/30/2024
Noncurrent			
Domestic investment			
Listed Stocks	$ 1,300,386	$ 1,383,492	$ 1,938,856
Emerging Stocks	-	42,000	-
Non-TWSE/TPEx stock	275,588	273,248	222,091
Subtotal	1,575,974	1,698,740	2,160,947
Foreign investment			
Unlisted Shares	170,124	188,678	194,945
	$ 1,746,098	$ 1,887,418	$ 2,355,892

The merged company holds certain shares for medium- to long-term strategic investment purposes, with the expectation of generating profit through long-term investment. The management of the merged company believes that including short-term fair value fluctuations of these investments in profit or loss would be inconsistent with the aforementioned long-term investment strategy. Therefore, these investments are designated as financial assets measured at fair value through other comprehensive income.

During the period from January 1 to June 30, 2025, the merged company adjusted its investment portfolio to diversify risk and sold part of its ordinary shares in J & V ENERGY TECHNOLOGY CO., LTD. at a fair value of NT$125,392 thousand. The related unrealized gains previously recognized in other equity – financial assets measured at FVOCI, amounting to NT$118,012 thousand, were reclassified to retained earnings.

9. Financial assets measured at the amortized cost

	6/30/2025	12/31/2024	6/30/2024
Current			
Domestic investment			
Time deposits with original maturity date for more than 3 months.	$ 73,000	$ 73,000	$ 23,000

10. Notes receivable, accounts receivable, and other receivable

	6/30/2025	12/31/2024	6/30/2024
Notes receivable			
Measured at the amortized cost			
Total book amount – non-related party	$ 217,434	$ 166,310	$ 228,275
Accounts receivable			
Measured at the amortized cost			
Total book amount – non-related party	$ 856,072	$ 1,149,928	$ 1,489,735
Total book amount – related party	262	262	262
	$ 856,334	$ 1,150,190	$ 1,489,997
Other receivables			
Non-related party	$ 55,982	$ 49,701	$ 67,232
Related party	21	71	2,673
	$ 56,003	$ 49,772	$ 69,905

The merged company granted customers a credit period of 1-5 months. The impairment evaluation of accounts receivable is analyzed in accordance with the individual evaluation, aging analysis, historical experience, and customer 's current financial situation in order to estimate the unrecoverable amount.

The merged company before accepting a new customer bases on the customer's basic information and pays the customer a visit to collect data in order to determine the adequate credit line to be granted.

The merged company recognizes the allowance for loss of accounts receivable based on the expected credit loss during the duration. The expect ed credit loss during the duration is calculated in accordance with the provision matrix, which considers the customer 's default record and current financial situation, and industrial economic situation. According to the historical credit loss of the merged company, there is no significant difference in the loss patterns of different customer groups; therefore, the provision matrix does not further distinguish customer groups, and the expect ed credit loss rat e is formulated based on the days of overdue of the accounts receivable.

If there is evidence that the counterparty is facing serious financial difficulties and the merged company cannot reasonably estimate the recoverable amount, the merged company will directly write-off the relevant receivable, but will continue the recourse activities with the recovered amount, if any, recognized in profit or loss.

The merged company measures the allowance for loss for notes receivable and accounts receivable (including accounts receivable – related party) according to the provision matrix as follows:

6/30/2025

	Not overdue	Overdue for 1～30 day	Overdue for 31～18 days	Overdue for 181～364 days	Overdue for more than 365 days	Total
Expected credit loss rate	-%	0%	0%	-%	-%	
Total book amount	$ 981,658	$ 92,044	$ 66	$ -	$ -	$ 1,073,768
Allowance for loss (expected credit loss during the duration)	-	-	-	-	-	-
Amortized cost	$ 981,658	$ 92,044	$ 66	$ -	$ -	$ 1,073,768

12/31/2024

	Not overdue	Overdue for 1～30 day	Overdue for 31～18 days	Overdue for 181～364 days	Overdue for more than 365 days	Total
Expected credit loss rate	-%	0%	0%	-%	-%	
Total book amount	$ 1,077,851	$ 238,640	$ 9	$ -	$ -	$ 1,316,500
Allowance for loss (expected credit loss during the duration)	-	-	-	-	-	-
Amortized cost	$ 1,077,851	$ 238,640	$ 9	$ -	$ -	$ 1,316,500

6/30/2024

	Not overdue	Overdue for 1～30 day	Overdue for 31～18 days	Overdue for 181～364 days	Overdue for more than 365 days	Total
Expected credit loss rate	-%	0%	0%	-%	-%	
Total book amount	$ 1,493,401	$ 221,726	$ 3,145	$ -	$ -	$ 1,718,272
Allowance for loss (expected credit loss during the duration)	-	-	-	-	-	-
Amortized cost	$ 1,493,401	$ 221,726	$ 3,145	$ -	$ -	$ 1,718,272

11. Inventory-net

	6/30/2025	12/31/2024	6/30/2024
Raw materials	$ 1,105,068	$ 1,107,669	$ 1,094,885
Substances	309,536	337,784	347,506
Work-in-process goods	177,735	149,489	139,442
Finished goods	1,616,423	1,355,481	1,559,769
Commodities	19,898	17,941	9,413
	$ 3,228,660	$ 2,968,364	$ 3,151,015

The nature of the cost of goods sold related to inventory is as follows:

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Cost of inventory sold	$ 1,915,367	$ 2,526,769	$ 4,111,940	$ 4,744,156
Loss in valuation of inventory (Reversed profit)	19,163	(3,764)	(10,064)	(10,891)
	$ 1,934,530	$ 2,523,005	$ 4,101,876	$ 4,733,265

The increase in the net realizable value of inventories was due to rising product prices.

12. Subsidiaries

(1) Subsidiaries included in the consolidated financial report

The main business entities of the consolidated financial report are as follows:

Investing company	Name of subsidiary	Nature of business	Shareholding Ratio 6/30/2025	Shareholding Ratio 12/31/2024	Shareholding Ratio 6/30/2024	Remarks
Formosan Union Chemical Corporation (FUCC)	Hershey Environmental Technology Co., Ltd. (HEC)	Planning and design of petrochemical engineering, machinery equipment installation and trading, household liquefied petroleum gas distribution, and petrochemical raw materials and products processing and manufacturing business.	100.00%	100.00%	100.00%	
FUCC HEC Great Victory Chemical Industry Co., Ltd. (GVC)	United Performance Materials Corporation (UPMC)	Manufacturing, processing, and trading of petroleum resins and polyester resins.	80.25% 1.35% 0.49%	80.25% 1.35% 0.49%	80.25% 1.35% 0.49%	
FUCC	GVC	Manufacturing and import/export of pesticides, manufacturing and sales of household pesticides, and manufacturing and sales of various chemical paper bags.	100.00%	100.00%	100.00%	

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Investing company	Name of subsidiary	Nature of business	Shareholding Ratio 6/30/2025	12/31/2024	6/30/2024	Remarks
FUCC	Fusugar Industry Corp. (Fusugar)	Sugar and seasonings manufacturing	90.52%	90.52%	88.35%	3
GVC			3.15%	3.15%	3.87%	3
UPMC			1.00%	1.00%	1.23%	3
FUCC	TANQUES DEL PACIFIO, S.A.(Tanques)	Operating warehousing business and liquid oil tanks leasing business.	100.00%	100.00%	100.00%	
GVC	Yung Sheng Green Power Co., Ltd. (Yung Sheng)	The main business is battery manufacturing, power generation, power transmission, power distribution machinery manufacturing, energy technology service business…etc.	50.00%	50.00%	50.00%	1
GVC	Tecnica Cientifica De Guatemala S. A.（TCDG）	Mainly engaged in the sales of pesticides and fertilizers.	-	-	73.75%	4
HEC	Yongji Energy Co., Ltd.(Yongji Energy)	Thermal energy supply business, cleaning supplies wholesale business, electrical and machinery installation, wholesale business…etc.	50.00%	50.00%	50.00%	2
HEC	Yongyao Energy Co., Ltd. (Yongyao Energy)	The main business is battery manufacturing, power generation, power transmission, power distribution machinery manufacturing, energy technology service business…etc.	100.00%	100.00%	100.00%	

Remarks:

1. GVC holds 50% shareholdings of Yung Sheng while the remaining 50% shareholdings are held by other shareholders. After considering the absolute number of voting rights held against other shareholders, it is concluded that GVC dominates the business activities of Yung Sheng; therefore, the company has it classified as a subsidiary.
2. HEC holds 50% shareholdings of Yongji Energy, and the remaining 50% of the shareholdings are held by other shareholders. Aft er considering the absolute number of voting rights held against other shareholders, it is concluded that Hershey Environmental Technology Co., Ltd. dominates the business

activities of Yongji Energy Co., Ltd.; therefore, the company has it classified as a subsidiary.

3. In June 2024, Fusugar Industry Corp. implemented a capital reduction to offset accumulated losses, canceling 58,400 thousand shares in the amount of NT$584,000 thousand, representing a 40% capital reduction. In August 2024, the company conducted a cash capital increase, and the Group subscribed to 20,000 thousand shares for a total amount of NT$200,000 thousand, resulting in a post-subscription shareholding ratio of 90.52%.Additionally, as Great Victory Chemical Industry Co., Ltd. and United Performance Materials Corporation did not subscribe to the aforementioned capital increase in proportion to their original shareholdings, their respective shareholding ratios declined to 3.15% and 1.00% following the capital increase.
4. TCDG was dissolved in December 2024.

Among the subsidiaries included in the consolidated financial reports from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024, UPMC and FIC, which were recognized in accordance with the financial reports reviewed by CPAs for the same period, the rest of them have not been reviewed by CPAs.

(2) Subsidiaries not included in the consolidated financial report: None.

(3) Information on subsidiaries with material non-controlling interests

Name of subsidiary	Main business place	Ratio of equity and voting rights held by non-controlling interests		
		6/30/2025	12/31/2024	6/30/2024
UPMC	Taiwan Pingtung	17.91%	17.91%	17.91%
FIC	Taiwan Taichung	5.51%	5.51%	6.77%

Name of Subsidiary	Profit or loss distributed to non-controlling interest		Non-controlling interests		
	1/1-6/30 2025	1/1-6/30 2024	6/30/2025	12/31/2024	6/30/2024
UPMC	$ 302	$ 3,853	$ 203,837	$ 203,535	$ 204,863
FIC	(1,316)	(2,520)	51,119	52,435	52,750
Total	($ 1,014)	$ 1,333	$ 254,956	$ 255,970	$ 257,613

The financial information summary of the following subsidiaries is compiled based on the amount before writing off the inter-company transactions:

UPMC

	6/30/2025	12/31/2024	6/30/2024
Current assets	$ 863,638	$ 719,883	$ 589,465
Noncurrent assets	767,600	780,195	703,729
Current liabilities	(500,852)	(296,676)	(160,139)
Noncurrent liabilities	(4,207)	(78,910)	(1,153)
Equity	$ 1,126,179	$ 1,124,492	$ 1,131,902
Equity attributable to:			
FUCC owners	$ 922,342	$ 920,957	$ 927,039
Non-controlling interests	203,837	203,535	204,863
	$ 1,126,179	$ 1,124,492	$ 1,131,902

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Operating income	$ 339,416	$ 358,327	$ 659,901	$ 685,012
Net income (loss)	($ 9,995)	$ 13,799	$ 1,687	$ 21,510
Total comprehensive profit or loss	($ 9,995)	$ 13,799	$ 1,687	$ 21,510
Net income (loss) attributable to:				
FUCC owners	($ 8,204)	$ 11,327	$ 1,385	$ 17,657
Non-controlling interests	(1,791)	2,472	302	3,853
	($ 9,995)	$ 13,799	$ 1,687	$ 21,510
Total comprehensive profit or loss attributable to:				
FUCC owners	($ 8,204)	$ 11,327	$ 1,385	$ 17,657
Non-controlling interests	(1,791)	2,472	302	3,853
	($ 9,995)	$ 13,799	$ 1,687	$ 21,510
Cash flow				
Operating activities	$ 15,557	($ 14,206)	($ 116,163)	$ 117,815
Investing activities	(1,214)	(360)	(6,401)	(13,124)
Financing activities	4,322	(87)	134,322	(95,174)
Net cash inflow (outflow)	$ 18,665	($ 14,653)	$ 11,758	$ 9,517
Dividend paid to non-controlling interest	$ -	$ -	$ -	$ -

