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Grand Pacific Petrochemical Corporation and Its Subsidiaries

Consolidated Financial Statements

For the Six Months Ended June 30, 2024 and 2023 and

Independent Auditors’ Review Report

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Grand Pacific Petrochemical Corporation and Its Subsidiaries
Consolidated Financial Statements for the Six Months Ended, 2024

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Independent Auditors' Review Report

To: Grand Pacific Petrochemical Corporation

Preface

We have reviewed the consolidated financial statements of Grand Pacific Petrochemical Corporation and its subsidiaries (the "Group"), which comprise the consolidated balance sheets as of June 30, 2024 and 2023, the consolidated statements of comprehensive income for the three months ended June 30, 2024 and 2023, and for the six months ended June 30, 2024 and 2023, consolidated statements of changes in equity, and consolidated statements of cash flows for the six months ended June 30, 2024 and 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies (together "Consolidated Financial Statements"). Management is responsible for the preparation and fair presentation of the Consolidated Financial Statements in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and International Accounting Standards 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission R.O.C. (Taiwan). Our responsibility is to express a conclusion on the Consolidated Financial Statements based on our reviews.

Scope

Except for the items mentioned in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with Standards on Review Engagement No. 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of Consolidated Financial Statements consists of making inquiries (primarily of persons responsible for financial and accounting matters) and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As mentioned in Note 4.3-2 and Note 6.12 of the Consolidated Financial Statements, the amount shown in the financial statements of insignificant subsidiaries included in the Consolidated Financial Statements and the related information disclosed in Note 13 of the Consolidated Financial Statements were prepared based on financial statements not reviewed of the respective companies in the corresponding periods. The amount of total assets of such subsidiaries as of June 30, 2024 and 2023 was $1,520,769 thousand and $1,513,513 thousand, respectively, which accounted for 2.31% and 2.54% of the total consolidated assets, respectively. The amount of total liabilities was $810,031 thousand and $625,914 thousand, respectively, which accounted for 2.82% and 2.48% of the total consolidated liabilities, respectively. The amount of total comprehensive income (loss) for three months ended June 30, 2024 and 2023, and for the six months ended June 30, 2024 and 2023 were ($45,300) thousand, ($19,258) thousand, ($52,215) thousand and ($16,802) thousand, respectively, which accounted for (19.36%), 1.66%, (8.96%) and 1.28% of the total consolidated comprehensive income (loss), respectively. The related investment balances of equity-method investees were $8,558,504 thousand and $9,011,121 thousand as of June 30, 2024 and 2023, respectively, and the consolidated net income (loss) recognized under the equity method for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023 were ($107,961) thousand, ($910,509) thousand, ($642,406) thousand and ($854,495) thousand, respectively. ◦

Qualified Conclusion

Based on our reviews, except for the potential effects of adjustments and disclosures on the Consolidated Financial Statements if the financial statements of the insignificant subsidiaries as mentioned in the Basis for Qualified Conclusion section and the related information disclosed in Note 13 of the Consolidated Financial Statements were reviewed by CPA, nothing has come to our attention that caused us to believe that the accompanying Consolidated Financial Statements do not present fair, in all material respects the consolidated position of the Group as of June 30, 2024 and 2023, and its consolidated financial performance for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023 and its consolidated cash flows for the six months ended June 30, 2024 and 2023 in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission R.O.C. (Taiwan).

The engagement partners on the reviews resulting in this independent auditors' review report are

Lin, Chih-Lung and Wang, Wu-Chang.

Crowe (TW) CPAs

Taipei, Taiwan

Republic of China

August 12, 2024

<u>*Notice to Readers*</u>

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

For the convenience of readers, the independent auditors' review report and the accompanying Consolidated Financial Statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' review report and Consolidated Financial Statements shall prevail.

Grand Pacific Petrochemical Corporation and Its Subsidiaries

Consolidated Balance Sheets

As of June 30, 2024, December 31, 2023 and June 30, 2023

Unit: Thousands of New Taiwan Dollars

		June 30, 2024		December 31, 2023		June 30, 2023	
Code	Assets	Amount	%	Amount	%	Amount	%
11xx	Current Assets	$ 17,381,414	26	$ 16,107,111	26	$ 15,587,941	26
1100	Cash and cash equivalents (Note 6.1)	4,559,810	7	4,726,354	8	5,888,318	10
1110	Financial assets at FVTPL – current (Note 6.2)	342,507	1	216,288	-	123,090	-
1140	Contract assets - current (Note 6.41)	35,130	-	15,861	-	14,791	-
1150	Notes receivable, net (Note 6.3)	302,336	-	297,589	1	290,404	-
1170	Accounts receivable, net (Note 6.4)	1,896,928	3	1,372,695	2	1,287,401	2
1180	Accounts receivable - related parties (Note 6.4, Note 7)	1,716	-	1,507	-	1,439	-
1200	Other receivables (Note 6.5)	115,155	-	100,340	-	109,499	-
1210	Other receivables - related parties (Note 7)	-	-	-	-	25,329	-
1220	Current-period income tax assets	840	-	549	-	381	-
1310	Inventories, net (Note 6.6)	2,916,073	4	2,073,662	3	1,622,598	3
1410	Prepayments (Note 6.7)	2,642,367	4	2,454,739	4	2,254,271	4
1476	Long-term liabilities due within one year (Note 6.8, Note 8)	4,461,067	7	4,742,620	8	3,872,052	7
1479	Other current assets - other (Note 6.9)	107,485	-	104,907	-	98,368	-
15xx	Noncurrent Assets	48,404,207	74	45,861,296	74	43,929,040	74
1510	Financial assets at FVTPL - noncurrent (Note 6.10)	37,501	-	15,157	-	7,200	-
1517	Financial assets at FVTOCI - noncurrent (Note 6.11)	4,910,018	8	4,297,847	7	4,219,128	7
1550	Investments accounted for using equity method (Note 6.12)	8,558,504	13	8,709,741	14	9,011,121	15
1600	Property, plant and equipment (Note 6.13, Note 8)	23,007,469	35	21,658,256	35	19,757,273	33
1755	Right-of-use assets (Note 6.14)	3,994,988	6	3,830,333	6	3,778,477	7
1760	Investment properties, net (Note 6.15)	713,761	1	716,204	1	718,668	1
1780	Intangible assets (Note 6.16)	1,392,666	2	1,298,398	2	1,266,172	2
1840	Deferred income tax assets	663,716	1	436,061	1	313,092	1
1915	Prepayments for equipment (Note 6.17)	4,910,800	8	4,750,586	8	4,663,032	8
1920	Refundable deposits (Note 6.18)	32,063	-	28,774	-	30,840	-
1975	Net defined benefit assets - noncurrent (Note 6.31)	82,735	-	78,449	-	73,396	-
1980	Other financial assets - noncurrent (Note 6.19, Note 8)	1,000	-	1,000	-	1,000	-
1990	Other noncurrent assets – other (Note 6.20)	98,986	-	40,490	-	89,641	-
1xxx	Total Assets	$ 65,785,621	100	$ 61,968,407	100	$ 59,516,981	100

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Grand Pacific Petrochemical Corporation and Its Subsidiaries

Consolidated Balance Sheets

As of June 30, 2024, December 31, 2023 and June 30, 2023

Unit: Thousands of New Taiwan Dollars

Code	Liabilities and Equity	June 30, 2024 Amount	%	December 31, 2023 Amount	%	June 30, 2023 Amount	%
21xx	Current Liabilities	$ 13,755,953	21	$ 8,612,164	14	$ 5,537,130	9
2100	Short-term borrowings (Note 6.21)	4,207,191	7	1,900,000	3	2,659,334	4
2110	Short-term notes and bills payable (Note 6.22)	799,541	1	699,695	1	299,908	1
2130	Contract liabilities - current (Note 6.41)	69,227	-	33,558	-	49,595	-
2150	Notes payable (Note 6.23)	73,108	-	68,984	-	53,561	-
2170	Accounts payable (Note 6.23)	1,441,362	2	1,729,359	3	1,175,121	2
2200	Other payables (Note 6.24)	685,099	1	848,132	2	1,016,906	2
2220	Other payables - related parties (Note 7)	1,247	-	320	-	1,840	-
2230	Current-period income tax liabilities	11,967	-	42,988	-	37,554	-
2250	Provisions - current (Note 6.25)	19,145	-	18,870	-	28,198	-
2280	Lease liabilities - current (Note 6.14)	234,842	-	224,521	-	198,936	-
2310	Advance receipts (Note 6.26)	1,008	-	993	-	2,637	-
2320	Long-term liabilities due within one year (Note 6.28)	6,177,383	10	3,004,810	5	5,837	-
2399	Other current liabilities – other (Note 6.27)	34,833	-	39,934	-	7,703	-
25xx	Noncurrent Liabilities	14,990,484	23	16,840,642	27	19,696,980	33
2540	Long-term borrowings (Note 6.28)	10,618,124	16	12,715,509	20	15,704,815	26
2550	Provisions - noncurrent (Note 6.29)	82,920	-	81,759	-	81,044	-
2570	Deferred income tax liabilities	1,094,281	2	1,089,449	2	1,096,751	2
2580	Lease liabilities - noncurrent (Note 6.14)	3,145,748	5	2,913,652	5	2,777,816	5
2630	Long-term deferred income (Note 6.30)	8,840	-	4,302	-	-	-
2640	Net defined benefit liability - noncurrent (Note 6.31)	9,899	-	9,287	-	10,342	-
2645	Guarantee deposits received (Note 6.32)	8,480	-	4,492	-	4,020	-
2670	Other noncurrent liabilities - other (Note 6.33)	22,192	-	22,192	-	22,192	-
2xxx	Total Liabilities	28,746,437	44	25,452,806	41	25,234,110	42
31xx	Equity attributable to owners of the parent						
3100	Share capital (Note 6.35)	11,266,203	17	11,266,203	18	9,266,203	16
3110	Common shares	11,066,203	17	11,066,203	18	9,066,203	16
3120	Preferred shares	200,000	-	200,000	-	200,000	-
3200	Capital surplus (Note 6.36)	1,071,733	2	1,071,541	2	198,879	-
3300	Retained earnings (Note 6.37)	21,308,886	32	22,049,110	36	22,657,365	38
3310	Legal reserve	3,170,794	5	3,170,794	5	3,170,794	5
3320	Special reserve	1,644,420	2	1,642,556	3	1,642,556	3
3350	Unappropriated retained earnings	16,493,672	25	17,235,760	28	17,844,015	30
3400	Other equity interest (Note 6.38)	74,936	-	(1,095,724)	(2)	(1,107,038)	(2)
3410	Exchange differences on translation of the financial statements of foreign operations	123,454	-	(716,522)	(1)	(716,639)	(1)
3420	Unrealized gains or losses on financial assets at FVTOCI	(48,518)	-	(379,202)	(1)	(390,399)	(1)
3500	Treasury stocks (Note 6.39)	(49,858)	-	(49,858)	-	(49,858)	-
31xx	Total equity attributable to owners of the parent	33,671,900	51	33,241,272	54	30,965,551	52
36xx	Non-controlling interests (Note 6.40)	3,367,284	5	3,274,329	5	3,317,320	6
3xxx	Total Equity	37,039,184	56	36,515,601	59	34,282,871	58
3x2x	Total Liabilities and Equity	$ 65,785,621	100	$ 61,968,407	100	$ 59,516,981	100

(The accompanying notes form an integral part of the consolidated financial statements)

Grand Pacific Petrochemical Corporation and Its Subsidiaries
Consolidated Statements of Comprehensive Income
Three Months Ended June 30, 2024 and 2023 and Six Months Ended June 30, 2024 and 2023

Unit: Thousands of New Taiwan Dollars

Code	Item	April 1, 2024 to June 30, 2024 Amount	%	April 1, 2023 to June 30, 2023 Amount	%	January 1, 2024 to June 30, 2024 Amount	%	January 1, 2023 to June 30, 2023 Amount	%
4000	Operating revenue (Note 6.41)	$ 5,053,146	100	$ 3,887,038	100	$ 8,308,369	100	$ 8,105,018	100
5000	Operating costs (Note 6.6, Note 6.46)	(4,897,089)	(97)	(3,933,018)	(101)	(7,973,169)	(96)	(7,965,519)	(98)
5900	Gross profit (loss) from operations	156,057	3	(45,980)	(1)	335,200	4	139,499	2
6000	Operating expenses (Note 6.46)	(482,844)	(9)	(381,948)	(10)	(887,190)	(11)	(747,175)	(9)
6100	Selling expenses	(110,422)	(2)	(68,633)	(2)	(179,687)	(2)	(137,471)	(2)
6200	Administrative expenses	(362,417)	(7)	(304,199)	(8)	(701,254)	(9)	(596,171)	(7)
6300	Research and development expenses	(9,874)	-	(7,979)	-	(17,796)	-	(16,998)	-
6450	Reversal gains (loss) on expected credit impairment (Note 6.4)	(131)	-	(1,137)	-	11,547	-	3,465	-
6900	NET OPERATING INCOME (LOSS)	(326,787)	(6)	(427,928)	(11)	(551,990)	(7)	(607,676)	(7)
	Non-operating income and expenses								
7100	Interest income (Note 6.42)	58,476	1	51,589	1	111,438	1	107,668	1
7010	Other income (Note 6.43)	38,024	1	67,192	2	43,578	1	99,815	1
7020	Other gains and losses (Note 6.44)	1,707	-	(136,714)	(4)	(51,466)	(1)	(79,146)	(1)
7050	Finance costs (Note 6.45)	(50,690)	(1)	(35,557)	(1)	(90,810)	(1)	(69,525)	(1)
7060	Share of profit or loss of associates and joint ventures under equity method (Note 6.12)	(51,113)	(1)	(326,662)	(8)	(364,430)	(4)	(414,384)	(5)
7000	Total non-operating income and expenses	(3,596)	-	(380,152)	(10)	(351,690)	(4)	(355,572)	(5)
7900	INCOME (LOSS) BEFORE INCOME TAX FROM CONTINUING OPERATIONS	(330,383)	(6)	(808,080)	(21)	(903,680)	(11)	(963,248)	(12)
7950	INCOME TAX (EXPENSE) BENEFIT (Note 6.51)	50,914	1	116,179	3	145,338	2	144,709	2
8200	NET INCOME (LOSS)	(279,469)	(5)	(691,901)	(18)	(758,342)	(9)	(818,539)	(10)
	OTHER COMPREHENSIVE INCOME (LOSS)								
	Items that will not be reclassified subsequently to profit or loss								
8316	Unrealized measurement gains or losses on equity instruments measured at FVTOCI (Note 6.11)	264,454	5	77,104	2	490,843	6	16,170	-
8310	Total items that will not be reclassified to profit or loss	264,454	5	77,104	2	490,843	6	16,170	-
	Items that may be reclassified subsequently to profit or loss								
8361	Exchange differences from translation of the financial statement of foreign operations (Note 6.38)	294,482	6	(62,292)	(2)	1,072,450	12	(155,073)	(2)
8370	Share of other comprehensive income of associates and joint ventures under equity method - items that may be reclassified subsequently to profit or loss (Note 6.12)	(56,848)	(1)	(583,847)	(15)	(277,976)	(3)	(440,111)	(5)
8399	Income tax related to items that may be reclassified subsequently to profit or loss (Note 6.51)	11,369	-	102,396	3	55,595	1	88,022	1
8360	Total items that may be reclassified subsequently to profit or loss	249,003	5	(543,743)	(14)	850,069	10	(507,162)	(6)
8300	Total other comprehensive income (loss) for the period, net of income tax	513,457	10	(466,639)	(12)	1,340,912	16	(490,992)	(6)
8500	TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	$ 233,988	5	($ 1,158,540)	(30)	$ 582,570	7	($ 1,309,531)	(16)

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Code	Item	April 1, 2024 to June 30, 2024 Amount	%	April 1, 2023 to June 30, 2023 Amount	%	January 1, 2024 to June 30, 2024 Amount	%	January 1, 2023 to June 30, 2023 Amount	%
8600	Net income (loss) attributable to：								
8610	Owners of the parent	($ 256,012)	(5)	($ 686,110)	(18)	($ 740,224)	(9)	($ 823,952)	(10)
8620	Non-controlling interests (Note 6.40)	(23,457)	-	(5,791)	-	(18,118)	-	5,413	-
		($ 279,469)	(5)	($ 691,901)	(18)	($ 758,342)	(9)	($ 818,539)	(10)
8700	Total comprehensive income (loss) attributable to:								
8710	Owners of the parent	$ 199,096	4	($ 1,136,479)	(29)	$ 430,436	5	($ 1,287,341)	(16)
8720	Non-controlling interests (Note 6.40)	34,892	1	(22,061)	(1)	152,134	2	(22,190)	-
		$ 233,988	5	($ 1,158,540)	(30)	$ 582,570	7	($ 1,309,531)	(16)
	Earnings (loss) per common share: (in dollars) (Note 6.52)								
9750	Basic earnings (loss) per share	($ 0.23)		($ 0.76)		($ 0.67)		($ 0.92)	

(The accompanying notes form an integral part of the consolidated financial statements)

Grand Pacific Petrochemical Corporation and Its Subsidiaries

Consolidated Statements of Changes in Equity

Six Months Ended June 30, 2024 and 2023

Unit: Thousands of New Taiwan Dollars

Code	Item	Share capital		Capital surplus	Retained Earnings			Other Equity		Treasury stocks	Equity attributable to owners of the parent	Non-controlling interests	Total equity
		Common shares	Preferred shares		Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences from translation of the financial statements of foreign operations	Unrealized gains or losses on financial assets at FVTOCI				
A1	Balance, January 1, 2023	$ 9,066,203	$ 200,000	$ 201,866	$ 3,170,794	$ 1,640,828	$ 19,165,201	($ 213,390)	($ 429,414)	($ 49,858)	$ 32,752,230	$ 3,355,611	$ 36,107,841
	Appropriation and distribution of 2022 earnings:												
B1	Set aside legal reserve	-	-	-	-	1,728	(1,728)	-	-	-	-	-	-
B5	Cash dividends for common shares	-	-	-	-	-	(453,310)	-	-	-	(453,310)	(12,912)	(466,222)
B7	Cash and stock dividends for special shares	-	-	-	-	-	(22,000)	-	-	-	(22,000)	-	(22,000)
D1	Profit (loss) covering January 1 ~ June 30, 2023	-	-	-	-	-	(823,952)	-	-	-	(823,952)	5,413	(818,539)
D3	Other comprehensive income (loss), after tax, covering January 1 ~ June 30, 2023	-	-	-	-	-	-	(502,404)	39,015	-	(463,389)	(27,603)	(490,992)
M5	Difference between the actual acquisition or disposal price and the carrying value of equity in a subsidiary	-	-	845	-	-	-	(845)	-	-	-	-	-
M7	Changes in ownership interests in subsidiaries	-	-	(3,960)	-	-	(20,196)	-	-	-	(24,156)	24,156	-
N1	Share-based payment transactions of subsidiaries	-	-	128	-	-	-	-	-	-	128	129	257
O1	Changes in non-controlling interest (Note 6.40)	-	-	-	-	-	-	-	-	-	-	(14,743)	(14,743)
T1	Cash dividends distribution from subsidiaries	-	-	-	-	-	-	-	-	-	-	(12,731)	(12,731)
Z1	Balance, June 30, 2023	$ 9,066,203	$ 200,000	$ 198,879	$ 3,170,794	$ 1,642,556	$ 17,844,015	($ 716,639)	($ 390,399)	($ 49,858)	$ 30,965,551	$ 3,317,320	$ 34,282,871
A1	Balance, January 1, 2024	$ 11,066,203	$ 200,000	$ 1,071,541	$ 3,170,794	$ 1,642,556	$ 17,235,760	($ 716,522)	($ 379,202)	($ 49,858)	$ 33,241,272	$ 3,274,329	$ 36,515,601
	Appropriation and distribution of 2023 earnings:												
B1	Set aside special reserve	-	-	-	-	1,864	(1,864)	-	-	-	-	-	-
D1	Profit (loss) covering January 1 ~ June 30, 2024	-	-	-	-	-	(740,224)	-	-	-	(740,224)	(18,118)	(758,342)
D3	Other comprehensive income (loss), after tax, covering January 1 ~ June 30, 2024	-	-	-	-	-	-	839,976	330,684	-	1,170,660	170,252	1,340,912
N1	Share-based payment transactions of subsidiaries (Note 6.34)	-	-	192	-	-	-	-	-	-	192	195	387
O1	Changes in non-controlling interest (Note 6.40)	-	-	-	-	-	-	-	-	-	-	(30,973)	(30,973)
T1	Cash dividends distribution from subsidiaries	-	-	-	-	-	-	-	-	-	-	(28,401)	(28,401)
Z1	Balance, June 30, 2024	$ 11,066,203	$ 200,000	$ 1,071,733	$ 3,170,794	$ 1,644,420	$ 16,493,672	$ 123,454	($ 48,518)	($ 49,858)	$ 33,671,900	$ 3,367,284	$ 37,039,184

(The accompanying notes form an integral part of the consolidated financial statements)

Grand Pacific Petrochemical Corporation and Its Subsidiaries
Consolidated Statements of Cash Flows
Six Months Ended June 30, 2024 and 2023

Unit：Thousands of New Taiwan Dollars

Code	Item	January 1, 2024 to June 30, 2024	January 1, 2023 to June 30, 2023
AAAA	CASH FLOWS FROM OPERATING ACTIVITIES:		
A00010	Net profit (loss) before tax from continuing operations	($ 903,680)	($ 963,248)
A20000	Adjustments:		
A20010	Income/gain or expense/loss items not affecting cash flows		
A20100	Depreciation expense (including depreciation of right-of-use assets and investment properties)	370,256	398,883
A20200	Amortization expense	247,679	224,442
A20400	Net loss (gain) on financial assets and liabilities measured at FVTPL	(6,819)	(882)
A20900	Interest expense	90,810	69,525
A21200	Interest income	(111,438)	(107,668)
A21300	Dividend income	(3,336)	(2,919)
A21900	Share-based compensation cost (Note 6.34)	387	257
A22300	Share of loss of associates and joint ventures under equity method	364,430	414,384
A22500	Net gain on disposal of property, plant and equipment	(6)	(1,361)
A22600	Property, plant and equipment transferred to expenses	14,947	8,393
A22900	Gains (losses) on disposal of right-to-use assets	(138)	-
A23700	Impairment loss on non-financial assets	-	1,300
A29900	Loss (gain) on lease modifications	(95)	587
A20010	Total income/gain or expense/loss items not affecting cash flows	966,677	1,004,941
A30000	Changes in operating assets and liabilities		
A31115	Decrease (increase) in financial assets mandatorily measured at FVTPL	(123,904)	74,403
A31125	Decrease (increase) in contract assets	(19,269)	(6,665)
A31130	Decrease (increase) in notes receivable	(4,747)	19,300
A31150	Decrease (increase) in accounts receivable	(524,233)	286,410
A31160	Decrease (increase) in accounts receivable – related parties	(209)	(1,439)
A31180	Decrease (increase) in other receivables	(10,887)	13,749
A31190	Decrease (increase) in other receivables - related parties	-	(25,329)
A31200	Decrease (increase) in inventories	(816,052)	(4,324)
A31230	Decrease (increase) in prepayments	(187,628)	(203,391)
A31240	Decrease (increase) in other current assets - other	-	14
A31990	Decrease (increase) in other operating assets	(4,286)	(4,285)
A32125	Increase (decrease) in contract liabilities	35,669	1,553
A32130	Increase (decrease) in notes payable	4,124	(26,242)
A32150	Increase (decrease) in accounts payable	(287,997)	110,365
A32160	Increase (decrease) in accounts payable – related parties	-	(17)
A32180	Increase (decrease) in other payables	(133,930)	(140,453)
A32190	Increase (decrease) in other payables - related parties	927	(2,884)
A32200	Increase (decrease) in provisions	1,050	(3,151)
A32210	Increase (decrease) in advance receipts	15	1,665
A32230	Increase (decrease) in other current liabilities - other	(5,101)	821
A32240	Increase (decrease) in net defined benefit liabilities	612	637
A30000	Total changes in operating assets and liabilities	(2,075,846)	90,737
A33000	Cash generated from (used in) operations	(2,012,849)	132,430
A33100	Interest received	107,510	72,766
A33200	Dividends received	3,336	39,608
A33300	Interest paid	(87,944)	(67,464)
A33500	Income tax paid	(53,202)	(450,131)
AAAA	NET CASH FLOWS FROM OPERATING ACTIVITIES	(2,043,149)	(272,791)

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Code	Item	January 1, 2024 to June 30, 2024	January 1, 2023 to June 30, 2023
BBBB	CASH FLOWS FROM INVESTING ACTIVITIES:		
B00010	Acquisition of FVTOCI financial assets	(106,218)	(132,916)
B00030	Capital allocation from FVTOCI financial assets	11,964	23,654
B00100	Acquisition of designated FVTPL financial assets	(1,100)	-
B02200	Acquisition of subsidiaries, net of cash acquired (Note 6.47)	-	(63,962)
B02700	Acquisition of property, plant and equipment	(1,232,187)	(1,600,513)
B02800	Disposal of property, plant and equipment	6	3,134
B03700	Increase in refundable deposits	(3,289)	(4,973)
B04500	Acquisition of intangible assets	(87,210)	(1,138)
B06600	Decrease in other financial assets	281,553	1,369,902
B06700	Increase in other noncurrent assets	(303,376)	(230,315)
B07100	Increase in prepayments for equipment	(29,965)	(265,833)
BBBB	NET CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES	(1,469,822)	(902,960)
CCCC	NET CASH FLOWS FROM FINANCING ACTIVITIES: (Note 6.50)		
C00100	Increase in short-term borrowings	2,307,191	728,334
C00500	Increase (decrease) in short-term notes and bills payable	100,000	-
C01600	Proceeds from long-term borrowings	720,091	360,067
C01700	Repayments of long-term borrowings	(200,505)	(3,255)
C03100	Increase (decrease) in guarantee deposits received	3,988	(1,834)
C04020	Lease principal repayment	(24,959)	(52,878)
C05800	Non-controlling interests subscribed for cash capital increase of subsidiaries	-	7,000
C09900	Increase (decrease) in other payables (overpayments by shareholders and share issuance costs)	(15,323)	-
C09900	Cash dividends from subsidiaries to non-controlling interests	(15,489)	(12,731)
C09900	Presumption of redemption of preferred share liabilities of subsidiaries	-	(84,425)
CCCC	NET CASH FLOWS FROM FINANCING ACTIVITIES	2,874,994	940,278
DDDD	Effects on cash and cash equivalents due to fluctuations in exchange rates	471,433	(155,686)
EEEE	NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(166,544)	(391,159)
E00100	CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD	4,726,354	6,279,477
E00200	CASH AND CASH EQUIVALENTS, END OF THE PERIOD	$ 4,559,810	$ 5,888,318
E00210	RECORDED CASH AND CASH EQUIVALENTS ON THE CONSOLIDATED BALANCE SHEET	$ 4,559,810	$ 5,888,318

(The accompanying notes form an integral part of the consolidated financial statements)

Grand Pacific Petrochemical Corporation and Its Subsidiaries

Notes to Consolidated Financial Statements

Six Months Ended June 30, 2024 and 2023

（Amounts in Thousands of New Taiwan Dollars, unless specified otherwise）

1. General Information

Grand Pacific Petrochemical Corporation (hereinafter referred to as the "Company") was officially incorporated on September 25, 1973 in accordance with the Company Act and other laws and ordinances concerned and was formerly known as Delta Petrochemical Corporation until rechristened Grand Pacific Petrochemical Corporation in 1985. The Company's head office registered address and factory are located in Dashe District, Kaohsiung City, and the Taipei office address is 8F, No. 135, Dunhua North Road, Songshan District, Taipei City. The Company primarily engages in the business lines as below:

(1) Petrochemical Manufacturing

(2) Synthetic Resin & Plastic Manufacturing

(3) Other Chemical Products Manufacturing

(4) Steam and Electricity Paragenesis, Heat Energy Supplying and international trade

(5) All business items that are not prohibited or restricted by law, except those that are subject to special approval

The Company's stocks were officially listed on Taiwan Stock Exchange Corporation (TWSC) starting from December 21, 1988.

The Company has no ultimate parent company.

The Company takes New Taiwan Dollars as its functional currency. While the Company is a public company listed in Taiwan, the Consolidated Financial Statements are expressed in New Taiwan Dollars to bring added comparison and consistency.

Unless otherwise specified, the Company and all subsidiaries covered within these consolidated financial statements are collectively referred to as the Group hereinafter.

2. The Authorization of Financial Statements

The accompanying Consolidated Financial Statements were approved and authorized for issue by the Board of Directors on August 12, 2024.

3. Application of Newly Issued Standards, Amendments, and Interpretations

3.1 Effects from application of the newly issued or revised International Financial Reporting Standards endorsed and issued into effect by the Financial Supervisory Commission R.O.C. (Taiwan) (“FSC”):

In accordance with Decree FSC Review No. 1120383437 issued by the FSC on August 16, 2023, the Group should, in 2024, adopt the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) (collectively referred to as IFRSs) issued by the International Accounting Standards Board (IASB), endorsed by the FSC and effective in 2024, and the amended Regulations Governing the Preparation of Financial Reports by Securities Issuers in preparation of financial statements.

The following summarizes the newly issued, amended or revised IFRSs that are endorsed by FSC and effective for 2024:

Newly Issued/Amended/Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IAS 1 “Classification of Liabilities as Current or Noncurrent”	January 1, 2024
Amendments to IAS 1 “Non-current Liabilities with Covenants”	January 1, 2024
Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback”	January 1, 2024
Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”	January 1, 2024

The Group has assessed that the above standards and interpretations do not have a significant impact on the Group's consolidated financial position and consolidated financial performance.

