

TON YI INDUSTRIAL CORP.
PARENT COMPANY ONLY FINANCIAL
STATEMENTS AND INDEPENDENT AUDITORS’
REPORT
DECEMBER 31, 2023 AND 2022

For the convenience of readers and for information purpose only, the auditors’ report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors’ report and financial statements shall prevail.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Ton Yi Industrial Corp.

Opinion

We have audited the accompanying parent company only balance sheets of Ton Yi Industrial Corp. (the "Company") as of December 31, 2023 and 2022, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the parent company only financial statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2023 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Existence of sales revenues

Description

Refer to Note 4(26) for the accounting policy on revenue recognition.

The primary business of the Company is selling Tin Plate products. The Company has a large volume of transactions from sales of numerous kinds of products to a wide range of customers in many different locations such as Taiwan, Asia, Europe, America, etc. For the customers and dealers who are from remote districts, the sales revenue transactions need more time for verification. This matter also exists in the subsidiaries of the Company (listed as investments accounted for using equity method). Thus, the existence of sales revenue has been identified as a key audit matter.

How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following:

1. Inspecting whether approved additions to the merchandise master file data had been correctly entered in the merchandise master file which include basic information of customers, such as name of representative, location of company, amount of capital and scope of business for evaluating the creditworthiness of buyers.

2. Understanding, evaluating and validating management's controls in respect of the Company's sales transactions from customer order's approval, goods delivery, sales recording, reconciliation of cash receipts and customer's records to subsequent settlement of trade receivables. In addition, testing the effectiveness of internal control environment over revenue recognition.
3. Performing substantive test on selected sales transactions including confirming orders, shipping documents, invoices and cash receipts to verify the existence of sales revenues.

Inventory valuation

Description

Refer to Note 4(7) for accounting policy on inventory and Note 5(2) for the critical accounting estimates and assumptions uncertainty in relation to inventory valuation and Note 6(3) for details of inventories. For the year ended December 31, 2023, inventory and allowance for price decline of inventories amounted to NT\$2,484,060 thousand and NT\$131,000 thousand, respectively.

The Company's raw materials are often subject to fluctuations in the international steel prices. However, as the Tin Plate products are considered necessities, such price changes may not be immediately reflected in material costs. In addition, the competition landscape within the steel industry in China will continue to affect the price of raw materials that would impact the estimation of net realizable value of inventory. This matter also applies to the subsidiaries of the Company (investments accounted for using equity method). Thus, the inventory valuation has been identified as a key audit matter.

How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following:

1. Evaluating the adequacy of allowance for inventory and the consistency of provision policy.

2. Assessing the reasonableness of the estimation of net realizable value of Tin Plate products and discussing with management and examining related documents to confirm the adequacy of allowance for price decline.

Responsibilities of management and those charged with governance for the parent company only financial statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, including audit committee, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance, including audit committee, with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, including audit committee, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Yeh, Fang-Ting

Independent Accountants

Lin, Yung-Chih

PricewaterhouseCoopers, Taiwan

Republic of China

March 5, 2024

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

TON YI INDUSTRIAL CORP.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 106,571	-	\$ 160,105	1
1150	Notes receivable, net	6(2) and 12	110,852	1	154,040	1
1170	Accounts receivable, net	6(2) and 12	631,604	2	936,953	3
1180	Accounts receivable - related parties	6(2) and 7	247,894	1	422,677	1
1200	Other receivables		66,435	-	88,424	-
130X	Inventories	5(2) and 6(3)	2,353,060	9	2,791,596	10
1410	Prepayments		68,344	-	53,019	-
11XX	Total current assets		3,584,760	13	4,606,814	16
Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non-current	6(4)	118,781	1	89,241	-
1550	Investments accounted for using equity method	6(5)	17,620,485	65	17,942,238	61
1600	Property, plant and equipment	6(6) and 7	5,421,559	20	6,299,241	22
1755	Right-of-use assets	6(7)	349,265	1	354,163	1
1760	Investment property, net	6(9)	432	-	432	-
1840	Deferred income tax assets	6(24)	81,327	-	77,287	-
1915	Prepayments for business facilities	6(6)	13,720	-	1,440	-
1920	Guarantee deposits paid		226	-	226	-
1975	Net defined benefit asset - non-current	6(13)	59,373	-	-	-
15XX	Total non-current assets		23,665,168	87	24,764,268	84
1XXX	Total assets		\$ 27,249,928	100	\$ 29,371,082	100