FIC

	6/30/2025	12/31/2024	6/30/2024
Current assets	$ 30,139	$ 29,582	$ 27,924
Noncurrent assets	1,355,854	1,379,311	1,402,389
Current liabilities	(28,669)	(23,688)	(220,085)
Noncurrent liabilities	(397,857)	(401,045)	(404,192)
Equity	$ 959,467	$ 984,160	$ 806,036
Equity attributable to:			
FUCC owners	$ 908,348	$ 931,725	$ 753,286
Non-controlling interests	51,119	52,435	52,750
	$ 959,467	$ 984,160	$ 806,036

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Operating income	$ 750	$ 750	$ 1,500	$ 1,500
Net income (loss)	($ 8,419)	($ 14,147)	($ 24,693)	($ 38,508)
Total comprehensive profit or loss	($ 8,419)	($ 14,147)	($ 24,693)	($ 38,508)
Net income (loss) attributable to:				
FUCC owners	($ 7,970)	($ 13,221)	($ 23,377)	($ 35,988)
Non-controlling interests	(449)	(926)	(1,316)	(2,520)
	($ 8,419)	($ 14,147)	($ 24,693)	($ 38,508)
Total comprehensive profit or loss attributable to:				
FUCC owners	($ 7,970)	($ 13,221)	($ 23,377)	($ 35,988)
Non-controlling interests	(449)	(926)	(1,316)	(2,520)
	($ 8,419)	($ 14,147)	($ 24,693)	($ 38,508)
Cash Flow				
Operating activities	$ 1,269	($ 3,399)	($ 3,236)	($ 16,379)
Investing activities	390	430	534	430
Financing activities	(1,558)	(6,539)	3,490	15,642
Net cash inflow (outflow)	$ 101	($ 9,508)	$ 788	($ 307)
Dividend paid to non-controlling interest	$ -	$ -	$ -	$ -

13. Investment under the equity method

	6/30/2025	12/31/2024	6/30/2024
Investment in associates	$ 71,297	$ 67,893	$ 67,321
Investment in joint venture	491,572	559,267	572,080
	$ 562,869	$ 627,160	$ 639,401

(1) Investment in associates

	6/30/2025	12/31/2024	6/30/2024
Individual insignificant associate	$ 71,297	$ 67,893	$ 67,321

Information summary of individual insignificant associate

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Profit ratio attributable to the merged company				
Net income and total comprehensive profit or loss	$ 1,946	$ 1,985	$ 3,931	$ 3,821

(2) Investment in joint venture

	6/30/2025	12/31/2024	6/30/2024
Individual insignificant joint ventures	$ 491,572	$ 559,267	$ 572,080

Information summary of individual insignificant joint venture

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Profit ratio attributable to the merged company				
Net income (lose) and total comprehensive profit or loss	($ 9,880)	$ 2,894	($ 12,640)	$ 1,786

Please refer to Appendix 6 “Invested Company Information, Place... and other Related Information” and Appendix 7 “Information on Investment in Mainland China” for the information on the business nature, main business place, and registration country of the aforementioned associates and joint ventures.

The investment under the equity method and the shares of profits and losses and other comprehensive profits and losses received from the said investment from January 1 to June 30, 2025 and 2024 are calculated based on the financial reports that have not been reviewed by CPAs.

14. Property, plant and equipment

	6/30/2025	12/31/2024	6/30/2024
Proprietary Use			
Proprietary land	$ 1,049,509	$ 1,049,509	$ 898,339
House and building	832,452	844,964	736,492
Machinery equipment	1,605,918	1,664,527	1,727,293
Transportation equipment	9,560	10,011	11,156
Leasehold Improvements	12,822	13,503	-
Other equipment	200,351	201,918	183,952
Construction in progress & equipment to be tested	21,531	19,763	10,042
	$ 3,732,143	$ 3,804,195	$ 3,567,274

Except for the recognition of depreciation expenses, there were no material additions, disposals, or impairments occurred to the property, plants and equipment of the merged company from January 1 to June 30, 2025 and 2024.

Depreciation expenses are accrued on a straight -line basis according to the following years of useful life:

House and building	
Factory main building	2~55 Years
Pipeline equipment	5~50 Years
Partition and fences/walls	2~50 Years
Machinery equipment	2~50 Years
Transportation equipment	2~30 Years
Leasehold Improvements	10 Years
Other equipment	2~30 Years

Please refer to Note 34 for the property, plant and equipment that are pledged as collateral for loans.

15. Lease Agreement

(1) Right-of-use assets

	6/30/2025	12/31/2024	6/30/2024
Book amount of right-of-use assets			
Land	$ 464,217	$ 473,235	$ 482,254
Building	47,007	51,392	5,500
Machinery equipment	328,561	307,081	260,526
Transportation equipment	9,159	10,378	5,541
	$ 848,944	$ 842,086	$ 753,821

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Addition of right-of-use assets			$ 65,405	$ 28,384
Depreciation expense of right-of-use assets				
Land	$ 4,509	$ 4,569	$ 9,018	$ 8,900
Building	2,192	126	4,384	533
Machinery equipment	3,656	11,635	10,363	15,987
Transportation equipment	902	775	1,805	1,550
	$ 11,259	$ 17,105	$ 25,570	$ 26,970

Except for the aforementioned additions and recognized depreciation expenses, there were no material sublease or impairment of the right-of-use assets of the merged company from January 1 to June 30, 2025 and 2024.

(2) Lease Liabilities

	6/30/2025	12/31/2024	6/30/2024
Book amount of lease liabilities			
Current	$ 107,779	$ 99,209	$ 71,523
Noncurrent	$ 774,608	$ 773,785	$ 709,966

The discount rate ranges for lease liabilities are as follows:

	6/30/2025	12/31/2024	6/30/2024
Land	0.85%~2.61%	0.85%~2.61%	0.85%~2.61%
Building	1.20%~1.77%	1.20%~1.77%	1.20%
Machinery equipment	1.76%~1.96%	1.76%~1.82%	1.60%~1.76%
Transportation equipment	1.40%~2.29%	1.40%~2.29%	0.85%~2.29%

(3) Other lease information

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Short-term lease expense	$ 1,038	$ 3,602	$ 5,003	$ 6,674
Low value assets lease expense	$ 79	$ 82	$ 172	$ 168
Variable lease expense excluded from the measurement of lease liability	$ 199	$ 462	$ 1,961	$ 1,020
Total lease cash (outflow)			($ 72,504)	($ 54,822)

The merged company chose to apply the recognition exemption for assets that qualify for short-term leases and those that qualify for low-value asset leases, and did not recognize related right-of-use assets and lease liabilities for such leases.

16. Investment property

	6/30/2025	12/31/2024	6/30/2024
Completed investment property	$ 42,135	$ 42,457	$ 8,990

Except for the recognition of depreciation expenses, there were no material additions, disposals, or impairments occurred to the investment property of the merged company from January 1 to June 30, 2025 and 2024.

Investment property is depreciated on a straight-line basis according to the following years of useful life:

Buildings	
Factory main building	3-60 Years

The fair value of the investment property of the merged company is determined by referring to the market price in adjacent areas. The fair values are as follows:

	6/30/2025	12/31/2024	6/30/2024
Proprietary land and buildings	$ 248,359	$ 247,087	$ 24,808

All investment property of the merged company is a proprietary equity.

Please refer to Note 34 for the investment property that is pledged as collateral for loans.

17. Goodwill

(1) Goodwill is amortized to the cash-generating units identified by the operating departments of the merged company:

	6/30/2025	12/31/2024	6/30/2024
Petroleum Resin Department	$ 91,897	$ 91,897	$ 91,897

(2) Goodwill is amortized to the identified cash-generating units of the merged company. The recoverable amount is evaluated according to the value in use, and the value in use is estimated according to the pre-tax cash flow of the financial forecast for the next five years approved by the management. Since the recoverable amount of the value in use of the Petroleum Resin Department of the merged company exceeds the

book amount, the goodwill is free of any impairment. The recoverable amounts of other departments are estimated to be less than the book amount; therefore, the accumulated impairment of goodwill recognized as of June 30, 2025, December 31, 2024, and June 30, 2024 remained at NT$2,902 thousand.

18. Intangible Assets

	6/30/2025	12/31/2024	6/30/2024
Computer software	$ 3,024	$ 1,302	$ 1,995
Others	3,999	4,571	4,571
	$ 7,023	$ 5,873	$ 6,566

Expense is amortized on a straight-line basis for a service life of 2-5 years.

19. Other Assets

	6/30/2025	12/31/2024	6/30/2024
Current			
Prepayments			
Prepaid charge	$ 33,521	$ 191,709	$ 41,224
Others	51,151	54,536	48,142
	$ 84,672	$ 246,245	$ 89,366
Noncurrent			
Prepaid equipment	$ 49,864	$ 54,383	$ 187,206
Refundable deposits	$ 6,144	$ 6,444	$ 12,515
Pledged time deposits (Note 34)	$ 27,000	$ 27,000	$ 27,000
Others	516	48,997	705
	$ 27,516	$ 75,997	$ 27,705

20. Loans

(1) Short-term loans

	6/30/2025	12/31/2024	6/30/2024
Guaranteed loans			
Bank loan	$ 165,000	$ 35,000	$ 134,000
Unguaranteed loans			
Bank loan	624,559	840,758	1,228,361
	$ 789,559	$ 875,758	$ 1,362,361

The aforementioned guaranteed loans are guaranteed by the collateral of the merged company's land and buildings (see Note 34).

The interest rates of bank revolving loans were 1.95%～5.31%,0.50%～2.40%, and 0.50%～3.23% on June 30, 2025, December 31, 2024 and June 30, 2024, respectively.

(2) Long-term loans

	6/30/2025	12/31/2024	6/30/2024
Guaranteed loans			
Bank loan	$ -	$ 155,703	$ -
Less: Long-term loan amount due in one year	-	(2,049)	-
	$ -	$ 153,654	$ -
Effective annual interest rate	-	2.38%~2.41%	-

In 2024, the merged company obtained a new secured bank loan, which is to be repaid in monthly installments over a 20-year period, with interest-only payments during the first 12 installments (grace period). The loan proceeds were used to acquire land and buildings. The secured loan is collateralized by the merged company’s own land and buildings (refer to Note 34). The merged company made an early repayment of bank borrowings in June 2025.

21. Notes payable and accounts payable

	6/30/2025	12/31/2024	6/30/2024
Notes payable			
Arising from operating activities	$ 29	$ 944	$ 1,085
Accounts Payable			
Non-related Party	$ 535,060	$ 410,699	$ 638,423
Related Party	534	-	-
	$ 535,594	$ 410,699	$ 638,423

22. Other liabilities

	6/30/2025	12/31/2024	6/30/2024
Current			
Other payables			
Salary payable	$ 143,230	$ 294,436	$ 168,840
Director remuneration payable	34,621	29,251	30,381

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	6/30/2025	12/31/2024	6/30/2024
Employee remuneration payable	36,440	33,455	32,779
Interest payable	670	860	1,044
Labor service payable	2,577	3,714	2,650
Other expense payables	126,514	154,615	146,110
Equipment payable	13,292	27,360	20,239
Dividend payable	382,078	-	286,287
Others	4,643	8,215	24,189
	$ 744,065	$ 551,906	$ 712,519
Other payable -Related party	$ 840	$ 2,190	$ 861
Other liabilities			
Contract liability	$ 29,808	$ 31,492	$ 35,916
Refund liability	16,540	4,293	13,770
Temporary credit	4	222	6
Others	10,123	7,824	11,424
	$ 56,475	$ 43,831	$ 61,116

23. Liability Reserve

	6/30/2025	12/31/2024	6/30/2024
Employee benefits	$ 25,004	$ 25,802	$ 24,431
Carbon Fee	5,781	-	11,387
	$ 30,785	$ 25,802	$ 35,818

The employee benefits are estimated according to the historical experience, the management's judgment, and other known reasons, which should be recognized in profit of loss when the rights are vested to the employees and will be offset when the employees actually take vacations in the next period.