3.2 Effects from not yet adopting the newly published, amended or revised International Financial Reporting Standards that have been endorsed and issued into effect by FSC:

The following summarizes the newly issued, amended or revised IFRSs that are endorsed by FSC and effective for 2025:

Newly Issued/Amended/Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025

As of the date of issuance of the Group's financial report, the Group assessed that the amendments to the relevant standards and interpretations would not have a significant impact on the Group's consolidated financial position and consolidated financial performance.

3.3 Effects from the International Financial Reporting Standards issued by IASB but not yet been endorsed and issued into effect by FSC:

The Group does not adopt the following IFRSs issued by IASB but not yet been endorsed by FSC. The actual effective date for adoption shall be based on FSC regulations.

Newly Issued/Amended/Revised Standards and Interpretations	Effective Date Announced by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by IASB

After preliminary assessment, the application of the above standards and interpretations will not have a significant impact on the Group's consolidated financial position and consolidated financial performance, and the Group will continue to assess the amount of the relevant impact and disclose it when the assessment is completed.

4. Summary of Significant Accounting Policies

Except for the Statement of Compliance, Basis of Preparation, Basis of Consolidation and newly added sections described as follows, the rest of significant accounting policies are the same as those in Note 4 of the 2023 annual consolidated financial statements. These policies have been consistently applied to all of the reporting periods unless otherwise stated.

4.1 Statement of Compliance

1. These interim Consolidated Financial Statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standards 34"Interim Financial Reporting" endorsed and issued into effect by FSC. These Consolidated Financial Statements do not include all necessary information that shall be disclosed in the full-year consolidated financial statements prepared according to IFRSs endorsed and issued into effect by FSC. ◦
2. These interim Consolidated Financial Statements shall be read in combination with the 2023 annual consolidated financial statements.

4.2 Basis of Preparation

1. Except for the following material items, the Consolidated Financial Statements have been prepared under the historical cost convention:
   (1) Financial assets and financial liabilities (including derivative instruments) measured at Fair Value through Profit or Loss ("FVTPL").
   (2) Financial assets measured at Fair Value through Other Comprehensive Income ("FVTOCI").
   (3) Liabilities on cash-settled share-based payment arrangements measured at fair value.
   (4) Defined benefit liabilities recognized based on the net value of pension fund assets less present value of defined benefit obligation.
2. The preparation of financial statements in conformity with the IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The items involving a higher degree of judgment or complexity, or items where assumptions and estimates are significant to the Consolidated Financial Statements are disclosed in Note 5.

4.3 Basis of Consolidation

1. Principles for preparing the Consolidated Financial Statements

   The principles for preparing the Consolidated Financial Statements are the same as those of the 2023 annual consolidated financial statements. Please refer to Note 4.3-1 of the 2023 annual consolidated financial statements.

2. The subsidiaries in the consolidated financial statements:

Name of investor	Name of subsidiary	Main Businesses	Percentage of Ownership		
			2024.6.30.	2023.12.31.	2023.6.30.
Grand Pacific Petrochemical Corporation	GPPC Chemical Corporation	Production and sale of impact-resistant and flame-resistant polystyrene	100.00%	100.00%	100.00%
Grand Pacific Petrochemical Corporation	GPPC Investment Corp.	General investment business	81.60%	81.60%	81.60%
Grand Pacific Petrochemical Corporation	GPPC Development Corp.	General hotel business	42.86%	42.86%	42.86%
Grand Pacific Petrochemical Corporation	Land & Sea Capital Corp.	Investment business	100.00%	100.00%	100.00%
Grand Pacific Petrochemical Corporation	Goldenpacific Equities Ltd.	Investment business	100.00%	100.00%	100.00%

Name of investor	Name of subsidiary	Main Businesses	Percentage of Ownership		
			2024.6.30.	2023.12.31.	2023.6.30.
Grand Pacific Petrochemical Corporation	Videoland Inc.	General import and export trade, radio and television program production, domestic and foreign film copying, domestic film production, distribution, trading and other services	62.29%	62.29%	62.29%
Grand Pacific Petrochemical Corporation	KK Enterprise Co., Ltd.	Engaging in manufacturing and sales, wholesale, packaging materials, various stationery and paper products	15.73%	15.73%	15.73%
Grand Pacific Petrochemical Corporation	Quanzhou Grand Pacific Chemical Co., Ltd.	Propane dehydrogenation, propylene, polypropylene and hydrogen products	100.00%	100.00%	100.00%
GPPC Investment Corp.	GPPC Hospitality And Leisure Inc.	Catering service business	100.00%	100.00%	100.00%
GPPC Development Corp.	Perfect Meat Co. Ltd.	Meat import & sales	100.00%	100.00%	100.00%
Videoland Inc.	KK Enterprise Co., Ltd.	Engaging in manufacturing and sales, wholesale, packaging materials, various stationery and paper products	33.79%	33.79%	33.79%
Videoland Inc.	GPPC Investment Corp.	Investment business	18.40%	18.40%	18.40%
Videoland Inc.	GPPC Development Corp.	General hotel business	42.86%	42.86%	42.86%
Videoland Inc.	Videoland International Limited	Engaged in wine trading business, mainly grape wine	100.00%	100.00%	100.00%
Videoland Inc.	ZW ENM Co., Ltd.	Film and program production and distribution	100.00%	100.00%	100.00%
Videoland Inc.	Citiesocial Co., Ltd.	Multimedia ecommerce, wholesale and retail of consumer goods	31.28%	31.28%	31.28%
Videoland Inc.	Citiesocial Holding Cayman Co., Ltd.	Investment business	76.69%	76.69%	76.69%
Videoland Inc.	FW IT Co., Ltd.	Information software services, Information processing services	100.00%	–	–
Citiesocial Holding Cayman Co., Ltd.	Citiesocial Co., Ltd.	Multimedia ecommerce, wholesale and retail of consumer goods	62.96%	62.96%	62.96%
KK Enterprise Co., Ltd.	K.K. Chemical Company Limited	Trademark paper, tape and such business	49.90%	49.90%	49.90%
KK Enterprise Co., Ltd.	KK Enterprise (Zhongshan) Co., Ltd.	Trademark paper, tape and such business	–	50.00%	50.00%
KK Enterprise Co., Ltd.	KK Enterprise (Kunshan) Co., Ltd.	Trademark paper, tape and such business	100.00%	100.00%	100.00%
KK Enterprise Co., Ltd.	Dragon King Inc.	Reinvestment business	100.00%	100.00%	100.00%
KK Enterprise Co., Ltd.	KK Enterprise (Malaysia) Sdn. Bhd.	Trademark paper, tape and such business	70.00%	70.00%	70.00%

Note: (1) The Company's direct and indirect ownership of subsidiaries exceeds 50% or has the ability to exercise substantial control over them, and therefore these companies are included in the consolidated financial statements.

(2) Among the above consolidated entities, none of them meets the definition of material subsidiaries, except for Land & Sea Capital Corp. and Quanzhou Grand Pacific Chemical Co., Ltd. In addition, except for Videoland International Limited, KK Enterprise Co., Ltd. and its subsidiaries, Citiesocial Holding Cayman Co., Ltd. and its subsidiary - Citiesocial Co., Ltd., the financial statements of the other consolidated entities have been reviewed by CPA.

3. Increase/decrease of the companies included in the entities within the consolidated financial statements for the current period:

(1) KK Enterprise (Zhongshan) Co., Ltd. was dissolved and liquidated in January 2024, resulting in the loss of control over the company. Therefore, the income and expenses of the company were not included in the consolidated financial statements from the date of loss of control.

(2) Videoland Inc. invested in the establishment of a subsidiary, FW IT Co., Ltd., in May 2024. The Group's direct and indirect proportionate shareholding is controlling. Therefore, the Group began to recognize the revenue and expenses of this company in the consolidated financial statements from the date of obtaining the controlling power.

4. Subsidiaries not included in the consolidated financial statements: None.

5. Adjustments and processing method for subsidiaries with different accounting period: None.

6. Nature and degree of significant restrictions on the ability to transfer funds from subsidiaries to the parent company:

Due to local foreign exchange controls, the cash and bank deposits and other financial assets - current in Mainland China by the amount of $1,483,169 thousand, $1,698,460 thousand and $2,847,731 thousand as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively, were restricted from transferring out of Mainland China (except for normal dividends or business transactions (trading)).

7. Subsidiaries that have non-controlling interests that are material to the Group

(1) As of June 30, 2024 and for the six months ended June 30, 2024

Name of subsidiary	Non-controlling shareholding ratio	Non-controlling interests	Profit or loss distributed to non-controlling interests
Videoland Inc. and its subsidiaries	37.71%	$ 2, 894, 407	($ 13, 170)
KK Enterprise Co., Ltd. and its subsidiaries	50.48%	482, 517	9, 525
GPPC Development Corp. and its subsidiaries	14.28%	(9, 640)	(14, 473)
Total		$ 3, 367, 284	($ 18, 118)

(2) As of December 31, 2023 and for the year ended December 31, 2023

Name of subsidiary	Non-controlling shareholding ratio	Non-controlling interests	Profit or loss distributed to non-controlling interests
Videoland Inc. and its subsidiaries	37.71%	$ 2, 754, 583	($ 4, 888)
KK Enterprise Co., Ltd. and its subsidiaries	50.48%	514, 913	15, 945
GPPC Development Corp. and its subsidiaries	14.28%	4, 833	(29, 906)
Total		$ 3, 274, 329	($ 18, 849)

(3) As of June 30, 2023 and for the six months ended June 30, 2023

Name of subsidiary	Non-controlling shareholding ratio	Non-controlling interests	Profit or loss distributed to non-controlling interests
Videoland Inc. and its subsidiaries	37.71%	$ 2, 774, 340	$ 18, 337
KK Enterprise Co., Ltd. and its subsidiaries	50.48%	525, 802	4, 637
GPPC Development Corp. and its subsidiaries	14.28%	17, 178	(17, 561)
Total		$ 3, 317, 320	$ 5, 413

(4) For more details regarding the major business premises of the aforementioned subsidiaries and the countries where the subsidiaries had been registered, please refer to Note 13.1, .2-10 and Note 13.3.

(5) Summary financial information of subsidiaries:

The following summarized financial information has been prepared on the basis of the IFRSs financial statements of the subsidiaries.

① Balance sheets

	Videoland Inc. and its subsidiaries		
Item	June 30, 2024	December 31, 2023	June 30, 2023
Current assets	$ 3, 807, 853	$ 3, 864, 184	$ 3, 666, 811
Noncurrent assets	5, 029, 220	4, 603, 396	4, 700, 211
Current liabilities	(682, 256)	(679, 682)	(510, 064)
Noncurrent liabilities	(461, 212)	(460, 887)	(489, 014)
Equity	$ 7, 693, 605	$ 7, 327, 011	$ 7, 367, 944

Item	KK Enterprise Co., Ltd. and its subsidiaries		
	June 30, 2024	December 31, 2023	June 30, 2023
Current assets	$ 835, 195	$ 837, 310	$ 803, 192
Noncurrent assets	433, 201	435, 658	462, 086
Current liabilities	(211, 488)	(187, 970)	(166, 651)
Noncurrent liabilities	(122, 886)	(116, 401)	(128, 214)
Equity	$ 934, 022	$ 968, 597	$ 970, 413

Item	GPPC Development Corp. and its subsidiaries		
	June 30, 2024	December 31, 2023	June 30, 2023
Current assets	$ 210, 353	$ 149, 690	$ 166, 213
Noncurrent assets	2, 537, 675	2, 224, 360	2, 131, 488
Current liabilities	(362, 326)	(241, 330)	(119, 722)
Noncurrent liabilities	(2, 453, 208)	(2, 098, 876)	(2, 057, 684)
Equity	($ 67, 506)	$ 33, 844	$ 120, 295

② Statements of comprehensive income

Item	Videoland Inc. and its subsidiaries	
	2024.4.1~6.30	2023.4.1~6.30
Operating revenue	$ 530, 120	$ 455, 590
Profit (loss) for the period	(35, 646)	4, 606
Other comprehensive income	149, 580	(25, 789)
Total comprehensive income	$ 113, 934	($ 21, 183)
Total comprehensive income attributable to non-controlling interests	$ 36, 728	($ 8, 617)
Dividends declared payable to non-controlling interests	$ 12, 912	$ 12, 912
Less: Dividends payable at end of period	(12, 912)	-
Dividends paid to non-controlling interests	$ -	$ 12, 912

Item	Videoland Inc. and its subsidiaries	
	2024.1.1~6.30	2023.1.1~6.30
Operating revenue	$ 1, 000, 267	$ 873, 897
Profit (loss) for the period	(37, 181)	46, 404
Other comprehensive income	437, 628	(56, 323)
Total comprehensive income	$ 400, 447	($ 9, 919)
Total comprehensive income attributable to non-controlling interests	$ 152, 540	($ 1, 949)
Dividends declared payable to non-controlling interests	$ 12, 912	$ 12, 912
Less: Dividends payable at end of period	(12, 912)	-
Dividends paid to non-controlling interests	$ -	$ 12, 912

Item	KK Enterprise Co., Ltd. and its subsidiaries 2024.4.1~6.30		KK Enterprise Co., Ltd. and its subsidiaries 2023.4.1~6.30	
Operating revenue	$	205, 568	$	213, 449
Profit (loss) for the period		7, 790		7, 327
Other comprehensive income		3, 129	(	12, 538)
Total comprehensive income	$	10, 919	($	5, 211)
Total comprehensive income attributable to non-controlling interests	$	5, 805	($	4, 933)
Dividends paid to non-controlling interests	$	15, 489	$	12, 731

Item	KK Enterprise Co., Ltd. and its subsidiaries 2024.1.1~6.30		KK Enterprise Co., Ltd. and its subsidiaries 2023.1.1~6.30	
Operating revenue	$	401, 996	$	418, 744
Profit (loss) for the period		18, 749		12, 779
Other comprehensive income		8, 127	(	12, 032)
Total comprehensive income	$	26, 876	$	747
Total comprehensive income attributable to non-controlling interests	$	14, 067	($	2, 680)
Dividends paid to non-controlling interests	$	15, 489	$	12, 731

Item	GPPC Development Corp. and its subsidiaries 2024.4.1~6.30		GPPC Development Corp. and its subsidiaries 2023.4.1~6.30	
Operating revenue	$	–	$	–
Profit (loss) for the period	(	32, 427)	(	41, 025)
Other comprehensive income		–		–
Total comprehensive income	($	32, 427)	($	41, 025)
Total comprehensive income attributable to non-controlling interests	($	7, 641)	($	8, 511)
Dividends paid to non-controlling interests	$	–	$	–

Item	GPPC Development Corp. and its subsidiaries 2024.1.1~6.30		GPPC Development Corp. and its subsidiaries 2023.1.1~6.30	
Operating revenue	$	–	$	–
Profit (loss) for the period	(	80, 272)	(	82, 655)
Other comprehensive income		–		–
Total comprehensive income	($	80, 272)	($	82, 655)
Total comprehensive income attributable to non-controlling interests	($	14, 473)	($	17, 561)
Dividends paid to non-controlling interests	$	–	$	–

③ Statements of cash flows

Item	Videoland Inc. and its subsidiaries 2024.1.1~6.30	Videoland Inc. and its subsidiaries 2023.1.1~6.30
Net cash flow from operating activities	$ 168, 166	$ 151, 694
Net cash flow from (used in) investing activities	(182, 821)	1, 515, 874
Net cash flow from financing activities	24, 663	(21, 637)
Effects of exchange rate changes	10, 431	1, 496
Increase in cash and cash equivalents for the period	20, 439	1, 647, 427
Cash and cash equivalents, beginning of period	1, 854, 219	877, 212
Cash and cash equivalents, end of period	$ 1, 874, 658	$ 2, 524, 639

Item	KK Enterprise Co., Ltd. and its subsidiaries 2024.1.1~6.30	KK Enterprise Co., Ltd. and its subsidiaries 2023.1.1~6.30
Net cash flow from operating activities	($ 13, 575)	$ 2, 861
Net cash flow from (used in) investing activities	(55, 028)	(5, 081)
Net cash flow from financing activities	(32, 921)	(89, 242)
Effects of exchange rate changes	6, 571	(9, 937)
Increase in cash and cash equivalents for the period	(94, 953)	(101, 399)
Cash and cash equivalents, beginning of period	431, 499	443, 669
Cash and cash equivalents, end of period	$ 336, 546	$ 342, 270

Item	GPPC Development Corp. and its subsidiaries 2024.1.1~6.30	GPPC Development Corp. and its subsidiaries 2023.1.1~6.30
Net cash flow from operating activities	($ 121, 022)	$ 55, 737
Net cash flow from (used in) investing activities	(376, 778)	(47, 831)
Net cash flow from financing activities	484, 957	113, 774
Effects of exchange rate changes	-	-
Increase in cash and cash equivalents for the period	(12, 843)	121, 680
Cash and cash equivalents, beginning of period	20, 476	2, 891
Cash and cash equivalents, end of period	$ 7, 633	$ 124, 571

4.4 Criteria of classification of current and noncurrent assets and liabilities

1. Assets that meet one of the following criteria are classified as current assets:
   (1) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle.
   (2) Assets arising mainly from trading activities.
   (3) Assets that are expected to be realized within twelve months from the balance sheet date.
   (4) Cash & cash equivalents unless the asset is restricted from being used for an exchange or used to settle a liability for more than twelve months after the

balance sheet date.

The Group classifies the assets that do not satisfy the above conditions as noncurrent.

2. Liabilities that meet one of the following criteria are classified as current liabilities:
   (1) Liabilities that are expected to be paid off within the normal operating cycle.
   (2) Liabilities arising mainly from trading activities.
   (3) Liabilities that are to be paid off within twelve months from the balance sheet date.
   (4) The right to defer settlement of liabilities for at least twelve months after the reporting period is not available.

   The Group classifies the liabilities that do not satisfy the above conditions as noncurrent.

4.5 Defined benefit post-employment benefits

The pension cost during the interim period was computed using the pension cost rate determined by the actuary for the ending date of last year and based on the period covering the beginning of the year until the end of the current period. Adjustments are made to address significant market fluctuations and material amendment, repayment or other significant one-time event of the plan, with relevant information disclosed.

4.6 Income tax

Income tax expense is the sum of current income tax and deferred income tax. Income taxes for the interim periods are assessed on an annual basis and the pre-tax benefit is computed using the tax rate that would be applicable to expected total annual earnings.

5. Major Sources of Critical Accounting Judgments, Estimates and Uncertainties

The major sources of critical accounting judgments, estimates and uncertainties adopted by the Consolidated Financial Statements do not have material change from those of the 2023 annual consolidated financial statements. Please refer to Note 5 of the 2023 annual consolidated financial statements for related information.

6. Summary of Important Accounting Items

6.1 Cash & cash equivalents

Items	June 30, 2024	December 31, 2023	June 30, 2023
Cash and petty cash	$ 1, 587	$ 1, 710	$ 1, 790
Checking deposits	19, 542	16, 520	28, 957
Demand deposits	1, 844, 774	2, 279, 192	3, 872, 426
Time deposits with original maturity within three months	2, 652, 166	2, 380, 455	1, 939, 565
Bills & bonds under repurchase agreements	41, 741	48, 477	45, 570
PayPal third-party payment platforms	–	–	10
Total	$ 4, 559, 810	$ 4, 726, 354	$ 5, 888, 318

1. The Group's cash & cash equivalents are not provided as security or pledge.
2. As of June 30, 2024, December 31, 2023, and June 30, 2023, the interest rate range in the market for the Group's time deposits with original maturity within three months was 1.10%～5.55%, 1.10%～5.60% and 1.00%～5.40% per annum, respectively.
3. As of June 30, 2024, December 31, 2023, and June 30, 2023 the interest rate range in the market for the bills & bonds under Repurchase Agreements within three months undertaken by the Group was 1.35%～2.70%, 1.33%～2.70% and 1.25%～5.20%, respectively.

6.2 Financial assets at FVTPL - current

Items	June 30, 2024	December 31, 2023	June 30, 2023
Mandatorily measure at FVTPL			
Beneficiary certificates for mutual funds	$ 288, 526	$ 214, 542	$ 121, 930
Corporate bonds	50, 083	–	–
Subtotal	338, 609	214, 542	121, 930
Plus: Evaluation adjustment	3, 898	1, 746	1, 160
Total	$ 342, 507	$ 216, 288	$ 123, 090

1. For more details regarding financial assets at FVTPL - current, please see Notes 13.1, .2-3.
2. For the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, the net gains (losses) recognized in the current profit or loss by the Group were $774 thousand, $390 thousand, $2,315 thousand and $882 thousand, respectively.
3. The financial assets at FVTPL - current held by the Group are not provided as security or pledge.

6.3 Notes receivable

Items	June 30, 2024	December 31, 2023	June 30, 2023
Total notes receivable	$ 302, 336	$ 297, 589	$ 290, 404
Less: Loss allowance	–	–	–
Net amount	$ 302, 336	$ 297, 589	$ 290, 404

1. The Group's notes receivable have not been overdue and the expected credit loss rate was 0%.
2. The Group’s notes receivable are not provided as security or pledge.

6.4 Accounts receivable (including related parties)

Items	June 30, 2024	December 31, 2023	June 30, 2023
Total accounts receivable	$ 1, 898, 674	$ 1, 385, 990	$ 1, 316, 933
Less: Loss allowance	(1, 746)	(13, 295)	(29, 532)
Subtotal	1, 896, 928	1, 372, 695	1, 287, 401
Total accounts receivable - related parties	1, 716	1, 507	1, 439
Less: Loss allowance	–	–	–
Subtotal	1, 716	1, 507	1, 439
Net amount	$ 1, 898, 644	$ 1, 374, 202	$ 1, 288, 840

1. The age analysis of accounts receivable (including related parties) and the loss allowance measured by the preparation matrix are as follows:

Account aging interval	June 30, 2024			December 31, 2023		
	Total amount	Loss allowance	Net	Total amount	Loss allowance	Net
Not overdue	$1, 872, 985	$ –	$1, 872, 985	$1, 337, 440	$ –	$1, 337, 440
1~30 days overdue	27, 309	1, 656	25, 653	38, 474	1, 712	36, 762
31~90 days overdue	6	–	6	–	–	–
91~180 days overdue	–	–	–	–	–	–
181~365 days overdue	–	–	–	373	373	–
More than 365 days overdue	90	90	–	11, 210	11, 210	–
Total	$1, 900, 390	$ 1, 746	$1, 898, 644	$1, 387, 497	$13, 295	$1, 374, 202

Account aging interval	June 30, 2023		
	Total amount	Loss allowance	Net
Not overdue	$1, 270, 127	$ –	$1, 270, 127
1~30 days overdue	6, 662	1, 549	5, 113
31~90 days overdue	–	–	–
91~180 days overdue	373	186	187
181~365 days overdue	26, 826	13, 413	13, 413
More than 365 days overdue	14, 384	14, 384	–
Total	$1, 318, 372	$29, 532	$1, 288, 840

The above analysis is based on the number of days past due.

The Group measures the expected credit losses separately based on the accounting estimate policies applicable to each component. The expected credit loss rate of the Group's aforementioned account aging intervals (excluding abnormal amounts which should be recorded at 100%): except the impairment losses recognized for individual customers according to actual credit losses, accounts non-overdue and overdue within 90 days 0%~50%; 91~365 days overdue from 27.83%~100%, more than 365 days overdue 100%.

The Group's accounts receivable not overdue were expected to have a very low risk of credit loss; For other accounts receivable which had been overdue as of the balance sheet date, the Group has taken into account other credit enhancement protection, post-period collection, and deductions and the like. With reasonable and corroborable information, it is assessed that there was no significant change in its credit quality, and the credit risk has not increased significantly since the initial recognition. Therefore, the management of the Group expects that no significant credit loss of accounts receivable will be caused by default of transaction counterparties.

2. The Group adopted the simplified method of IFRS 9, and recognized the expected credit loss during the existence in the accounts receivable loss allowance. The expected credit loss during the existence was calculated using the reserve matrix, with consideration of the customers' past default record and historical experience of collection, increase in delayed payments beyond the average credit period, and at the same time with consideration of the current financial status of customers, and observable national or regional industrial economic situation changes related to the arrears of receivables and future prospects such as outlook considerations. As the Group's historical experience of credit losses indicates that there would be no significant differences in the loss patterns of different customer bases, the preparation matrix did not further distinguish the customer bases, only the accounts receivable days past due and actual conditions would determine the expected credit loss rate. The Group did not hold any collateral for these accounts receivable.

   If there was evidence indicating that the counterparty was facing serious financial difficulties and the Group could not reasonably anticipate the recoverable amount, the Group would recognize 100% loss allowance or directly write off the related accounts receivable, but would, meanwhile, continue to recourse the activities due to the amount recovered and recognized in profit or loss.

3. Analysis of changes in loss allowance for accounts receivable (including related parties)

Items	2024.1.1~6.30	2023.1.1~6.30
Beginning balance	$ 13, 295	$ 33, 013
Plus: Provision of impairment loss	–	
Less: Reversal of impairment loss	(11, 547)	(3, 465)
Less: Actual write-off not yet been collected	–	–
Plus: Amount collected after write-offs	–	–
Effects of exchange rate	(2)	(16)
Ending balance	$ 1, 746	$ 29, 532

4. The Group’s accounts receivable (including related parties) are not provided as security or pledge.

6.5 Other receivables

Items	June 30, 2024	December 31, 2023	June 30, 2023
Interest receivable	$ 64, 698	$ 60, 770	$ 74, 117
Rent receivables	–	–	189
Tax refund receivable	39, 652	26, 758	28, 135
Disbursements receivable	2, 177	6, 296	–
Others	8, 628	6, 516	7, 058
Total	$ 115, 155	$ 100, 340	$ 109, 499

6.6 Inventories

	June 30, 2024			December 31, 2023		
Items	Cost	Valuation allowance	Carrying amount	Cost	Valuation allowance	Carrying amount
Raw materials	$1, 385, 101	$ 9, 215	$1, 375, 886	$ 528, 701	$ 9, 754	$ 518, 947
Supplies	210, 456	10, 911	199, 545	227, 743	13, 623	214, 120
Work in process	118, 986	14, 749	104, 237	153, 473	17, 493	135, 980
Partly-finished goods	555, 173	16, 091	539, 082	565, 113	56, 829	508, 284
Finished goods	327, 979	22, 975	305, 004	322, 670	30, 868	291, 802
By-products	3, 037	256	2, 781	2, 802	223	2, 579
Commodities	103, 417	2, 947	100, 470	93, 820	2, 947	90, 873
Inventory in transit	289, 068	–	289, 068	311, 077	–	311, 077
Total	$2, 993, 217	$ 77, 144	$2, 916, 073	$2, 205, 399	$ 131, 737	$2, 073, 662

Items	June 30, 2023 Cost	Valuation allowance	Carrying amount
Raw materials	$ 488, 086	$ 17, 113	$ 470, 973
Supplies	217, 711	10, 767	206, 944
Work in process	114, 308	14, 808	99, 500
Partly-finished goods	449, 972	55, 597	394, 375
Finished goods	242, 533	18, 342	224, 191
By-products	3, 963	307	3, 656
Commodities	92, 383	–	92, 383
Inventory in transit	130, 576	–	130, 576
Total	$1, 739, 532	$ 116, 934	$1, 622, 598

1. The cost of goods sold related to inventories is summarized as follows:

Item	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Inventory sales transferred to cost of goods sold	$ 4, 487, 801	$ 3, 590, 499	$ 7, 307, 987	$ 7, 382, 507
Plus: Other operating costs	314, 793	238, 898	563, 403	432, 025
Plus: Unamortized labor and manufacturing overhead	81, 830	58, 915	163, 565	136, 091
Plus: Loss on net realizable value of inventory	18, 793	45, 444	–	16, 809
Plus: Loss on physical inventory	282	–	282	–
Less: Gain on physical inventory	–	(186)	–	(186)
Less: Net realizable value recovery of inventory	–	–	(54, 639)	–
Less: Income from sale of scraps	(6, 410)	(552)	(7, 429)	(1, 727)
Operating costs recorded	$ 4, 897, 089	$ 3, 933, 018	$ 7, 973, 169	$ 7, 965, 519

2. The Group's operating costs, including the loss on (recovery of) net realizable value of inventory for the three months ended June 30, 2024 and 2023 and for the six months ended 2024 and 2023 were $18,793 thousand, $45,444 thousand, ($54,639) thousand and $16,809 thousand, respectively. Net realizable value recovery of inventory was due to the increase in selling prices of products in certain markets and the decrease of slow-moving inventories.

3. The Group's inventories are not provided as security or pledge.

6.7 Prepayments

Item	June 30, 2024	December 31, 2023	June 30, 2023
Prepayments to suppliers	$ 77, 502	$ 156, 543	$ 78, 585
Prepayment for short-term lease	641	163	992
Prepaid insurance premium	4, 043	23, 281	3, 787
Prepaid service fees	555	321	1, 670
Prepaid production fees	15, 385	2, 651	–
Prepaid advertisement expense	9, 119	–	–
Office supplies	5, 727	5, 204	1, 979
Advertising exchange commodities and giveaways	1, 515	1, 010	9, 358
Business tax paid	383, 923	170, 867	60, 939
Excess business tax paid	2, 129, 860	2, 086, 904	2, 073, 835
Others	14, 097	7, 795	23, 126
Total	$ 2, 642, 367	$ 2, 454, 739	$ 2, 254, 271

6.8 Other financial assets - current

Items	June 30, 2024	December 31, 2023	June 30, 2023
Bank deposits with restricted use	$ 6, 300	$ 6, 300	$ –
Time deposits with original maturity more than three months	4, 454, 767	4, 736, 320	3, 872, 052
Total	$ 4, 461, 067	$ 4, 742, 620	$ 3, 872, 052

1. The bank deposits with restricted use refers to pledged time deposits for renovation construction guarantee and reserve accounts and guarantee accounts for designated purposes. Please see Note 8.3 for more details.
2. The time deposits with original maturity more than three months held by the Group did not meet the definition of cash equivalents. They are, therefore, classified under other financial assets - current, as the effect of discounts during the short holding period was insignificant, which was measured by the amount of investment. The interest rate range in the market for time deposits with original maturity more than three months as of June 30, 2024, December 31, 2023, and June 30, 2023 were 0.02%～5.20%, 1.52%～5.16%, and 1.25%～5.17%, respectively.
3. The Group assessed that the expected credit risk of the above financial assets was not high, and the credit risk has not increased after the initial recognition.
4. The Group's time deposits with an original maturity of over three months are not provided as security or pledge.