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TON YI INDUSTRIAL CORP.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2023		December 31, 2022			
			Notes	AMOUNT	%	AMOUNT	%	
Current liabilities								
2100	Short-term borrowings	6(10)	\$	2,729,916	10	\$	2,429,889	8
2130	Contract liabilities - current	6(17)		89,335	-		44,813	-
2170	Accounts payable			106,108	1		108,710	-
2200	Other payables			435,034	2		782,871	3
2230	Current income tax liabilities	6(24)		98,173	-		473,351	2
2280	Lease liabilities - current			10,919	-		10,141	-
2305	Other financial liabilities - current			11,320	-		14,810	-
2365	Refund liabilities - current			21,810	-		18,432	-
21XX	Total current liabilities			3,502,615	13		3,883,017	13
Non-current liabilities								
2540	Long-term borrowings	6(11)		4,150,000	15		3,800,000	13
2550	Provisions - non-current	6(12)		85,858	-		84,277	-
2570	Deferred income tax liabilities	6(24)		258,533	1		235,058	1
2580	Lease liabilities - non-currenet			300,858	1		297,987	1
2640	Net defined benefit liabilities - non-current	6(13)		-	-		15,462	-
2645	Guarantee deposits received			4,500	-		2,500	-
25XX	Total non-current liabilities			4,799,749	17		4,435,284	15
2XXX	Total liabilities			8,302,364	30		8,318,301	28
Equity								
Share capital								
3110	Common stock	6(14)		15,791,453	58		15,791,453	54
3200	Capital surplus	6(15)		232,586	1		232,045	1
	Retained earnings	6(16)						
3310	Legal reserve			2,307,402	9		2,062,280	7
3320	Special reserve			1,412,342	5		1,829,875	6
3350	Unappropriated retained earnings			1,102,260	4		2,549,470	9
3400	Other equity interest		(	1,898,479)	(7)	(	1,412,342)	(5)
3XXX	Total equity			18,947,564	70		21,052,781	72
Significant contingent liabilities and unrecognized contract commitments			9					
3X2X	Total liabilities and equity		\$	27,249,928	100	\$	29,371,082	100

The accompanying notes are an integral part of these parent company only financial statements.

TON YI INDUSTRIAL CORP.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except earnings per share)

			Year ended December 31			
			2023		2022	
Items	Notes		AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(17) and 7	\$ 12,060,595	100	\$ 23,401,298	100
5000	Operating costs	6(3)(13)(22)(23) and 7	(10,974,982)	(91)	(18,723,912)	(80)
5900	Gross profit from operations		1,085,613	9	4,677,386	20
5910	Unrealized loss (profit) from sales	6(5) and 7	9,911	-	(36,987)	-
5920	Realized profit from sales	6(5) and 7	36,987	-	36,827	-
5950	Gross profit from operations		1,132,511	9	4,677,226	20
	Operating expenses	6(13)(22)(23), 7 and 12				
6100	Selling expenses		(625,397)	(5)	(1,421,104)	(6)
6200	Administrative expenses		(369,874)	(3)	(606,578)	(3)
6450	Expected credit gains	12	3,327	-	6,474	-
6000	Total operating expenses		(991,944)	(8)	(2,021,208)	(9)
6900	Operating income		140,567	1	2,656,018	11
	Non-operating income and expenses					
7100	Interest income	6(18)	1,729	-	739	-
7010	Other income	6(4)(8)(19)	22,222	-	14,613	-
7020	Other gains and losses	6(7)(20) and 12	16,690	-	275,567	1
7050	Finance costs	6(6)(7)(12)(21)	(135,641)	(1)	(120,815)	-
7070	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	6(5)	743,109	7	45,868	-
7000	Total non-operating income and expenses		648,109	6	215,972	1
7900	Profit before income tax		788,676	7	2,871,990	12
7950	Income tax expense	6(24)	(107,511)	(1)	(625,553)	(3)
8200	Profit for the year		\$ 681,165	6	\$ 2,246,437	9
	Other comprehensive income (loss)					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Gain on remeasurements of defined benefit plan	6(13)	\$ 45,436	-	\$ 255,986	1
8316	Unrealized gain from investments in equity instruments measured at fair value through other comprehensive income	6(4)	29,540	-	1,038	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(24)	(9,087)	-	(51,197)	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Exchange differences on translation	6(5)	(516,003)	(4)	417,362	2
8399	Income tax related to the components of other comprehensive income that will be reclassified to profit or loss	6(24)	326	-	(867)	-
8300	Other comprehensive (loss) income for the year		(\$ 449,788)	(4)	\$ 622,322	3
8500	Total comprehensive income for the year		\$ 231,377	2	\$ 2,868,759	12
	Earnings per share (in dollars)	6(25)				
9750	Basic		\$ 0.43		\$ 1.42	
9850	Diluted		\$ 0.43		\$ 1.41	

The accompanying notes are an integral part of these parent company only financial statements.