Starting from 2025, the merged company has recognized a provision for carbon fee liability in accordance with the Carbon Fee Charging Regulations and other relevant laws in Taiwan, based on the standard rate.

24. Retirement Pension Plan

The pension expenses related to the defined benefit plan recognized from April 1 to June 30 and from January 1 to June 30, 2025 and 2024, were calculated based on the pension growth rate determined actuarially on December 31, 2024 and 2023, which were NT$2,347thousand, NT$228 thousand, NT$2,663 thousand, and NT$456 thousand, respectively.

25. Equity

(1) Common stock capital

	6/30/2025	12/31/2024	6/30/2024
Authorized stock shares (thousand shares)	900,000	900,000	900,000
Authorized capital stock	$ 9,000,000	$ 9,000,000	$ 9,000,000
Stock shared issued and paid in full (thousand shares)	477,016	477,016	477,016
Outstanding capital stock	$ 4,770,163	$ 4,770,163	$ 4,770,163

(2) Additional paid-in capital

	6/30/2025	12/31/2024	6/30/2024
Applicable for making up for losses, distributing cash, or capitalization (1)			
Stock premium	$ 50,085	$ 50,085	$ 50,085
Treasury stock trading	8,625	8,625	8,625
Difference between consideration and book amount of subsidiary's stock shares acquired or disposed	12,076	12,076	12,076
Donated assets	124	124	124
Applicable only for making up for losses(2)			
Recognition of changes in the equity of the subsidiary owned by the company	5,226	5,226	6,180
Share of Profit or Loss of Associates and Joint Ventures	3	3	-
	$ 76,139	$ 76,139	$ 77,090

1. Such additional paid-in capital can be applied to make up for losses, and can also be applied to distribute cash or be capitalized when the company has no losses. However, only a certain percentage of the pai d-in capital can be applied for capitalization every year.

2. Such additional paid-in capital is the amount of equity transaction effect recognized by the company due to the changes in the subsidiary's equity when the company has not actually acquired or disposed of the equity of a subsidiary, or it is the adjustment to the additional paid-in capital of the subsidiary under the equity method.

(3) Retained earnings and dividend policy

It was resolved in the shareholders' meeting to have the company's articles of incorporation amended on June 16, 2023, stipulating that the company's earnings distribution or loss off-setting proposal ma y be proposed at the close of each interim fiscal year.

According to the earnings distribution policy of the company's amended articles of incorporation, the company's earnings distribution or loss off-setting may be proposed at the end of each interim fiscal year. The earnings in the final accounts of each interim fiscal year, if any, should be applied to make up for the accumulated losses first, tax payable, appropriation for the estimated employee remuneration and director remuneration, and 10% legal reserve. However, the legal reserve that has reached the company's total capital is exempted, including the appropriation or reversal of special reserve according to laws and regulations or the provisions of the competent authority. For the remaining earnings, if any, and the accumulated undistributed earnings of the first half of the fiscal year, the board of directors shall prepare an earnings distribution proposal, and if it is processed with new shares issued, it shall be submitted to the shareholders' meeting for resolution, or if it is done with cash distribution, it should be resolved by the board of directors.

The earnings in the final accounts of each fiscal year, if any, should be applied to pay taxes in accordance with the law first, make up for the accumulated losses, and appropriate 10% legal reserve, except when the legal reserve amount is equivalent to the total capital. The special reserve shall be appropriated or reversed in accordance with the regulations. The special reserve and the undistributed earnings at the beginning of the same peri od shall be accumulated as distributable earnings to shareholders; also, no less than 1% of the distributable amount shall be appropriated as shareholder dividends. The earnings distribution plan should be drafted up by the board of directors and if it is to be distributed with news shares issued, it must be with the resolution reached in the shareholders' meeting in advance.

The Company authorizes the Board of Directors to distribute and paid dividends and bonuses in cash in accordance with the provisions of Article 240 of the Company Act, as well as the legal reserve and additional paid-in capital in whole or in part as defined in Article 241 of the Company Act with the consent of the majority of the directors present in the meeting that is attended by more than two-thirds of the directors; also, it should be reported to the shareholders' meeting.

According to the earnings distribution policy of the company's articles of association before the amendment, the earnings in the final accounts of each fiscal year, if any, should be applied to pay taxes in accordance with the law first, to make up for the accumulated losses, and to appropriate 10% legal reserve, except when the legal reserve amount is equivalent to the total capital. The special reserve shall be appropriated or reversed in accordance with the regulations. The special reserve and the undistributed earnings at the beginning of the same period shall be accumulated as distributable earnings to shareholders; also, no l ess than 1% of the distributable amount shall be appropriated as shareholder dividends. The earnings distribution pl an should be draft ed up by the board of directors and present ed it to the shareholders' meeting for resolutions.

Please refer to Note 27(7) Employee remuneration and director remuneration for the employee and director remuneration distribution policy stipulated in the compa y's articles of incorporation.

In addition, according to the company's Articles of Incorporation, the company may distribute 40% to 60% stock dividends in accordance with the overall capital budget plan to retain the needed funds, and the balance will be distributed in the form of cash dividends. If there is no major capital budget plan for the year or a working capital replenishment plan, all dividends can be distributed in the form of cash.

In other words, if a large amount of capital is required for the expansion and construction of the factory during the year, all dividends can be distributed in the form of stock shares.

The legal reserve shall be appropriated continuously until the balance is equal to the total paid-in capital of the company. The legal reserve can be used to make up for losses. When the company has no loss, the part of the legal reserve exceeding 25% of the tot al paid-in capital can be capitalized or applied for the distribution of cash.

For the adoption of the IFRS s for the first time, due to the selection of being subject to the exemption stated in IFRS 1 “First-time Adoption of International Financial Reporting Standards,” a special reserve is appropriated for the unrealized revaluation gains and accumulated conversion adjustments (benefits) under the shareholder ’s equity account that were transferred to retained earnings for the same amount. When the relevant assets are subsequently used, disposed of, or reclassified, the originally appropriated special reserve amount can be reversed for earnings distribution. When distributing distributable earnings, additional special reserve should be appropriated from the current profit or loss and unappropriated earnings of previous period for an amount equivalent to the difference between the net amount debited to “other equity” in the current period and the aforementioned special reserve amount. Additional special reserve should be appropriated from the unappropriated earnings of prior period for the net amount debit ed to “other equity” that is accumulated in the previous period; also, the appropriated amount cannot be distributed. If the net debit amount to the “other equity” is reversed subsequently, the special reserve can be reversed for the same amount for earnings distribution.

The company held a board of directors meeting on August 11, 2025, and resolved not to distribute the earnings for the first half of 2025.

The company’s earnings distribution in the first and second half of 2024 and 2023are as follows:

	2024		2023	
	First Half-Year	Second Half-Year	First Half-Year	Second Half-Year
Board resolution day	3/13/2025	11/8/2024	3/13/2024	11/10/2023
Legal reserve	$ 85,387	$ -	$ 41,496	$ -
Cash dividend	$ 381,613	$ -	$ 286,210	$ -
Cash dividend per share (NTD)	$ 0.80	$ -	$ 0.60	$ -

The above cash dividends have been approved by the board of directors,and the distribution of the remaining earnings for 2023 and 2022 was resolved at the shareholders' meetings held on June 16, 2025, and June 13, 2024, respectively.

(4) Other equities

1. Exchange difference from the conversion of financial statements of the foreign operations

	1/1/-6/30 2025	1/1-6/30 2024
Balance-beginning	$ 10,960	($ 6,158)
Incurred in the current year		
Exchange difference from the conversion of foreign operations	(57,556)	18,978
Income tax effect	11,511	(3,796)
Other comprehensive profit or loss of the year	(46,045)	15,182
Balance – ending	($ 35,085)	$ 9,024

2. Unrealized profit or loss in valuation of financial assets measured at fair value through other comprehensive profit or loss

	1/1/-6/30 2025	1/1-6/30 2024
Balance-beginning	$ 1,271,953	$ 770,316
Incurred in the current year		
Unrealized profit or loss Equity instrument Equity instrument	(15,928)	1,161,492
Income tax effect	27,123	(233,800)
Other comprehensive profit or loss of the year	11,195	927,692
Cumulative Gain or Loss on Disposal of Equity Instruments Transferred to Retained Earnings	(118,012)	-
Balance – ending	$ 1,165,136	$ 1,698,008

(5) Non-controlling interests

	1/1/-6/30 2025	1/1-6/30 2024
Balance – beginning	$ 269,155	$ 269,657
Net profit (loss)	(628)	1,722
Other comprehensive profit or loss of the year		
Exchange difference from the conversion of financial statements of foreign operations	-	36
Cash dividends distributed by subsidiaries to non-controlling interests	(930)	(349)
Balance - ending	$ 267,597	$ 271,066

26. Income

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Income from contracts with customers				
Commodity sales income	$ 2,185,824	$ 2,970,943	$ 4,802,027	$ 5,509,953
Labor service income	2,575	1,841	4,586	4,202
Power generation income	5,440	5,184	9,296	9,404
	$ 2,193,839	$ 2,977,968	$ 4,815,909	$ 5,523,559

(1) Contract balance

	6/30/2025	12/31/2024	6/30/2024	1/1/2024
Notes receivable (Note 10)	$ 217,434	$ 166,310	$ 228,275	$ 185,032
Total accounts receivable (Note 10)	$ 856,072	$ 1,149,928	$ 1,489,735	$ 1,091,236
Accounts receivable – related party (Note 10)	$ 262	$ 262	$ 262	$ 259
Contract liability (Note 22)				
Commodity sales	$ 29,808	$ 31,492	$ 35,916	$ 25,443

(2) Classification of income from contracts with customers

Please refer to Note 40 for the classification of income in details.

27. Net Income

(1) Interest income

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Bank deposits	$ 1,622	$ 2,028	$ 2,112	$ 2,855
Others	10	4	20	9
	$ 1,632	$ 2,032	$ 2,132	$ 2,864

(2) Other income

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Lease income				
Operating lease	$ 9,785	$ 4,977	$ 19,845	$ 5,832
Dividend income				
Equity Instrument Investments Measured at Fair Value Through Other Comprehensive Income	15,192	19,071	15,192	19,071
Others	12,200	6,809	20,430	10,210
	$ 37,177	$ 30,857	$ 55,467	$ 35,113

(3) Other profit and loss

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Financial assets profit or loss				
Financial assets mandated to be measured at fair value through profit or loss	$ 809	$ 66,640	$ 1,033	$ 120,438
Profit (loss) from the disposal of property, plant, and equipment	(54)	197	(871)	197
Net exchange profit (loss)	(55,317)	20,473	(39,724)	52,019
Others	(105)	(28)	(7,796)	(8,074)
	($ 54,667)	$ 87,282	($ 47,358)	$ 164,580

(4) Financial cost

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Interest expense				
Bank loans	$ 5,153	$ 7,885	$ 10,319	$ 16,621
Lease liability	4,669	4,244	9,356	8,170
Others	12	9	26	66
	$ 9,834	$ 12,138	$ 19,701	$ 24,857

(5) Depreciation and amortization

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Depreciation expense summarized by functions				
Operating cost	$ 51,615	$ 51,432	$ 103,129	$ 102,416
Operating expense	11,223	17,486	25,567	28,496
	$ 62,838	$ 68,918	$ 128,696	$ 130,912
Amortization expense summarized by functions				
Operating cost	$ 234	$ 172	$ 462	$ 355
Operating expense	398	1,244	867	1,336
	$ 632	$ 1,416	$ 1,329	$ 1,691

(6) Employee benefit expense

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Retirement benefits				
Defined contribution plan	$ 4,615	$ 4,632	$ 9,279	$ 9,287
Defined benefit plan (Note 24)	2,347	228	2,663	456
Other employee benefits	146,592	218,232	338,784	392,674
Total	$ 153,554	$ 223,092	$ 350,726	$ 402,417
Summarized by functions				
Operating cost	$ 105,086	$ 145,479	$ 235,277	$ 263,127
Operating expense	48,468	77,613	115,449	139,290
	$ 153,554	$ 223,092	$ 350,726	$ 402,417

(7) Remuneration to employees and directors

The company has remuneration to employees and directors appropriated for an amount equivalent to 2.5% and not higher than 2.5% of the net income before tax and before deducting the remuneration to employees and directors, respectively, in accordance with the Article of Incorporation. Pursuant to the amendment to the Securities and Exchange Act in August 2024, the Company plans to amend its Articles of Incorporation, subject to approval at the 2025 Annual General Shareholders' Meeting, to specify that employee remuneration shall be 2.50% (with no less than 0.30% of the annual profit to be allocated specifically to general employees), and director remuneration shall be no more than 2.50% of the profit before tax and before deduction of such remuneration. The remuneration to employees (including general employee remuneration) and directors for the period of January 1-June 30, 2025 and 2024 were estimated as follows:

Estimation ratio

	1/1-6/30 2025	1/1-6/30 2024
Employee remuneration	2.50%	2.50%
Director remuneration	2.50%	2.50%

Amount

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Employee remuneration	$ 1,774	$ 8,257	$ 8,394	$ 13,793
Director remuneration	$ 1,774	$ 8,257	$ 8,394	$ 13,793

The changes in the amount of the consolidated financial report after the publication date shall be processed according to the change in accounting estimates, which will be adjusted and recorded in the next year.