6.9 Other current assets - other

Items	June 30, 2024	December 31, 2023	June 30, 2023
Cost of program broadcasting – current (Note)	$ 107, 485	$ 104, 907	$ 98, 327
Others	–	–	41
Total	$ 107, 485	$ 104, 907	$ 98, 368

Note: Cost of program broadcasting - current, please see Notes 6.20-1 for more details.

6.10 Financial assets measured at FVTPL - noncurrent

Items	June 30, 2024	December 31, 2023	June 30, 2023
Financial assets mandatorily measured at FVTPL			
Convertible preferred shares	$ 16, 740	$ –	$ –
Less: Valuation adjustment	2, 903	–	–
Total	19, 643	–	–
Financial assets designated to be measured at FVTPL			
Film investment agreement	18, 500	17, 400	7, 200
Less: Valuation adjustment	(642)	(2, 243)	–
Subtotal	17, 858	15, 157	7, 200
Total	$ 37, 501	$ 15, 157	$ 7, 200

1. The Group holds convertible and redeemable preferred stock issued by foreign companies that are not listed on the Taiwan Stock Exchange (TSE), which are non-cumulative preferred stock with voting rights. Dividends are payable at a fixed rate per annum and are reset periodically according to the contractual time frame, and most of the shares have a preferential liquidation right. If a liquidation event occurs during the period in which the Group holds the shares, the preferred shares, in the order in which they are ranked, will have the opportunity to receive a distribution equal to the amount invested.
2. The Group has entered into film investment agreements with different production companies. In accordance with these investment agreements, if there is any surplus after the settlement, the Group is entitled to net income distributions of the film pro rata to its investment. As of June 30, 2024, December 31, 2023, and June 30, 2023, some of the invested films were not yet released to cinemas or were still in the stage of post-production.
3. The net losses recognized in the profit or loss during the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023 were $13,430 thousand, $0, $4,504 thousand and $0, respectively.

4. Financial assets measured at fair value through profit or loss, please see Notes 13.1, .2-3 for more details.
5. The convertible preferred shares and the film investment agreement held by the Group are not provided as security or pledge.

6.11 Financial assets at FVTOCI – noncurrent

Items	June 30, 2024	December 31, 2023	June 30, 2023
Domestic listed stocks			
China Development Financial Holding Corporation			
- Common shares	$ 2, 788, 877	$ 2, 788, 877	$ 2, 788, 877
- Preferred shares	832, 587	832, 587	832, 587
Domestic and foreign unlisted stocks			
He Xin Venture Investment Enterprise Co., Ltd.	18, 412	18, 412	18, 412
Kuo Tsung Development Co., Ltd.	5, 000	5, 000	5, 000
Kuo Tsung Construction Development Co., Ltd.	5, 000	5, 000	5, 000
YODN Lighting Corp.	9, 754	9, 754	9, 754
Bridgestone Taiwan Co., Ltd.	77, 104	77, 104	77, 104
Jeoutai Technology Co., Ltd.	26, 604	26, 604	26, 604
Global Mobile Corp.	14, 400	14, 400	14, 400
Great Dream Pictures, Inc.	10, 000	10, 000	10, 000
Ruei-Guang Broadcasting Co., Ltd.	100	100	100
21st Digital Technology Co., Ltd.	–	105, 258	105, 258
21st Financial Technology Co., Ltd.	88, 518	–	–
Com2B Corp.	8, 961	8, 961	8, 961
Domestic and foreign limited partnership			
CDIB Capital Asia Partners L.P.	316, 175	305, 666	313, 274
CDIB Capital Global Opportunities Fund L.P.	746, 713	607, 397	519, 945
China Development Asset Management Corporation's advantageous venture capital limited partnership	123, 210	134, 967	153, 288
Subtotal	5, 071, 415	4, 950, 087	4, 888, 564
Less: Evaluation adjustment	(161, 397)	(652, 240)	(669, 436)
Total	$ 4, 910, 018	$ 4, 297, 847	$ 4, 219, 128

1. The aforementioned investments held by the Group were not in a short-term profitable operating mode. The management believes that if the short-term fair value fluctuations

of these investments were included in the profit or loss, and the aforementioned investment plans were inconsistent, they chose to designate these investments at FVTOCI.

2. For the investments before June 30, 2023, in limited partnerships with a definite life which can only be extended by agreements and resolution by the partners, the Group chose not to retroactively apply the IFRS Q&A issued by the Accounting Research and Development Foundation on June 15, 2023, regarding “Classification of Financial Assets for Investments in Limited Partnerships”, in accordance with the Q&A issued by the Financial Supervisory Commission. Instead, the Group continued to classify them as equity instrument investments measured at fair value through other comprehensive income.

3. The Group's holding of 21st Digital Technology Co., Ltd. was merged with 21st Financial Technology Co., Ltd. on February 16, 2024, with 21st Financial Technology Co., Ltd. as the surviving company and 21st Digital Technology Co., Ltd. as the extinguished company. The consolidated share conversion consideration is 0.98801733 shares of 21st Financial Technology Co., Ltd. common share for every 1 share of 21st Digital Technology Co., Ltd. common share. Every 1 share of 21st Digital Technology Co., Ltd. Class A preferred share is exchanged for 0.98801733 shares of 21st Financial Technology Co., Ltd. convertible and redeemable preferred shares. After the merger, the Group acquired 1,458 thousand common shares and 105 thousand convertible and redeemable preferred shares of 21st Financial Technology Co., Ltd.

4. The Group's new investment in limited partnership interest in CDIB Capital Asia Partners L.P. during the six months ended June 30, 2024 and 2023 amounted to US$39 thousand (equivalent to NT$1,270 thousand) and US$0, respectively. Besides, the capital distribution of limited partnership interest for the six months ended June 30, 2024 and 2023 amounted to US$0 for both periods. As of June 30, 2024, December 31, 2023, and June 30, 2023, the Group's cumulative investment in CDIB Capital Asia Partners L.P.'s limited partnership interest amounted to US$9,872 thousand, US$9,833 thousand and US$9,993 thousand respectively, and the Group's estimated total investment amount was US$13,000 thousand.

5. The Group newly invested CDIB Capital Global Opportunities Fund L.P.’s limited partnership interest in amounts of US$3,239 thousand (equivalent to NT$104,948 thousand) and US$4,268 thousand (equivalent to NT$132,916 thousand) respectively for the six months ended June 30, 2024 and 2023; in addition, the limited partnership

interest distributed capital for the six months ended June 30, 2024 and 2023 amounted to US$6 thousand (equivalent to NT$207 thousand) and US$127 thousand (equivalent to NT$3,975 thousand), respectively; as of June 30, 2024, December 31, 2023 and June 30, 2023, the Group's cumulative investment in CDIB Capital Global Opportunities Fund L.P.'s limited partnership interest was US$23,047 thousand, US$19,814 thousand and US$16,697 thousand, respectively, and the estimated total investment amount of the Group was US$30,000 thousand.

6. The Group newly invested in China Development Asset Management Corporation's advantageous venture capital limited partnership interest for the six months ended June 30, 2024 and 2023 in amounts of $0 for both periods; the limited partnership equity distributed capital for the six months ended June 30, 2024 and 2023 amounted to $11,757 thousand and $19,679 thousand, respectively; as of June 30, 2024, December 31, 2023, June 30, 2023, the Group's cumulative investment in China Development Asset Management Corporation's advantageous venture capital limited partnership interest were $123,210 thousand, $134,967 thousand, and $153,288 thousand, respectively, and the Group's estimated total investment amount was 200,000 thousand.
7. The Group held investment in structured entity equity as a limited partnership interest, so there was no transaction volume and unit transaction price, and it only bore the rights and obligations within the scope of the investment contract which had no significant influence on such investment. Accordingly, the maximum exposure amount on the balance sheet date was the carrying amount of these financial assets.
8. The Group's profit (loss) recognized in other comprehensive income for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, due to changes in fair value were $264,454 thousand, $77,104 thousand, $490,843 thousand and $16,170 thousand, respectively; in addition, the amount of accumulative gain (loss) due to disposal of investment transferred directly to retained earnings were $0 thousand for all.
9. Dividend income recognized by the Group for investments in equity instruments designated as at FVTOCI for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023 were $3,336 thousand, $2,919 thousand, $3,336 thousand and $2,919 thousand, respectively. Amounts related to investments that were derecognized at the end of the year are all zero, and amounts related to those that remained held on June 30, 2024 and 2023 were $3,336 thousand, $2,919 thousand, $3,336 thousand and $2,919 thousand, respectively.

10. The Group's financial assets at FVTOCI - noncurrent are not provided as security or pledge.

6.12 Investments accounted for using equity method

1. Investments in associates

Name of associate	June 30, 2024		December 31, 2023		June 30, 2023	
	Carrying amount	Shareholding %	Carrying amount	Shareholding %	Carrying amount	Shareholding %
Zhenjiang Chimei Chemical Co., Ltd.	$ 4, 423, 224	30. 40%	$ 4, 366, 649	30. 40%	$ 4, 419, 531	30. 40%
Zhangzhou Chimei Chemical Co., Ltd.	4, 135, 280	30. 40%	4, 343, 092	30. 40%	4, 591, 590	30. 40%
Total	$ 8, 558, 504		$ 8, 709, 741		$ 9, 011, 121	

2. In order to increase the company's working capital, Zhenjiang Chimei Chemical Co., Ltd. resolved at the shareholders' meeting in October 2023 to carry out a capital increase from the earnings. The Group received CNY13,094 thousand (equivalent to US$1,824 thousand) in dividends from the 2022 earnings of Zhenjiang Chimei Chemical Co. The investment was approved by the Investment Commission of the Ministry of Economic Affairs on December 27, 2023 under Jing-Shou-Shen-Zi Letter No. 11256132690. Zhenjiang Chimei Chemical Co., Ltd. set January 23, 2024 as the base date for the capital increase and completed the capital verification process on January 29, 2024.

3. The shares of profits or losses and other comprehensive income of associates accounted for using the equity method for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023 were recognized based on the evaluation of the unreviewed financial statements of each related party for the same period.

4. Shares of profits or losses of associates accounted for using the equity method and other comprehensive income are as follows:

Names of associates	2024.4.1~6.30		2023.4.1~6.30	
	Recognized in current profit/loss	Recognized in other comprehensive income	Recognized in current profit/loss	Recognized in other comprehensive income
Zhenjiang Chimei Chemical Co., Ltd.	$ 72, 502	($ 31, 775)	($ 177, 831)	($ 310, 205)
Zhangzhou Chimei Chemical Co., Ltd.	(123, 615)	(25, 073)	(148, 831)	(273, 642)
Total	($ 51, 113)	($ 56, 848)	($ 326, 662)	($ 583, 847)

Names of associates	2024.1.1~6.30 Recognized in current profit/loss	2024.1.1~6.30 Recognized in other comprehensive income	2023.1.1~6.30 Recognized in current profit/loss	2023.1.1~6.30 Recognized in other comprehensive income
Zhenjiang Chimei Chemical Co., Ltd.	($ 39, 179)	($ 152, 316)	($ 186, 757)	($ 233, 811)
Zhangzhou Chimei Chemical Co., Ltd.	(325, 251)	(125, 660)	(227, 627)	(206, 300)
Total	($ 364, 430)	($ 277, 976)	($ 414, 384)	($ 440, 111)

5. Investments accounted for using equity method held by the Group are not provided as security or pledge.
6. For more details regarding the attribute in business of the aforementioned associates, their major business premises and country of incorporation registration, please see Note 13.3, information on investment in Mainland China.
7. The aggregated financial information of the Group's major associates is as follows: (The following aggregated financial information has been prepared on the basis of the IFRSs financial reports of the respective associates and reflects adjustments made for the adoption of the equity method)

(1) Zhenjiang Chimei Chemical Co., Ltd.

①Balance Sheets

Items	June 30, 2024	December 31, 2023	June 30, 2023
Current assets	$ 20, 939, 386	$ 19, 620, 787	$ 21, 794, 233
Noncurrent assets	9, 210, 121	9, 330, 502	9, 228, 900
Current liabilities	(12, 767, 403)	(11, 900, 178)	(12, 259, 193)
Noncurrent liabilities	(24, 547)	(30, 861)	(1, 527, 711)
Equity	17, 357, 557	17, 020, 250	17, 236, 229
The Company's shareholding ratio	30. 40%	30. 40%	30. 40%
The interests bestowed to the Company	5, 276, 697	5, 174, 156	5, 239, 814
Unrealized profit or loss	(853, 473)	(807, 507)	(820, 283)
Carrying amount of investment in associates	$ 4, 423, 224	$ 4, 366, 649	$ 4, 419, 531

② Statements of Comprehensive Income

Item	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Operating revenue	$ 13, 501, 897	$ 13, 200, 130	$ 25, 290, 224	$ 26, 724, 265
Profit (loss) for the period	238, 492	(584, 971)	(128, 878)	(614, 332)
Other comprehensive income	–	–	–	–
Total comprehensive income	$ 238, 492	($ 584, 971)	($ 128, 878)	($ 614, 332)
Dividends from associates (after tax)			$ –	$ 36, 689

(2) Zhangzhou Chimei Chemical Co., Ltd.

① Balance Sheets

Items	June 30, 2024	December 31, 2023	June 30, 2023
Current assets	$ 13, 552, 837	$ 8, 983, 030	$ 15, 651, 929
Noncurrent assets	28, 722, 861	24, 283, 112	20, 887, 569
Current liabilities	(12, 729, 065)	(11, 185, 590)	(8, 635, 436)
Noncurrent liabilities	(15, 943, 738)	(7, 794, 067)	(12, 800, 147)
Equity	13, 602, 895	14, 286, 485	15, 103, 915
The Company's shareholding ratio	30. 40%	30. 40%	30. 40%
The interests bestowed to the Company	4, 135, 280	4, 343, 092	4, 591, 590
Unrealized profit or loss	–	–	–
Carrying amount of investment in associates	$ 4, 135, 280	$ 4, 343, 092	$ 4, 591, 590

② Statements of Comprehensive Income

Item	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Operating revenue	$ 6, 373, 190	$ 5, 524, 129	$ 11, 076, 223	$ 9, 285, 720
Profit (loss) for the period	(406, 628)	(489, 573)	(1, 069, 905)	(748, 772)
Other comprehensive income	–	–	–	–
Total comprehensive income	($ 406, 628)	($ 489, 573)	($ 1, 069, 905)	($ 748, 772)
Dividends from associates (after tax)			$ –	$ –

6.13 Property, plant and equipment

Item	June 30, 2024	December 31, 2023	June 30, 2023
Land	$ 3, 279, 861	$ 3, 279, 861	$ 3, 276, 815
Buildings	1, 629, 407	1, 625, 093	1, 623, 428
Machinery	13, 589, 312	13, 558, 666	13, 506, 186
Transportation equipment	77, 107	77, 618	77, 507
Other equipment	1, 735, 369	1, 728, 262	1, 717, 145
Construction in progress and equipment to be inspected	17, 781, 757	16, 385, 814	14, 320, 543
Total costs	38, 092, 813	36, 655, 314	34, 521, 624
Less: Accumulated depreciation	(15, 042, 597)	(14, 953, 493)	(14, 722, 580)
Less: Accumulated impairment	(42, 747)	(43, 565)	(41, 771)
Net amount	$ 23, 007, 469	$ 21, 658, 256	$ 19, 757, 273

Item	Land	Buildings	Machinery	Transportation equipment	Other equipment	Construction in progress and equipment to be inspected	Total
Cost:							
Balance at January 1, 2024	$3, 279, 861	$1, 625, 093	$13, 558, 666	$ 77, 618	$1, 728, 262	$16, 385, 814	$36, 655, 314
Additions	-	1, 154	16, 221	494	180, 835	987, 217	1, 185, 921
Disposals	-	-	(2, 886)	(1, 300)	(152, 245)	-	(156, 431)
Reclassification (Note)	-	-	13, 908	-	(22, 462)	(32, 752)	(41, 306)
Effects of exchange rate	-	3, 160	3, 403	295	979	441, 478	449, 315
Balance at June 30, 2024	$3, 279, 861	$1, 629, 407	$13, 589, 312	$ 77, 107	$1, 735, 369	$17, 781, 757	$38, 092, 813
Accumulated depreciation and impairment:							
Balance at January 1, 2024	$ -	$1, 094, 807	$12, 717, 822	$ 71, 735	$1, 112, 694	$ -	$14, 997, 058
Depreciation expense	-	21, 990	151, 107	1, 150	65, 096	-	239, 343
Disposals	-	-	(2, 886)	(1, 300)	(152, 245)	-	(156, 431)
Impairment loss	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-
Effects of exchange rate	-	1, 439	2, 840	258	837	-	5, 374
Balance at June 30, 2024	$ -	$1, 118, 236	$12, 868, 883	$ 71, 843	$1, 026, 382	$ -	$15, 085, 344

Item	Land	Buildings	Machinery	Transportation equipment	Other equipment	Construction in progress and equipment to be inspected	Total
Cost:							
Balance at January 1, 2023	$3, 276, 815	$1, 636, 321	$13, 509, 340	$ 92, 566	$1, 674, 923	$13, 209, 249	$33, 399, 214
Obtained via business combination	–	–	–	–	873	–	873
Additions	–	12, 980	33, 674	2, 238	49, 260	1, 506, 998	1, 605, 150
Disposals	–	(33, 129)	(35, 329)	(16, 832)	(5, 558)	–	(90, 848)
Reclassification (Note)	–	11, 558	2, 242	–	(580)	(21, 364)	(8, 144)
Effects of exchange rate	–	(4, 302)	(3, 741)	(465)	(1, 773)	(374, 340)	(384, 621)
Balance at June 30, 2023	$3, 276, 815	$1, 623, 428	$13, 506, 186	$ 77, 507	$1, 717, 145	$14, 320, 543	$34, 521, 624
Accumulated depreciation and impairment:							
Balance at January 1, 2023	$ –	$1, 084, 845	$12, 421, 312	$ 86, 006	$ 985, 015	$ –	$14, 577, 178
Obtained via business combination	–	–	–	–	732	–	732
Depreciation expense	–	22, 489	181, 702	1, 334	75, 741	–	281, 266
Disposals	–	(33, 129)	(34, 213)	(16, 196)	(5, 537)	–	(89, 075)
Impairment loss	–	–	–	–	1, 300	–	1, 300
Reclassification	–	–	–	–	–	–	–
Effects of exchange rate	–	(2, 021)	(3, 543)	(425)	(1, 061)	–	(7, 050)
Balance at June 30, 2023	$ –	$1, 072, 184	$12, 565, 258	$ 70, 719	$1, 056, 190	$ –	$14, 764, 351

Note: The Group's net decrease in reclassifications for the six months ended June 30, 2024 and 2023 consisted of $0 and $249 thousand respectively transferred into prepayment for equipment, $14,947 thousand and $8,393 thousand transferred respectively from property, plant and equipment to expense, and, $26,359 thousand and $0 transferred respectively from property, plant and equipment to inventory.

1. The Group’s property, plant and equipment is primarily for internal use. Some property and equipment owned is rented out via operating leases.

2. The additions for the current period include non-cash items, which are reconciled to the acquisition of property, plant and equipment in the statement of cash flows as follows:

Item	2024.1.1~6.30	2023.1.1~6.30
Increase in property, plant and equipment	$ 1, 185, 921	$ 1, 605, 150
Plus: Increase in the payables for equipment	61, 663	4, 787
Less: Amortization of capitalized issuance cost of syndicated loans	(10, 977)	(9, 424)
Less: Increase in deferred subsidies	(4, 420)	–
Amounts paid in cash	$ 1, 232, 187	$ 1, 600, 513

3. The amount of property, plant and equipment borrowing costs capitalized and the interest rate range:

Item	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Amount capitalized	$ 151, 943	$ 144, 838	$ 308, 685	$ 290, 701
Interest rate range of capitalization	2. 63%～3. 95%	4. 05%	2. 63%～3. 95%	4. 05%

4. The major composition items of the Group's property, plant and equipment were depreciated in the straight-line method based on the useful life as follows:

(1) Buildings

Buildings, plants and main constructions	26~46 years	Building affiliated equipment	11~21 years
Air conditioning equipment	5~8 years	Fire protection equipment	4~6 years
Road greening	4~11 years		

(2) Machinery

Chemical equipment	8~25 years	Steam and electricity equipment	16 years
Gas supply equipment	10 years	Broadcasting equipment	5~6 years
Others	7 years		

(3) Transportation equipment

SNG Van	5~7 years	OB outside Broadcasting Van	6~7 years
Others	2~6 years		

(4) Other equipment

Furniture & office equipment	4~7 years	Leasehold improvement	10~15 years
Catering equipment	3 years	Others	3~8 years

5. For the three months ended June 30, 2023 and for the six months ended June 30, 2023 the Group recognized an impairment loss of $700 thousand and $1,300 thousand on certain equipment due to the expected decrease in future cash inflows from the equipment because of the incomplete utilization of the equipment's production capacity, which resulted in the estimated recoverable amount of the equipment being less than the carrying amount of the equipment, which is included in the consolidated statements of comprehensive income under the caption of "other gains and losses". The Group used the value-in-use to determine the recoverable amount of the equipment, and the discount rate used for the six months ended June 30, 2023 was 2.00%. In addition, as

a result of the Group's prudent evaluation, as of June 30, 2024, December 31, 2023 and June 30, 2023, the Group recognized cumulative impairment loss of property, plant and equipment amounting to $42,747 thousand, $43,565 thousand and $41,771 thousand, respectively.

6. For information on property, plant and equipment provided as security, please refer to Note 8.1.

6.14 Lease agreement

1. Right-of-use assets

Item	June 30, 2024	December 31, 2023	June 30, 2023
Land	$ 1, 030, 962	$ 1, 003, 439	$ 998, 774
Buildings	3, 499, 040	3, 244, 718	3, 256, 314
Machinery	164, 975	163, 023	–
Transportation equipment	11, 741	17, 760	17, 356
Total costs	4, 706, 718	4, 428, 940	4, 272, 444
Less: Accumulated depreciation	(711, 730)	(598, 607)	(493, 967)
Less: Accumulated impairment	–	–	–
Net amount	$ 3, 994, 988	$ 3, 830, 333	$ 3, 778, 477

Item	Land	Buildings	Machinery	Transportation equipment	Total
Cost:					
Balance at January 1, 2024	$1, 003, 439	$3, 244, 718	$ 163, 023	$ 17, 760	$4, 428, 940
Additions/Remeasurement	–	267, 090	–	4, 994	272, 084
Additions/Decommissioning costs	–	–	–	–	–
Disposals/Derecognition	–	(13, 582)	–	(11, 105)	(24, 687)
Effects of exchange rate	27, 523	814	1, 952	92	30, 381
Balance at June 30, 2024	$1, 030, 962	$3, 499, 040	$ 164, 975	$ 11, 741	$4, 706, 718
Accumulated depreciation:					
Balance at January 1, 2024	$ 63, 832	$ 522, 472	$ 6, 181	$ 6, 122	$ 598, 607
Depreciation expense	10, 303	102, 903	12, 823	2, 441	128, 470
Disposals/Derecognition	–	(13, 582)	–	(3, 776)	(17, 358)
Effects of exchange rate	1, 802	90	62	57	2, 011
Balance at June 30, 2024	$ 75, 937	$ 611, 883	$ 19, 066	$ 4, 844	$ 711, 730

Item	Land	Buildings	Machinery	Transportation equipment	Total
Cost:					
Balance at January 1, 2023	$1, 028, 164	$2, 952, 338	$ 35, 377	$ 9, 952	$4, 025, 831
Obtained via business combination	−	9, 010	−	−	9, 010
Additions/Remeasurement	−	316, 221	2, 106	9, 342	327, 669
Additions/Decommissioning costs	−	(591)	−	−	(591)
Disposals/Derecognition	−	(19, 030)	(37, 483)	(1, 839)	(58, 352)
Effects of exchange rate	(29, 390)	(1, 634)	−	(99)	(31, 123)
Balance at June 30, 2023	$ 998, 774	$3, 256, 314	$ −	$ 17, 356	$4, 272, 444
Accumulated depreciation:					
Balance at January 1, 2023	$ 45, 040	$ 344, 246	$ 33, 296	$ 5, 381	$ 427, 963
Obtained via business combination	−	1, 502	−	−	1, 502
Depreciation expense	9, 891	99, 481	4, 187	1, 593	115, 152
Disposals/Derecognition	−	(9, 600)	(37, 483)	(1, 839)	(48, 922)
Effects of exchange rate	(1, 429)	(255)	−	(44)	(1, 728)
Balance at June 30, 2023	$ 53, 502	$ 435, 374	$ −	$ 5, 091	$ 493, 967

2. Lease liabilities

Items	June 30, 2024		December 31, 2023		June 30, 2023	
	Current	Noncurrent	Current	Noncurrent	Current	Noncurrent
Land	$ −	$ −	$ −	$ −	$ −	$ −
Buildings	205, 652	3, 019, 205	193, 346	2, 772, 324	194, 605	2, 769, 226
Machinery	25, 793	123, 165	27, 285	133, 579	705	−
Transportation equipment	3, 397	3, 378	3, 890	7, 749	3, 626	8, 590
Total	$234, 842	$3, 145, 748	$224, 521	$2, 913, 652	$198, 936	$2, 777, 816

Item	Land		Buildings		Machinery		Transportation equipment		Total
Lease liabilities:									
Balance at January 1, 2024	$	－	$2, 965, 670	$	160, 864	$	11, 639		$3, 138, 173
Addition/Remeasurement		－	267, 091		－		4, 993		272, 084
Disposal/Derecognition		－	－		－	(	7, 424)	(	7, 424)
Repayment of principal of lease liabilities		－	(8, 641)	(	13, 850)	(	2, 468)	(	24, 959)
Effects of exchange rate		－	737		1, 944		35		2, 716
Balance at June 30,2024	$	－	$3, 224, 857	$	148, 958	$	6, 775		$3, 380, 590

Item	Land		Buildings		Machinery		Transportation equipment		Total
Lease liabilities:									
Balance at January 1, 2023	$	－	$2, 698, 175	$	2, 817	$	4, 500		$2, 705, 492
Obtained via business combination		－	7, 293		－		－		7, 293
Addition/Remeasurement		－	316, 221		2, 106		9, 342		327, 669
Disposal/Derecognition		－	(8, 843)		－		－	(	8, 843)
Repayment of principal of lease liabilities		－	(47, 087)	(	4, 218)	(	1, 573)	(	52, 878)
Effects of exchange rate		－	(1, 928)		－	(	53)	(	1, 981)
Balance at June 30, 2023	$	－	$2, 963, 831	$	705	$	12, 216		$2, 976, 752

(1) The lease term of lease liabilities and the range of discount rate are as follows:

Item	Estimated lease term (including lease renewal rights)	June 30, 2024	December 31, 2023	June 30, 2023
Land	50years	－	－	－
Buildings	2～29 years	0.32%～4.35%	0.32%～4.35%	0.32%～4.35%
Machinery	4～5 years	1.75%～4.09%	1.75%～4.09%	0.95%
Transportation equipment	3～7 years	0.28%～2.67%	0.28%～2.67%	0.28%～2.67%

(2) The maturity of the Group's lease liabilities are analyzed below:

Item	June 30, 2024	December 31, 2023	June 30, 2023
Within 1 year	$ 296, 930	$ 282, 657	$ 255, 000
1 to 5 years	1, 159, 044	1, 104, 068	993, 052
5 to 10 years	1, 388, 057	1, 334, 615	1, 312, 969
10 to 15 years	1, 168, 252	1, 096, 147	1, 094, 693
15 to 20 years	671, 954	710, 987	818, 537
Over 20 years	7, 846	8, 307	10, 189
Subtotal	4, 692, 083	4, 536, 781	4, 484, 440
Less: Receivable lease incentives	(777, 823)	(872, 555)	(973, 908)
Total undiscounted lease payments	$ 3, 914, 260	$ 3, 664, 226	$ 3, 510, 532

3. Major lease events and clauses

(1) The Group leased the land in the People's Republic of China for use as a production plants and office spaces for land use right in 50 years. The entire rents should be paid up in a lump-sum at the time of execution of this Lease Agreement. The Group was not entitled to procure the land upon expiry of the duration of land use right. The Group was entitled to the act of disposition such as land use right, income right, transfer and lease within the land use limit, and the Group is responsible to pay a variety of taxes as required.

In addition, the subject assets leased by the Group include buildings & constructions, machinery equipment and transportation facilities, and the like. At the end of the lease term, the Group held no preferential acquisition rights for the leased target assets, and some leases were attached to lease term renewal right after expiration. The lease agreement was negotiated individually and contained various terms and conditions. Some lease agreements stipulate that the lease payment may be adjusted according to the consumer price index. Assets other than leases should not be used as loan security, and it was agreed that unless with the consent of the lessor, the Group should not sublet or transfer the subject premises either in whole or in part. Except these facts, the lease agreement was free of any other restrictions.