TON YI INDUSTRIAL CORP.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Retained Earnings					Other Equity Interest		
		Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gain (loss) from financial assets measured at fair value through other comprehensive income	Total equity
	Notes								
<u>For the year ended December 31, 2022</u>									
Balance at January 1, 2022		\$ 15,791,453	\$ 231,673	\$ 1,878,827	\$ 1,811,806	\$ 1,878,911	(\$ 1,539,161)	(\$ 290,714)	\$ 19,762,795
Profit for the year		-	-	-	-	2,246,437	-	-	2,246,437
Other comprehensive income for the year	6(4)	-	-	-	-	204,789	416,495	1,038	622,322
Total comprehensive income		-	-	-	-	2,451,226	416,495	1,038	2,868,759
Distribution of 2021 net income:									
Legal reserve		-	-	183,453	-	(183,453)	-	-	-
Special reserve	6(16)	-	-	-	18,069	(18,069)	-	-	-
Cash dividends	6(16)	-	-	-	-	(1,579,145)	-	-	(1,579,145)
Non-payment of expired cash dividends from previous years transferred to capital reserve	6(15)	-	431	-	-	-	-	-	431
Payment of unpaid cash dividends from previous years transferred to capital reserve	6(15)	-	(59)	-	-	-	-	-	(59)
Balance at December 31, 2022		\$ 15,791,453	\$ 232,045	\$ 2,062,280	\$ 1,829,875	\$ 2,549,470	(\$ 1,122,666)	(\$ 289,676)	\$ 21,052,781
<u>For the year ended December 31, 2023</u>									
Balance at January 1, 2023		\$ 15,791,453	\$ 232,045	\$ 2,062,280	\$ 1,829,875	\$ 2,549,470	(\$ 1,122,666)	(\$ 289,676)	\$ 21,052,781
Profit for the year		-	-	-	-	681,165	-	-	681,165
Other comprehensive income (loss) for the year	6(4)	-	-	-	-	36,349	(515,677)	29,540	(449,788)
Total comprehensive income (loss)		-	-	-	-	717,514	(515,677)	29,540	231,377
Distribution of 2022 net income:									
Legal reserve		-	-	245,122	-	(245,122)	-	-	-
Reversal of special reserve	6(16)	-	-	-	(417,533)	417,533	-	-	-
Cash dividends	6(16)	-	-	-	-	(2,337,135)	-	-	(2,337,135)
Non-payment of expired cash dividends from previous years transferred to capital reserve	6(15)	-	580	-	-	-	-	-	580
Payment of unpaid cash dividends from previous years transferred to capital reserve	6(15)	-	(39)	-	-	-	-	-	(39)
Balance at December 31, 2023		\$ 15,791,453	\$ 232,586	\$ 2,307,402	\$ 1,412,342	\$ 1,102,260	(\$ 1,638,343)	(\$ 260,136)	\$ 18,947,564

The accompanying notes are an integral part of these parent company only financial statements.

TON YI INDUSTRIAL CORP.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 788,676	\$ 2,871,990
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit gains	12	(3,327)	(6,474)
Provision for inventory market price decline	6(3)	81,000	18,000
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	6(5)	(743,109)	(45,868)
Unrealized (loss) profit from sales	6(5)	(9,911)	36,987
Realized profit from sales	6(5)	(36,987)	36,827
Depreciation	6(6)(7)(22)	1,006,727	996,625
Loss on disposal of property, plant and equipment	6(20)	137	309
Gain from lease modifications	6(7)(20)	(8)	(152)
Gain on disposal of investment property	6(20)	-	418
Dividend income	6(4)(19)	(3,653)	(6,051)
Interest income	6(18)	(1,729)	(739)
Interest expense	6(21)	135,641	120,815
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		43,624	(1,972)
Accounts receivable		308,240	622,838
Accounts receivable - related parties		174,783	410,111
Other receivables		21,989	73,891
Inventories		357,536	1,057,492
Prepayments		(15,325)	(3,515)
Net defined benefit assets - non-current		(13,937)	-
Changes in operating liabilities			
Contract liabilities - current		44,522	(125,065)
Accounts payable		(2,602)	(130,773)
Other payables		(349,514)	56,091
Refund liabilities - current		3,378	3,347
Net defined benefit liabilities - non-current		(15,462)	(39,586)
Cash inflow generated from operations		1,770,689	5,871,056
Dividends received		599,410	405,598
Interest received		1,729	739
Interest paid		(132,383)	(116,501)
Income tax paid		(472,015)	(341,360)
Net cash flows from operating activities		1,767,430	5,819,532