The employee remuneration and director remuneration for 2024 and 2023 were resolved by the board of directors on March 13, 2025 and 2024, respectively, as follows:

Amount

	2024	2023
	Cash	Cash
Employee remuneration	$ 22,607	$ 12,807
Director remuneration	21,531	12,807

There is no difference between the actual remuneration amount to employee and directors in 2024 and 2023 and the amount recognized in the 2024 and 2023 consolidated financial reports.

Please refer to the Market Observation Post System of Taiwan Stock Exchange for information on the remuneration to employees and directors resolved by the company's board of di rectors.

(8) Foreign exchange profit or loss

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Total foreign exchange profits	$ 54,330	$ 29,191	$ 76,613	$ 73,921
Total foreign exchange loss	(109,647)	(8,718)	(116,337)	(21,902)
Net profit (loss)	($ 55,317)	$ 20,473	($ 39,724)	$ 52,019

28. Income Tax

(1) Income tax recognized in profit or loss

The main components of income tax expenses are as follows:

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Current income tax				
Incurred in the current year	$ 21,794	($ 50,324)	$ 65,686	($ 20,784)
Additionally levied on unappropriated earnings	1,451	1,906	20,795	6,269
Adjustment of prior periods	(1,893)	10	(492)	(4,102)
	21,352	(48,408)	85,989	(18,617)
Deferred income tax				
Incurred in the current year	(11,446)	98,695	(3,462)	102,071
Income tax expense recognized in profit or loss	$ 9,906	$ 50,287	$ 82,527	$ 83,454

(2) Income tax recognized in other comprehensive profit or loss

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Deferred income tax				
Incurred in the current year				
－Conversion of foreign operations	($ 12,716)	($ 1,482)	($ 11,511)	$ 3,796
－Unrealized profit or loss of financial assets measured at fair value through other comprehensive profit or loss	26,059	161,763	(27,123)	233,800
Income tax recognized in other comprehensive profit or loss	$ 13,343	$ 160,281	($ 38,634)	$ 237,596

(3) Income t ax audit

The tax collection agency has the income tax returns of the company, Hershey Environmental Technology Co., Ltd., , and Great Victory Chemical Industry Co., Ltd. audited up to the year before 2022.

The tax collection agency has the income tax returns of United Performance Materials Corporation, Yongyao Energy Co., Ltd. Yongji Energy Co., Ltd., Fusugar Industry Corp., and Yung Sheng Green Power Co., Ltd. audited up to the year before 2023.

TANQUES DEL PACIFIO, S.A. had completed the 2024 income tax return filing before the deadline stipulated by the local tax collection agency.

29. Earnings per share

Unit: Thousand Shares

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Basic earnings per share	$ 0.13	$ 0.58	$ 0.53	$ 0.96
Diluted earnings per share	$ 0.13	$ 0.58	$ 0.53	$ 0.96

The calculation of the earnings per share and the weighted average number of common stock shares is as follows:

Net Income

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Net income attributable to the FUCC owners	$ 60,093	$ 274,787	$ 251,514	$ 459,668

Shares

Unit: Thousand Shares

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Weighted average number of common stock shares for the calculation of basic earnings per share	477,016	477,016	477,016	477,016
The impact of potential diluted common stock shares:				
Remuneration to employees	468	587	892	829
Weighted average number of common stock shares for the calculation of diluted earnings per share	477,484	477,603	477,908	477,845

If the company may choose to pay remuneration to employees in the form of stocks or cash, when calculating the diluted earnings per share, it is assumed that the remuneration to employees is paid in the form of stocks, and the weighted average number of outstanding shares is included in the potential diluted common stock for the calculation of the diluted earnings per share. When calculating the diluted earnings per share before the distribution of remuneration in the form of stock resolved in the shareholders meeting of the following year, the dilution effect of this potential common stock will be considered continuously.

30. Non-cash transactions

The merged company's 2024 and 2023 cash dividends of NT$381,613 thousand and NT$286,210 thousand, respectively, were resolved by the board of directors but not yet paid as of June 30, 2025 and 2024 (Please refer to Notes 22 and 25).

31. Capital risk management

The merged company initiates capital management to ensure that it can plan the needed working capital and dividend expenditure for the future under the precondition of ongoing concern and according to the industrial trait s and the future operation of the company in order to secure the company's sustainable operation, to pursue long-term profits for shareholders and stabilize business performance, and to maximize the return of shareholders' equity.

32. Financial Instruments

(1) Fair value information - financial instruments measured at fair value on a repeatability basis

1. Fair value level

6/30/2025

	Level 1	Level 2	Level 3	Total
Financial assets valued at fair value through profit or loss				
—Domestic Emerging Stocks	$ 1,200	$ -	$ -	$ 1,200
—Fund beneficiary certificates	363,792	-	-	363,792
Total	$ 364,992	$ -	$ -	$ 364,992
Financial assets valued at fair value through other profit or loss				
Equity instrument investment				
—Domestic TWSE listing stock	$ 1,300,386	$ -	$ -	$ 1,300,386
—Domestic non-TWSE/TPEx listing stock	-	33,000	242,588	275,588
—Foreign non-listing stock	-	24,656	145,468	170,124
Total	$ 1,300,386	$ 57,656	$ 388,056	$ 1,746,098

12/31/2024

	Level 1	Level 2	Level 3	Total
Financial assets valued at fair value through profit or loss				
—Fund beneficiary certificate	$ 78,531	$ -	$ -	$ 78,531
Financial assets valued at fair value through other profit or loss				
Equity instrument investment				
—Domestic TWSE listing stock	$ 1,383,492	$ -	$ -	$ 1,383,492
—Domestic Emerging Stocks	-	42,000	-	42,000
—Domestic non-TWSE/TPEx listing stock	-	32,340	240,908	273,248
—Foreign non-TWSE/TPEx listing stock	-	27,048	161,630	188,678
Total	$ 1,383,492	$ 101,388	$ 402,538	$ 1,887,418

6/30/2024

	Level 1	Level 2	Level 3	Total
Financial assets valued at fair value through profit or loss				
－Domestic TWSE listing stock	$ 122,892	$ -	$ -	$ 122,892
－Fund beneficiary certificates	50,251	-	-	50,251
Total	$ 173,143	$ -	$ -	$ 173,143
Financial assets valued at fair value through other profit or loss				
Equity instrument investment				
－Domestic TWSE listing stock	$ 1,938,856	$ -	$ -	$ 1,938,856
－Domestic non-TWSE/TPEx listing stock	-	-	222,091	222,091
－Foreign non-listing stocks	-	-	194,945	194,945
Total	$ 1,938,856	$ -	$ 417,036	$ 2,355,892

SEETEL NEW ENERGY Co., LTD. was listed on the stock exchange on June 16, 2025. J & V Energy Technology Co., Ltd. changed from innovation board to regular stock market since June 19, 2024, which fair value measurement transferred from Level 2 to Level 1.

2. Evaluation technology and input value of Level 2 fair value measurement

The fair value of domestic Emerging Stocks, domestic non-TWSE/ TPEx listed stocks and Foreign non-listing stocks is evaluated in accordance with the Market Approach.

3. Adjustment of financial instruments measured at Level 3 fair value

1/1-6/30 2025

Financial Assets	Financial Assets measured at fair value through other comprehensive profit or loss Equity instrument
Balance-beginning	$ 402,538
Recognized in other comprehensive profit or loss (unrealized profit or loss of financial assets measured at fair value through other comprehensive profit or loss)	(14,482)
Balance-ending	$ 388,056

1/1-6/30 2024

Financial Assets	Financial Assets measured at fair value through other comprehensive profit or loss Equity instrument
Balance – beginning	$ 356,567
Purchase	43,825
Recognized in other comprehensive profit or loss (unrealized profit or loss of financial assets measured at fair value through other comprehensive profit or loss)	16,644
Balance-ending	$ 417,036

4. Evaluation technology and input value for Level 3 fair value measurement

(1) Financial assets measured at fair value through other comprehensive profit or loss - domestic non-TWSE/TPEx listed company's equity investments is with its fair value estimated by referring to the comparable TWSE/ TPEx listed companies. The material unobservable input values are as follows: when multi pliers, special risk discounts, non-listing discount, and control premium increase, the fair value of these investments will also increase.

	6/30/2025	12/31/2024	6/30/2024
Weighted average capital cost rate	10.30%	10.30%	9.75%
Future value growth rate	2.00%	2.00%	2.00%
Discount adjustment	30.00%	30.00%	30.00%

If the foll owing input values are changed to reflect reasonably possible alternative assumptions, while all other input values remain unchanged, the amount of increase (decrease) in the fair value of the investment is as follows:

	6/30/2025	12/31/2024	6/30/2024
Weighted average capital cost rate			
Increased by 1%	($ 18,111)	($ 18,111)	($ 17,846)
Decreased by 1%	$ 23,146	$ 23,146	$ 23,146
Future value growth rate			
Increased by 1%	$ 18,994	$ 18,994	$ 18,552
Decreased by 1%	($ 14,754)	($ 14,754)	($ 14,224)
Discount adjustment			
Increased by 1%	($ 3,092)	($ 3,092)	($ 3,004)
Decreased by 1%	$ 3,180	$ 3,180	$ 2,915

(2) Financial assets measured at fair value through other comprehensive profit or loss – foreign non-listing company's equity investment is with its fair value and estimated in accordance with the cash flow discount method. The material unobservable input values are long-term income growth rate, weight ed average capital cost, and lack of market liquidity discount. When the weighted average capital cost increases, the fair value of these investments will decrease.

	6/30/2025	12/31/2024	6/30/2024
Long-term income growth rate	2.00%	2.00%	2.00%
Weighted average capital cost rate	7.98%	7.98%	8.66%
Liquidity discount rate	30.00%	30.00%	30.00%

If the following input values are changed to reflect reasonably possible alternative assumptions, while all other input values remain unchanged, the amount of increase (decrease) in the fair value of the investment is as follows:

	6/30/2025	12/31/2024	6/30/2024
Long-term income growth rate			
Increased by 1%	$ 22,054	$ 22,054	$ 17,291
Decreased by 1%	($ 15,735)	($ 15,735)	($ 12,776)
Weighted average capital cost rate			
Increased by 1%	($ 15,656)	($ 15,656)	($ 12,679)
Decreased by 1%	$ 21,935	$ 21,935	$ 17,152
Liquidity discount rate			
Increased by 1%	($ 2,309)	($ 2,309)	($ 2,064)
Decreased by 1%	$ 2,309	$ 2,309	$ 2,064

(2) Types of financial instruments

	6/30/2025	12/31/2024	6/30/2024
Financial assets			
Measured at fair value through profit or loss			
Mandated to be measured at fair value through profit or loss	$ 364,992	$ 78,531	$ 173,143
Measured at the amortized cost (Note 1)	1,820,656	1,923,314	2,381,310
Measured at fair value through other comprehensive profit or loss			
Equity instrument investment	1,746,098	1,887,418	2,355,892
Financial liabilities			
Measured at the amortized cost (Note 2)	2,070,087	1,997,200	2,726,636

Note 1: The balance amount includes cash, financial assets measured at the amortized cost, notes receivable, net accounts receivable, accounts receivable-related parties, other receivables, other receivables-related parties, refundable deposit, and other financial assets, and financial assets that are measured at the amortized cost.