(2) Option to extend the lease

The part of the Subject Premises covered within the Group's lease agreement includes the extension option entitled to the Group. Under the general practice for the lease agreement, the Group was bestowed with the maximum possible operating flexibility and effective use of assets. While the Group resolved to enter into the lease term, the Group already took into account all the facts and circumstances that will result in the economic incentives generated from the exercise of extension option. The lease term will be reassessed when a major event occurs regarding the assessment whether to exercise the extension right or not to excise the termination option.

(3) Impact of variable lease payments on lease liabilities

The Group has lease agreements with variable lease payment terms linked to storage volume/usage and operating revenues/operating profits. The variable payments depend on the actual usage or operating performance of the underlying assets. Variable payment terms are used for many reasons, mainly to control profits and operational flexibility while minimizing fixed costs. Variable lease payments (or profit-sharing rents) related to the abovementioned indicators are recognized as expenses during the periods when the payment conditions are triggered.

4. Sublet

The Group sub-leases the right to use part of the leased spaces under a short-term operating lease. The rent has been collected in accordance with the lease agreements. Most lease agreements could be renewed at the market price at the end of the lease term. Those lease agreements include clauses that can adjust the rent according to the market environments every year. For the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, the proceeds from sublease of right-of-use assets amounted to $310 thousand, $734 thousand, $614 thousand and $1,034 thousand, respectively.

5. Other lease related information

For the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, the Group recognized rental income of $5,182 thousand, $4,504 thousand, $10,257 thousand and $9,340 thousand respectively based on operating lease agreements. Among them, there was no income from variable lease payments.

The Group’s agreement to lease investment property by means of operating lease is detailed in Note 6.15-7.

(1) The profit or loss details related to the lease agreement are as follows:

Item	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Expenses attributable to short-term lease agreement	$ 1, 816	$ 1, 468	$ 2, 878	$ 2, 814
Expenses attributable to low-value assets lease	–	–	1	11
Expenses paid under variable lease	720	–	1, 770	–
Total	$ 2, 536	$ 1, 468	$ 4, 649	$ 2, 825
Interest expense for lease liabilities	$ 16, 722	$ 13, 741	$ 31, 741	$ 26, 119
Profit (loss) generated from back-lease transaction after sales	$ –	$ –	$ –	$ –
Profit (loss) generated from amendment to lease transaction	$ 95	($ 587)	$ 95	($ 587)

The Group chose to apply recognition exemptions for short-term leases and low-value asset leases, and did not recognize related right-of-use assets and lease liabilities for these leases.

(2) The total lease cash outflow of the Group for the six months ended June 30, 2024 and 2023 amounts to $61,349 thousand and $81,822 thousand, respectively.

(3) As a result of the Group's prudent evaluation, no impairment loss has been incurred on the right-of-use assets.

(4) The Group's right-of-use assets are not provided as security or pledge.

6.15 Investment properties

Item	June 30, 2024	December 31, 2023	June 30, 2023
Land	$ 519, 432	$ 519, 432	$ 519, 432
Buildings	292, 446	292, 446	292, 446
Subtotal	811, 878	811, 878	811, 878
Less: Accumulated depreciation	(98, 117)	(95, 674)	(93, 210)
Less: Accumulated impairment	–	–	–
Net amount	$ 713, 761	$ 716, 204	$ 718, 668

Item	Land		Buildings		Total	
Cost:						
Balance at January 1, 2024	$	519, 432	$	292, 446	$	811, 878
Additions		–		–		–
Disposals		–		–		–
Reclassification		–		–		–
Balance at June 30, 2024	$	519, 432	$	292, 446	$	811, 878
Accumulated depreciation and impairment						
Balance at January 1, 2024	$	–	$	95, 674	$	95, 674
Depreciation expense		–		2, 443		2, 443
Disposals		–		–		–
Reclassification		–		–		–
Balance at June 30, 2024	$	–	$	98, 117	$	98, 117

Item	Land		Buildings		Total	
Cost:						
Balance at January 1, 2023	$	519, 432	$	292, 446	$	811, 878
Additions		–		–		–
Disposals		–		–		–
Reclassification		–		–		–
Balance at June 30, 2023	$	519, 432	$	292, 446	$	811, 878
Accumulated depreciation and impairment:						
Balance at January 1, 2023	$	–	$	90, 745	$	90, 745
Depreciation expenses		–		2, 465		2, 465
Disposals		–		–		–
Reclassification		–		–		–
Balance at June 30, 2023	$	–	$	93, 210	$	93, 210

1. Amount and range of interest rates of capitalized borrowing cost of investment properties: None.

2. Rental income from investment properties and direct operating expenses arising from investment property are shown below:

Item	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Rental income from investment properties	$ 3, 983	$ 4, 133	$ 8, 266	$ 8, 266
Direct operating expenses arising from the investment properties that generated rental income during the period	$ 992	$ 792	$ 1, 399	$ 1, 210
Direct operating expenses arising from the investment properties that did not generate rental income during the period	$ 1, 819	$ 1, 668	$ 2, 633	$ 2, 483

3. The Group's investment properties, except for land, are depreciated on a straight-line basis over their useful lives of 40~56 years.

4. The fair values of the Group's investment properties located in Songshan District and Daan District of Taipei City were approximately $874,433 thousand, $757,924 thousand and $895,460 thousand as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively. The fair value of the foregoing was evaluated based on the comparable properties in proximity and within the primary market area, as indicated by the most recent property transaction registration data of the Ministry of the Interior's Actual Price Registration System. As this fair value is estimated with historical quantitative data and the transactions may vary due to the property and the surrounding conditions, it may differ from the future transaction price. In addition, the Group has an investment property in Dali District, Taichung City. It is located in a software industry park, where the comparable transactions are infrequent and reliable alternative fair value estimates would be impractical, so the fair value cannot be determined reliably.

5. As a result of the Group's prudent evaluation, no impairment loss on investment properties has been recognized.

6. The Group's investment properties are held in its own equity. Please refer to Note 8.2 for information on the collaterals provided.

7. Lease agreements - The Group is the Lessee

   The Group leases out investment properties, including land and buildings, for a period of 1~2 years. At the end of the lease term, the lessee does not have a preemptive right to acquire the subject assets leased, and most of the lease agreements are renewable at the end of the lease term based on the market price, and contain clauses that allow for rental adjustments in accordance with market conditions from year to year. The total future lease payments to be received by the Group for investment properties leased under operating leases are as follows:

Item	June 30, 2024	December 31, 2023	June 30, 2023
1st year	$ 10, 502	$ 15, 456	$ 6, 602
2nd year	3, 600	7, 200	–
3rd year	–	–	–
4th year	–	–	–
5th year	–	–	–
Over 5 years	–	–	–
Total	$ 14, 102	$ 22, 656	$ 6, 602

6.16 Intangible assets

Item	June 30, 2024	December 31, 2023	June 30, 2023
Goodwill	$ 816, 099	$ 816, 099	$ 816, 099
Expertise	535, 979	436, 788	392, 923
Pollution rights	15, 056	14, 654	–
Online platform membership relationships	76, 111	76, 111	76, 111
Subtotal	1, 443, 245	1, 343, 652	1, 285, 133
Less: Accumulated amortization	(13, 424)	(8, 099)	(3, 806)
Less: Accumulated impairment	(37, 155)	(37, 155)	(15, 155)
Net amount	$ 1, 392, 666	$ 1, 298, 398	$ 1, 266, 172

Item	Goodwill	Expertise	Pollution rights	Online platform membership relationships	Total
Cost:					
Balance at January 1, 2024	$ 816, 099	$ 436, 788	$ 14, 654	$ 76, 111	$ 1, 343, 652
Addition－Individual origin	－	87, 210	－	－	87, 210
Disposal/Derecognition	－	－	－	－	－
Effects of exchange rate	－	11, 981	402	－	12, 383
Balance at June 30, 2024	$ 816, 099	$ 535, 979	$ 15, 056	$ 76, 111	$ 1, 443, 245
Accumulated amortization and impairment:					
Balance at January 1, 2024	$ 37, 155	$ －	$ 488	$ 7, 611	$ 45, 254
Amortization expense	－	－	1, 498	3, 806	5, 304
Disposal/Derecognition	－	－		－	－
Effects of exchange rate	－	－	21	－	21
Balance at June 30, 2024	$ 37, 155	$ －	$ 2, 007	$ 11, 417	$ 50, 579

Item	Goodwill	Expertise	Pollution rights	Online platform membership relationships	Total
Cost:					
Balance at January 1, 2023	$ 674, 070	$ 403, 313	$ －	$ －	$ 1, 077, 383
Obtained via business combination	142, 029	－	－	76, 111	218, 140
Addition－Individual origin	－	1, 138	－	－	1, 138
Disposal/Derecognition	－	－	－	－	－
Effects of exchange rate	－	(11, 528)	－	－	(11, 528)
Balance at June 30, 2023	$ 816, 099	$ 392, 923	$ －	$ 76, 111	$ 1, 285, 133
Accumulated amortization and impairment:					
Balance at January 1, 2023	$ 15, 155	$ －	$ －	$ －	$ 15, 155
Amortization expense	－	－	－	3, 806	3, 806
Disposal/Derecognition	－	－	－	－	－
Effects of exchange rate	－	－	－	－	－
Balance at June 30, 2023	$ 15, 155	$ －	$ －	$ 3, 806	$ 18, 961

1. Amount and interest rate range for capitalization of borrowing costs for intangible assets: None.
2. In pursuit of business diversification, the Group entered into ecommerce to expand operational footprint by acquiring Citiesocial Holding Cayman Co., Ltd. and its subsidiary Citiesocial Co., Ltd. in January 2023. In accordance with the purchase price allocation report, a goodwill of $142,029 thousand and online platform membership relationships of $76,111 thousand were recognized. Please refer to Note 6.47 for details.
3. The proprietary technology is the license for the Spheripol process and the Oleflex propane dehydrogenation plant used by the Group to produce polymers such as propylene and polypropylene. Since the licensor's performance obligations have not yet been completed and the patented technologies are not yet ready for use, they are expected to be amortized over the benefit period from the completion of the plant construction and mass production.
4. Pollution rights are permits obtained by the Group through monetary transactions to emit pollutants of specified types and quantities over a defined period. The allowances of pollution rights acquired by companies are identifiable non-physical non-monetary assets that are individually identifiable, controllable by companies, and have future economic benefits in the form of offsetting emission-related obligations. Therefore, they meet the definition of intangible assets under the IAS 38. Consequently, the Group capitalizes these allowances and amortizes them over the approved permit period.
5. The online platform membership relationships operated by the Group via a membership system to sell exclusive and selected merchandise through its website to enhance customer loyalty. After the evaluation, it is deemed that such relationships have future economic value and meets the definition and recognition criteria of an intangible asset under the IAS 38. Online platform membership relationships are amortized on a straight-line basis over the useful life of 10 years.
6. The amortization of the Group's intangible assets amounted to $2,659 thousand, $1,903 thousand, $5,304 thousand and $3,806 thousand for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, respectively, and the individual line items of these intangible assets, depending on the function, were classified under operating expenses.
7. The intangible assets (except goodwill) have no significant impairment as indicated by the result of the Group’s prudential evaluation.

8. The Group's intangible assets are not provided as security or pledge.
9. Goodwill (less accumulated amortization and impairment) has been allocated to the Group's cash-generating units identified by the operating segment:

Item	June 30, 2024	December 31, 2023	June 30, 2023
Goodwill			
Digital New Media Department	$ 778, 944	$ 778, 944	$ 800, 974

10. The Group evaluates the recoverable amount of goodwill for impairment on an annual basis at the annual balance sheet date and uses value in use as the basis for calculating the recoverable amount. The value-in-use calculation is based on the pre-tax cash flow projections in the financial budgets approved by management for the five-year period, and cash flows beyond the five-year period are extrapolated at a steady growth rate. Management determines the budgeted gross margin based on historical performance and its expectation of market development. The weighted-average growth rate used approximates the forecasted trend in industry reports. The discount rate used is a pre-tax rate to reflect the specific risk of the relevant operating segment cash generating unit. For the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, the Group prudently assessed that the recoverable amount of each cash-generating unit was similar to its carrying amount and therefore no impairment loss was recognized. As of June 30, 2024, December 31, 2023 and June 30, 2023 the cumulative amount of impairment loss on goodwill recognized by the Group was $37,155 thousand, $37,155 thousand, and $15,155 thousand, respectively.
11. In January 2023, the Group acquired Citiesocial Holding Cayman Co., Ltd. and its subsidiary Citiesocial Co., Ltd. After the acquisition, proactive organizational adjustments and operational restructuring were undertaken. However, the sales of merchandise during retail holidays were lower than expected, the increase in the number of new customers slowed down, and the revenue from existing customers declined due to global inflation. As a result, the operational performance to date fell short of expectations at the time of acquisition. The Group performed an impairment test on goodwill based on the key assumptions described in 8 above. After careful evaluation, the recoverable amount of the cash-generating unit was found to be less than the carrying amount. Consequently, an impairment loss on goodwill of $22,000 thousand was recognized in Q4 2023.

6.17 Prepayments for equipment

Item	June 30, 2024	December 31, 2023	June 30, 2023
Prepayment from Quanzhou Grand Pacific Chemical Co., Ltd. for equipment of plant construction	$ 4, 908, 747	$ 4, 748, 533	$ 4, 662, 152
Others	2, 053	2, 053	880
Total	$ 4, 910, 800	$ 4, 750, 586	$ 4, 663, 032

6.18 Refundable deposits

Item	June 30, 2024	December 31, 2023	June 30, 2023
Performance bond	$ 4, 043	$ 476	$ 1, 156
Leasehold deposits – as a lessee	27, 165	26, 981	28, 206
Others	855	1, 317	1, 478
Total	$ 32, 063	$ 28, 774	$ 30, 840

6.19 Other financial assets - noncurrent

Item	June 30, 2024	December 31, 2023	June 30, 2023
Restricted bank deposits	$ 1, 000	$ 1, 000	$ 1, 000

1. The restricted bank deposits refer to pledged time deposits for import tariff guarantee. Please refer to Note 8.3 for more details.
2. The Group has evaluated that the above financial assets have low credit risk and the credit risk has not increased significantly since initial recognition.

6.20 Other noncurrent assets - other

Item	June 30, 2024	December 31, 2023	June 30, 2023
Cost of program broadcasting - noncurrent	$ 92, 700	$ 35, 731	$ 78, 896
Long-term prepaid expenses	6, 184	4, 759	5, 521
Long-term receivables	–	–	73
Issuance cost of syndicated loan	–	–	5, 151
Others	102	–	–
Total	$ 98, 986	$ 40, 490	$ 89, 641

1. The cost of program broadcasting included the cost of outsourcing film broadcasting rights, outsourcing filming or self-made programs and the like. The relevant details are as follows:

Item	June 30, 2024	December 31, 2023	June 30, 2023
Movie film library	$ 110, 408	$ 109, 850	$ 117, 056
Prepayments for film purchase	90, 978	32, 330	60, 634
Subtotal	201, 386	142, 180	177, 690
Less: Accumulated impairment - cost of program broadcasting	(1, 201)	(1, 542)	(467)
Less: Portion expected to be amortized within one year	(107, 485)	(104, 907)	(98, 327)
Cost of program broadcasting - noncurrent	$ 92, 700	$ 35, 731	$ 78, 896

The portion expected to be amortized within one year was recorded in other current assets - others. Please see Note 6.9 for more details.

2. The Group expected a decrease in the future cash inflows from certain broadcast programs due to poor box office sales in the market or the long shelf life of the programs, which resulted in the estimated recoverable amount of the programs being less than the carrying amount. As of June 30, 2024, December 31, 2023 and June 30, 2023, the Group recognized a cumulative impairment loss of $1,201 thousand, $1,542 thousand and $467 thousand, respectively, for broadcasting programs.
3. The program broadcasting held by the Group are not provided as security or pledge.
4. The single-line items for all amortization of the cost of program broadcasting and long-term prepaid expenses are as follows:

Item	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Operating cost	$ 115, 386	$ 108, 212	$ 241, 122	$ 218, 924
Operating expense	630	890	1, 253	1, 712
Total	$ 116, 016	$ 109, 102	$ 242, 375	$ 220, 636

5. The issuance cost for the syndicated loan refers to syndicated loan fee for the Group's CNY3.5 billion syndicated loan from 17 banks. The total fee was CNY15,750 thousand based on a rate of 0.45%. When the loan facility is utilized, the Group converts the issuance cost of the syndicated loan pro rata into the contra account for long-term borrowings and recognizes an interest expense for the transaction cost of the financial liability with amortization based on the effective interest rate method.

The syndicated fee paid before utilizing the loan facility is recognized as an asset (other noncurrent assets – others).

6.21 Short-term borrowings

Item	June 30, 2024	December 31, 2023	June 30, 2023
Credit loans	$ 3, 942, 191	$ 1, 830, 000	$ 2, 222, 334
Secured loans	265, 000	70, 000	437, 000
Total	$ 4, 207, 191	$ 1, 900, 000	$ 2, 659, 334
Interest rate range	1. 91%～3. 75%	1. 80%～2. 63%	1. 85%～3. 25%

The Group and the banks have signed comprehensive credit line contracts for which the Group provided promissory notes or debit notes as a commitment to repay the loan. For more details regarding the pledge and security provided for short-term borrowings, please see Note 8.1 and Note 9.1-(1).

6.22 Short-term notes and bills payable

Item	June 30, 2024	December 31, 2023	June 30, 2023
Commercial paper payable	$ 800, 000	$ 700, 000	$ 300, 000
Less: Discount on short-term notes and bills payable	(459)	(305)	(92)
Net amount	$ 799, 541	$ 699, 695	$ 299, 908
Interest rate range	1. 57%～1. 74%	1. 45%～1. 63%	1. 602%

The Group's commercial paper payable is issued under the guarantee of a Bills Finance Company or a bank, and a promissory note is provided as a commitment to repay the loan. Please refer to Note 9.1-(1) for the details of the pledge and security of short-term notes and bills payable.

6.23 Notes and accounts payable

Notes and accounts payable are recognized for operating activities. The Group has established a financial risk management policy to ensure all the payables are paid within the predetermined credit period.

6.24 Other payables

Item	June 30, 2024	December 31, 2023	June 30, 2023
Salaries and bonuses payable	$ 180, 580	$ 303, 619	$ 175, 083
Compensation to employee payable	2, 894	3, 110	12, 966
Remuneration to directors and supervisors payable	1, 616	2, 101	2, 172
Interest payable	4, 914	2, 425	3, 673
Dividends payable	12, 912	–	488, 222
Service charge payable	8, 736	8, 066	12, 937
Services expense payable	5, 835	13, 625	4, 365
Equipment payable	288, 195	349, 858	198, 386
Anticipated refund of overpayments from shareholders in capital increase	–	11, 281	–
Share issuance cost payable	–	4, 042	–
Dividends payable to non-controlling interest	6, 719	18, 444	–
Distributions payable of remaining properties	44, 207	–	–
Others	128, 491	131, 561	119, 102
Total	$ 685, 099	$ 848, 132	$ 1, 016, 906

6.25 Provisions - current

Item	June 30, 2024	December 31, 2023	June 30, 2023
Employee benefits - payment on leave	$ 19, 145	$ 18, 870	$ 18, 162
Restructuring plan	–	–	10, 036
Total	$ 19, 145	$ 18, 870	$ 28, 198

Item	Employee benefits	Restructuring plan	Total
Balance at January 1, 2024	$ 18, 870	$ –	$ 18, 870
Additional amount for the period	12, 609	–	12, 609
Utilized amount for the period	(7, 826)	–	(7, 826)
Reversal of unutilized amount for the period	(4, 564)	–	(4, 564)
Effects of exchange rate	56	–	56
Balance at June 30, 2024	$ 19, 145	$ –	$ 19, 145

Item	Employee benefits	Restructuring plan	Total
Balance at January 1, 2023	$ 18, 063	$ 14, 000	$ 32, 063
Additional amount for the period	11, 766	–	11, 766
Utilized amount for the period	(8, 032)	(3, 964)	(11, 996)
Reversal of unutilized amount for the period	(3, 593)	–	(3, 593)
Effects of exchange rate	(42)	–	(42)
Balance at June 30, 2023	$ 18, 162	$ 10, 036	$ 28, 198

1. The provisions of employee benefits - current refer to an estimate of the employee's vested right for service leave. In most cases, sick leave and maternity leave or paternity leave are contingent in attribute, depending on future events and instead of being accumulated so such costs would be recognized only when the fact of leave takes place.
2. On November 10, 2022, the Group's Board of Directors resolved to close the production line of the packaging materials division at the Zhongshan plant in Guangdong Province, China. The Group has proposed and announced to the public a detailed formal restructuring plan, which includes the termination of employment contracts and the disposal of assets, so that the affected parties have a valid expectation that the Group will be restructured and therefore have a constructive obligation to restructure. The Group recognized a provision for liabilities based on the best estimate of the expenses required to settle the constructive obligation of the reorganization.

6.26 Advance receipts

Item	June 30, 2024	December 31, 2023	June 30, 2023
Rents collected in advance	$ 1, 008	$ 993	$ 1, 029
Others	–	–	1, 608
Total	$ 1, 008	$ 993	$ 2, 637

6.27 Other current liabilities - other

Item	June 30, 2024	December 31, 2023	June 30, 2023
Receipts under custody	$ 7, 848	$ 7, 673	$ 7, 699
Materials borrowed from industry peers	–	22, 228	–
Collected fees on behalf of others for TV program co-production	26, 548	10, 033	–
Others	437	–	4
Total	$ 34, 833	$ 39, 934	$ 7, 703

1. The materials borrowed from industry peers refer to the raw materials that the Group borrowed from other companies in the industry during November to December, 2023 to meet the production schedules. A borrowing agreement was signed, which states that the borrowed materials will be returned after the imported materials arrive.
2. The fees collected on behalf of others for TV program co-production refer to the funds collected by the Group by applying to and from the Taiwan Creative Content Agency for the investment in television program co-production projects. According to the investment agreement, the Group is obligated to distribute the project profits pro-rata to investments after deducting the subsidies or grants provided by the government from all incomes generated by this project.

6.28 Long-term borrowings

Item	June 30, 2024	December 31, 2023	June 30, 2023
Syndicated loan	$ 15,470,000	$ 15,057,000	$ 13,842,366
Credit loan (I)	500,000	700,000	700,000
Credit loan (II)	427	933	11,017
Credit loan (III)	320,091	–	–
Credit loan (IV)	132,600	–	–
Secured loan	400,000	–	1,200,000
Subtotal	16,823,118	15,757,933	15,753,383
Less: Issuance cost of syndicated loan	(27,611)	(37,614)	(42,731)
Less: Portion due within one year	(6,177,383)	(3,004,810)	(5,837)
Total	$ 10,618,124	$ 12,715,509	$ 15,704,815

1. Information on long-term borrowings

(1) Syndicated loan

To fund the capital required for the construction an annual capacity of 660,000 metric tons of propane dehydrogenation (PDH) and an annual capacity 450,000 metric tons of polypropylene (PP) at Quangang Petrochemical Industrial Park in China, the Group signed with 17 banks for a syndicated loan of CNY3.5 billion on March 31, 2021. The credit term is five years after the first utilization of the loan facility. The interest rate is floating, based on ≥5-year Loan Prime Rate (LPR) published by National Inter-bank Funding Center on the 20th of each month. Interests are paid every 6 months. The grace period is three years and the level repayments for the principal are due every 6 months until September 2026. The Company serves as the joint guarantor for this loan and maintains a specific current ratio, debt ratio and interest coverage ratio as required by the covenant. Please refer to Note 9.12 for the financial ratio restrictions during the contract period of this syndicated loan. As of June 30, 2024, December 31, 2023 and June 30, 2023, the Group has utilized CNY3,500,000 thousand, CNY3,500,000 thousand and CNY3,232,687 thousand, respectively. Effective annual interest rates of 3.70%~3.95% and 4.05% were applied for the six months ended June 30, 2024 and 2023, respectively.

(2) Credit loan (I)

The contract has a credit period of 2 years and a borrowing amount of $1.3 billion, which the Group can revolve within the credit limit in accordance with the contract. Interest is payable monthly from the date of funding, and the principal is expected to be repaid in March 2026 after renewal of the contract. As of June 30, 2024, December 31, 2023 and June 30, 2023, the Group had applied for a revolving credit line of $500,000 thousand, $700,000 thousand, and $700,000 thousand, respectively, with effective interest rates ranging from 2.00% to 2.22% and 1.70% to 1.97% per annum for the six months ended June 30, 2024 and 2023, respectively.

(3) Credit loan (II)

The credit period of this contract ranges from 2 to 3 years, with maturity dates between December 2023 and January 2026, and principal and interest are amortized equally on a monthly basis by the annuity method starting from the date of borrowing. The effective interest rates are 3.21% and 2.22%~6.88% per annum for the six months ended June 30, 2024 and 2023, respectively.

(4) Credit loan (III)

This contract has a five-year credit period and a non-revolving loan amount of $1 billion. Interest is payable monthly from the date of funding, with the first installment of principal payable two years from the date of initial drawdown and semiannual installments thereafter, with 2.5% of the principal payable in each installment from the first to the fourth, and 3.0% of the principal payable in each installment from the fifth to the sixth, and the remaining 84% of the principal payable is due for repayment in January, 2029. The Company acted as a joint guarantor for this credit line, and according to the contract, the borrower should maintain the debt service reserve ratio and paid-in capital at the agreed level. Please refer to Note 9.13 for the commitments of the financial ratio limitation clause during the term of this credit line. As of June 30, 2024, the Group had applied for a credit line of $320,091 thousand with an effective interest rate of 2.63%~2.76% per annum for the three months ended March 31, 2024.

(5) Credit loan (IV)

This contract has a three-year credit period and a revolving loan amount of CNY250 million. Interest is payable monthly from the date of funding and the principal amount is expected to be repaid in June 2027. As of June 30, 2024, the Group had applied for a credit line of CNY30,000 thousand with an effective interest rate of 3.30% per annum for the six months ended June 30, 2024.

(6) Secured loan

The contract has a credit period of 2 years and a borrowing amount of $1.2 billion, which the Group can revolve within the credit limit in accordance with the contract. Interest is payable monthly from the date of funding, and the principal amount is expected to be repaid in December 2025. The credit facility is secured by a collateralization of the Group's own property, plant and equipment, please refer to Note 8.1 for details. As of June 30, 2024, December 31, 2023 and June 30, 2023, the Group had applied for a credit line of $400,000 thousand, $0 and $1,200,000 thousand with an effective interest rate of 2.10% and 1.93%~2.055% per annum for the six months ended June 30, 2024.

2. The Group enters loan facility contracts with banks and provides promissory notes or debit notes corresponding to the credit lines as a promise for repayments. Please refer to Note 8.1 and Note 9.1-(1) for pledge and security of long-term borrowings.

3. The maturity analysis of the Group’s long-term borrowings is detailed in Note 12.3-3-(3).

6.29 Provisions - noncurrent

Item	June 30, 2024	December 31, 2023	June 30, 2023
Other long-term employee benefits plans	$ 15, 155	$ 14, 380	$ 14, 191
Decommissioning liabilities	67, 765	67, 379	66, 853
Specialized safety reserve	–	–	–
Total	$ 82, 920	$ 81, 759	$ 81, 044

1. Other long-term employee benefits plans

(1) The other long-term employee benefits plans of the Group are the seniority service bonuses and consolation money for employees. The payment criteria for long-term bonuses and consolation money were calculated based on the basis of the service seniority acquired and accumulated.

(2) The Group has no other long-term employee benefits plan assets, which are paid as incurred.

(3) Since there were no significant market fluctuations, and no significant curtailments,

settlements, or other significant one-time events that occurred after the end of the previous fiscal year, the Group used the actuarially determined other long-term employee benefit plans as of December 31, 2023 and 2022 to measure and disclose the other long-term employee benefit costs for the interim periods, as described in Note 6.29-1 to the 2023 consolidated financial statements.

(4) The amount of benefit costs recognized in profit or loss for other long-term employee benefit plans was $388 thousand, $357 thousand, $775 thousand and $714 thousand for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, respectively, and the single-line items for each function are classified as administrative expenses.

2. Decommissioning liabilities

(1) Under promulgated policies and applicable contracts or regulatory requirements, the Group is obligated to dismantle, remove or restore the location of some right-of-use assets. Accordingly, the present value of the cost expected to be incurred dismantling, removal or restoration of the location is recognized as a liability reserve. The Group expects that this liability reserve will occur over the years before the end of leases.

(2) Information on changes in decommissioning provision - noncurrent is as follows:

Item	2024.1.1~6.30		2023.1.1~6.30	
Beginning balance	$	67, 379	$	66, 998
Additional amount for the period		–	(	591)
Utilized amount for the period		–		–
Reversal of unused amount	(	138)		–
Discounted amortization		531		458
Effects of exchange rate	(	7)	(	12)
Ending balance	$	67, 765	$	66, 853

3. Specialized safety reserve

(1) In accordance with the regulations of the General Administration of Safety Supervision and Administration of the Ministry of Finance of the R.O.C. and other related regulations, enterprises that produce, store or transport government-approved hazardous chemicals should set aside a safety reserve at a specific rate according to the level of revenue generated, which is to be reversed when actual safety expenditures are incurred. When the balance of the reserve reaches the prescribed rate, the enterprise may apply to the relevant competent authority for approval to reduce the amount of safety reserve set aside.