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TON YI INDUSTRIAL CORP.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of property, plant and equipment	6(6)	(\$ 36,336)	(\$ 46,103)
Proceeds from disposal of investment property		-	1,052
Increase in prepayments for business facilities		(85,272)	(15,294)
Interest paid for prepayments for business facilities	6(6)(21)	(472)	(137)
Net cash flows used in investing activities		(122,080)	(60,482)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase (decrease) in short-term borrowings	6(27)	300,027	(368,567)
Decrease in short-term notes and bills payable	6(27)	-	(400,000)
Decrease in other financial liabilities - current	6(27)	(3,490)	(2,278)
Payments of lease liabilities	6(27)	(10,827)	(10,365)
Increase in long-term borrowings	6(27)	1,900,000	1,050,000
Decrease in long-term borrowings	6(27)	(1,550,000)	(4,300,000)
Increase (decrease) in guarantee deposits received	6(27)	2,000	(2,000)
Cash dividends paid	6(16)(27)	(2,337,135)	(1,579,145)
Non-payment of expired cash dividends from previous years transferred to capital reserve	6(15)	580	431
Payment of unpaid cash dividends from previous years transferred to capital reserve	6(15)	(39)	(59)
Net cash flows used in financing activities		(1,698,884)	(5,611,983)
Net (decrease) increase in cash and cash equivalents		(53,534)	147,067
Cash and cash equivalents at beginning of year	6(1)	160,105	13,038
Cash and cash equivalents at end of year	6(1)	\$ 106,571	\$ 160,105

The accompanying notes are an integral part of these parent company only financial statements.

TON YI INDUSTRIAL CORP.
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANIZATION

- (1) Ton Yi Industrial Corp. (the “Company”) was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.) on April 14, 1969. The Company is primarily engaged in the manufacture, processing and sales of various cans of steel and tin plate.
- (2) The common shares of the Company have been listed on the Taiwan Stock Exchange since January 1991.
- (3) Uni-President Enterprises Corp. holds 45.55% equity interest in the Company and is the ultimate parent company.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE PARENT COMPANY ONLY FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These parent company only financial statements were authorized for issuance by the Board of Directors on March 5, 2024.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

- (1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS[®]”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC and became effective from 2023 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board (“IASB”)
Amendments to IAS 1, ‘Disclosure of accounting policies’	January 1, 2023
Amendments to IAS 8, ‘Definition of accounting estimates’	January 1, 2023
Amendments to IAS 12, ‘Deferred tax related to assets and liabilities arising from a single transaction’	January 1, 2023
Amendments to IAS 12, ‘International tax reform - pillar two model rules’	May 23, 2023

The above standards and interpretations have no significant impact to the Company’s financial position and financial performance based on the Company’s assessment.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Company

New standards, interpretations and amendments endorsed by the FSC and will become effective from 2024 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by IASB</u>
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2024
Amendments to IAS 1, 'Non-current liabilities with covenants'	January 1, 2024
Amendments to IAS 7 and IFRS 7, 'Supplier finance arrangements'	January 1, 2024

The above standards and interpretations have no significant impact to the Company's financial position and financial performance based on the Company's assessment.

(3) Effect of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards endorsed by the FSC are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by IASB</u>
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by IASB
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 - comparative information'	January 1, 2023
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

The above standards and interpretations have no significant impact to the Company's financial position and financial performance based on the Company's assessment.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these parent company only financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

These parent company only financial statements are prepared by the Company have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(2) Basis of preparation

- A. Except for the following items, the parent company only financial statements have been prepared under the historical cost convention:
 - a. Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
 - b. Financial assets at fair value through other comprehensive income.
 - c. Defined benefit assets and liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC[®] Interpretations, and SIC[®] Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5. ‘Critical accounting judgements, estimates and key sources of assumption uncertainty’.

(3) Foreign currency translation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the “functional currency”). The parent company only financial statements are presented in New Taiwan Dollars, which is the Company’s functional currency.