Note 2: The balance amount includes short -term loans, notes payable, accounts payable, accounts payable-related parties, other payable, other payable-related parties, long-term loans due within one year and long-t erm loans, and other financial liabilities that are measured at the amortized cost.

(3) Financial risk management objectives and policies

The main financial instruments of the merged company include cash, equity instrument investment, accounts receivable, accounts payable, loans, and l ease liabilities. The financial management department of the merged company provides services to all business units, plans and coordinates entering the domestic and international financial markets, and supervises and manages the financial risks related to the operations of the merged company with the internal risk report on the risk exposure analyzed in accordance with the degree and breath of risk. These risks include market risk (including exchange rat e risk, interest rate risk, and other price risk), credit risk, and liquidity risk.

1. Market risk

The main financial risks from the operating activities of the merged company are the risk of changes in foreign currency exchange rates (see (1) below) and the risk of changes in interest rates (see (2) below).

The merged company's market risk exposure related to financial instrument and the management and measurement of such risk exposure remain unchanged.

(1) Exchange rate risk

The exchange rate risk management of the merged company is mainly for the purpose of hedging risks, and it does not conduct financial instrument transactions for speculative purposes. The exchange rate risk management strategy is to regularly review the net positions of asset s and liabilities in various currencies, and conduct risk management on the net positions.

Please refer to Note 38 for the book value of monetary assets and monetary liabilities denominated in non-functional currencies of the merged company on the balance sheet date (including monetary items denominated in non-functional currencies that have been off-set in the consolidated financial statements).

Sensitivity Analysis

The merged company is mainly affected by fluctuations in the exchange rates of US dollar and JPY.

The exchange rate risk of monetary items of the merged company mainly comes from the foreign currency-denominated bank deposits, receivable and payable, other receivable and payable, and bank loans that are outstanding on the balance sheet date and have not been hedged for cash flow with foreign currency exchange gains and losses resulted in conversion. The sensitivity ratio applied when reporting exchange rate risk to the management within the merged company refers to 1% exchange rate appreciation or depreciation, which is the reasonably possible range of changes in foreign currency exchange rat es estimated by the management. When the NT dollar appreciated by 1% against foreign currencies in between January 1 and June 30, 2025 and 2024, and all other factors remained unchanged, the net income before tax or equity would decrease by NT$3,361 thousand and NT$11,788 thousand, respectively. On the contrary, when the NT dollar depreciated by 1% against foreign currencies, its impact on net income before tax or equity would be for the same negative amount. The analysis of the two periods is performed on the same basis.

The management believes that a sensitivity analysis cannot represent the inherent risk of exchange rates, because foreign currency risk exposure on the balance sheet date cannot reflect the mid-term risk exposure.

(2) Interest rate risk

The merged company borrows funds at fixed interest rate and floating interest rates at the same time with interest rate risk exposure resulted.

The book amount of the financial assets and financial liabilities of the merged company with interest rate risk exposure on the balance sheet date are as follows:

	6/30/2025	12/31/2024	6/30/2024
Contained fair value interest rate risk			
— Financial Assets	$ 86,500	$ 86,500	$ 50,000
— Financial Liabilities	972,388	992,994	1,134,490
Contained cash flow interest rate risk			
— Financial Assets	542,198	398,608	454,731
— Financial Liabilities	699,558	911,461	1,009,362

Sensitivity Analysis

The sensitivity analysis below is based on the interest rate risk exposure of the non-derivative instruments on the balance sheet date. For floating rate assets and liabilities, the analysis is based on the assumption that the amount of assets and liabilities that were outstanding on the balance sheet date remained outstanding throughout the reporting period. The interest rate change ratio at the time of reporting interest rates to the management of the merged company internally is an increase or decrease by 100 points, which represents the management's evaluation of the reasonably possible range of changes in interest rates.

If the interest rate increased by 100 points and all other variables remained unchanged, the merged company's net income before tax between January 1 and June 30, 2025 and 2024, would decrease by NT$787 thousand and NT$2,773 thousand, respectively; on the contrary, if the interest rate decreased by 100 points, its impact on net income before tax would be for the same negative amount, mainly due to the net position of the merged company's variable interest rate deposits and variable interest rate loans.

(3) Other price risk

The merged company suffers equity price risk exposure due to equity securities investment. Such equity securities investment is not held for trading but as a strategic investment. The merged company did not actively trade these investments, but assigned relevant personnel to monitor price risks and evaluate when to increase the hedging positions.

Sensitivity Analysis

The following sensitivity analysis is based on the equity price risk exposure on the balance sheet date.

If the equity price increased/decreased by 1%, the profit or loss before tax between January 1-June 30, 2025 and 2024, would increase/decrease by NT$3,650 thousand and

NT$1,731 thousand, respectively, due to the increase/ decrease in the fair value of financial assets measured at fair value through profit or loss. The other comprehensive profit or loss before tax between January 1-June 30, 2025 and 2024, would increase/decrease by NT$17,461 thousand and NT$23,559 thousand, respectively, due to the increase/ decrease in the fair value of financial assets measured at fair value through other comprehensive profit or loss.

2. Credit risk

Credit risk refers to the risk that the counterpart y of the transaction defaults on contractual obligations and causes financial losses to the merged company. As of the balance sheet date, the maximum credit risk exposure of the merged company that may cause financial losses due to the counterparty's failure in performing its obligations is mainly derived from the book amount of financial assets recognized in the consolidated balance sheet.

The accounts receivable is to be collected from many customers, different industries, and broad geographic regions. The merged company continues to evaluate the financial status of customers for accounts receivable.

In addition, since the counterparties of current funds and derivative financial instruments are financial institutions and corporate organization with good credit ratings, the credit risk is limited.

3. Liquidity Risk

The merged company manages and maintains sufficient cash to support the merged company's operations and reduce the impact of cash flow fluctuations. The management of the merged company supervises the use of bank loan commitments and ensures the compliance with the loan contract terms.

Bank loans are an import ant source of liquidity to the merged company. Please refer to the description of (2) loan commitments below for the loan commitments available to the merged company as of June 30, 2025, December 31 and June 30 of 2024.

(1) Non-derivative financial liabilities liquidity and interest rate risk list

The agreed payment period for the remaining non-derivative financial liabilities of the merged company is analyzed in the following table. It is based on the earliest possible repayment date of the merged company and the undiscounted cash flow of financial liabilities, including the cash flow from the interest and principal.

The bank loans of the merged company that may be request ed to be repaid immediately are those with the earliest repayment date in the table below, regardless of the probability of the bank's immediately enforcing the right. The maturity analysis of other non-derivative financial liabilities is compiled in accordance with the agreed repayment date.

For interest cash flows paid at floating interest rates, the undiscounted amount of interest is derived from the yield curve on the balance sheet date.

6/30/2025

	Pay on demand or pay within 1 year	1-2 years	2-5 years	Over 5 years
Non-derivative financial liabilities				
Non-interest-bearing liabilities	$ 1,280,528	$ -	$ -	$ -
Lease liabilities	125,217	123,770	285,624	599,107
Floating interest rate instrument	703,437	-	-	-
Fixed interest rate instrument	90,093	-	-	-
	$ 2,199,275	$ 123,770	$ 285,624	$ 599,107

12/31/2024

	Pay on demand or pay within 1 year	1-2 years	2-5 years	Over 5 years
Non-derivative financial liabilities				
Non-interest-bearing liabilities	$ 965,739	$ -	$ -	$ -
Lease liabilities	116,444	109,360	287,790	616,787
Floating interest rate instrument	764,240	11,783	34,173	142,336
Fixed interest rate instrument	120,149	-	-	-
	$ 1,966,572	$ 121,143	$ 321,963	$ 759,123

6/30/2024

	Pay on demand or pay within 1 year	1-2 years	2-5 years	Over 5 years
Non-derivative financial liabilities				
Non-interest-bearing liabilities	$ 1,364,275	$ -	$ -	$ -
Lease liabilities	87,298	84,563	244,570	624,663
Floating interest rate instrument	1,016,400	-	-	-
Fixed interest rate instrument	354,276	-	-	-
	$ 2,822,249	$ 84,563	$ 244,570	$ 624,663

(2) Loan commitments

	6/30/2025	12/31/2024	6/30/2024
Unguaranteed bank loan commitments			
- Loan commitments applied	$ 624,559	$ 840,758	$ 1,228,361
- Loan commitments not yet applied	4,125,441	3,809,242	3,351,639
	$ 4,750,000	$ 4,650,000	$ 4,580,000
Guaranteed bank loan commitments			
- Loan commitments applied	$ 165,000	$ 190,703	$ 134,000
- Loan commitments not yet applied	45,000	205,000	175,000
	$ 210,000	$ 395,703	$ 309,000

33. Related party transactions

The transactions, account balances, income, expenses, and losses between the merged company and related part y are all written-off at the time of merger; therefore, the y are not disclosed in this note. The transactions between the merged company and other related parties are as follows.

(1) Name and relationship of related parties

Name of Related Party	Relationship with the merged company
Defia Co., Ltd. (Defia)	Associate
Pei Ting Energy Ltd. (Pei Ting Energy)	Associate
Dun Qian Intelligent Technology Co., Ltd. (Dun Qian Intelligent)	Associate
Check inn hospitality management corporation (Check inn)	Associate

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Name of Related Party	Relationship with the merged company
Chang Chun FUCC (Changshu) (Chang Chun FUCC)	Joint venture
Soft Industry Corp.（SIC）	Joint venture
Shin Ben Industrial Co., Ltd. (Shin Ben)	Other related party (the chairman of the company serves as a director of Shin Ben)
Hsin Chuang Sportsware Corp.(Hsin Chuang)	Other related party(Under the same Chairman as the Company)
Shin Shing Chemical Corp. (Shin Shing)	Other related party(Under the same Chairman as the Company)
Meiluan Investment Co., Ltd. (Meiluan Investment)	Other related party (the chairman of the company serves as a supervisor of Meiluan Investment)

(2) Operating income

Account	Classification of related party	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Sales income	Joint venture	$ 94,362	$ -	$ 116,665	$ 40,386
Processing income	Associate	$ 750	$ 750	$ 1,500	$ 1,500

The price and payment term for the transactions conducted with the related party are equivalent to those for other non-related parties, except for the 1~2 months credit term.

(3) Purchase

Account	Classification of related party	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Purchase	Joint venture	$ -	$ 16,534	$ -	$ 26,529

The price and payment term for the transactions conducted with the related party are equivalent to those for other non-related parties, except for the 1-month credit term.

(4) Receivables from related parties

Account	Classification/ Name of Related Party	6/30/2025	12/31/2024	6/30/2024
Receivable – related party	Associate / Defia	$ 262	$ 262	$ 262
Other receivable – related party	Associate / Defia	$ 21	$ 71	$ -
	Joint Venture /SIC	-	-	2,673
		$ 21	$ 71	$ 2,673

No guarantee is received for the outstanding accounts receivable from related parties. The receivables from related party on 6/30/2025, 12/31/2024, and 6/30/2024, were without any allowance for losses appropriated.

(5) Payable to related parties (excluding borrowing from related parties)

Account	Classification/ Name of Related Party	6/30/2025	12/31/2024	6/30/2024
Account payable — Related party	Associate/ Pei Ting Energy Ltd	$ 534	$ -	$ -
Other payable — Related party	Associate/ Defia	$ 68	$ 1,542	$ 476
	Associate/ Pei Ting Energy Ltd	307	648	307
	Other related party/ Meiluan Investment	465	-	78
		$ 840	$ 2,190	$ 861

No guarantee is provided for the outstanding payable to related parties.