(2) Information on changes in specialized safety reserve is as follows:

Item	2024.1.1~6.30	2023.1.1~6.30
Beginning balance	$ –	$ –
Additional amount for the period	547	–
Utilized amount for the period	(547)	–
Effects of exchange rate	–	–
Ending balance	$ –	$ –

6.30 Long-term deferred income

Item	June 30, 2024	December 31, 2023	June 30, 2023
Deferred grant income	$ 8, 840	$ 4, 302	$ –

1. The Group receives grants for the construction of basic circuit piping facilities in installments. These grants, which are related to property, plant and equipment, are accounted for as deferred grant income and are recognized as grant income on a straight-line basis over the useful lives of these depreciable equipment assets from the date of completion of the construction of the plants and after the plants have been formally put into mass production.

2. Information on changes in long-term deferred income:

Item	2024.1.1~6.30	2023.1.1~6.30
Beginning balance	$ 4, 302	$ –
Additional amount for the period	4, 420	–
Transferred to income during the period	–	–
Effects of exchange rate	118	–
Ending balance	$ 8, 840	$ –

6.31 Post-employment benefit plans

Item	June 30, 2024	December 31, 2023	June 30, 2023
Net defined benefit assets – noncurrent			
Defined benefit plans	$ 82, 735	$ 78, 449	$ 73, 396
Net defined benefit liabilities - noncurrent			
Defined benefit plans	$ 3, 693	$ 3, 660	$ 4, 780
Defined contribution plans	6, 206	5, 627	5, 562
Total	$ 9, 899	$ 9, 287	$ 10, 342

1. Defined benefit plan

(1) In accordance with the "Labor Standards Act", the Company and the domestic subsidiaries in the Group have established retirement methods to define benefits. Under the "Labor Pension Act" applicable on July 1, 2005, the service seniority accumulated by employees prior to enforcement of the "Labor Pension Act" and subsequently accumulated by employees who chose subject to "Labor Standards Act" after enforcement of the "Labor Pension Act" as entitled to retirement would be taken to count pension which would be calculated number of years in the service seniority accumulated and the salary amounts averaged in the six months prior to retirement. Each year of service seniority accumulated in full within 15 years (including 15) would be entitled to two base units and each year the period of service seniority accumulated beyond 15 years would be entitled to one base unit. The cumulative base units shall not exceed the maximum limit of 45 base units. The Company and its domestic subsidiaries attributed retirement funds on a monthly basis to the specified ratio of total salary, and deposited the funds in the bank account designated for pension fund opened with the Bank of Taiwan under the name of the Labor Retirement Reserve Supervision Committee. Besides, in response to the retirement needs of senior managers, the Company set up the "Manager's Retirement Fund Management Committee" in September 2004 and attributed on a monthly basis for a certain ratio (currently about 40%) of the total salary of managers into the management of the Manager's Retirement Fund Management Committee and deposited in a special account of a financial institution opened in the name of the Manager's Retirement Reserve Fund. The Company and its domestic subsidiaries estimate the balance of the retirement fund mentioned in the preceding item before the end of each year. In the event that the balance is found not enough to pay off the pension amount calculated according to the foregoing for the employees who meet the retirement requirements in the next year, the Company and the domestic subsidiaries would make up the difference in a lump-sum before the end of March of the following year.

(2) Since there were no significant market fluctuations, and no significant curtailments, settlements or other significant one-time events that occurred after the end of the previous fiscal year, the Company and its domestic subsidiaries used the actuarially determined pension cost as of December 31, 2023 and 2022 for the measurement and disclosure of pension costs during the interim period, as described in 2023 consolidated financial statements Note 6.31-1.

(3) The amount of net defined benefit cost recognized in profit or loss for the above defined benefit plans is shown below as a single-line item by function:

Item	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Operating costs	$ 756	$ 665	$ 1,457	$ 1,330
Operating expenses				
Selling expenses	50	30	94	62
Administrative expenses	636	700	1,336	1,397
Research and development expenses	15	15	27	31
Subtotal	701	745	1,457	1,490
Total	$ 1,457	$ 1,410	$ 2,914	$ 2,820

2. Defined contribution plan

(1) The Company and the domestic subsidiaries of the Group have established the regulations on defined contribution retirement in accordance with the "Labor Pension Act", which are applicable to employees of ROC (Taiwan) nationality. The Company and the domestic subsidiaries withheld 6% of the salary as labor pension into the employees' personal pension accounts of Bureau of Labor Insurance for the employee who chose to apply the labor pension system specified under the "Labor Pension Act" and the payment of pension was granted based on the employees' personal pension accounts and the amount of accumulated income either on a monthly basis or in one-time pension payment. Under such plan, after the Company and the domestic subsidiary contributed a fixed amount to the Bureau of Labor Insurance, the Company and the subsidiaries would no longer be subject to statutory or presumed obligations extra.

(2) The foreign subsidiaries of the Group have contributed old-age insurance fund or reserve of retirement allowance in accordance with the retirement regulations promulgated by the local governments. The pension for every employee has been managed under packaged arrangement by the local government authorities. Those companies have not been subject to further obligations except contribution of the pension on a monthly basis or on an annual basis as required by the Local Government Authorities. In addition, employees of subsidiaries in China are members of a retirement benefit plan operated by the Chinese government. The subsidiaries in this region are required to contribute a specific percentage of salary costs to the retirement benefit plan in order to fund the plan. The Group's obligation

to this government-operated retirement benefit plan is only to contribute to the specified amount.

(3) The amounts of pension costs recognized in profit or loss in accordance with the aforementioned defined contribution plans are as follows based on the single-line items of functional category:

Item	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Operating costs	$ 2, 717	$ 2, 707	$ 5, 453	$ 5, 433
Operating expenses				
Selling expenses	210	292	612	594
Administrative expenses	5, 266	4, 234	9, 869	8, 201
Research and development expenses	154	167	305	343
Subtotal	5, 630	4, 693	10, 786	9, 138
Total	$ 8, 347	$ 7, 400	$ 16, 239	$ 14, 571

6.32 Guarantee deposits received

Item	June 30, 2024	December 31, 2023	June 30, 2023
Lease guarantee deposit – lease out	$ 3, 316	$ 3, 306	$ 2, 834
Pickup guarantee deposit	721	720	721
Performance bond	3, 978	–	–
Others	465	466	465
Total	$ 8, 480	$ 4, 492	$ 4, 020

6.33 Other noncurrent liabilities - other

Item	June 30, 2024	December 31, 2023	June 30, 2023
Unrealized deferred income from disposal of investment	$ 22, 192	$ 22, 192	$ 22, 192

6.34 Share-based payments

To attract and retain the professional talent required by the Group and to motivate and enhance employee commitment for the mutual benefit of the company and shareholders, Citiesocial Holding Cayman Co., Ltd., acquired by the Group in January 2023, previously issued an employee stock option plan approved by the Board of Directors on April 20, 2017. The plan granted employees of its subsidiary, Citiesocial Co., Ltd., the right to acquire shares of the parent company. A total of 1,514,285 units were issued, with each unit entitling the holder to subscribe for one ordinary share of and issued by Citiesocial Holding Cayman Co., Ltd. The stock option certificates are valid for 8 years. Certificate holders may exercise a certain proportion of the granted stock options starting from the second anniversary of the issuance date. Employment service conditions must be met for vesting in each vesting period. The maximum percentage of shares that can be vested each year is: 50% after two years, the remaining 25% after three years, and the final 25% after four years from issuance. In case of changes in the ordinary shares after the stock option issuance, the exercise price of the stock options will be adjusted according to the prescribed formula.

1. Employee stock options issued by the Group are detailed below:

	2024.1.1~6.30		2023.1.1~6.30	
Employee stock option	Unit	Weighted average exercise price (in dollars)	Unit	Weighted average exercise price (in dollars)
Outstanding options, beginning of the period	658, 655	US$ 0.05238	913, 691	US$ 0.05238
Granted during the year	–	–	–	–
Exercised during the year	–	–	–	–
Expired during the year	–	–	(25, 061)	US$ 0.05238
Outstanding options, end of the period	658, 655	US$ 0.05238	888, 630	US$ 0.05238
Exercisable at the end of the period	566, 368		679, 707	
Options granted in the year				
Weighted average fair value (in dollars)	$ –		$ –	
Weighted average time to expiration	5.1 years		5.9 years	

2. The employee stock option issued by the Group on April 20, 2017 was valued with the binomial tree model, with the following inputs:

Item	April 20, 2017
Reference share price on the grant date	US$ 0.00～0.31
Exercise price	US$ 0.05238
Expected volatility	15.32%～19.21%
Expected time to expiration	8 years
Expected dividend yield	0.00%
Risk-free interest rate	0.75%～3.9333%
Fair value per unit	US$ 0.00～0.27

As Citiesocial Holding Cayman Co., Ltd. is a not a TWSE/TPEx-listed company, the expected volatility was estimated based on the average eight-year historical volatility of similar companies listed on TWSE/TPEx as of the valuation date.

3. The Group recognized share-based compensation costs of $387 thousand and $257 for equity-settled share-based payments for the six months ended June 30, 2024 and 2023, respectively.

6.35 Share capital

1. Common shares and preferred shares

Item	June 30, 2024	December 31, 2023	June 30, 2023
Authorized number of shares (in thousand shares)	2, 000, 000	2, 000, 000	2, 000, 000
Authorized share capital	$ 20, 000, 000	$ 20, 000, 000	$ 20, 000, 000
Number of issued shares and received the shares payment in full (in thousand shares)			
- Common shares	1, 106, 620	1, 106, 620	906, 620
- Preferred shares	20, 000	20, 000	20, 000
Total number of issued shares (in thousand shares)	1, 126, 620	1, 126, 620	926, 620
Issued share capital - common shares	$ 11, 066, 203	$ 11, 066, 203	$ 9, 066, 203
Issued share capital - preferred shares	200, 000	200, 000	200, 000
Total issued share capital	$ 11, 266, 203	$ 11, 266, 203	$ 9, 266, 203

The issued common shares and preferred shares have been in a denomination $10 per share, and each share was entitled to one voting right and the right to receive dividends.

2. In August 1984, the Company issued 20,000 thousand shares of preferred shares in a cash capital increase, with the following rights and obligations:

(1) The earnings, if any, upon annual account settlement, the dividend of 6% for preferred shares should be distributed first. The balance shall be the distributable earnings which will be distributed at the shareholding ratio for common shares and preferred shares as proposed by the Board of Directors and finally resolved in the shareholders' meeting.

(2) Preferential distribution of the Company's remaining properties.

(3) Other entitlement would be the same as the common shares.

3. On August 11, 2023, the Company's Board of Directors resolved a capital increase by NT$2,000,000 thousand through the issuance of 200,000 thousand ordinary shares at a par value of $10 per share. This capital increase was approved by the Financial Supervisory Commission in Letter Jin-Guan-Zheng-Fa-Zi No.1120356785 dated October 11, 2023. The record date for the cash capital increase was set on December 20, 2023, and the shares were issued at a premium price of NT$14.20 per share with the record date on December 20, 2023. The related share issuance costs were $9,655 thousand in total, recorded under capital surplus as a reduction of additional paid-in capital. On January 8, 2024, the Ministry of Economic Affairs approved the change in the Company's registration for the new shares issued from this capital increase.

6.36 Capital surplus

Item	June 30, 2024	December 31, 2023	June 30, 2023
Additional paid-in capital – common shares	$ 844, 989	$ 844, 989	$ 188, 164
Treasury stocks transaction premium	190, 118	190, 118	–
Expired stock options	32, 556	32, 556	–
Dividends unclaimed within the term by shareholders	2, 817	2, 817	2, 800
Recognized changes in the ownership interests of subsidiaries	408	216	7, 070
Difference between consideration and carrying amount of the equity in subsidiaries acquired or disposed	845	845	845
Total	$ 1, 071, 733	$ 1, 071, 541	$ 198, 879

Capital surplus can only be used to offset the company's losses. Unless the retained earnings are insufficient to cover the accumulated losses, it is not allowed to use capital surplus to offset the losses. However, according to Article 241 of the Company Act and the explanations by the Ministry of Economic Affairs in Letter Jing-Shang-Zi No. 10300532520 dated March 31, 2014, the proceeds from the issuance of shares in excess of the par value, and the capital surplus received as gifts and the difference between consideration and carrying amount of the equity in subsidiaries acquired or disposed may be used to offset accumulated losses. If the company has no accumulated losses, the capital surplus may be distributed as new shares or cash to shareholders pro rata to their existing shareholdings. In addition, according to the relevant provisions of the Securities and Exchange Act, when the aforementioned capital surplus is used for capital replenishment, a total amount of the capital surplus shall not exceed 10% of the paid-in capital in a year.

6.37 Retained earnings

1. In accordance with the Company's Articles of Incorporation, if there is any surplus in the annual financial statements, it shall be treated as distributable earnings after paying taxes, making up for losses, appropriating 10% of the legal reserve, and appropriating or reversing the special reserve for the reduction in stockholders' equity in the current year. Such distributable earnings in combination with the unappropriated earnings of the preceding year would be the accumulated distributable earnings. With such accumulated unappropriated earnings, the sum to distribute preferred share dividend of Grand Pacific for 1984 at 6% should be distributed first. The shortfall, if any, should be preferentially made up with the distributable earnings of the ensuing year. The remaining unappropriated earnings shall be appropriated by the Board of Directors according to law, dividend policy and status of working capital, etc. In case of issuance of new shares, the appropriation shall be approved by the shareholders' meeting, and in case of cash, the appropriation shall be approved by the Board of Directors.

   According to Paragraph 5 of Article 240 of the Company Act, the Company authorizes the board to resolve the distribution of cash dividends and bonuses or the distribution of cash from all or part of the legal reserve and capital reserves according to Paragraph 1 of Article 241 of the Company Act with the attendance of at least two thirds of directors and resolution from more than half of the attending directors and then report to the shareholders’ meeting. This is not applicable to the aforesaid requirement for resolutions by shareholders’ meetings.

2. The Company's dividend policies are as follows:
   The Company has been under a highly changeable industrial environment and is within a life cycle of stable and growing period. The Company should grasp the economic environment for sustainable operation. With the Company's long-term financial planning, future capital needs, and protect the interests of shareholders taken into account, ,unless there is a need for capital to improve the financial structure, to support investment, production capacity expansion, or other major capital expenditures, the Company's dividends shall not be less than 10% of the net income after deducting the amount of loss compensation, legal reserve, special reserve, and 6% of the dividend of preferred share of Grand Pacific in Year 1984. The cash dividend distributed by the Company in every year should not be less than 10% of the total cash stock dividends in the current year (excluding 6% as the dividend of preferred share of Grand Pacific in Year 1984).

3. The legal reserve should not be put into any use except to offset a deficit of the

Company or to issue new shares or cash to shareholders in proportion to their original shares; however, new shares or cash may be issued to shareholders only to the extent that such reserve exceeds 25% of the paid-in capital.

4. Upon allocating earnings, the Company should set aside and reverse special reserve in accordance with Letter Jin-Guan-Zheng-Fa-Zi No.1090150022 dated March 31, 2021 and Letter Jin-Guan-Zheng-Fa-Zi No.10901500221 dated March 31, 2021 of FSC and "After Adoption under IFRSs in the Q&A of Provision of Special Reserve." Where the net deduction of other equity is reversed subsequently, the part reversed could be taken to appropriate the earnings.

5. At the Board of Directors' and shareholders' meetings held on June 7, 2024 and June 28, 2023, respectively, the Company proposed and resolved to approve the appropriation of the 2023 and 2022 earnings as follows:

Item of distribution	Distribution of earnings		Dividend per share (NT$)	
	2023	2022	2023	2022
Provision of legal reserve	$ –	$ –	$ –	$ –
Provision (reversal) of special reserve	1, 864	1, 728	–	–
Dividends on preferred shares - cash	–	12, 000	–	0. 60
Bonuses to shareholders with preferred shares – cash	–	10, 000	–	0. 50
Bonuses to shareholders with common shares -cash	–	453, 310	–	0. 50
Bonuses to shareholders with common shares - stock	–	–	–	–

The aforesaid cash dividends were resolved on April 25, 2024 and May 11, 2023 by the Board of Directors under the authorization of the Articles of Incorporation. Since the Company's present obligation due to past events is reasonably certain and the amount can be measured reliably, dividends payable shall be recorded when the conditions for liability recognition are met. In addition, the provision of legal reserve and special reserve is consistent with the recognition of dividends payable mentioned above.

The Board of Directors resolved not to distribute dividends for 2023 and the cash dividends in 2023 of $12,000 thousand for preferred stocks will be distributed in accordance with Article 29 of the Company's Articles of Incorporation in the year when the Company has available distributable earnings.

For details regarding decisions resolved in the Board of Directors and the shareholders' meeting on distributions of earnings, please inquire into Market Observation Post System (MOPS).

6.38 Other equity item

Item	Exchange differences from translation of the financial statement of foreign operations	Unrealized gains or losses for financial assets measured at FVTOCI	Total
Balance at January 1, 2024	($ 716, 522)	($ 379, 202)	($ 1, 095, 724)
Items directly recognized as other equity adjustment	1, 072, 450	490, 843	1, 563, 293
Shares attributable to non-controlling interests	(10, 093)	(160, 159)	(170, 252)
Transferred to item of profit and loss	–	–	–
Transferred to capital surplus	–	–	–
Transferred to retained earnings	–	–	–
Shares accounted for using the equity method	(277, 976)	–	(277, 976)
Income tax related to items of other equity	55, 595	–	55, 595
Balance at June 30, 2024	$ 123, 454	($ 48, 518)	$ 74, 936

Item	Exchange differences from translation of the financial statement of foreign operations	Unrealized gains or losses for financial assets measured at FVTOCI	Total
Balance at January 1, 2023	($ 213, 390)	($ 429, 414)	($ 642, 804)
Items directly recognized as other equity adjustment	(155, 073)	16, 170	(138, 903)
Shares attributable to non-controlling interests	4, 758	22, 845	27, 603
Transferred to item of profit and loss	–	–	–
Transferred to capital surplus	(845)	–	(845)
Transferred to retained earnings	–	–	–
Shares accounted for using the equity method	(440, 111)	–	(440, 111)
Income tax related to items of other equity	88, 022	–	88, 022
Balance at June 30, 2023	($ 716, 639)	($ 390, 399)	($ 1, 107, 038)

The related exchange difference incurred by the foreign operations' net assets converted from its functional currency into the Group's expressed currency (i.e., New Taiwan Dollars) was directly recognized as exchange differences from translation of the financial statement of foreign operations under other comprehensive income.

6.39 Treasury shares

1. As of June 30, 2024, December 31, 2023 and June 30, 2023, the amount of treasury shares repurchased by the Company was $0 for all.
2. Changes in the Company's investment in shares held by subsidiaries as treasury shares during the period are summarized below:

2024.1.1~6.30

Name of subsidiary	Type	Beginning balance		Increase in this period		Decrease in this period		Ending balance	
		Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
GPPC Chemical Corporation	Preferred shares	1, 776	$ 49, 858	−	$ −	−	$ −	1, 776	$ 49, 858

2023.1.1~6.30

Name of subsidiary	Type	Beginning balance		Increase in this period		Decrease in this period		Ending balance	
		Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
GPPC Chemical Corporation	Preferred shares	1, 776	$ 49, 858	−	$ −	−	$ −	1, 776	$ 49, 858

(1) The fair values of the Company's shares held by the subsidiaries as of June 30, 2024, December 31, 2023 and June 30, 2023 were $41,913 thousand and $46,265 thousand and $50,261 thousand, respectively.

(2) Shares held by subsidiaries are treated as treasury stock and have the same rights as those of common shareholders, except that subsidiaries are not allowed to participate in the Company's cash capital increase and do not have voting rights.

6.40 Non-controlling interests

Item	2024.1.1~6.30	2023.1.1~6.30
Beginning balance	$ 3, 274, 329	$ 3, 355, 611
Comprehensive income attributable to non-controlling interests:		
Profit (loss) for the period	(18, 118)	5, 413
Exchange differences from translation of the financial statement of foreign operations	10, 093	(4, 758)
Unrealized gains or losses for financial assets measured at FVTOCI	160, 159	(22, 845)
Share-based payments transaction	195	129
Cash dividends distribution from subsidiaries	(28, 401)	(25, 643)
Increase in non-controlling interest due to acquisition of subsidiaries	−	(21, 743)

Item	2024.1.1~6.30	2023.1.1~6.30
Non-controlling interests transferred out due to disposal of subsidiaries	(30, 973)	–
Non-controlling interests subscribed for cash capital increase of subsidiaries	–	7, 000
Equity transactions with non-controlling interests (Note)	–	24, 156
Ending balance	$ 3, 367, 284	$ 3, 317, 320

Note: Please refer to Note 6.49 for details of equity transactions with non-controlling interests.

6.41 Operating revenue

Item	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Revenue from contracts with customers				
Sales revenue	$ 4, 546, 395	$ 3, 444, 235	$ 7, 340, 492	$ 7, 263, 657
Service revenue	506, 751	442, 803	967, 877	841, 361
Total	$ 5, 053, 146	$ 3, 887, 038	$ 8, 308, 369	$ 8, 105, 018

1. Breakdown of revenue from contracts with customers

The Group's revenues were from the transfer of a certain point in time and the provision of product (commodities) and services gradually transferred over time. The revenues could be broken down into the following main product (commodities) lines and service types:

Main product (commodities) lines and service types	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Sales revenues				
Petrochemical products	$ 2, 319, 781	$ 1, 871, 691	$ 3, 625, 235	$ 4, 244, 242
Plastic products	1, 392, 196	891, 525	2, 343, 313	1, 758, 906
Hydrogen products	41, 641	38, 328	70, 213	80, 029
Steam and electricity products	139, 747	85, 833	230, 473	99, 846
Nylon products	424, 092	328, 769	636, 872	626, 596
Packaging material products	205, 568	213, 449	401, 996	418, 744
Department store merchandise	23, 370	12, 646	32, 390	21, 737
Alcoholic beverages	–	140	–	11, 703
Sale of plasticize raw materials	–	1, 854	–	1, 854
Subtotal	4, 546, 395	3, 444, 235	7, 340, 492	7, 263, 657

Main product (commodities) lines and service types	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Service revenue				
Advertising services	278, 242	242, 799	533, 693	445, 057
Video services	169, 609	169, 609	339, 218	339, 218
Licensing and other services	57, 253	26, 394	91, 472	48, 031
Networking and hosting services	1, 647	4, 001	3, 494	8, 151
Catering services	–	–	–	904
Subtotal	506, 751	442, 803	967, 877	841, 361
Total	$ 5, 053, 146	$ 3, 887, 038	$ 8, 308, 369	$ 8, 105, 018

2. Contract balance

The Group recognized contract assets and contract liabilities related to revenues from contracts with customers as follows:

Item	June 30, 2024	December 31, 2023	June 30, 2023
Contract assets - current			
Advertising contracts	$ 27, 722	$ 6, 847	$ 9, 670
Licensing contracts	7, 407	9, 014	5, 121
Others	1	–	–
Total	$ 35, 130	$ 15, 861	$ 14, 791

None of the credit risk of Group's contract assets have increased after the original recognition and the expected credit loss rate is 0%.

Item	June 30, 2024	December 31, 2023	June 30, 2023
Contract liabilities - current			
Advertising contracts	$ 11, 991	$ 10, 352	$ 6, 759
Licensing contracts	10, 912	868	7, 938
Commodity sales	34, 904	17, 960	29, 544
Ecommerce	11, 420	4, 378	5, 354
Total	$ 69, 227	$ 33, 558	$ 49, 595

(1) Significant changes in contract assets and contract liabilities

The changes in the Group's June 30, 2024 contract assets and contract liabilities from the end of last year and the same period were mainly due to the difference between the timing of meeting contractual obligations and the timing of payments from customers.

(2) The beginning contract liabilities recognized as revenues in the current period

Main product (commodities) lines and service types	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Beginning balance of contract liabilities recognized as revenues in the current period				
Advertising contracts	$ 1, 469	$ 25	$ 10, 352	$ 25, 592
Licensing contracts	–	–	868	–
Commodity sales	709	65	11, 857	14, 679
Ecommerce	423	–	2, 896	–
Catering services	–	–	–	68
Total	$ 2, 601	$ 90	$ 25, 973	$ 40, 339

(3) The performance of contract obligations of the prior period recognized as revenues in the current period

The Group did not have any prior periods in which the Group met (or partially met) its performance obligations during the six months ended June 30, 2024 and 2023, but adjusted the revenue recognized in the current period as a result of changes in the price of the transactions or changes in the recognition restrictions of the consideration.

(4) Unfulfilled customer contracts

The Group's outstanding customer contracts as of June 30, 2024, December 31, 2023 and June 30, 2023 are expected to continue for a period of less than one year and are expected to be fulfilled and recognized as revenue within the next year, except as described below. The amortization transaction prices of the Group's outstanding performance obligations and the expected timing of recognizing them as revenue are as follows:

	June 30, 2024		
Expected timing to fulfill the contract and to recognize revenue	Videos contracts	Licensing contracts	Total
2024.7.1.～2025.6.30.	$ –	$ 7, 401	$ 7, 401
2025.7.1.～2026.6.30.	–	5, 225	5, 225
2026.7.1.～2027.6.30.	–	–	–
2027.7.1.～2028.6.30.	–	–	–
2028.7.1.～2029.6.30.	–	–	–
Total	$ –	$ 12, 626	$ 12, 626

Expected timing to fulfill the contract and to recognize revenue	December 31, 2023		
	Videos contracts	Licensing contracts	Total
2024.1.1.～2024.12.31.	$ –	$ 7, 857	$ 7, 857
2025.1.1.～2025.12.31.	–	8, 333	8, 333
2026.1.1.～2026.12.31.	–	–	–
2027.1.1.～2027.12.31.	–	–	–
2028.1.1.～2028.12.31.	–	–	–
Total	$ –	$ 16, 190	$ 16, 190

Expected timing to fulfill the contract and to recognize revenue	June 30, 2023		
	Videos contracts	Licensing contracts	Total
2023.7.1.～2024.6.30.	$ 339, 218	$ 7, 559	$ 346, 777
2024.7.1.～2025.6.30.	–	8, 035	8, 035
2025.7.1.～2026.6.30.	–	5, 225	5, 225
2026.7.1.～2027.6.30.	–	–	–
2027.7.1.～2028.6.30.	–	–	–
Total	$ 339, 218	$ 20, 819	$ 360, 037

3. Contract cost related assets: None.

6.42 Interest income

Main product (commodities) lines and service types	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Interest from deposit in banks	$ 57, 244	$ 51, 023	$ 109, 674	$ 106, 897
Interest from bills & bonds under repurchase agreements	1, 229	563	1, 758	757
Other interest income	3	3	6	14
Total	$ 58, 476	$ 51, 589	$ 111, 438	$ 107, 668

6.43 Other income

Item	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Dividend income	$ 3, 336	$ 2, 919	$ 3, 336	$ 2, 919
Rental income	5, 182	4, 504	10, 257	9, 340
Income from sales of scraps	243	199	455	574
Subsidy income (Note)	10	33, 225	21	60, 093
Income from directors' and supervisors' compensation and travel fee	28, 325	25, 329	28, 325	25, 329
Others	928	1, 016	1, 184	1, 560
Total	$ 38, 024	$ 67, 192	$ 43, 578	$ 99, 815

Note: The subsidy income includes the relief subsidy or epidemic prevention subsidy received in accordance with Paragraph 1 of Article 9-1 of the Special Act for Prevention, Relief and Revitalization Measures for Severe Pneumonia with Novel Pathogens, as well as the incentive grants and provincial support funds provided by Quanzhou City, Fujian Province, in accordance with the policy of stabilizing foreign investment during the period of prevention and control of Covid-19 and in proportion to the actual amount of capital contribution by the foreign-invested enterprise. These were immediate financial support to the Group and without future costs and hence recognized in profit or loss during the periods when subsidies were available.

6.44 Other gains and losses

Item	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Net gain (loss) on financial assets at FVTPL	$ 14, 204	$ 390	$ 6, 819	$ 882
Net gain on disposal of property, plant and equipment	6	431	6	1, 361
Net gain (loss) on foreign currency exchange	(7, 380)	(132, 012)	(48, 647)	(70, 618)
Impairment loss on non-financial assets	-	(700)	-	(1, 300)
Loss on scrapping of spare parts	(115)	-	(115)	-
Direct operating expenses of the investment properties	(2, 811)	(2, 460)	(4, 032)	(3, 693)
Gain (loss) on lease modification	95	(587)	95	(587)
Gain on disposal of right-of-use assets	138	-	138	-
Gain (loss) on payment of tax on behalf of others	(1, 155)	(1, 104)	(4, 204)	(4, 099)
Others	(1, 275)	(672)	(1, 526)	(1, 092)
Total	$ 1, 707	($ 136, 714)	($ 51, 466)	($ 79, 146)

6.45 Finance costs

Item	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Interest expense				
Loan interest for financial institutions	$ 180, 097	$ 161, 723	$ 356, 233	$ 324, 208
Interest counted upon security deposit	6	9	13	17
Lease liabilities interest	16, 722	13, 741	31, 741	26, 119
Decommissioning liability interest	266	246	531	458
Amortization of issuance cost of syndicated loan	5, 542	4, 676	10, 977	9, 424
Subtotal	202, 633	180, 395	399, 495	360, 226
Less: Amount capitalized that meets the requirement	(151, 943)	(144, 838)	(308, 685)	(290, 701)
Total	$ 50, 690	$ 35, 557	$ 90, 810	$ 69, 525

6.46 Employee benefits, depreciation, depletion and amortization expenses

	2024.4.1~6.30			2023.4.1~6.30		
By nature	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits						
Salary	$ 117, 747	$ 152, 119	$ 269, 866	$ 88, 287	$ 143, 446	$ 231, 733
Labor and health insurance	14, 103	17, 546	31, 649	9, 215	11, 961	21, 176
Pension expense	3, 473	6, 331	9, 804	3, 372	5, 438	8, 810
Other employee benefits expense	3, 205	6, 615	9, 820	3, 329	7, 946	11, 275
Depreciation expense (Note)	110, 427	81, 638	192, 065	126, 618	70, 388	197, 006
Amortization expense	116, 274	2, 401	118, 675	108, 212	2, 793	111, 005
Total	$ 365, 229	$ 266, 650	$ 631, 879	$ 339, 033	$ 241, 972	$ 581, 005

By nature	2024.1.1~6.30 Operating costs	Operating expenses	Total	2023.1.1~6.30 Operating costs	Operating expenses	Total
Employee benefits						
Salary	$ 211, 264	$ 330, 803	$ 542, 067	$ 180, 462	$ 288, 542	$ 469, 004
Labor and health insurance	23, 882	30, 809	54, 691	19, 442	25, 775	45, 217
Pension expense	6, 910	12, 243	19, 153	6, 763	10, 628	17, 391
Other employee benefits expense	6, 486	13, 299	19, 785	6, 708	15, 613	22, 321
Depreciation expense (Note)	212, 357	155, 456	367, 813	253, 890	142, 528	396, 418
Amortization expense	242, 009	5, 670	247, 679	218, 924	5, 518	224, 442
Total	$ 702, 908	$ 548, 280	$1, 251, 188	$ 686, 189	$ 488, 604	$1, 174, 793

Note: The depreciation expenses for investment properties for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023 were $1,222 thousand, $1,232 thousand, $2,443 thousand and $2,465 thousand, respectively, and recorded as non-operating income and expenses – other gains and losses.