- A. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.
- B. Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.
- C. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

- D. All foreign exchange gains and losses based on the nature of those transactions are presented in the statement of comprehensive income within other gains and losses.

(4) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
 - a. Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
 - b. Assets held mainly for trading purposes;
 - c. Assets that are expected to be realized within twelve months from the balance sheet date;
 - d. Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
 - a. Liabilities that are expected to be paid off within the normal operating cycle;
 - b. Liabilities arising mainly from trading activities;
 - c. Liabilities that are to be paid off within twelve months from the balance sheet date;
 - d. Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(5) Financial assets at fair value through profit or loss

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using trade date accounting.
- C. At initial recognition, the Company measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Company subsequently measures the financial assets at fair value, and recognizes the gain or loss in profit or loss.

(6) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(7) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted-average method. The cost of finished goods and work in process comprises raw materials, direct labor, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. When the cost of inventory is higher than net realizable value, a write down is provided and recognized in operating costs. If the circumstances that caused the write-down cease to exist, such that all or part of the write down is no longer needed, it should be reversed to that extent and recognized as deduction of operating costs.

(8) Financial assets at fair value through other comprehensive income

- A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income and debt instruments which meet all of the following criteria:
 - a. The objective of the Company's business model is achieved both by collecting contractual cash flows and selling financial assets; and
 - b. The assets' contractual cash flows represent solely payments of principal and interest on the principal outstanding.
- B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognized and derecognized using trade date accounting.
- C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. The Company subsequently measures the financial assets at fair value:
The changes in fair value of equity investments that were recognized in other comprehensive income. Cumulative gain or loss previously recognized in comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the instrument. Dividends are recognized as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(9) Impairment of financial assets

For debt instruments measured at fair value through other comprehensive income and financial assets at amortized cost, at each reporting date, the Company recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for receivables or contract assets that do not contain a significant financing component, the Company recognizes the impairment provision for lifetime ECLs.

(10) Derecognition of financial assets

The Company derecognizes a financial asset when one of the following conditions is met;

- A. The contractual rights to receive cash flows from the financial asset expire.
- B. The contractual rights to receive cash flows from financial asset have been transferred and the Company has transferred substantially all risks and rewards of ownership of the financial asset.
- C. The contractual rights to receive cash flows from financial asset have been transferred, and the Company has not retained control of the financial asset.

(11) Investments accounted for using equity method / Subsidiaries

- A. Subsidiaries are all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.
- B. Unrealized profit (loss) from the transactions between the Company and subsidiaries has been offset. The accounting policies of the subsidiaries have been adjusted to ensure consistency with the policies of the Company.
- C. The Company's share of its subsidiaries' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognize losses proportionate to its ownership.
- D. Pursuant to the Regulations Governing the Preparation of Financial Reports by Securities Issuers, profit (loss) of the current period and other comprehensive income in the parent company only financial statements shall equal to the amount attributable to owners of the parent in the consolidated financial statements. Owners' equity in the parent company only financial statements shall equal to equity attributable to owners of the parent in the consolidated financial statements.

(12) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.
- B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- C. Property, plant and equipment apply the cost model. Except for land, other property, plant and equipment are depreciated using the straight-line method to allocate their cost over their estimated useful lives. If each component of property, plant and equipment is significant, it is depreciated separately.
- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets' residual values and useful lives differ from previous estimates or the consumption patterns of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

<u>Asset</u>	<u>Useful Lives</u>
Buildings	5 ~ 55 years
Machinery	2 ~ 30 years
Transportation equipment	3 ~ 20 years
Office equipment	2 ~ 8 years
Other equipment	2 ~ 40 years

(13) Leasing arrangements (lessor) — operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognized in profit or loss on a straight-line basis over the lease term.

(14) Leasing arrangements (lessee) — right-of-use assets/ lease liabilities

- A. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of the following:
 - a. Fixed payments, less any lease incentives receivable; and
 - b. Variable lease payments that depend on an index or a rate.

The Company subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

- a. The amount of the initial measurement of lease liability;
- b. Any lease payments made at or before the commencement date; and
- c. Any initial direct costs incurred by the lessee.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize the difference between remeasured lease liability in profit or loss.

(15) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model.

(16) Impairment of non-financial assets

The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.

(17) Borrowings

Borrowings comprises long-term and short-term bank borrowings. Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

(18) Notes and accounts payable

- A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.
- B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(19) Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability specified in the contract is discharged, cancelled or expired.