(6) Prepaid land (booked in the "prepaid equipment"account)

Classification/ Name of Related Party	6/30/2025	12/31/2024	6/30/2024
Other related party / Shin Ben	$ -	$ -	$ 148,768

A contract for the trade of land and buildings in Wanhua District, Taipei City was signed with Shin Ben Industrial Co., Ltd. in 2020. The transaction price was determined with reference to an appraisal report and finalized through negotiations between both parties. Payments were made in accordance with the contract terms and construction progress. The assets were reclassified to property, plant and equipment in September 2024.

(7) Prepayment

Classification of related party	6/30/2025	12/31/2024	6/30/2024
Other related party	$ -	$ -	$ 628

(8) Acquisition of Property, Plant and Equipment

Classification of related party	Purchase Price 1/1-6/30 2025	Purchase Price 1/1-6/30 2024
Associate	$ 2,350	$ -

(9) Proceeds from disposal of property, plant and equipment

Classification of related party	處分價款 1/1 – 6/30 2025	處分價款 1/1 – 6/30 2024	處分損失 1/1 – 6/30 2025	處分損失 1/1 – 6/30 2024
Other related party	$ 3	$ -	($ 7)	$ -

(10) Lease agreement

Account	Classification/ Name of Related Party	6/30/2025	12/31/2024	6/30/2024
Current lease liabilities	Other related party	$ 7,564	$ 7,497	$ -
Non-current lease liabilities	Other related party	$ 35,590	$ 39,389	$ -

Account	Classification/ Name of Related Party	6/30/2025	12/31/2024	6/30/2024
Finance costs	Other related party	$ 196	$ -	$ 401
Rental Expenses (Recorded as Administrative Expenses)	Other related party	$ 48	$ -	$ 48

In July 2024, the merged company entered into lease agreements with Shin Ben Industrial Co., Ltd., Hsin Chuang Sportsware Corp., and Mei Lun Investment Limited Co. for office spaces located on Liouzhou Street, Wanhua District, Taipei City. Each lease term is 6 years, and the rental payments, determined through mutual agreement with reference to market rates, are fixed and payable quarterly in accordance with the lease agreements.

Rental expenses include short-term lease expenses, low-value asset lease expenses, and variable lease payments that are not dependent on an index or rate.

(11) Lease agreement

Operating Lease

The merged company leased out the right-of-use of its offices located on Liouzhou Street, Wanhua District, Taipei City, and on Section 2, Nanjing East Road, Zhongshan District, Taipei City, as well as parking spaces, to related parties under operating leases, with a remaining lease term of approximately 5 years.

The total amount of lease payment to be collected in the future is summarized as follows:

Classification of related party	6/30/2025	12/31/2024	6/30/2024
Associate	$ 28,235	$ 5,117	$ -

The rental income is summarized as follows:

Classification of related party	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Associate	$ 2,078	$ -	$ 2,606	$ -

(12) Manufacturing Overheads

Account	Related Party	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Manufacturing Overheads	Associate	$ 320	$ -	$ 742	$ -

(13) Other income

Account	Related Party	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Other income	Associate	$ 163	$ -	$ 183	$ -

(14) Endorsements and guarantees

Please refer to Note 35(2) for details.

(15) Remunerations to key management

	4/1-6/30 2025	4/1-6/30 2024	1/1-6/30 2025	1/1-6/30 2024
Short-term employee benefits	$ 18,258	$ 24,944	$ 39,375	$ 44,388
Retirement benefits	560	572	1,116	1,144
	$ 18,818	$ 25,516	$ 40,491	$ 45,532

The remuneration to directors and other key management personnel is determined in accordance with personal performance evaluation and market trends.

34. Pledged assets

The following assets of the merged company have been provided as collateral for the bid bonds of procurement, financings, and loan commitments:

	6/30/2025	12/31/2024	6/30/2024
Property, plant and equipment			
Proprietary land	$ 944,383	$ 886,777	$ 825,787
House and building	737,968	747,740	668,284
Investment property			
Proprietary land	983	983	983
Other noncurrent assets-pledged time deposits	27,000	27,000	27,000
	$ 1,710,334	$ 1,662,500	$ 1,522,054

35. Material contingent liabilities and unrecognized contractual commitments

The material commitments and contingencies of the merged company on the balance sheet date are as follows:

(1) The merged company issued a letter of credit for material procurement with an outstanding balance of NT$392,000, NT$282,000, and NT$292,000 thousand as of June 30, 2025, December 31, 2024, and June 30, 2024, respectively. The Company also issued letter in the amount of US$2,534 thousand, US$250 thousand, and US$1,071 thousand; and issued letter of credit in EUR in the amount of EUR 1,219 thousand, EUR 1,219 thousand, and EUR 0 in circulation.

(2) Making of endorsement and guarantee for bills:

1. As of June 30, 2025, December 31, 2024, and June 30, 2024, the amounts of notes issued by the merged company as endorsements/guarantees for Fusugar Industry Corp. were NT$0 thousand, NT$0 thousand, and NT$69,000 thousand, respectively. These endorsements/guarantees have been approved by the board

of directors of the merged company, and the actual amounts utilized were NT$0 thousand, NT$0 thousand, and NT$69,000 thousand, respectively.

2. Hershey Environmental Technology Co., Ltd. made endorsements/ guarantees for the company with a bill issued for an amount of NT$3,950 thousand as of June 30, 2025, December 31, 2024, and June 30, 2024, respectively, which were resolved and approved by the board of directors of Hershey Environmental Technology Co., Ltd., and the actual amount implemented was NT$3,950 thousand, respectively.

(3) The contract for the property, plant and equipment signed by the merged company without the payment made amounted to NT$0 thousand, NT$0 thousand, and NT$160,693 thousand as of June 30, 2025, December 31, 2024, and June 30, 2024, respectively. Please refer to Note 33 (6) for details.

36. Material post events

None.

37. Other matters

None.

38. Foreign-currency-denominated assets and liabilities that have significant influence

The following information is summarized and expressed in foreign currencies other than the functional currencies of each business entity of the merged companies. The disclosed exchange rates refer to the exchange rates for the conversion of the foreign currencies into functional currencies. The material and influential assets and liabilities in foreign currency are as follows:

6/30/2025

	Foreign currency	Exchange Rate	Book Amount
Asset in foreign currency			
Monetary items			
USD	$ 28,520	29.2500 (USD: NTD)	$ 834,217
JPY	55,124	0.2014 (JYP: NTD)	11,102
Non-Monetary items			
Financial assets measured at fair value through other comprehensive profit or loss - noncurrent			
RMB	35,558	4.0910 (RMB: NTD)	145,468
USD	842	29.3000 (USD: NTD)	24,656
Associate and joint venture under the equity method			
VND	169,310,462	0.0011 (VND : NTD)	186,242
RMB	74,598	4.0930 (RMB: NTD)	305,330
Liability in foreign currency			
Monetary items			
USD	17,350	29.3500 (USD: NTD)	509,211

12/31/2024

Asset in foreign currency	Foreign currency	Exchange Rate	Book Amount
Monetary items			
USD	$ 30,873	32.7350 （USD：NTD）	$ 1,010,612
JPY	79,812	0.2079 （JPY：NTD）	16,593
Non-monetary items			
Financial assets measured at fair value through other comprehensive profit or loss - noncurrent			
RMB	36,094	4.4780 （RMB：NTD）	161,630
USD	825	32.7850 （USD：NTD）	27,048
Associate and joint venture under the equity method			
VND	157,661,102	0.0013 （VND：NTD）	204,959
RMB	77,686	4.5608 （RMB：NTD）	354,308
Liabilities in foreign currency			
Monetary items			
USD	4,395	32.8350 （USD：NTD）	144,313

6/30/2024

Asset in foreign currency	Foreign currency	Exchange Rate	Book Amount
Monetary items			
USD	$ 48,385	32.4000 (USD: NTD)	$ 1,567,692
Non-monetary items			

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	Foreign currency	Exchange Rate	Book Amount
Financial assets measured at fair value through Other comprehensive profit or loss - noncurrent			
RMB	37,939	4.4450 (RMB: NTD)	168,640
USD	825	31.8850 (USD: NTD)	26,305
Associate and joint venture under the equity method			
VND	155,103,667	0.0013 (VND : NTD)	201,635
RMB	81,359	4.5532 (RMB: NTD)	370,445
Liabilities in foreign currency			
Monetary items			
USD	11,284	32.5000 (USD: NTD)	366,737
EUR	414	34.9100 (EUR: NTD)	14,450
JPY	37,770	0.2037 (JPY: NTD)	7,694

The merged company mainly bears the exchange rate risk of New Taiwan Doll ar. The following information is summarized and expressed in the functional currencies of each business entity holding foreign currencies. The disclosed exchange rates refer to the exchange rates for the conversion of the functional currencies in to the expressing currency. The material and influential foreign exchange gai ns and losses (realized and unrealized) are as follows:

	4/1-6/30 2025		4/1-6/30 2024	
Functional currency	Functional currency converted to expressing currency	Net exchange loss	Functional currency converted to expressing currency	Net exchange profit
NTD	1 (NTD: NTD)	($ 55,317)	1 (NTD: NTD)	$20,473

	1/1-6/30 2025		1/1-6/30 2024	
Functional currency	Functional currency converted to expressing currency	Net exchange loss	Functional currency converted to expressing currency	Net exchange profit
NTD	1 (NTD: NTD)	($ 39,724)	1 (NTD: NTD)	$ 52,019

39. Supplementary disclosures

(1) Material transaction related information

1. Loaning of funds (Appendix 1).
2. Making of endorsements/guarantees (Appendix 2).
3. The significant marketable securities held at yearend (excluding investment in the equity of the subsidiaries, associates, and joint venture) (Appendix 3)
4. The amount of goods purchased from and sold to the related party exceeding NT$100 million or 20% of the paid-in capital (Appendix 4)
5. The amount of receivables from the related party exceeding NT$100 million or 20% of the paid-in capital (None)
6. Others: Business relationship and important transactions and transaction amount conducted between the parent company and subsidiaries and among the subsidiaries (Appendix 5)

(2) Reinvestment related information (Appendix 6):

(3) Information on investment in Mainland China

1. The name of the invest d company, main business operations, paid-in capital, investment methods, capital remittances inwards and out wards, shareholding ratio, investment profit or loss, yearend investment book amount, investment profit or loss remitted inward, and limits of investment in Mainland China (Appendix 7).
2. The following material transactions, prices, payment terms, and unrealized profit or loss occurred directly or indirectly with the invest ed company in mainland China through the third region: (Note 33)
   (1) The purchase amount and percentage and the yearend balance and percentage of related payable;
   (2) The sales amount and percentage, and the yearend balance and percentage of related receivable;
   (3) The amount of property transactions and the amount of profit or loss resulted;
   (4) The endorsement/ guarantee of the bill or the yearend balance of the collateral and its purpose;

(5) The maximum balance, yearend balance, interest rate range, and total current interest of the loans;

(6) Other transactions that have a material impact on the current profit or loss or financial status, such as the labor service provided or received... etc.

40. Department information

Information is provided to the main business decision-makers for allocating resources and evaluating departmental performance with a focus on each type of product or service delivered or provided. The Alkylation Manufacturing Department and the Petroleum Resin Manufacturing Department of the merged company must be reported. The Alkylation Manufacturing Department mainly produces alkylbenzene and Nonyl Phenol. The Petroleum Resin Manufacturing Department mainly produces petroleum resin products. The company has other departments that have not reached the quantitative threshold, which are mainly engaged in the manufacturing and sales of pesticides, the processing and manufacturing of petrochemical engineering...etc.