1. According to the Company’s Articles of Incorporation, if the Company has profit in a year, it shall allocate 1% as employees’ compensation and may allocate no more than 2% as remuneration for directors and supervisors, but if the Company has accumulated losses, the profit shall first reserve for offsetting losses. Profit for the year refers to the pre-tax profit for the year before the distribution of employees' and directors' remuneration.
2. Employees' and directors' compensation payable is estimated by the Company's management based on the current period's profitability, taking into consideration the expected payment amount and the minimum and maximum ratios stipulated in the Articles of Incorporation, etc., and is calculated based on the current period's pre-tax net income before deducting the employees' and directors' compensation. For the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, the Company had a net loss before income tax, and therefore has not provided for employee and director compensation payable. However, if there is a significant change in the amount of compensation to be paid to employees and directors as resolved by the Board of Directors before the date of the annual financial statements, the change will be adjusted to the original amount of expenses provided for in the annual accounts. If there is a change in the amount of compensation to be paid to

employees and directors after the date of the annual financial statements, the change will be recognized as a change in accounting estimate and will be adjusted to the account in the following year.

3. On March 12, 2024 and March 14, 2023, the Board of Directors resolved not to allot employees' compensation and directors' and supervisors' compensation for the years 2023 and 2022. The amounts resolved show no difference from the expenses recognized on the financial statements for the years 2023 and 2022.

4. For information relating to the compensation to employees and remuneration to directors and supervisors of the Company, please inquire through the “Market Observation Post System” of Taiwan Stock Exchange Corporation.

6.47 Business combination

1. Acquisition of subsidiaries

In pursuit of business diversification, the Group entered into ecommerce to expand operational footprint by acquiring 76.69% of ordinary shares in and control of Citiesocial Holding Cayman Co., Ltd. on January 5, 2023, with a consideration of $70,475 thousand in cash. Citiesocial Co., Ltd., the only operating entity of Citiesocial Holding Cayman Co., Ltd., is primarily engaged in multimedia ecommerce and wholesale/retail of consumer goods.

2. Assets obtained and liabilities assumed on the acquisition date

The consideration paid and the fair value of assets acquired and liabilities assumed on the acquisition date, and the fair value of the non-controlling interest on the acquisition date for Citiesocial Holding Cayman Co., Ltd. are as follows:

Item	Amount	
Consideration		
Cash	$	70, 475
Fair value of non-controlling interest	(	21, 743)
Subtotal		48, 732
Fair value of identifiable assets obtained and liabilities assumed		
Current assets		
Cash and cash equivalents		6, 513
Accounts receivable, net		2, 901
Other receivables		189
Inventories		3, 357
Prepayments		2, 668
Other financial assets – current		1, 228
Noncurrent assets		
Property and equipment		141

Item	Amount
Right-of-use assets	7, 508
Identified intangible assets - online platform membership relationships	76, 111
Other financial assets - noncurrent	1, 554
Total identifiable assets	102, 170
Current liabilities	
Contract liabilities	(5, 779)
Accounts payable	(16, 101)
Accounts payable – related parties	(17)
Other payables	(12, 021)
Long-term liabilities due within one year	(4, 986)
Lease liabilities – current	(2, 968)
Other current liabilities	(88)
Noncurrent liabilities	
Preferred shares liabilities	(145, 825)
Long-term borrowings	(3, 286)
Lease liabilities - noncurrent	(4, 325)
Guarantee deposits received	(71)
Total identifiable liabilities	(195, 467)
Total identifiable net assets	(93, 297)
Goodwill arising from acquisition	$ 142, 029

The fair value of the identifiable intangible asset acquired as a result of the business combination - internet platform membership relationships was $76,111 thousand, and goodwill arising from acquisition is not expected to be deductible as a tax deduction.

3. Net cash flow on acquisition of subsidiaries

Item	Amount
Cash and cash equivalent acquired	$ 6, 513
Less: Cash consideration	(70, 475)
Net cash outflow from acquisition of subsidiaries	($ 63, 962)

4. Impact of business combination on operating results

The operating results of the acquired company since the acquisition date are as follows:

Item	Amount
Operating revenue	$ 29, 928
Net income (loss) during the year	($ 11, 925)

The Group's business combination was close to the beginning of the accounting year that the acquisition date belonged to. Therefore, if these business combinations had occurred at the beginning of the accounting year that the acquisition date belonged to, management estimates that the pro forma revenue and profit for the six months ended

June 30, 2023 would not have differed materially from the actual revenue and operating results, and thus could be used to forecast future operating results.

6.48 Disposal of subsidiaries

1. KK Enterprise (Zhongshan) Co., Ltd. was dissolved during January 2024 and the Group has lost control over this subsidiary. At the date of loss of control, the analysis of the assets and liabilities that are subject to loss of control is as follows:

Item		Amount
Current assets		
Cash and cash equivalents	$	75, 180
Current liabilities		
Other payables	(	13, 234)
Disposal of net assets	$	61, 946

2. Net cash flow on disposal of subsidiaries

Item		Amount
Total consideration received	$	30, 973
Add: Distribution of surplus property payable at the end of the period		44, 207
Less: Balance of disposed cash and cash equivalents	(	75, 180)
Net cash flow on disposal of subsidiaries	$	-

6.49 Equity transactions with non-controlling interests

1. In January 2023, the Group increased its shareholding in Citiesocial Co., Ltd. by 17.55%, directly and indirectly, from 76.69% to 94.24%. Since the above transactions did not change the Group's control over the subsidiary, these transactions were accounted for as equity transactions. The difference of $3,248 thousand arising from this equity transaction was deducted from retained earnings, and the same amount was transferred to non-controlling interests.
2. In June 2023, the Group increased its shareholding in GPPC Development Corp. by 7.46%, from 78.26% to 85.72%. Since the above transactions did not change the Group's control over the subsidiary, these transactions were accounted for as equity transactions. The difference of $20,908 thousand arising from this equity transaction was deducted from capital surplus – recognition of changes in ownership interests in subsidiaries in the amount of $3,960 thousand and was deducted from retained earnings in the amount $16,948 and the same amount was transferred to non-controlling interests as the relative change in equity.

6.50 Changes in liabilities from financing activities

Item	Short-term borrowings	Short-term notes and bills payable	Long-term borrowings (including those due within one year)	Lease liabilities	Guarantee deposits received
January 1, 2024	$ 1,900,000	$ 699,695	$15,720,319	$ 3,138,173	$ 4,492
Net change in financing cash flows	2,307,191	100,000	519,586	(24,959)	3,988
Non-cash change – lease addition/remeasurement	–	–	–	272,084	–
Non-cash change – Lease disposal/decommissioning	–	–	–	(7,424)	–
Non-cash change – amortization of issuance cost of syndicated loan	–	–	10,977	–	–
Non-cash change – discount on notes and bills	–	(154)	–	–	–
Effects of exchange rate	–	–	544,625	2,716	–
June 30, 2024	$ 4,207,191	$ 799,541	$16,795,507	$ 3,380,590	$ 8,480

Item	Short-term borrowings	Short-term notes and bills payable	Long-term borrowings (including those due within one year)	Lease liabilities	Guarantee deposits received
January 1, 2023	$ 1,931,000	$ 299,312	$15,733,290	$ 2,705,492	$ 5,783
Net change in financing cash flows	728,334	–	356,812	(52,878)	(1,834)
Non-cash change - Obtained via business combination	–	–	8,272	7,293	71
Non-cash change – lease addition/remeasurement	–	–	–	327,669	–
Non-cash change – Lease disposal/decommissioning	–	–	–	(8,843)	–
Non-cash change – conversion of issuance cost of syndicated loan	–	–	(1,593)	–	–
Non-cash change – amortization of issuance cost of syndicated loan	–	–	9,424	–	–
Non-cash change – discount on notes and bills	–	596	–	–	–
Effects of exchange rate	–	–	(395,553)	(1,981)	–
June 30, 2023	$ 2,659,334	$ 299,908	$15,710,652	$ 2,976,752	$ 4,020

6.51 Income tax

1. Composition of income tax expense (benefit):

(1) Income tax recognized in profit or loss

Item	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Current income tax expense payable	$ －	$ 26, 039	$ 14, 143	$ 47, 388
Deferred income tax expense (benefit)				
Origination and reversal of temporary differences	(52, 322)	(139, 663)	(159, 836)	(189, 542)
Effect of exchange rate	(235)	6	(392)	8
Net change in deferred income tax decrease (increase)	(52, 557)	(139, 657)	(160, 228)	(189, 534)
Adjustments to prior years' income tax	1, 408	(2, 555)	355	(2, 555)
Effects of exchange rate	235	(6)	392	(8)
Income tax expense (benefit) recognized in profit or loss	($ 50, 914)	($ 116, 179)	($ 145, 338)	($ 144, 709)

(2) Income tax recognized in other comprehensive income

Item	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Deferred income tax				
Exchange differences from translation of foreign operations	($ 11, 369)	($ 102, 396)	($ 55, 595)	($ 88, 022)
Net change in deferred income tax decrease (increase)	(11, 369)	(102, 396)	(55, 595)	(88, 022)
Income tax expense (benefit) recognized in other comprehensive income	($ 11, 369)	($ 102, 396)	($ 55, 595)	($ 88, 022)

(3) The Group applies 20% statutory tax rate applied for the entities under the Income Tax Act prevalent in the Republic of China. The tax rate applicable to subsidiaries in Mainland China was 25%. Taxes incurred in other regions would be counted based on the respective tax rates.

2. The income tax in 2022 of the Company and its domestic subsidiaries has been approved by the tax authority.

6.52 Earnings per share

The Company’s basic earnings per share is computed using the current-period net income (loss), divided by the weighted average number of outstanding common shares; the new shares from capital increases from undistributed earnings or capital surplus are retrospectively adjusted and computed.

If the Company may choose to distribute employees compensation with either stocks or cash, then the diluted earnings per share, assuming the compensation is distributed in stocks, is computed using the potential additional shares which would dilute the weighted average number of outstanding common shares. When determining the number of shares issued for employees compensation in the next year, the potential dilution effects are continuously considered.

	2024.4.1~6.30.			2023.4.1~6.30.		
	After-tax amount	Weighted average number of shares outstanding for the period (in thousands)	Earnings (loss) per share (in dollars)	After-tax amount	Weighted average number of shares outstanding for the period (in thousands)	Earnings (loss) per share (in dollars)
Basic earnings (loss) per share:						
Net income (loss) attributable to owners of parent company	($ 256, 015)			($ 686, 110)		
Less: Dividends of preferred shares	(3, 000)			(3, 000)		
Net income (loss) attributable to shareholders of common shares of parent company	($ 259, 015)	1, 106, 620	($ 0. 23)	($ 689, 110)	906, 620	($ 0. 76)

	2024.1.1~6.30.			2023.1.1~6.30.		
	After-tax amount	Weighted average number of shares outstanding for the period (in thousands)	Earnings (loss) per share (in dollars)	After-tax amount	Weighted average number of shares outstanding for the period (in thousands)	Earnings (loss) per share (in dollars)
Basic earnings (loss) per share:						
Net income (loss) attributable to owners of parent company	($ 740, 224)			($ 823, 952)		
Less: Dividends of preferred shares	(6, 000)			(6, 000)		
Net income (loss) attributable to shareholders of common shares of parent company	($ 746, 224)	1, 106, 620	($ 0. 67)	($ 829, 952)	906, 620	($ 0. 92)

7. Related Party Transactions

7.1 Parent company and the ultimate controlling party

The Company is the ultimate controlling party of the Group.

7.2 Name of related party and relationship

Name of related party	Relationship with the Group
Zhenjiang Chimei Chemical Co., Ltd.	Associate
Zhangzhou Chimei Chemical Co., Ltd.	Associate
China Development Financial Holding Corporation	The Company’s subsidiary is the juristic person director of the company (other related party)
CDIB Capital Group	The Company’s subsidiary is the juristic person director of the parent company (other related party)

Name of related party	Relationship with the Group
CDIB Venture Capital Corporation	The Company's subsidiary is the juristic person director of the parent company (other related party)
KGI Life Insurance Co., Ltd. (Note 1)	The Company's subsidiary is the juristic person director of the parent company (other related party)
KGI Securities Co., Ltd.	The Company's subsidiary is the juristic person director of the parent company (other related party)
Ruihui Japanese Food & Beverage Co., Ltd.	Other related party
Kamia, Inc.	Other related party (No longer a related party since Q2 2023)
Shokay Corp.	Other related party (No longer a related party since Q2 2023)
Ku Chung-Ying	Other related party
Lin Jui-Hui	Other related party
All directors, general manager and deputy general managers	Key management

Note: 1. On January 1, 2024, the former China Life Insurance Co., Ltd. was renamed as KGI Life Insurance Co., Ltd.

2. Kamia, Inc. and Shokay Corp. are no longer related parties since Q2 2023 due to the change of operating rights after the Group's acquisition of the subsidiaries.

7.3 Significant transactions with related parties

All significant transactions, account balances, revenue/gains and expenses/losses among the Company and subsidiaries (that is, the related parties of the Company) had been eliminated, therefore, not disclosed in these notes. Please refer to Note 13.1, 2-11 for the related-party transactions within the Group. The transactions between the Group and other related parties are as following:

1. Sales revenue

Related party category	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Associate	$ 3, 434	$ 2, 936	$ 7, 814	$ 6, 028

The Group's selling prices to related parties and the terms of sales transactions were not materially and significantly different from those of its regular customers.

2. Service revenue

Related party category	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Other related party	$ –	$ –	$ –	$ 699

The Group's selling prices to related parties and the terms of service transactions were not materially and significantly different from those of its regular customers.

3. Purchase

Related party category	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Other related party	$ –	$ –	$ –	$ 41

For the above purchases from related parties, there was no comparison of prices because the same items were not purchased from non-related parties. The payment terms for the above related parties are the same as those for other companies.

4. Operating expense

Related party category	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Other related party	$ 2, 911	$ 3, 294	$ 5, 146	$ 7, 575
Key management	–	450	–	900
Total	$ 2, 911	$ 3, 744	$ 5, 146	$ 8, 475

5. Lease agreement (lessee)

(1) Right-of-use assets

Related party category	June 30, 2024	December 31, 2023	June 30, 2023
KGI Life Insurance Co., Ltd.	$ 2, 103, 089	$ 2, 165, 857	$ 2, 228, 626

(2) Refundable deposits

Related party category	June 30, 2024	December 31, 2023	June 30, 2023
KGI Life Insurance Co., Ltd.	$ 5, 766	$ 5, 766	$ 5, 766

(3) Lease liabilities - current

Related party category	June 30, 2024	December 31, 2023	June 30, 2023
KGI Life Insurance Co., Ltd.	$ 141, 299	$ 140, 065	$ 139, 003

(4) Lease liabilities - noncurrent

Related party category	June 30, 2024	December 31, 2023	June 30, 2023
KGI Life Insurance Co., Ltd.	$ 2, 238, 271	$ 2, 309, 230	$ 2, 278, 217

(5) Interest expense

Related party category	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
KGI Life Insurance Co., Ltd.	$ 10, 782	$ 11, 228	$ 21, 676	$ 22, 522

(6) Lease payments

Related party category	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
KGI Life Insurance Co., Ltd.	$ 45, 700	$ 43, 860	$ 91, 401	$ 64, 617

(7) Subsidies for refurbishment (lease incentives)

Related party category	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
KGI Life Insurance Co., Ltd.	$ 84, 610	$ −	$ 94, 732	$ −

(8) The rents of the lease agreements are based on market prices and negotiations between both parties. Rents are paid per month or via issuance of forward notes.

6. Lease agreements (lessor)

(1) Rental income

Related party category	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
China Development Financial Holding Corporation	$ 2, 483	$ 2, 483	$ 4, 966	$ 4, 966

(2) Advance rental receipt

Related party category	June 30, 2024	December 31, 2023	June 30, 2023
China Development Financial Holding Corporation	$ 867	$ 867	$ 867

(3) Guarantee deposits received

Related party category	June 30, 2024	December 31, 2023	June 30, 2023
China Development Financial Holding Corporation	$ 1, 734	$ 1, 734	$ 1, 734

(4) The abovementioned leases are for the Group to let out its own properties and some office spaces. The lease agreements calculate rents based on market prices and negotiations between both parties. Rents are collected each month.

7. The creditor's rights and debts between the Group and related parties (all without including the interest) are as follows:

(1) Accounts receivable

Related party category	June 30, 2024	December 31, 2023	June 30, 2023
Associates	$ 1, 716	$ 1, 507	$ 1, 439

(2) Other receivables

Related party category	June 30, 2024	December 31, 2023	June 30, 2023
China Development Financial Holding Corporation	$ –	$ –	$ 25, 329

Note: Cash dividends receivable and others.

(3) Prepayments

Related party category	June 30, 2024	December 31, 2023	June 30, 2023
Key management	$ –	$ –	$ 600
Other related parties	131	131	131
Total	$ 131	$ 131	$ 731

(4) Other payables

Related party category	June 30, 2024	December 31, 2023	June 30, 2023
Other related parties	$ 1, 247	$ 320	$ 1, 840

8. Property transactions

On January 5, 2023, the Group purchased 480 thousand shares of Series A preferred stock of Citiesocial Holding Cayman Co., Ltd. from CDIB Venture Capital Corporation for $15,352 thousand in cash.

9. Others

(1) The Group received compensation to directors and supervisors of China Development Financial Holding Corporation and travel fee income (tabulated under other income) amounting to $28,325 thousand and $25,329 thousand for the six months ended June 1, 2024 and 2023, respectively.

(2) As of June 30, 2024 and December 31, 2023 and June 30, 2023, the key management had contingent liability guarantees for the Group's long-term borrowings (including those due within one year) amounting to $427 thousand, $932 thousand and $11,017 thousand, respectively.

7.4 Information on key management compensation

Item	2024.4.1~6.30	2023.4.1~6.30	2024.1.1~6.30	2023.1.1~6.30
Salaries and other short-term employee benefits	$ 48, 909	$ 24, 062	$ 106, 775	$ 75, 365
Termination benefits	–	–	–	–
Post-employment benefits	577	1, 427	1, 371	2, 838
Other long-term benefits	–	–	–	–
Share-based payment	–	–	–	–
Total	$ 49, 486	$ 25, 489	$ 108, 146	$ 78, 203

8. Pledged Assets

8.1 Pledge of property, plant and equipment

Item	Pledged for	June 30, 2024	December 31, 2023	June 30, 2023
Land	Security for comprehensive credit facility and purchases	$ 3, 077, 553	$ 3, 077, 553	$ 3, 077, 553
Buildings	Security for comprehensive credit facility and purchases	255, 902	262, 812	270, 193
Machinery	Security for comprehensive credit facility	256, 232	326, 177	396, 121
Total		$ 3, 589, 687	$ 3, 666, 542	$ 3, 743, 867

8.2 Pledge of investment properties

Item	Pledged for	June 30, 2024	December 31, 2023	June 30, 2023
Land	Security for purchase of goods	$ 132, 247	$ 132, 247	$ 132, 247
Buildings	Security for purchase of goods	22, 234	22, 728	23, 222
Total		$ 154, 481	$ 154, 975	$ 155, 469

8.3 Pledge of other assets

Item	Pledged for	June 30, 2024	December 31, 2023	June 30, 2023
Bank deposits	Decoration Works Construction Guarantee	$ 6, 300	$ 6, 300	$ –
Bank deposits	Import Tariff Guarantee	1, 000	1, 000	1, 000
Total		$ 7, 300	$ 7, 300	$ 1, 000

9. Significant Contingent Liabilities and Unrecognized Contract Commitments

Beside those disclosed in other Notes, the significant contingent liabilities and unrecognized contract commitments held by the Group at the end of the reporting period are as follows:

9.1 Guarantee notes and debit notes paid

(1) The Group issued credit line guaranteed promissory notes and debit notes to financial institutions as commitments to repay loans as of June 30, 2024, December 31, 2023 and June 30, 2023, with the following breakdown: (in thousand dollars)

Date	Guarantee notes and debit notes paid
June 30, 2024	NT$14,622,000、US$21,000
December 31, 2023	NT$15,322,000、US$18,000
June 30, 2023	NT$11,272,000、US$19,000

(2) The Group's performance guarantee notes issued to the program management unit for the purpose of claiming government project grants amounted to $25,000 thousand as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

9.2. Guarantee notes and collaterals received

Guarantee notes and collaterals received by the Group for performance guarantee were as follows as of June 30, 2024, December 31, 2023 and June 30, 2023: (in thousand dollars)

Date	Guarantee notes and collaterals received
June 30, 2024	NT$75,752、EUR760、US$445、CNY222,909
December 31, 2023	NT$78,520、EUR760、US$165、JPY213,825
June 30, 2023	NT$118,615、EUR760、CNY7,312、US$160

9.3 For the purpose of applying for government project grants, the Group appointed financial institutions to provide performance guarantees amounting to $6,200 thousand, $6,200 thousand and $7,000 thousand as of June 30, 2024 and December 31, 2023 and June 30, 2023, respectively.

9.4 The Group appointed a financial institution to provide performance guarantees amounting to $1,500 thousand, $1,500 thousand and $2,500 thousand as of June 30, 2024, December 31, 2023 and June 30, 2023 respectively, for the purpose of purchasing materials.

9.5 The Group appointed financial institutions to provide performance guarantee for the purpose of leasing, which all amounted to $84,371 thousand as of June 30, 2024, December 31, 2023 and June 30, 2023.

9.6 As of June 30, 2024, December 31, 2023 and June 30, 2023, the Group's opened unutilized letter of credit balances were as follows (in thousands)

Date	Opened unutilized letter of credit balances
June 30, 2024	US$8,815、NT$1,101,571
December 31, 2023	US$11,436、NT$851,000
June 30, 2023	US$7,352、NT$734,371

9.7 As of June 30, 2024, December 31, 2023 and June 30, 2023, the Group's significant capital expenditures for property, plant and equipment contracted but not yet paid amounted to $3,022,254 thousand, $3,190,849 thousand and $3,436,349 thousand, respectively.

9.8 As of June 30, 2024, December 31, 2023 and June 30, 2023, the unpaid amounts of the Group's film purchase contracts and outsourced production contracts that have not yet been delivered amounted to $321,414 thousand, $320,348 thousand and $534,194 thousand, respectively.

9.9 Under the terms of the raw material purchase contract between the Group and CPC Corporation, Taiwan (CPC), the Group is required to purchase a certain amount of ethylene, benzene and butadiene from CPC each year. If the Group's annual procurement volume does not reach the minimum contracted volume, CPC may reduce the supply volume for the following year as appropriate. In addition, the Group committed to purchase CPC's ethylene, benzene and butadiene as raw materials for factory-made styrene and acrylonitrile-butadiene-styrene copolymer resin (ABS), unless approved by government authorities, or in case of the internal dispatch for petrochemical feedstock, the Group should not transfer into other uses or resell the quotas (where required for petrochemical scheduling, and with the prior written consent of CPC, the Group was allowed to transfer the ethylene, benzene and butadiene to petrochemical users of CPC as petrochemical feedstock either in whole or in part), otherwise CPC could stop supplying ethylene, benzene and butadiene at any time and terminate the agreement.

9.10 In order to manufacture ABS and other products, the Group purchased butadiene from Formosa Petrochemical Corporation as a raw material for which the Group signed a transaction agreement. Under the agreement, the Group committed itself to purchase at least 100 metric tons of butadiene from Formosa Petrochemical Corporation every month as the raw material for the production of ABS and other products.

9.11 In order to manufacture ABS and other products, the Group purchased acrylonitrile from China Petrochemical Development Corporation as a raw material for which the Group signed a transaction agreement. Under the agreement, the Group committed itself to purchase 3,600 metric tons to 7,200 metric tons of acrylonitrile every quarter as a raw material for the production of ABS and other products.

9.12 Quanzhou Grand Pacific Chemical Co., Ltd., a subsidiary of the Group, entered into a 5-year syndicated loan agreement with a syndicate of 17 banks. The Company acted as a joint guarantor and committed to the following financial ratio limitation clauses during the term of the syndicated loan agreement:

(1) Current ratio: ratio of current assets to current liabilities, no less than 100%.

(2) Liability ratio: ratio of total liabilities to tangible net worth, no more than 150%.

(3) Interest coverage ratio: ratio of EBITDA (earnings before interest, taxes, depreciation, and amortization) to interest expenses, no less than 3x.

The aforesaid financial ratios and requirements are based on International Financial Reporting Standards (IFRS) and consolidated financial statements audited by certified public accountants.

In the event of a breach of the above undertakings, the Bank may waive the relevant event of default or agree to cure the relevant event of default; declare a moratorium on the drawdown of any loan funds; cancel all or part of the total commitment; declare all or part of the balance of the loan together with all accrued interest, fees and other amounts due and payable immediately under this contract; require borrowers to provide immediate additional security measures; to execute the warranty; and/or to exercise any other rights conferred by the laws and regulations and this agreement.

The petrochemical industry has been affected by the impact of China's new production capacity, geopolitical uncertainties, and inflation and other economic factors that have led to a significant downturn in the global economy. Therefore, some of the financial ratios in the Group's 2023 financial report will not meet the financial ratio limitation clauses stipulated in the syndicated credit facility agreement. The Group applied for a waiver of the financial ratio commitment restriction from the syndicate of lenders on September 11, 2023 and obtained an acknowledgement of consent to the financial commitment waiver from a majority of the lenders of the syndicate of lenders on December 5, 2023.

In addition, as at June 30, 2024, the balance of the Group's liabilities under the syndicated loan contracts amounted to RMB3.5 billion. Some of the Group's financial ratios did not meet the financial ratio limits stipulated in the syndicated credit facility agreement in Q2 2024. However, the Group's past indebtedness was good and the Group believes that it will be able to obtain waivers from most of the creditors. The financial ratios are calculated on the basis of the "annual" consolidated financial statements, and the creditors do not have the right to demand repayment of the loans at any time before the due date. Therefore, it is not considered that an event of default has occurred.

9.13 The Group's subsidiary, GPPC Development Corp., entered into a 5-year consolidated credit facility deed with a bank, under which the borrower is committed to the following financial ratio limitation clauses during the contract period:

(1) Debt-service coverage ratio: EBITDA/CPLTD+I ≧ 1.3x (Annual review of the borrower's previous year's financial statements audited and certified by a certified public accountant starting from April 2027)

(2) Borrowers are required to have paid-in capital of $550 million in 2024 and $700 million in 2025.

In the event of a breach of the above conditions, the bank may, at any time, stop or reduce the amount of credit extended to the borrower or shorten the term of the credit, or the principal and interest may be deemed to be due in full, if the borrower fails to improve the conditions within the period of time the bank has notified the borrower to improve the conditions.

As of June 30, 2024, the balance of liabilities under the above credit loan contract amounted to $320,091 thousand. The Group's Board of Directors resolved on August 12, 2024 to increase the capital of its subsidiaries in order to comply with each of the restrictive covenants mentioned above.