Department al income and operating results

The income and operating results of the merged company should be analyzed according to the reporting department as follows:

January 1-June 30, 2025

	Alkylation	Petroleum Resin	Others	Total
Income from external customers	$ 3,879,189	$ 624,520	$ 312,200	$ 4,815,909
Inter-department income	130,134	213,675	8,596	352,405
Departmental income	$ 4,009,323	$ 838,195	$ 320,796	5,168,314
Internal write-off				(352,405)
Consolidated income				$ 4,815,909
Departmental profit or loss	$ 344,466	($ 21,153)	$ 18,809	$ 342,122
Percentage of profit or loss from associates and joint venture under the equity method				(8,709)
Net income before tax				$ 333,413

January 1-June 30, 2024

	Alkylation	Petroleum Resin	Others	Total
Income from external customers	$ 4,557,515	$ 645,027	$ 321,017	$ 5,523,559
Inter-department income	113,462	133,296	9,763	256,521
Departmental income	$ 4,670,977	$ 778,323	$ 330,780	5,780,080
Internal write-off				(256,521)
Consolidated income				$ 5,523,559
Departmental profit or loss	$ 538,239	($ 10,087)	$ 11,085	$ 539,237
Percentage of profit or loss from associates and joint venture under the equity method				5,607
Net income before tax				$ 544,844

Formosan Union Chemical Corporation and Subsidiaries

Loaning of Funds

January 1 – June 30, 2025

Appendix 1

Unit: NT$ Thousand

No.	Lending Company	Borrower	Account	A related party or not	Maximum Balance - current	Ending balance	Actual loan amount	Interest rate range	Nature of loaning of funds	Transaction amount	Reason for short-term loaning of funds	Appropriation of allowance for bad debt	Collateral		Individual loaning of fund limit	Total loaning of fund limit	Remarks
													Name	Value			
1	United Performance Materials Corporation	Fusugar Industry Corp.	Other receivable – related party	Yes	$ 50,000	$ 50,000	$ 4,000 (Note 6)	3.244%	Needs for short-term loans	$ -	Working capital	$ -	-	$ -	$ 112,618 (Note 1)	$ 225,236 (Note 2)	
2	Hershey Environmental Technology Co., Ltd.	Fusugar Industry Corp.	Other receivable – related party	Yes	40,000	40,000	-	Note 5	Needs for short-term loans	-	Working capital	-	-	-	63,870 (Note 3)	127,740 (Note 4)	

Note 1: The loaning of fund to individual borrower is limited to 10% of the net value of United Performance Materials Corporation, that is, NT$1,126,179×10%＝$112,618.

Note 2: The tot al loaning of fund is limited to 20% of the net value of United Performance Materials Corporation, that is, NT1,126,179×20%＝$225,236.

Note 3: The loaning of fund to individual borrower is limit to 10% of the net value of Hershey Environmental Technology Co., Ltd., that is, NT$638,699×10%＝$63,870.

Note 4: The tot al loaning of fund is limit to 20% of the net value of Hershey Environmental Technology Co., Ltd., that is, NT$638,699×20%＝$127,740

Note 5: The calculation is based on the benchmark interest rate of the Bank of Taiwan on the loan implementing date.

Note 6: It is offset during the preparation of the consolidated financial statements.

Formosan Union Chemical Corporation and Subsidiaries

Making of Endorsements/Guarantees

January 1 – June 30, 2025

Appendix 2

Unit: NT$ Thousand

No.	Endorsing/ Guaranteeing company	Endorsed/guaranteed party		Single endorsement / guarantee limit	Maximum endorsement / guarantee balance of the year	Endorsement / guarantee balance - ending	Actual endorsement / guarantee amount	Endorsement / guarantee secured with property provided as collateral	Ratio of cumulative endorsement / guarantee amount to the net worth in the latest financial report (%)	Maximum endorsement / guarantee limit	Making of endorsement / guarantee by parent company for subsidiary	Making of endorsement / guarantee by subsidiary for parent company	Endorsement / guarantee made in Mainland China	Remarks
		Company	Relation											
1	Hershey Environmental Technology Co., Ltd.	Formosan Union Chemical Corporation	3	$ 127,740 (Note 2)	$ 3,950	$ 3,950	$ 3,950	$ 3,950	0.62%	$ 319,350 (Note 3)	No	Yes	No	

Note 1: There are 7 types of relationship between the endorsing/guaranteeing company and the endorsed/guaranteed company. Please indicate the type of relationship:

(1) A company with which it does business;

(2) A company in which the company directly or indirectly holds more than 50% of the voting shares;

(3) A company that directly and indirectly holds more than 50% of the voting shares of the company;

(4) A company with more than 90% of the voting shares held by the company directly or indirectly;

(5) Where a company fulfills its contractual obligations by providing mutual endorsements/ guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project;

(6) Where all capital contributing shareholders make endorsements/ guarantees for their jointly invest ed company in proportion to their shareholding percentages;

(7) Where companies in the same industry provide among themselves joint and several guarantee for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other;

Note 2: The making of endorsement/ guarantee amount for one single enterprise is limited to 20% of the net worth of Hershey Environmental Technology Co., Ltd., that is, NT $638,699×20%＝$127,740.

Note 3: The maximum endorsement/ guarantee amount is limited to 50% of the net worth of Hershey Environmental Technology Co., Ltd., that is, NT$638,699×50%＝$319,350

Formosan Union Chemical Corporation and Subsidiaries

Marketable Securities Held at Yearend

June 30, 2025

Appendix 3

Unit: NT$ Thousand

Holding Company	Type and name of marketable securities	Relationship with security issuer	Accounts	Yearend				Remarks
				Shares/Units	Book Amount	Shareholding Ratio (%)	Market Price	
Formosan Union Chemical Corporation	Kenwell Industrial Pte Ltd. / Stock	—	Financial assets measured at fair value through other comprehensive profit or loss - noncurrent	4,927,717.00	$ 145,468	19.74%	$ 145,468	
Formosan Union Chemical Corporation	TXOne Networks Inc. / Stock	—	Financial assets measured at fair value through other comprehensive profit or loss - noncurrent	150,000.00	24,656	0.22%	24,656	
Formosan Union Chemical Corporation	J&V Energy Technology Co., Ltd. / Stock	—	Financial assets measured at fair value through other comprehensive profit or loss - noncurrent	7,056,318.00	1,157,236	5.12%	1,157,236	
Formosan Union Chemical Corporation	Seetel New Energy Co., Ltd. / Stock	—	Financial assets measured at fair value through other comprehensive profit or loss - noncurrent	700,000.00	143,150	1.40%	143,150	
Formosan Union Chemical Corporation	Skymizer Taiwan Inc. / Stock	—	Financial assets measured at fair value through other comprehensive profit or loss - noncurrent	82,500.00	33,000	1.83%	33,000	
Formosan Union Chemical Corporation	Greenet co., ltd. / Stock	—	Financial Assets at Fair Value Through Profit or Loss – Current	15,000.00	1,200	0.10%	1,200	
Formosan Union Chemical Corporation	Union Money Market Fund/ beneficiary certificate	—	Financial Assets at Fair Value Through Profit or Loss – Current	25,270,028.30	350,465	-	350,465	Note 1
Great Victory Chemical Industry Co., Ltd	Sino-Japan Chemical Co., Ltd. / Stock	—	Financial assets measured at fair value through other comprehensive profit or loss - noncurrent	88,345.00	220,068	6.10%	220,068	
Great Victory Chemical Industry Co., Ltd.	Global Cooperation Development Corp. / Stock	—	Financial assets measured at fair value through other comprehensive profit or loss - noncurrent	500,000.00	5,000	21.74%	5,000	
Great Victory Chemical Industry Co., Ltd.	InnoRs Biotechnology Co., Ltd. / Stock	—	Financial assets measured at fair value through other comprehensive profit or loss - noncurrent	1,168,000.00	17,520	14.78%	17,520	
Great Victory Chemical Industry Co., Ltd.	Capital Money Market Fund / beneficiary certificate	—	Financial assets measured at fair value through profit or loss - current	786,352.80	13,327	-	13,327	Note 1

Note 1: The market price of fund beneficiary certificates is estimated according to the net value of fund asset on June 30, 2025.

Note 2: Please refer to Appendix 6 and 7 for the information on the investment in subsidiaries, associates, and joint ventures.

Formosan Union Chemical Corporation and Subsidiaries

The amount of goods purchased from and sold to the related party exceeding NT$100 million or 20% and more of the paid-in capital

January 1 – June 30, 2025

Appendix 4

Unit: NT$ Thousand

Buying (selling) company	Name of Counterparty	Relation	Transactions				Different trade terms from general trading conditions and the reasons		Notes and accounts receivables (payables)		Remarks
			Purchase (sale)	Amount	Ratio to total purchase (sale)	Credit period	Unit Price	Credit period	Balance	Ratio to total notes and accounts receivable (payable)	
Formosan Union Chemical Corporation	United Performance Materials Corporation	Subsidiary	Sale	$ 181,049 (Note 1)	5.04%	1～2 Months	Contract Price／Equivalent to general trade term	1～2 Months	$ 21,805	2.86%	Note 3
United Performance Materials Corporation	Formosan Union Chemical Corporation	Parent Company	Purchase	181,049 (Note 2)	29.59%	1～2 Months	Contract Price／Equivalent to general trade term	1～2 Months	(21,805)	24.21%	Note 3
Formosan Union Chemical Corporation	Chang Chun FUCC	Joint venture	Sale	116,665	3.25%	1 Months	Contract Price／Equivalent to general trade term	1 Months	-	-	

Note 1: Including processing income of NT$178,294 thousand and sales income of NT$2,755 thousand.

Note 2: Including processing expense of NT$178,294 thousand and purchase NT$2,755 thousand.

Note 3: All the aforementioned transactions have been written off at the time of preparing the consolidated financial statements.

Formosan Union Chemical Corporation and Subsidiaries

Business relationships and important transactions between the parent company and subsidiaries and among the subsidiaries

January 1 – June 30, 2025

Appendix 5

Unit: NT$ Thousand

No. (Note 1)	Name of Trader	Counterparty	Relationship with the trader (Note 2)	Transactions			
				Account	Amount	Trade Terms	Ratio to consolidated total income or total assets (%)
0	Formosan Union Chemical Corporation	United Performance Materials Corporation	1	Accounts receivable	$ 21,805	Equivalent to general trade term	-
0	Formosan Union Chemical Corporation	United Performance Materials Corporation	1	Accounts payable	5,738	Equivalent to general trade term	-
0	Formosan Union Chemical Corporation	United Performance Materials Corporation	1	Purchase	32,369	Equivalent to general trade term	1%
0	Formosan Union Chemical Corporation	United Performance Materials Corporation	1	Sales	2,755	Equivalent to general trade term	-
0	Formosan Union Chemical Corporation	United Performance Materials Corporation	1	Processing income	178,294	Contract price	4%
0	Formosan Union Chemical Corporation	Hershey Environmental Technology Co., Ltd.	1	Accounts receivable	7,925	Equivalent to general trade term	-
0	Formosan Union Chemical Corporation	Hershey Environmental Technology Co., Ltd.	1	Accounts payable	19,774	Equivalent to general trade term	-
0	Formosan Union Chemical Corporation	Hershey Environmental Technology Co., Ltd.	1	Other payable	3,491	Equivalent to general trade term	-
0	Formosan Union Chemical Corporation	Hershey Environmental Technology Co., Ltd.	1	Sales	35,659	Equivalent to general trade term	1%
0	Formosan Union Chemical Corporation	Hershey Environmental Technology Co., Ltd.	1	Processing expense	75,640	Contract price	2%
0	Formosan Union Chemical Corporation	Hershey Environmental Technology Co., Ltd.	1	Rent income	9,075	Contract price	-
0	Formosan Union Chemical Corporation	Hershey Environmental Technology Co., Ltd.	1	Rent expense	19,689	Contract price	-
0	Formosan Union Chemical Corporation	Great Victory Chemical Industry Co., Ltd.	1	Other Income	4,248	Equivalent to general trade term	-
1	United Performance Materials Corporation	Hershey Environmental Technology Co., Ltd.	3	Other payable	1,684	Equivalent to general trade term	-
1	United Performance Materials Corporation	Hershey Environmental Technology Co., Ltd.	3	Purchase	2,220	Equivalent to general trade term	-
1	United Performance Materials Corporation	Hershey Environmental Technology Co., Ltd.	3	Sales	3,012	Equivalent to general trade term	-
1	United Performance Materials Corporation	Hershey Environmental Technology Co., Ltd.	3	Rent expense	7,903	Contract price	-
1	United Performance Materials Corporation	Fusugar Industry Corp.	3	Other receivable	4,013	Equivalent to general trade term	-
2	Hershey Environmental Technology Co., Ltd.	Great Victory Chemical Industry Co., Ltd.	3	Accounts receivable	5,115	Equivalent to general trade term	-
2	Hershey Environmental Technology Co., Ltd.	Great Victory Chemical Industry Co., Ltd.	3	Sales	13,860	Equivalent to general trade term	-
3	TANQUES DEL PACIFIO, S.A.	Formosan Union Chemical Corporation	2	Rent income	8,596	Contract price	-

Note 1: The business transaction information between the parent company and its subsidiaries should be indicated in the respective column. The manager of filling the respective column is as follows:

(1) Fill in “0” to stand for the parent company.