9.14 The Group's subsidiary, Quanzhou Grand Pacific Chemical Co., Ltd. negotiated credit lines with various banks for its operational needs and was required to issue letters of commitment or letters of support as required by the banks. The Group undertakes to maintain 100% equity interest in Quanzhou Grand Pacific Chemical Co., Ltd. during the credit period of Quanzhou Grand Pacific Chemical Co., Ltd. with various banks and shall at all times retain significant influence and control over Quanzhou Grand Pacific Chemical Co., Ltd. in order to assist the subsidiary in normal operation and maintain a sound financial position. As of June 30, 2024, December 31, 2023 and June 30, 2023, the amounts of commitment letters or letters of support issued by the Group were as follows (in thousand dollars)

Date	Amounts of commitment letters or letters of support issued
June 30, 2024	US$105,000、CNY390,000
December 31, 2023	US$145,000、CNY250,000
June 30, 2023	US$80,000、CNY100,000

9.15 Significant business agreements

(1) Revenue

The Group has entered into significant long-term contracts such as exclusive basic channel distribution contracts and CPBL and NBA broadcast authorization contract, which are non-cancellable and significant operating agreements based on the Group's business needs. The Group expects to receive license fees in future years as follows:

Item	June 30, 2024	December 31, 2023	June 30, 2023
Within 1 year	$ 7, 857	$ 7, 857	$ 346, 599
1 to 5 years	8, 333	8, 333	16, 190
Over 5 years	–	–	–
Total	$ 16, 190	$ 16, 190	$ 362, 789

(2) Expenditures

The Group has entered into significant long-term contracts for the licensing of music and sound recordings for public broadcasting and advertising open-end purchase contracts based on the Group's business needs, which are material and irrevocable operating agreements. The Group estimates that the amount of license payments to be made in future years is as follows:

Item	June 30, 2024	December 31, 2023	June 30, 2023
Within 1 year	$ 6, 259	$ 6, 774	$ 43, 245
1 to 5 years	572	6, 259	5, 688
Over 5 years	–	–	–
Total	$ 6, 831	$ 13, 033	$ 48, 933

10. Significant Disaster Losses: None.

11. Significant Subsequent Events:

1. The Board of Directors of the Group resolved on August 12, 2024 to participate in the cash capital increase of Zhangzhou Chimei Chemical Co., Ltd. and the Group intends to transfer the capital increase of Zhangzhou Chimei Chemical Co., Ltd. from its subsidiary, with a capital contribution of RMB304 million in accordance with the proportion of its shareholding of 30.40%.
2. On August 12, 2024, the board of directors resolved to provide guarantee for the application of US$60 million credit line from financial institutions by a subsidiary, Quanzhou Grand Pacific Chemical Co., Ltd.

12. Others

12.1 Explanation for seasonal or periodical interim operations

The Group’s operations are not affected by seasonal or periodical factors.

12.2 Capital risk management

The goal, policy and procedures of Group’s capital risk management do not have material change in this period and are consistent with those disclosed in the 2023 annual consolidated financial statements. Please refer to Note 12.2 of the 2023 annual consolidated financial statements.

12.3 Financial instruments

1. Types of financial instruments

Financial assets	June 30, 2024	December 31, 2023	June 30, 2023
FVTPL financial assets			
Mandatorily measured at FVTPL	$ 362, 150	$ 216, 288	$ 123, 090
Designated as measured at FVTPL	17, 858	15, 157	7, 200
FVTOCI financial assets			
Investments in designated equity instruments	4, 910, 018	4, 297, 847	4, 219, 128
Financial assets measured at amortized cost			
Cash and cash equivalents	4, 559, 810	4, 726, 354	5, 888, 318
Contract assets - current	35, 130	15, 861	14, 791
Notes and accounts receivable (including related parties)	2, 200, 980	1, 671, 791	1, 579, 244
Other receivables (including related parties)	115, 155	100, 340	134, 828
Other financial assets – current and noncurrent	4, 462, 067	4, 743, 620	3, 873, 052
Refundable deposits	32, 063	28, 774	30, 840

Financial liabilities	June 30, 2024	December 31, 2023	June 30, 2023
Financial liabilities measured at amortized cost			
Short-term borrowings	4, 207, 191	1, 900, 000	2, 659, 334
Short-term notes and bills payable	799, 541	699, 695	299, 908
Notes and accounts payable (including related parties)	1, 514, 470	1, 798, 343	1, 228, 682
Other payables (including related parties)	686, 346	848, 452	1, 018, 746
Long-term borrowings (including those due within one year)	16, 795, 507	15, 720, 319	15, 710, 652
Lease liabilities – current and noncurrent	3, 380, 590	3, 138, 173	2, 976, 752
Guarantee deposits received	8, 480	4, 492	4, 020

2. Financial risk management policies

The goal, policy and procedures of Group’s financial risk management do not have material change in this period and are consistent with those disclosed in the 2023 annual consolidated financial statements. Please refer to Note 12.3-2 of the 2023 annual consolidated financial statements.

3. Nature and degree of material financial risks

(1) Market Risk

The market risks of the Group are risks of fluctuations of fair value or cash flows from changes in market prices of financial instruments. Market risk includes foreign exchange risk, interest rate risk and price risk.

① Exchange rate risks

The Group's business involves certain non-functional currencies (the functional currency of the Company and some subsidiaries has been the New Taiwan Dollars and the functional currencies of some subsidiaries have been U. S. Dollars, Hong Kong dollars, Malaysian Ringgit and RMB), so it is subject to exchange rate fluctuations impact. Information on foreign currency assets and liabilities with significant exchange rate fluctuations is as follows: (including non- functional currency-denominated monetary items that have been written off in the consolidated financial statements)

Items (Foreign currencies: Functional currency)	June 30, 2024			December 31, 2023		
	Foreign currencies	Exchange rate foreign currencies vs. functional currency	New Taiwan Dollars	Foreign currencies	Exchange rate foreign currencies vs. functional currency	New Taiwan Dollars
Financial assets						
Monetary items						
USD: NTD	$ 26, 701	32. 40	$ 865, 112	$ 25, 086	30. 655	$ 769, 011
USD: CNY	188	7. 3303	6, 091	118	7. 1257	3, 617
USD: MYR	169	5. 5498	5, 476	120	5. 4247	3, 679
USD: HKD	64	7. 8546	2, 074	63	7. 8623	1, 931
CNY: NTD	2, 374	4. 4200	10, 493	6, 229	4. 3020	26, 797
CNY: USD	675, 588	0. 1364	2, 986, 099	683, 323	0. 1403	2, 939, 656
CNY: HKD	12, 829	1. 0715	56, 704	4, 080	1. 1034	17, 552
SGD: MYR	72	4. 0819	1, 716	65	4. 1055	1, 508
JPY: NTD	12, 800	0. 1997	2, 556	6, 752	0. 2152	1, 453
SGD: NTD	6	23. 8300	143	-	-	-
GBP: HKD	51	9. 9006	2, 083	314	3. 9897	1, 253
Non-monetary items						
CNY: USD	2, 129, 408	0. 1364	9, 411, 983	2, 212, 286	0. 1403	9, 517, 254

Items (Foreign currencies: Functional currency)	June 30, 2024			December 31, 2023		
	Foreign currencies	Exchange rate foreign currencies vs. functional currency	New Taiwan Dollars	Foreign currencies	Exchange rate foreign currencies vs. functional currency	New Taiwan Dollars
Financial liabilities						
Monetary items						
USD: NTD	13, 064	32. 40	423, 274	18, 253	30. 655	559, 546
USD: MYR	47	5. 5498	1, 523	57	5. 4247	1, 747
CNY: NTD	18	4. 4200	80	–	–	–
JPY: NTD	3, 072	0. 1997	613	13, 130	0. 2152	2, 826
EUR: NTD	27	34. 5100	932	25	33. 78	845

Items (Foreign currencies: Functional currency)	June 30, 2023		
	Foreign currencies	Exchange rate foreign currencies vs. functional currency	New Taiwan Dollars
Financial assets			
Monetary items			
USD: NTD	$ 21, 836	31. 14	$ 679, 973
USD: CNY	1, 738	7. 2723	54, 121
USD: MYR	117	4. 8778	3, 643
USD: HKD	66	7. 8359	2, 055
CNY: NTD	1, 619	4. 2820	6, 933
CNY: USD	668, 230	0. 1375	2, 861, 361
CNY: HKD	1, 425	1. 0775	6, 102
SGD: MYR	71	3. 5965	1, 630
JPY: NTD	17, 908	0. 2150	3, 850
GBP: HKD	312	9. 9094	12, 287
Non-monetary items			
CNY: USD	2, 295, 983	0. 1375	9, 831, 399
Financial liabilities			
Monetary items			
USD: NTD	12, 604	31. 14	392, 489
USD: MYR	63	4. 8778	1, 962
CNY: NTD	140, 006	4. 2820	599, 506
JPY: NTD	28, 013	0. 2150	6, 023

Note: The foreign currency related non-monetary assets measured at the historical exchange rate on the transaction date have not been disclosed because they have no significant impact on the consolidated financial statements.

Here at the Group, the sensitivity analysis on the exchange rate risks mainly focuses on the major foreign currency monetary items and non-monetary items at the end of the financial statement period, and the related foreign currency appreciation or depreciation impact on the Group's profit and loss as well as equity. All other risk factors being equal, any 1% movement in exchange rates of the Group’s foreign currency position would result in $28,097 thousand, $25,700 thousand, and $21,056 thousand change in profit and loss and $75,296 thousand, $76,138 thousand, and $78,651 change in equity on June 30, 2024, December 31, 2023 and June 30, 2023, respectively. The sensitivity ratio with which the management reports exchange rate risks is based on 1%. It also represents the management’s assessment on the possible and reasonable range of changes in exchange rates.

In addition, the net gain (loss) with exchange in foreign currency (including realization and un-realization) under the Group's monetary items for the six months ended June 30, 2024 and 2023 were ($48,647) thousand and ($70,618) thousand, respectively. Due to multiple currency types of foreign currency transactions, practically, it was impossible to clearly distinguish the types of exchange gains and losses and their exposure separately according to each foreign currency, so they are expressed in a summary amount.

② Interest rate risks

The interest rate related risks refer to the risks of financial instruments' fair value or future cash flow fluctuations due to changes in market interest rates. The Group's interest rate risks mainly come from floating rate in loans where some of the risks would be held with floating rates through cash & cash equivalents offset. Where the Group regularly assesses the trend of interest rate changes and responds to it, it is not expected that there would be a significant risk of market interest rate changes. All other risk factors being equal, a 10% basis point movement in yields of the position exposed to interest rate risks would result in $8,119 thousand, $15,287 thousand and $7,389 thousand change in the Group’s profit and loss on June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

③ Price risks

The investments in equity instruments held by the Group as shown through the balance sheet has been primarily classified as financial assets at fair value through profit and loss and financial assets at fair values through other comprehensive income. The Group has been, therefore, exposed to pricing risks of equity instruments. In an effort to manage the pricing risks of equity instruments, the Group virtually diversifies its investment portfolio in a manner that was based on the limits set by the Group. The Group has invested in financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income with the price of equity instruments such as profit or loss affected by the uncertainty of the future value of the investment target. All other risk factors being equal, a 1% movement in spot prices of the position in equity instruments would result in $3,621 thousand, $2,163 thousand and $1,231 thousand change in the Group's profit and loss and $49,100 thousand, $42,978 thousand and $42,191 thousand change in the Group's equity on June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

(2) Credit risks

Credit risks refer to such risks in financial losses incurred in an event where a customer of the Group or financial instrument transaction counterparty fails to perform the contract. The credit risks of the Group primarily resulted from operating activities (primarily as accounts & notes receivable) and financial activities (primarily as bank deposits and a variety of financial instruments). The credit risks related to business operation and financial credit risks have been managed respectively. ◦

The Group's objectives, policies and procedures for managing operation-related credit risk and financial credit risk are consistent with those disclosed in the 2023 Consolidated Financial Statements, and there were no significant changes during the period. Please refer to Note 12.3-3-(2) in the 2023 Consolidated Financial Statements for the related information.

The Group adopted the assumption provided under IFRS 9. As the payment was more than 30 days overdue from schedule in the provision of contracts, the financial asset was deemed to have significantly increased in credit risks from the initial recognition. In an event where a contract payment was more than 365 days overdue or where the loanee would be highly unlikely to fulfill the credit obligations to pay amount in full to the Group, the Group deemed that financial asset in default. For facts of changes regarding aging analysis of receivables and loss allowance, please see Note 6.3 & 6.4.

There has been no change in the Group's exposure to credit risk of financial instruments and its management and measurement of such exposure. The carrying amount of cash and cash equivalents, contract assets, receivables and other financial assets at the balance sheet date is the maximum exposure to credit risk.

(3) Liquidity risk

Liquidity risk is the risk of not being able to liquidate the assets as expected. The Group mainly uses instruments such as borrowings from financial institutions and cash and cash equivalents to adjust funds and to achieve the objectives of flexible utilization of funds and stabilization of funds. The Group's capital and working capital are sufficient to meet all contractual obligations and there is no liquidity risk that the Group will not be able to raise funds to meet its contractual obligations.

The table below summarizes the Group's non-derivative financial liabilities, grouped by the relevant maturity date based on the earliest possible date of repayment and compiled with its undiscounted cash flow. The Group did not expect that the time when the cash flow of the analysis of the due date occurred would be significantly earlier or the actual amount would be significantly different. The interest cash flow paid at floating interest rates, the undiscounted interest amount derived based on the yield curve on the balance sheet date which was the amount of floating interest rate instrument of a non-derivative financial liability. The amount of the floating interest rate instrument would change according to the different interest rate and the estimated interest rate on the balance sheet date. For more details regarding the analysis of the due date of lease liabilities, please see Note 6.14-2-(2).

	June 30, 2024						
Item	Within 6 months	6-12 months	1-2 years	2-5 years	Over 5 years	Contractual cash flows	Carrying amount
Non-derivative financial liabilities							
Short-term borrowings	$ 3, 855, 846	$ 529, 280	$ –	$ –	$ –	$ 4, 385, 126	$ 4, 207, 191
Short-term notes and bills payable	800, 000	–	–	–	–	800, 000	799, 541
Notes payable	73, 108	–	–	–	–	73, 108	73, 108
Accounts payable	1, 348, 781	92, 581	–	–	–	1, 441, 362	1, 441, 362
Other payables (including related parties)	557, 358	127, 502	1, 486	–	–	686, 346	686, 346
Long-term borrowings (including those due within one year)	3, 525, 327	3, 300, 733	7, 306, 660	3, 449, 963	–	17, 582, 683	16, 795, 507

	December 31, 2023						
Item	Within 6 months	6-12 months	1-2 years	2-5 years	Over 5 years	Contractual cash flows	Carrying amount
Non-derivative financial liabilities							
Short-term borrowings	$ 1, 886, 418	$ 20, 017	$ –	$ –	$ –	$ 1, 906, 435	$ 1, 900, 000
Short-term notes and bills payable	700, 000	–	–	–	–	700, 000	699, 695
Notes payable	68, 984	–	–	–	–	68, 984	68, 984
Accounts payable	1, 729, 359	–	–	–	–	1, 729, 359	1, 729, 359
Other payables (including related parties)	845, 976	1, 238	1, 238	–	–	848, 452	848, 452
Long-term borrowings (including those due within one year)	305, 166	3, 286, 755	7, 083, 291	6, 141, 750	–	16, 816, 962	15, 720, 319

Item	June 30, 2023						
	Within 6 months	6-12 months	1-2 years	2-5 years	Over 5 years	Contractual cash flows	Carrying amount
Non-derivative financial liabilities							
Short-term borrowings	$ 2, 666, 276	$ –	$ –	$ –	$ –	$ 2, 666, 276	$ 2, 659, 334
Short-term notes and bills payable	300, 000	–	–	–	–	300, 000	299, 908
Notes payable	53, 561	–	–	–	–	53, 561	53, 561
Accounts payable (including related parties)	1, 113, 849	61, 272	–	–	–	1, 175, 121	1, 175, 121
Other payables (including related parties)	866, 263	151, 828	655	–	–	1, 018, 746	1, 018, 746
Long-term borrowings (including those due within one year)	302, 456	301, 307	7, 911, 294	8, 558, 915	–	17, 073, 972	15, 710, 652

12.4 Fair value information

1. Fair value levels

The evaluation technique used to measure the fair value of financial and non-financial instruments divided the fair value into the first to the third level based on the observable degrees. Each fair value hierarchy was defined as follows:

Level 1: Referring to the public quotation (unadjusted) from the same asset or liability in the active market.

Level 2: In addition to the public quotation of Level 1, the fair value is derived using observable input parameters that belong to the asset or liability directly (i.e., the price) or indirectly (i.e., derived from price).

Level 3: Referring to the input parameters (non-observable parameters) of the valuation techniques for assets or liabilities that are not based on observable market data to derive fair value.

2. Financial instruments not measured at fair value

The carrying amounts of the Group's financial instruments not measured at fair value (including cash & cash equivalents, contract assets - current, notes receivable, accounts receivable (including related parties), other receivables (including related parties), other financial assets - current, short-term borrowings, short-term notes and bills payable, notes payable, accounts payable(including related parties), other payables (including related parties), etc.) are a reasonable approximation of fair value. Since the effect of discounting the expected cash flows is not material, the carrying value of refundable deposits, guarantee deposits received and other financial assets - noncurrent should be a reasonable basis for estimating fair value. The long-term loan contracts bore an agreed floating interest rate. Since the floating interest rates were mostly close to the market interest rates, the discounted value of its expected cash flow is used to estimate its fair value to approximate its book value.

3. Regarding the financial and non-financial instruments that are measured at fair value as of June 30, 2024, December 31, 2023 and June 30, 2023 the Group classifies the assets and liabilities based on their nature, characteristics, risks and fair value:

	June 30, 2024			
Financial and non-financial instruments	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
FVTPL financial assets - current				
Mutual fund beneficiary certificates	$ 291, 274	$ −	$ −	$ 291, 274
Corporate bonds	−	51, 233	−	51, 233
Total	$ 291, 274	$ 51, 233	$ −	$ 342, 507
FVTPL financial assets - noncurrent				
Convertible preferred shares	$ −	$ −	$ 19, 643	$ 19, 643
Film investment agreement	−	−	17, 858	17, 858
Total	$ −	$ −	$ 37, 501	$ 37, 501
FVTOCI financial assets - noncurrent				
Domestic listed stocks	$ 3, 439, 038	$ −	$ −	$ 3, 439, 038
Domestic unlisted stocks and limited partnership	−	−	1, 470, 980	1, 470, 980
Total	$ 3, 439, 038	$ −	$ 1, 470, 980	$ 4, 910, 018

	December 31, 2023			
Financial and non-financial instruments	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
FVTPL financial assets - current				
Mutual fund beneficiary certificates	$ 216, 288	$ −	$ −	$ 216, 288
FVTPL financial assets - noncurrent				
Film investment agreement	$ −	$ −	$ 15, 157	$ 15, 157
FVTOCI financial assets - noncurrent				
Domestic listed stocks	$ 2, 923, 686	$ −	$ −	$ 2, 923, 686
Domestic unlisted stocks and limited partnership	−	−	1, 374, 161	1, 374, 161
Total	$ 2, 923, 686	$ −	$ 1, 374, 161	$ 4, 297, 847

Financial and non-financial instruments	June 30, 2023 Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
FVTPL financial assets - current				
Mutual fund beneficiary certificates	$ 123, 090	$ –	$ –	$ 123, 090
FVTPL financial assets - noncurrent				
Film investment agreement	$ –	$ –	$ 7, 200	$ 7, 200
FVTOCI financial assets - noncurrent				
Domestic listed stocks	$ 2, 892, 606	$ –	$ –	$ 2, 892, 606
Domestic unlisted stocks and limited partnership	–	–	1, 326, 522	1, 326, 522
Total	$ 2, 892, 606	$ –	$ 1, 326, 522	$ 4, 219, 128

4. The methods and assumptions used for measuring fair value

The fair value of financial and non-financial instruments refers to the transaction amount with voluntary parties (not by force or by means of liquidation). The methods and assumptions used by the Group when estimating fair value of financial and non-financial instruments are as follows:

(1) Regarding financial instruments with standard terms and condition and are traded in active markets, their fair value are determined using the quoted prices in their respective markets. For listed stocks, the closing prices are used as fair value. Open end mutual fund beneficiary certificates were counted based on net worth as fair values.

(2) Except for the above financial instruments with active market, when evaluating non-standardized and less complex financial instruments, for example, corporate bonds, their fair values are measured at quoted prices in the open market provided by third-party institutions.

(3) Regarding financial instruments with higher complexity, the Group measures the fair value based the valuation methods and techniques widely used by peers in the same industry and self-developed valuation models. Part of the parameters used by such types of valuation models is not based on observable information in the market, and the Group has to make appropriate estimation-based assumptions. The fair value of the Group’s held non-listed stocks and limited partnership are estimated either by market approach or asset approach and valuations is made by referencing to similar companies, third-party quotes, net value of the companies, and operating conditions. The movie investment agreement is based on the income approach. The present value of the expected return from holding the investment is calculated on a discounted cash flow basis. In addition, the major material

unobservable input value is liquidity discount. For the effects to the valuation for financial instruments from parameters that are not observable in the market, please refer to illustrations in Note 12.4-10.

(4) The output of the valuation model is the computed approximate value, and the valuation technique may not be able to reflect all relevant factors of the Group's held financial and non-financial instruments. Therefore, the estimated value of the valuation model would be properly adjusted based on additional parameters, such as model risk or liquidity risk. Based on the Group's management policy for fair-value valuation model and the related controlling procedures, the valuation adjustments are appropriate and necessary. The price information and parameters used during the valuation procedures are assessed carefully and are properly adjusted based the current market conditions.

(5) The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.

5. Transfer between Level 1 and Level 2 of the fair value hierarchy for the six months ended June 30, 2024 and 2023: None.

6. Changes in Level 3 financial instruments

(1) For the six months ended June 30, 2024

Item	FVTPL financial assets	FVTOCI financial assets
Beginning balance	$ 15, 157	$ 1, 374, 161
Acquisition this period	1, 100	106, 218
Disposition this period	–	–
Capital distribution this period	–	(11, 964)
Inward (outward) transfer of Level 3	–	–
Inward (outward) transfer of consolidated stock conversion	16, 739	(16, 739)
Recognized in profit or loss	4, 505	–
Recognized in other comprehensive income (loss)	–	74, 461
Effects of exchange rate	–	(43, 814)
Ending balance	$ 37, 501	$ 1, 482, 323

(2) For the six months ended June 30, 2023

Item	FVTPL financial assets	FVTOCI financial assets
Beginning balance	$ 7, 200	$ 1, 150, 882
Acquisition this period	–	132, 916
Disposition this period	–	–
Capital distribution this period	–	(23, 654)
Inward (outward) transfer of Level 3	–	–
Recognized in profit or loss	–	–
Recognized in other comprehensive income (loss)	–	114, 623
Presumptive redemption	–	(55, 958)
Effects of exchange rate	–	7, 713
Ending balance	$ 7, 200	$ 1, 326, 522

7. The Group had no outward transfer from Level 3 and inward transfer into Level 3 for the six months ended June 30, 2024 and 2023.

8. According to the Group's valuation procedures for Level 3 fair value classification, the Group's accounting department, along with outside professional appraisal institutions, share the work to independently verify the fair value of the financial instruments. The valuation works include using independent source data to make the valuation result close to the market condition and confirming independence and reliability of the data source, consistency with other resources, and representing execution price. The required input value and data are periodically updated, and any other necessary fair value adjustments are made to ensure reasonable valuation results.

9. Illustrations for quantified information of material unobservable input value and sensitivity analysis for changes in material unobservable input value for Level 3 fair value measurement items are as following:

Item	Fair value as of June 30, 2024	Valuation technique	Material unobservable input value	Range (weighted average)	Relationship between input value and fair value
Non-derivative equity instruments:					
Film investment agreement	$ 17, 858	Income approach	Discount rate	17. 74%	higher discount rate, lower fair value results
Convertible preferred shares	19, 643	Market approach	Liquidation discount	12. 07%	higher liquidation discount, lower fair value results
Unlisted stocks	262, 411	Market approach	Liquidation discount	12.07%～31.83%	higher liquidation discount, lower fair value results
Unlisted stocks	5, 274	Asset approach	Non-controlling discount	22.06%～25.00%	higher non-controlling discount, lower fair value results
Limited partnership	1, 203, 295	Asset approach	N/A	N/A	N/A
Total	$ 1, 508, 481				

Item	Fair value of December 31, 2023	Valuation technique	Material unobservable input value	Range (weighted average)	Relationship between input value and fair value
Non-derivative equity instruments:					
Film investment agreement	$ 15, 157	Income approach	Discount rate	16. 78%	higher discount rate, lower fair value results
Unlisted stocks	252, 260	Market approach	Liquidation discount	13.68%～32.84%	higher liquidation discount, lower fair value results
Unlisted stocks	4, 625	Asset approach	Non-controlling discount	22.06%～25.00%	higher non-controlling discount, lower fair value results
Limited partnership	1, 117, 276	Asset approach	N/A	N/A	N/A
Total	$ 1, 389, 318				

Item	Fair value as of June 30, 2023	Valuation technique	Material unobservable input value	Range (weighted average)	Relationship between input value and fair value
Non-derivative equity instruments:					
Film investment agreement	$ 7, 200	Income approach	Discount rate	N/A	higher discount rate, lower fair value results
Unlisted stocks	313, 547	Market approach	Liquidation discount	20.93%～32.88%	higher liquidation discount, lower fair value results
Unlisted stocks	4, 805	Asset approach	Non-controlling discount	23.37%～25.00%	higher non-controlling discount, lower fair value results
Limited partnership	1, 008, 170	Asset approach	N/A	N/A	N/A
Total	$ 1, 333, 722				

10. After careful selection of valuation model and the parameters, the Group considers that the fair value measurements are reasonable. But when different valuation model or the parameters are used, the valuation results may be different. Regarding the financial assets and liabilities classified as Level 3, if the evaluation parameter changes by 1% basis points, then the effects to the current-period profit and other comprehensive income would be as following:

			2024.1.1~6.30			
			Recognized in profit or loss		Recognized in other comprehensive income	
Item	Input value	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Non-derivative financial instruments						
Film investment agreement	Discount rate	±1%	$ 100	（$ 100）	$ －	$ －
Convertible preferred shares	Liquidation discount	±1%	$ 223	（$ 223）	$ －	$ －
Un-listed stocks	Liquidation discount and non-controlling discount	±1%	$ －	$ －	$ 3, 409	（$ 3, 255）

			2023.1.1~6.30			
			Recognized in profit or loss		Recognized in other comprehensive income	
Item	Input value	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Non-derivative financial instruments						
Un-listed stocks	Liquidation discount and non-controlling discount	±1%	$ -	$ -	$ 4, 154	($ 4, 115)
Film investment agreement	Discount rate	±1%	$ 72	($ 72)	$ -	$ -

13. Supplementary disclosures

13.1 Information on significant transactions, and 13.2 Information on investees (before consolidation eliminations)

1. Loans to others

Lending company	Loan recipient	Transaction item	Related party or not	Maximum balance for the period	Balance at the end of the period	Actual use amount	Interest rate range	Nature of loans	Transaction amount	Reasons for short-term financing	Allowance for losses	Collaterals		Limit on loans to individual party	Limit on the total amount of loans to others
												Name	Value		
Land & Sea Capital Corp.	Goldenpacific Equities Ltd.	Other receivables – related parties	Yes	259,200 (US$8,000)	259,200 (US$8,000)	$151,632 (US$4,680)	4.40%	For short-term financing needs	—	The working capital	—	Promissory Notes	$259,200 (US$8,000)	If a foreign company that directly or indirectly owns 100% of the voting shares of a parent company engages in lending, the amount of individual lending is limited to 100% of the Company's net worth. ($12,681,448)	The total amount of loans between foreign companies that directly or indirectly own 100% of the voting shares of the parent company is limited to 100% of the Company's net worth. ($12,681,448)
	Quanzhou Grand Pacific Chemical Co., Ltd.	Other receivables – related parties	Yes	1,326,000 (CNY300,000)	1,326,000 (CNY300,000)	—	3.025%	For short-term financing needs	—	The working capital	—	Promissory Notes	1,326,000 (CNY300,000)		

2. Endorsements and guarantees provided to others

Name of endorsers and guarantors	Endorsed and guaranteed counterparty		Endorsement and guarantee limit for a single entity	Highest balance of endorsement and guarantee for the period	Balance of endorsement /guarantee at the end of period	Actual amount drawn down	Amount of endorsement and guarantee secured by property	Ratio of accumulated amount of endorsement and guarantee to net worth in the financial statements of the company in the latest period	Maximum amount of endorsement and guarantee	Provision of endorsement and guarantee by parent company to subsidiary	Provision of endorsement and guarantee by subsidiary to parent company	Provision of endorsement and guarantee to the party in Mainland China
	Name of company	Relationship										
Grand Pacific Petrochemical Corporation	QuanZhou Grand Pacific Chemical Co., Ltd.	A subsidiary with direct shareholding in equity up to 100%	No more than 100% of the company's net value according to the most recent financial statements ($33,671,900)	$15,470,000 (CNY3,500,000)	$15,470,000 (CNY3,500,000)	$15,470,000 (CNY3,500,000)	—	45.94%	The total endorsement/guarantee of the Company shall not exceed 100% of the net worth as shown through the latest financial statements of the Company ($33,671,900)	Yes	No	Yes
	GPPC Development Corp.	A subsidiary with direct and indirect shareholding in equity up to 85.72%		1,084,371	1,084,371	404,462	—	3.22%		Yes	No	No
KK Enterprise Co., Ltd.	KK Enterprise (Malaysia) Sdn. Bhd.	A subsidiary with direct shareholding in equity up to 70%	The guarantee is limited to 50% of the Company's total endorsement and guarantee amount. ($227,940)	34,678 (RM5,940)	34,678 (RM5,940)	3,401 (RM583)	—	3.80%	The total endorsement/guarantee of the Company shall not exceed 50% of the net worth as shown through the latest financial statements of the Company ($455,881)	Yes	No	No
Videoland Inc.	Citiesocial Co., Ltd.	A subsidiary with direct and indirect shareholding in equity up to 94.24%	No more than 20% of the company's net value according to the most recent financial statements ($1,540,921)	400,000	370,000	150,000	—	4.80%	The total endorsement/guarantee of the Company shall not exceed 40% of the net worth as shown through the latest financial statements of the Company. ($3,081,843)	Yes	No	No

3. Holding of marketable securities at the end of period (excluding equity ownership in subsidiaries, associates and joint ventures)