(2) Subsidiaries are numbered sequentially starting from Arabic numerals “1” in an orderly fashion.

Note 2: 1 denotes the parent company to the subsidiary, 2 denotes the subsidiary to the parent company, and 3 denotes the subsidiary to subsidiary.

Note 3: All the aforementioned transactions have been written off at the time of preparing the consolidated financial statements.

Formosan Union Chemical Corporation and Subsidiaries

Invested company information, location, and other related information

January 1 – June 30, 2025

Appendix 6

Unit: NT$ Thousand

Investing Company	Invested Company	Location	Main Business Operations	Original Investment Amount		Held at yearend			Investment profit (loss) of the invested company in current year	Investment profit (loss) recognized in current year	Remarks
				End of this year	End of last year	Shares	Ratio (%)	Book Amount			
Formosan Union Chemical Corporation	United Performance Materials Corporation	Taipei City	Manufacturing, processing, and trading of petroleum resins, polyester resins, Melamine resins, plaque resins, urea resins, alkyd resins, acetate resins, butyl acrylate resins, and aromatic hydrocarbon fluxes.	$ 603,812	$ 603,812	72,202,200	80.25%	$ 985,215	$ 1,687	$ 1,402	Note 1
Formosan Union Chemical Corporation	Hershey Environmental Technology Co., Ltd.	Taipei City	Planning and design of petrochemical engineering, installation and trading of machinery equipment, distribution of domestic liquefied petroleum gas, repair and maintenance and inspection of steel. cylinders.	510,211	510,211	50,000,000	100.00%	607,260	38,021	38,316	Note 2
Formosan Union Chemical Corporation	Fusugar Industry Corp.	Taichung City	Petrochemical raw materials, synthetic resins, rubber and plastics, other chemical products manufacturing and wholesale, and sugar manufacturing.	2,016,555	2,016,555	97,395,974	90.52%	868,478	(24,693)	(22,351)	Note 1
Formosan Union Chemical Corporation	Great Victory Chemical Industry Co., Ltd.	Taipei City	Manufacturing and sales of pesticides.	401,364	401,364	19,800,000	100.00%	1,117,643	37,792	37,792	Note 2
Formosan Union Chemical Corporation	TANQUES DEL PACIFIO, S.A.	Guatemala	Warehouse silo lease.	28,513	28,513	900	100.00%	25,458	1,399	463	Note 2
Formosan Union Chemical Corporation	Defia Co., Ltd.	Taipei City	Engaged in food trading and bakery.	3,000	3,000	300,000	20.00%	17,931	12,157	2,431	Note 2
Formosan Union Chemical Corporation	Sheng Hua Development Co., Ltd.	Taoyuan City	Engaged in the trading of residential and commercial property and land development.	36,000	36,000	36,000	10.00%	35,736	(600)	(60)	Note 2 and Note 4
Formosan Union Chemical Corporation	Pei Ting Energy Ltd	Taichung City	Solar photovoltaic system construction, maintenance, and operation, and agent of Huawei products.	3,500	3,500	350,000	35.00%	13,338	6,782	2,374	Note 2
Formosan Union Chemical Corporation	DUN-QIAN Intelligent Technology Co., Ltd.	Taichung City	Hotel operation and real estate property management, combined with automated machinery equipment, and the development of online booking platforms.	5,000	5,000	200,000	0.06%	2,542	(29,646)	(814)	Note 2 and Note 5

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Investing Company	Invested Company	Location	Main Business Operations	Original Investment Amount		Held at yearend			Investment profit (loss) of the invested company in current year	Investment profit (loss) recognized in current year	Remarks
				End of this year	End of last year	Shares	Ratio (%)	Book Amount			
Formosan Union Chemical Corporation	Altus new energy co., ltd.	Taichung City	Energy technology services, self-consumption renewable energy power generation equipment, solar thermal equipment installation projects, and wholesale of electronic materials.	$ 1,750	$ -	$ 175,000	35.00%	$ 1,750	$ -	$ -	Note 2
Formosan Union Chemical Corporation	Chang Chun FUCC (Changshu)	Changshu	Engaged in the production, processing, and sales of nonylphenol, dinonylphenol and olefin fuel oil products; also, provided technical and consulting services related to self-produced products; engaged in the wholesale, warehousing and commission agency of general chemicals (Except auctions), and import and export business.	429,031	429,031	-	50.00%	305,330	(29,831)	(14,916)	Note 2
Formosan Union Chemical Corporation	Soft Industry Corp.	Vietnam	Engaged in the manufacturing, processing, and trading of alkylbenzene and sulfonic acid.	192,414	192,414	-	46.20%	186,242	6,517	2,276	Note 2
United Performance Materials Corporation	Fusugar Industry Corp.	Taichung City	Manufacturing and wholesale of petrochemical raw materials, synthetic resins, rubber and plastics, and other chemical products, and sugar manufacturing.	29,913	29,913	1,076,872	1.00%	9,602	(24,693)	(247)	Note 1
Hershey Environmental Technology Co., Ltd.	United Performance Materials Corporation	Taipei City	Manufacturing, processing, and trading of petroleum resins, polyester resins, Melamine resins, plaque resins, urea resins, alkyd resins, acetate resins, butyl acrylate resins, and aromatic hydrocarbon fluxes.	23,858	23,858	1,216,088	1.35%	20,358	1,687	26	Note 1
Hershey Environmental Technology Co., Ltd.	Yongyao Energy Co., Ltd.	Taipei City	Manufacturing of batteries, electronic components, power generation, transmission, and power distribution machinery, and electronic materials trading (energy technology service).	68,400	68,400	6,840,000	100.00%	73,574	1,769	1,769	Note 2
Hershey Environmental Technology Co., Ltd.	Yongji Energy Co., Ltd.	Taipei City	Thermal energy supply industry, cleaning products wholesale industry, and installation and wholesale industry of electrical appliances, machinery… etc.	3,878	3,878	387,840	50.00%	7,021	372	186	Note 2

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Investing Company	Invested Company	Location	Main Business Operations	Original Investment Amount		Held at yearend			Investment profit (loss) of the invested company in current year	Investment profit (loss) recognized in current year	Remarks
				End of this year	End of last year	Shares	Ratio (%)	Book Amount			
Great Victory Chemical Industry Co., Ltd.	United Performance Materials Corporation	Taipei City	Manufacturing, processing, and trading of petroleum resins, polyester resins, Melamine resins, plaque resins, urea resins, alkyd resins, acetate resins, butyl acrylate resins, and aromatic hydrocarbon fluxes.	$ $8,472	$ 8,472	$ 436,800	0.49%	$ 5,468	$ 1,687	8	Note 1
Great Victory Chemical Industry Co., Ltd.	Fusugar Industry Corp.	Taichung City	Manufacturing and wholesale of petrochemical raw materials, synthetic resins, rubber and plastics, and other chemical products, and sugar manufacturing.	94,287	94,287	3,394,332	3.15%	30,267	(24,693)	(779)	Note 1
Great Victory Chemical Industry Co., Ltd.	Yung Sheng Green Power Co., Ltd.	Taipei City	Manufacturing of batteries, electronic components, power generation, transmission, and power distribution machinery, and electronic materials trading (energy technology service).	3,100	3,100	310,000	50.00%	5,619	400	200	Note 2

Note 1: It is calculated based on the financial statements of the invested companies that have been reviewed by CPAs of the same period and the company's shareholding ratio, and takes into account the amortization of discount and premium.

Note 2: It is calculated based on the financial statements of the invested companies that have not been reviewed by CPA for the same period and the company's shareholding ratio, and takes into account the amortization of discount and premium, unrealized gains and losses from inter-company transactions, the impact of gains and losses on right-of-use assets…etc.

Note 3: Except for Delphia, Shenghua Development, Pei Ting Energy Ltd., DUN-QIAN Intelligent Technology Co., Ltd., Altus New Energy Co., Ltd., Chang Chun FUCC, and SIC, the gains and losses from reinvestments and the net equity value from the invested companies under the equity method have all be written off.

Note 4: Since the Company is a corporator of Shenghua Development Co., Ltd., and accounts for 25% of Shenghua's director seats, the Company also participates in operational decisions with material influence on Shenghua; therefore, Shenghua is an associate of the Company and is booked as investment under the equity method.

Note 5: The Company has significant influence on the operational decisions of DUN-QIAN Intelligent Technology Co., Ltd. DUN-QIAN Intelligent Technology Co., Ltd. is an associate of the Company and therefore is booked as investment under the equity method.

Note 6: Refer to Appendix 7 for information on the invested companies in Mainland China.

Formosan Union Chemical Corporation and Subsidiaries

Information on investment in Mainland China

January 1 to June 30, 2025

Appendix 7

Unit: NT$ thousand,
Unless otherwise provide

Name of the invested company in Mainland China	Main business operations	Paid-in capital (Note 2)	Investment method	Cumulative investment amount remitted outward from Taiwan at the beginning of the year (Note 2)	Investment amount remitted inward or outward in current year		Cumulative investment amount remitted outward from Taiwan at yearend (Note 2)	Profit (loss) of the invested company in current year	Direct or indirect investment ratio of the company	Investment profit (loss) recognized in current year	Book value of investment at yearend	Investment profit or loss remitted inward at yearend	Remarks
					Remitted outward	Remitted inward							
Zhangjiagang Trans-Ocean Enterprise Co., Ltd.	The loading, unloading, storage, re-packaging, transfer, and sales of chemical oil esters and other products, and other related businesses.	$ 718,436 (US$24,520 thousand)	Investment in the companies in Mainland China through the company's setup in the third region.	$ 58,922 (US$2,011 thousand)	$ -	$ -	$ 58,922 (US$ 2,011 thousand)	$ 29,830 (RMB 6,801 thousand)	10.86%	$ -	$ 145,468	$ 150,942	Note 3
Chang Chun FUCC (Changshu)	Engaged in the production, processing, and sales of nonylphenol, dinonylphenol and olefin fuel oil products; also, providing technical and consulting services related to self-produced products; engaged in the wholesale, warehousing and commission agency of general chemicals (except auctions), and import and export business.	820,400 (US$28,000 thousand)	Direct investment in Mainland China.	410,200 (US$14,000 thousand)	-	-	410,200 (US$ 14,000 thousand)	(29,831)	50.00%	(14,916) (Note 1)	305,330	-	

Cumulative investment amount remitted outward from Taiwan to Mainland China at the end of current period	Investment amount approved by the Investment Commission MOEA	Limits on the investment in Mainland China according to the Investment Commission, MOEA
$ 469,122 (US$16,011 thousand)	$ 505,454 (US$17,251 thousand)	$ 5,343,413

Note 1: It is calculated according to the financial statements not reviewed by CPAs during this period.

Note 2: Except for the investment profit or loss recognized in the current year that is calculated at the average exchange rate from January 1 to June 30, 2025, the rest is calculated at the spot exchange rate at the end of June, 2025.

Note 3: Since the investment in Zhangjiagang Trans-Ocean Enterprise Co., Ltd. is arranged through Kenwell Industrial Pte. Ltd., while Kenwell Industrial Pte. Ltd. is a financial asset measured at fair value through other comprehensive profit or loss, there is no shareholding in associates and joint ventures under the equity method nor is there shareholding in other comprehensive profit or loss.