Securities held by	Type and name of marketable securities		Relationship with the marketable securities issuer	General ledger account	At the end of the period			
					Unit expressed in thousand shares	Carrying amount	Shareholding ratio (%)	Fair value
Grand Pacific Petrochemical Corporation	Stock	He Xin Venture Investment Enterprise Co., Ltd.	Other related party	Financial assets at fair value through other comprehensive income - noncurrent	37	$1,729	2.85	$1,729
		YODN Lighting Corp.	–	Financial assets at fair value through other comprehensive income - noncurrent	165	546	0.93	546
		Bridgestone Taiwan Co., Ltd.	–	Financial assets at fair value through other comprehensive income - noncurrent	1,151	60,455	1.42	60,455
		China Development Financial Holding Corporation	Other related party	Financial assets at fair value through other comprehensive income - noncurrent	21,297	321,591	0.13	321,591
GPPC Chemical Corporation	Stock	He Xin Venture Investment Enterprise Co., Ltd.	Other related party	Financial assets at fair value through other comprehensive income - noncurrent	49	2,313	3.80	2,313
		YODN Lighting Corp.	—	Financial assets at fair value through other comprehensive income - noncurrent	64	213	0.36	213
		Kuo Tsung Development Co., Ltd.	—	Financial assets at fair value through other comprehensive income - noncurrent	200	–	1.06	–
		Kuo Tsung Construction Development Co., Ltd.	—	Financial assets at fair value through other comprehensive income - noncurrent	200	–	1.31	–
		Bridgestone Taiwan Co., Ltd.	—	Financial assets at fair value through other comprehensive income - noncurrent	934	49,069	1.15	49,069
		Com2B Corporation	—	Financial assets at fair value through other comprehensive income - noncurrent	750	–	1.67	-
		Grand Pacific Petrochemical Corporation - preferred shares	The Company's parent company	Financial assets at fair value through other comprehensive income - noncurrent	1,776	41,913	8.88	41,913
		China Development Financial Holding Corporation	The Company is that company's legal person	Financial assets at fair value through other comprehensive income - noncurrent	12,110	182,860	0.07	182,860
GPPC Investment Corp.	Stock	YODN Lighting Corp.	–	Financial assets at fair values through other comprehensive income - noncurrent	631	2,086	3.54	2,086
	Partnership	China Development Asset Management Corporation's advantageous venture capital limited partnership	–	Financial assets at fair value through other comprehensive income - noncurrent	–	195,943	–	195,943
	Fund	KGI Victory Money Market Fund	–	Financial assets at fair value through profit or loss - current	8,630	105,336	–	105,336
GPPC Hospitality And Leisure Inc.	Fund	KGI Victory Money Market Fund	–	Financial assets at fair value through profit or loss - current	1,025	12,277	–	12,277
GPPC Development Corp.	Fund	KGI Victory Money Market Fund	–	Financial assets at fair value through profit or loss - current	13,816	165,442	–	165,442

Perfect Meat Co., Ltd.	Fund	KGI Victory Money Market Fund	—	Financial assets at fair value through profit or loss - current	686	8,219	–	8,219
Goldenpacific Equities Ltd.	Partnership	CDIB Capital Asia Partners L.P.	—	Financial assets at fair value through other comprehensive income – noncurrent	–	117,173	–	117,173
		CDIB Capital Global Opportunities Fund L.P.	—	Financial assets at fair value through other comprehensive income – noncurrent	–	789,723	–	789,723
Videoland Inc.	Partnership	CDIB Capital Asia Partners L.P.	—	Financial assets at fair value through other comprehensive income – noncurrent	–	100,456	–	100,456
	Stock	China Development Financial Holding Corporation - common shares	Other related party	Financial assets at fair value through other comprehensive income – noncurrent	150,647	2,274,768	0.89	2,274,768
		China Development Financial Holding Corporation - preferred shares	Other related party	Financial assets at fair value through other comprehensive income – noncurrent	86,818	659,819	5.49	659,819
		Jeoutai Technology Co., Ltd.	—	Financial assets at fair value through other comprehensive income – noncurrent	2,007	46,171	5.96	46,171
		Global Mobile Corp.	—	Financial assets at fair value through other comprehensive income – noncurrent	1,440	–	0.52	–
		Great Dream Pictures, Inc.	—	Financial assets at fair value through other comprehensive income – noncurrent	100	179	9.98	179
		Ruei-Guang Broadcasting Co., Ltd.	—	Financial assets at fair value through other comprehensive income – noncurrent	10	1,053	10.00	1,053
		21st Financial Technology Co., Ltd.- common shares	—	Financial assets at fair value through other comprehensive income – noncurrent	1,458	103,871	2.19	103,871
		21st Financial Technology Co., Ltd. – preferred shares	—	Financial assets at fair value through profit or loss – noncurrent	105	19,643	9.57	19,643
		Citiesocial Series A and B Preferred shares	—	Financial assets at fair value through profit or loss – noncurrent	4,407	51,469	–	51,469
KK Enterprise Co., Ltd.	Bond	Citigroup Global Markets Holdings Inc.	—	Financial assets at fair value through profit or loss - current	–	51,233	–	51,233

4. Marketable securities acquired and disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital: None.

5. Acquisition of individual real estate properties at costs of at least NT$300 million or 20% of the paid-in capital: None.

6. Disposal of individual real estate properties at prices of at least NT$300 million or 20% of the paid-in capital: None.

7. Total purchases from or sales to related parties of at least NT$100 million or 20% of the paid-in capital

Purchase (sale) company	Name of transaction party	Relationship	Descriptions of transaction				Description and reasons for difference in transaction terms compared to general transaction		Notes or accounts receivable (payable)	
			Purchase (sales of goods)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes or accounts receivable (payable)
Grand Pacific Petrochemical Corporation	GPPC Chemical Corporation	The Company's subsidiaries	Sales	$544,978	8.28%	Based on sales contracts	The purchase or selling price under the contract is based on the mean price in the three regions, that is, FOB Korea, CFR Taiwan, and CFR SE Asia, in the respective issues of Styrene intelligence reports for the month according to Platt's Far East Petrochemical Scan.	To be settled at the end of each month and paid off 45 days following settlement, if the payment is not received as scheduled, the interest will be calculated at the one- year time deposit annual rate of the Bank of Taiwan as of January 1 of the specific year, however, is limited to 3 months at maximum.	113,627	7.41%
GPPC Chemical Corporation	Grand Pacific Petrochemical Corporation	The Company's parent company	Purchase	544,978	83.60%	Based on purchase contracts	The purchase or selling price under the contract is based on the mean price in the three regions, that is, FOB Korea, CFR Taiwan, and CFR SE Asia, in the respective issues of Styrene intelligence reports for the month according to Platt's Far East Petrochemical Scan.	To be settled at the end of each month and paid off 45 days following settlement, if the payment is not received as scheduled, the interest will be calculated at the one- year time deposit annual rate of the Bank of Taiwan as of January 1 of the specific year, however, is limited to 3 months at maximum.	(113,627)	86.96%

8. Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital:

Company where receivables are recorded	Counterparty	Relationship	Balance of receivables from related parties	Turnover ratio	Overdue receivables from related parties		Amounts due from related parties recovered	Amount of loss allowance
					Amount	Handling		
Grand Pacific Petrochemical Corporation	GPPC Chemical Corporation	Parent company to subsidiary	$113,627	8.89 times/year	—	—	$113,627	—
Land & Sea Capital Corp.	Goldenpacific Equities Ltd.	Subsidiary to subsidiary	151,632 (US$ 4,680) Record other receivables – related parties	—	—	—	—	—

9. Information about the derivative financial instruments transaction: None.

10. Name, location, etc. of investee companies over which the Company has direct or indirect influence, control or joint control (not including investments in Mainland China)

Name of investor	Name of investee	Location	Main business	Original investments		Holding status at end of period			Current profit/loss of the investee	Profit/loss recognized by the Company	Notes
				Ending balance of current period	Ending balance of prior year	Shares in thousands	Shareholding ratio (%)	Carrying amount			
Grand Pacific Petrochemical Corporation	GPPC Chemical Corporation	No.66, Changxing Rd., Luzhu Dist., Kaohsiung City	Production and sale of impact- resistant and flame-resistant polystyrene	$262, 953	$262, 953	34, 200	100. 00	$514, 930	$7, 979	$8, 552	Recognized investment gains and losses include an increase of $572 due to the difference between the gain or loss on an individual basis and the gain or loss on a consolidated basis.
	GPPC Investment Corp.	8F, No.135, Dunhua N. Rd., Taipei City	Investment business	170, 307	170, 307	22, 032	81. 60	297, 494	156	127	
	GPPC Development Corp.	10F, No.1, Sec. 4, Nanjing E. Rd., Taipei City	General hotel business	150, 000	150, 000	15, 000	42. 86	(28, 933)	(101, 350)	(43, 439)	Comprehensive shareholding up to control force
	Videoland Inc.	3F, No.480, Ruiguang Rd., Neihu Dist., Taipei City	Radio and television program production, domestic and foreign film copying, domestic film production, distribution, trading and other services	1,536,404	1,536,404	71,093	62.29	5, 458, 115	(38, 546)	(24, 010)	
	KK Enterprise Co., Ltd.	No.1, Ziqiang 3rd Rd., Nangang Industrial Zone, Nantou City	Manufacture, wholesale and retail of various trademark paper, tape and PU Resin	110,190	110,190	7,934	15.73	143, 420	18, 625	2, 929	Comprehensive shareholding up to control force
	Goldenpacific Equities Ltd.	British Virgin Islands	Investment business	10,510	10,510	75	100.00	756, 282	(2, 552)	(2, 552)	
	Land & Sea Capital Corp.	British Virgin Islands	Investment business	1,139,923	1,139,923	26,319	100.00	12, 988, 549	(394, 572)	(321, 686)	An increase of $72,886 due to the difference in income/loss perspectives between the individual basis and the
GPPC Investment Corp.	GPPC Hospitality And Leisure Inc.	10F, No.1, Sec. 4,Nanjing E. Rd., Taipei City	Catering service business	40,000	40,000	4,000	100.00	12, 303	(492)	(492)	

GPPC Development Corp.	Perfect Meat Co., Ltd.	8F, No.135, Dunhua N. Rd., Taipei City	Meat import and sales	$10, 000	$10, 000	1, 000	100. 00	$9, 385	($25)	($25)	
Videoland Inc.	Videoland International Limited	Hongkong	Engaged in wine trading business, mainly grape wine	97, 800	97, 800	25, 000	100. 00	105, 401	(130)	(130)	
	ZW ENM Co., Ltd.	1F, No. 480, Ruiguang Rd., Neihu District, Taipei City	Film and program production and distribution	200, 000	5, 000	20, 000	100. 00	200, 144	163	163	
	Citiesocial Holding Cayman Co., Ltd.	British Cayman Islands	Investment business	70, 475	70, 475	7, 205	76. 69	116, 025	(29, 374)	14, 007	Investment profit & loss includes gains from constructive retirement of preferred shares and amortization of intangible assets acquired.
	Citiesocial Co., Ltd.	11F, No. 6, Sec. 1, Heping E. Rd., Daan District, Taipei City	Multimedia ecommerce and wholesale/retail of consumer goods	38, 000	38, 000	3, 800	31. 28	(53, 368)	(49, 587)	(15, 511)	
	KK Enterprise Co., Ltd.	No.1, Ziqiang 3rd Rd., Nangang Industrial Zone, Nantou City	Manufacture, wholesale and retail of various trademark paper, tape and PU Resin	238, 248	238, 248	17, 046	33. 79	308, 085	18, 626	6, 294	
	GPPC Investment Corp.	8F, No.135, Dunhua N. Rd., Taipei City	Investment business	35, 372	35, 372	4, 968	18. 40	67, 082	156	(29)	Comprehensive shareholding with significant power of influence
	GPPC Development Corp.	10F, No.1, Sec. 4, Nanjing E. Rd., Taipei City	General hotel business	149, 873	149, 873	15, 000	42. 86	(28, 993)	(101, 350)	(43, 438)	
	FW IT CO., LTD.	1F, No.480, Ruiguang Rd., Neihu Dist., Taipei City	Information software services, Information processing	60, 000	–	6, 000	100. 86	59, 995	(5)	(5)	
KK Enterprise Co., Ltd.	KK Enterprise (Malaysia) Sdn. Bhd.	Malaysia	Trademark paper, tape and such business	15, 995	15, 995	1, 680	70. 00	45, 684	(271)	(190)	Recognition of investment gains and losses include realized and unrealized net gains and losses from forward and reverse side-current transaction.
	K.K. Chemical Company Limited	Hongkong	Trademark paper, tape and such business	5, 255	5, 255	125	49. 90	4, 511	(408)	(204)	With ability to control
	Dragon King Inc.	Samoa	Reinvestment business	3, 258	3, 258	100	100. 00	4, 564	13	13	
Citiesocial Holding Cayman Co., Ltd.	Citiesocial Co., Ltd.	11F, No. 6, Sec. 1, Heping E. Rd., Daan District, Taipei City	Multimedia ecommerce and wholesale/retail of consumer goods	76, 500	76, 500	7, 650	62. 96	(106, 940)	(49, 587)	(31, 221)	

11. Business Relationships between Parent and Subsidiaries and Significant Transactions

Company name	Counter-party	Nature of relationships	Transaction details			
			Account	Amount	Transaction terms	% to total revenue or assets
Grand Pacific Petrochemical Corporation	GPPC Chemical Corporation	Parent company vs. subsidiary	Sales revenues	$544, 978	The purchase or selling price under the contract is based on the mean price in the three regions, that is, FOB Korea, CFR Taiwan, and CFR SE Asia, in the respective issues of Styrene intelligence reports for the month according to Platt's Far East Petrochemical Scan.	6. 65%
			Other revenues	4, 200	As per the requirements in the contract	0. 05%
			Technical support revenues	1, 474	As per the requirements in the contract (Entered as deduction of expense)	0. 02%
			Unrealized loss of sales	1, 332	—	0. 02%
			Realized loss of sales	3, 623	—	0. 04%
			Account receivables	113, 627	T/T 45 days settled monthly	0. 17%
	GPPC Development Corp.	Parent company vs. subsidiary	Endorsements/guarantees	1, 084, 371	As per endorsements/guarantee operating procedures	1. 65%
	Videoland Inc.	Parent company vs. subsidiary	Other receivables	21, 328	Distribution of earnings	0. 03%
	QuanZhou Grand Pacific Chemical Co., Ltd.	Parent company vs. subsidiary	Technical support revenues	11, 844	As per the requirements in the contract (Entered as deduction of expense)	0. 14%
			Other revenues	7, 821	As per the requirements in the contract	0. 09%
			Other receivables	7, 821	T/T 45 days settled monthly	0. 01%
			Endorsements/guarantees	15, 477, 000	As per endorsements/guarantee operating procedures	23. 53%
GPPC Chemical Corporation	Grand Pacific Petrochemical	Subsidiary vs. parent company	Sales revenue	579	Priced at normal transaction prices	0. 01%
			Accounts receivable	562	T/T 45 days settled monthly	—
Videoland Inc.	Citiesocial Co., Ltd.	Parent company vs. subsidiary	Endorsements/ guarantees	370, 000	As per endorsements/guarantee operating procedures	0. 56%
			Service revenue	722	Priced at normal transaction prices	0. 01%
			Financial lease payments receivable, net	2, 544	As per the requirements in the lease agreement	—
			Long-term financial lease payments receivable, net	20, 855	As per the requirements in the lease agreement	0. 03%

	ZW ENM Co., Ltd.	Parent company vs. subsidiary	Investments accounted for under equity method	$150, 000	Cash capital increase	0. 23%
Citiesocial Co., Ltd.	Videoland Inc.	Subsidiary vs. parent company	Sales revenues	1, 336	Priced at normal transaction prices	0. 02%
			Service revenue	477	Priced at normal transaction prices	—
			Other receivables	604	T/T 45 days settled monthly	—
			Refundable deposits	739	As per the requirements in the lease agreement	—
Land & Sea Capital Corp.	Goldenpacific Equities Ltd.	Subsidiary vs. subsidiary	Other receivables	151, 632	As per the requirements in the loan agreement	0.23%
			Interest income	2, 486	As per the requirements in the loan agreement	0.03%
KK Enterprise Co., Ltd.	KK Enterprise (Malaysia) Sdn Bhd.	Parent company vs. subsidiary	Sales revenue	5, 551	Priced at normal transaction prices	0.05%
			Accounts receivables	2, 553	T/T 90 days settled monthly	—
	KK Enterprise (Kunshan) Co., Ltd.	Parent company vs. subsidiary	Sales revenue	2, 272	Priced at normal transaction prices	0.05%

Note:

(1) In case of the same transaction between parent and subsidiary companies or among subsidiaries, there is no need for repeated disclosure. For example, if the parent company has disclosed the transaction between the parent company and the subsidiary, the subsidiary part does not need to disclose repeatedly; if the transaction among the subsidiaries has been disclosed by one of its subsidiaries, the other subsidiary does not need to disclose repeatedly.

(2) The calculation of the ratio of the transaction amount to the consolidated total revenue or total assets. If it is a balance sheet item, it should be calculated as the ending balance of the consolidated total assets; if it is a profit or loss item, it is calculated as the cumulative amount in the period as a percentage to the total consolidated revenue.

13.3 Information on investment in Mainland China

1.

Name of investors	Name of investee in China	Main business lines	Paid-in capital	Method of investment	Beginning amount of accumulated investment with outward remittance from Taiwan this period	Amount of investment remitted outward or retrieved this period		Ending amount of accumulated investment with outward remittance from Taiwan this period	Profit or loss of investees this period Note (5)	The Company's shareholding ratio either directly or indirectly investment Note (4)	Investment gain /loss recognized in the period Note (5)	Carrying amount of investment at end of period Note (4)	Investment gains having been received at end of period
						Outward remittance	Retrieval						
Grand Pacific Petrochemical Corporation	Zhenjiang Chimei Chemical Co., Ltd.	Production and sales of series products and their products using styrene as raw materials and various chemical raw materials and fuel oil handling, storage and transportation and operation	US$390,850	Note (2)	$1,652,206 (US$52,830)	—	—	$1,652,206 (US$52,830)	($128,878)	30.40%	($39,179)	$4,423,224	$473,318 (US$15,496)
	Zhangzhou Chimei Chemical Co., Ltd.	Primary form plastics and synthetic resin manufacturing	CNY3,760,000	Note (2)	716,901 (US$23,340)	—	—	716,901 (US$23,340)	(1,069,905)	30.40%	(325,251)	4,135,280	—
	QuanZhou Grand Pacific Chemical Co., Ltd.	Propane dehydrogenation to propylene, polypropylene and hydrogen products	CNY2,532,000	Note (1)	11,163,588 (CNY2,532,000)	—	—	11,163,588 (CNY2,532,000)	(161,869)	100.00%	(161,869)	11,026,687	—
KK Enterprise Co., Ltd.	KK Enterprise (Zhongshan) Co., Ltd.	Trademark paper, tape and such business	—	Note (3)	21,509 (HKD6,150)	—	$21,509 (HKD6,150)	—	—	—	—	—	72,181
	KK Enterprise (Kunshan) Co., Ltd.	Trademark paper, tape and such business	US$6,100	Note (1)	206,958 (US$5,168) (Machine US$827)	—	—	206,958 (US$5,168) (Machine US$827)	(1,010)	100.00%	(1,010) Note (6)	195,765	41,010

Name of investor	Amount of accumulated investment remitted from Taiwan to the Mainland China at the end of period	Amounts of investment approved by Investment Commission, Ministry of Economic Affairs	Maximum limit of investment in Mainland China as promulgated by Investment Commission, Ministry of Economic Affairs (Note 7)
Grand Pacific Petrochemical Corporation	$13,532,695(US$76,170、CNY2,532,000)	$14,701,273(US$453,743) (Note 8)	$22,223,510
KK Enterprise Co., Ltd.	$206,958(US$5,168 and Machine US$827)	$197,640(US$6,100)	$560,413

Note: (1) Direct investment.

(2) Investment in the Mainland China based firm through a company incorporated in a third territory after being approved by the government.

(3) KK Enterprise (Zhongshan) Co., Ltd. was dissolved in January, 2024 and has been liquidated.

(4) Percentage of direct and indirect investments in third-party companies and the carrying value of investments at the end of the period.

(5) Except for Quanzhou Grand Pacific Chemical Co., Ltd. which was based on the financial statements reviewed by other certified public accountants in the same accounting firm as the parent company in Taiwan, the investment income or loss was recognized by the equity method on the basis of the proportion of direct and indirect investment in the investee company in Mainland China based on the investee company's financial statements for the same period that had not been reviewed by certified public accountants.

(6) The investment gains and losses recognized in this current period including the realized, unrealized net gains and losses generated by the forward, countercurrent and side stream exchanges.

(7) Under the provisions of the Investment Commission, Ministry of Economic Affairs, the maximum limit for the amounts or percentages of accumulated investment toward Mainland China shall be 60% of the Company's net worth or the consolidated net worth (whichever was the higher).

(8) As of June 30, 2024, the amount of accumulated investment by the Company toward Mainland China as approved by the Investment Commission, Ministry of Economic Affairs totaled at US$672,914 thousand. Pursuant to Article 3 of "Principles for Investment or Technical Cooperation Review in the Mainland China", the amount of capital increase with earnings into Mainland China would not be counted into the accumulated investment. Besides, where the share capital or earnings of investment in Mainland China were remitted back to Taiwan by investor, the accumulated amount of investment could be deducted accordingly. The Company's earnings used for capital increase (additional investment) in Mainland China as approved by the Investment Commission, Ministry of Economic Affairs came to US$203,675 thousand and the surplus remitted back amounted to US$15,496 thousand with cumulative amount of approved investments in Mainland China being deducted.

(9) The foreign-currency amounts in this table are translated into New Taiwan Dollars at the exchange rates prevailing on the balance sheet date, except for the amount of

outward remittance of investments from Taiwan, which is measured at the historical exchange rate.

2. Material transactions with investee companies in Mainland China directly or indirectly through third area

QuanZhou Grand Pacific Chemical Co., Ltd., KK Enterprise (Zhongshan) Co., Ltd. and KK Enterprise (Kunshan) Co., Ltd. as included in the preparation of the consolidated financial statements because the Group's direct and indirect investment with more than 50% of comprehensive shareholding ratio. Those by and between the Group and QuanZhou Grand Pacific Chemical Co., Ltd., KK Enterprise (Zhongshan) Co., Ltd. and KK Enterprise (Kunshan) Co., Ltd. either directly or indirectly through the business in the third territory were eliminated in full upon preparation of the consolidated financial statements. For more detail regarding major transactions by and between the Group and the Mainland China based investees, please refer to Note 13.1, .2-11.

In addition, the Group's major transactions with Zhenjiang Chimei Chemical Co., Ltd. and Zhangzhou Chimei Chemical Co., Ltd. via a third territory based enterprises either directly or indirectly for the six months ended June 30, 2024 and 2023 are as follows:

(1) Ending balance and percentage of payables regarding purchase amounts & percentage: None.

(2) Ending balance and percentage of receivables regarding sales amounts & percentage:

① For the six months ended, 2024 and June 30, 2024

		Sales revenues		Accounts receivable	
Company name of sales	Name of counterparty	Amount	Percentage of net sales	Amount	Percentage of total accounts receivable
Grand Pacific Petrochemical Corporation	Zhenjiang Chimei Chemical Co., Ltd.	$ 7, 814	0. 09%	$ 1, 716	0. 90%

② For the six months ended, 2023 and June 30, 2023

		Sales revenues		Accounts receivable	
Company name of sales	Name of counterparty	Amount	Percentage of net sales	Amount	Percentage of total accounts receivable
Grand Pacific Petrochemical Corporation	Zhenjiang Chimei Chemical Co., Ltd.	$ 6, 028	0. 07%	$ 1, 439	0. 11%

③ The transactions terms and conditions had been conducted as per the specified selling prices. The payments were collected 30 days maturity after account settlement on a monthly basis.

(3) Amounts in property transaction and amount of profit or loss so incurred: None.

(4) Ending balance of the endorsements/guarantees of notes or the collateral provided: None.

(5) The highest balance of fund financing, ending balance, interest rate range and total amount of interest in the current period: None.

(6) Other transactions that had a significant impact on the current profit/loss or financial status: None.

13.4 Information on major shareholders

2024.6.30.

Shares / Name of Major Shareholders	Number of Shares Held	Percentage of Ownership (%)
KGI Securities Co. Ltd.	99,676,992	8.84%

Note: 1. The information on major shareholders in this schedule includes shareholders who held at least 5% of common shares and special shares combined and had been registered (including treasury shares) with the stock depository company on the last business day of each season. There may be different in the recorded share capital in the financial statements and the actually registered shares due to different preparation and computation basis.

2. If the above data relate trusted shares by shareholders, the principals are separately disclosed based on the trust accounts opened by the trustees. As to filings by internal shareholders with over 10% holding percentage according Securities and Exchange Act regulations, there the shares include shares held by principals and trusted shares with controlling power retained, please refer to the Market Observation Post System.

14. Information of Operating Segments

14.1 An operating segment is a component unit of a company that simultaneously meets the following characteristics:

1. Engage in business activities that generate revenues and incur expenses.
2. The results of operations are reviewed regularly by the operating decision makers in order to make decisions about resources to be allocated to the department and to evaluate the department's performance.
3. Separate financial information is available.

14.2 The Group divides its operating units into three reportable operating segments based on the view of the chief operating decision maker, who reviews the linkage of each management segment to products and labor:

1. Petrochemistry Department: This segment is responsible for the manufacture,

processing, and trading of petrochemical raw materials and related products.

2. Digital Media Department: The division is responsible for TV program production, cable TV program import/export agency distribution, various advertising agencies and their planning and production business, as well as e-commerce to create new business value through content integration.
3. Packaging Materials Department: This division is responsible for the manufacturing, processing, and trading of various packaging materials such as trademark paper and release paper.

Information relating to the Group's other operating activities and operating segments not reported by the Group is disclosed on a consolidated basis under "Other Segments".

14.3 The Group's reportable segments are strategic business units that provide different products and services. Each strategic business unit requires different technology and marketing strategies and therefore needs to be managed separately.

14.4 The management of the Group monitors the results of operations of its business units individually to make decisions on resource allocation and performance evaluation. The performance of the operating segments is measured based on operating profit or loss, which is the amount provided to the chief operating decision maker for the purpose of allocating resources to the segments and evaluating their performance in a manner consistent with operating profit or loss in the consolidated financial statements. However, head office operating costs, income tax expense (benefit) and non-recurring gains and losses (non-operating income and expenses) in the consolidated financial statements are managed on a parent company basis and are not allocated to reportable segments. The amounts reported are consistent with the reports used by the chief operating decision maker. Transfer pricing between operating divisions is based on regular transactions with external third parties. The accounting policies of the operating segments are generally the same as the summary of significant accounting policies described in the Consolidated Financial Statements, as described in Note 4 and Note 4 to the 2023 Consolidated Financial Statements.

14.5 Financial information of the operating segments

1. For the six months ended June 30, 2024 and June 30, 2024

Item	Petrochemistry Dept.	Digital Media Department	Packaging Material Dept.	Other Departments	Adjustment (reconciliation) and elimination	Total
Revenues						
Revenues from external customers	$ 6,906,106	$ 1,000,267	$ 401,996	$ −	$ −	$ 8,308,369
Revenues between segments	545,557	2,535	9,350	−	(557,442)	−
Total revenues	$ 7,451,663	$ 1,002,802	$ 411,346	$ −	($ 557,442)	$ 8,308,369
Segment profit (loss)	($ 454,268)	($ 14,160)	$ 8,701	($ 93,004)	$ 741	($ 551,990)
Non-operating income and expenses						(351,690)
Profit before tax from continuing operation unit						($ 903,680)
Segment profit (loss) comprises of::						
Depreciation & amortization	$ 247,917	$ 292,307	$ 17,964	$ 53,471	$ 3,833	$ 615,492
Segment assets	$ −	$ −	$ −	$ −	$ 65,785,621	$ 65,785,621
Segment liabilities	$ −	$ −	$ −	$ −	$ 28,746,437	$ 28,746,437

2. For the six months ended June 30, 2023 and June 30, 2023

Item	Petrochemistry Department	Digital Media Department	Packaging Material Dept.	Other Departments	Adjustment (reconciliation) and elimination	Total
Revenues						
Revenues from external customers	$ 6,811,473	$ 873,897	$ 418,744	$ 904	$ −	$ 8,105,018
Revenues between segments	385,934	40	11,054	125	(397,153)	−
Total revenues	$ 7,197,407	$ 873,937	$ 429,798	$ 1,029	($ 397,153)	$ 8,105,018
Segment profit (loss)	($ 641,493)	$ 81,004	$ 18,925	($ 70,663)	$ 4,551	($ 607,676)
Non-operating income and expenses						(355,572)
Profit before tax from continuing operation unit						($ 963,248)
Segment profit or loss comprises of:						
Depreciation & amortization	$ 272,791	$ 272,779	$ 21,576	$ 53,714	$ −	$ 620,860
Segment assets	$ −	$ −	$ −	$ −	$ 59,516,981	$ 59,516,981
Segment liabilities	$ −	$ −	$ −	$ −	$ 25,234,110	$ 25,234,110

3. Explanation for adjustments (reconciliations) and write-offs:

(1) Revenue among the divisions are written off upon consolidation.

(2) Adjustment and write-offs on segment profit or loss are mainly for elimination profit or loss among the divisions upon consolidation.

(3) Since the measurement amounts of segment assets and liabilities are not the measurement indices used by the operating decision makers, therefore, the reportable measurement amounts of segment assets and liabilities is 0. The non-allocated amounts of assets and liabilities are listed under adjustments (reconciliations) and write-offs.