(20) Offsetting financial instruments

Financial assets and liabilities are offset and reported at net amount on the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(21) Provisions

Provisions (decommissioning liabilities) are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognized as interest expense.

(22) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid and should be recognized as expenses in that period when the employees render service.

B. Pensions

a. Defined contribution plan

For defined contribution plan, the contributions are recognized as pension expenses on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

b. Defined benefit plan

(a) Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior periods. The liability recognized in the balance sheet in respect of the defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.

(b) Remeasurements arising on defined benefit plan are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.

C. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognized as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is distributed by shares, the Company calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(23) Income tax

- A. The tax expense for the period comprises current and deferred tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
- B. The Company's current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent company only balance sheet. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.
- D. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.

(24) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(25) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares and share premium on the effective date of new shares issuance.

(26) Revenue recognition

Sales of goods

- A. The Company manufactures and sells tinplate and PET package products. Sales are recognized when control of the products has transferred, being when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.
- B. Revenue from these sales is recognized based on the price specified in the contract, net of the estimated sales discounts and volume discounts. The products are often sold with volume discounts based on estimated sales of each year. Accumulated experience is used to estimate and provide for the sales discounts and volume discounts, using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A refund liability is recognized for expected sales discounts and volume discounts payable to customers in relation to sales made until the end of the reporting period.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these parent company only financial statements requires management to make critical judgements in applying the Company's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, and the related information is addressed below:

(1) Critical judgements in applying the Company's accounting policies

None.

(2) Critical accounting estimates and assumptions

Evaluation of inventories

A. As inventories are stated at the lower of cost and net realizable value, the Company must determine the net realizable value of inventories on balance sheet date using judgements and estimates. Because of the change in market demand and the sales strategy, the Company evaluates the amounts of price fluctuations of inventories, obsolete inventories or inventories without market selling value on the balance sheet date, and writes down the cost of inventories to the net realizable value. Such an evaluation is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation.

B. As of December 31, 2023, the carrying amount of inventories was \$2,353,060.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Cash:		
Cash on hand	\$ 12	\$ 28
Checking deposits and demand deposits	<u>106,559</u>	<u>160,077</u>
	<u>\$ 106,571</u>	<u>\$ 160,105</u>

A. The Company transacts with a variety of financial institutions all with high credit quality to diversify credit risk, so it expects that the probability of counterparty default is remote.

B. The Company did not pledge cash and cash equivalents as collateral as at December 31, 2023 and 2022.

(2) Notes and accounts receivable, net

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Notes receivable	\$ 111,972	\$ 155,596
Less: Allowance for doubtful accounts	(1,120)	(1,556)
	<u>\$ 110,852</u>	<u>\$ 154,040</u>

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Accounts receivable	\$ 637,956	\$ 946,196
Less: Allowance for doubtful accounts	(6,352)	(9,243)
	<u>\$ 631,604</u>	<u>\$ 936,953</u>

- A. The ageing analysis of notes receivable and accounts receivable (including related parties) is as follows:

	December 31, 2023		December 31, 2022	
	Notes receivable	Accounts receivable	Notes receivable	Accounts receivable
1 to 30 days	\$ 75,062	\$ 583,593	\$ 125,388	\$ 1,162,121
31 to 60 days	36,242	177,070	29,844	175,121
61 to 90 days	552	73,239	364	1,415
91 to 180 days	116	51,948	–	20,624
Over 181 days	–	–	–	9,592
	<u>\$ 111,972</u>	<u>\$ 885,850</u>	<u>\$ 155,596</u>	<u>\$ 1,368,873</u>

The above aging analysis was based on credit date.

- B. As of December 31, 2023 and 2022, notes receivable and accounts receivable were all from contracts with customers. As of January 1, 2022, the balance of receivables (including related parties) from contracts with customers amounted to \$2,555,446.
- C. The Company did not pledge notes receivable and accounts receivable as collateral as at December 31, 2023 and 2022.
- D. Without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the notes receivable and accounts receivable held by the Company was the book value.
- E. Information relating to credit risk of notes receivable and accounts receivable is provided in Note 12(2), “Financial instruments.”

(3) Inventories

	December 31, 2023		
	Cost	Allowance for price decline of inventories	Carrying amount
Merchandise	\$ 5,853	\$ –	\$ 5,853
Raw materials	818,072	(44,772)	773,300
Supplies	273,592	(9,312)	264,280
Work in process	467,877	(23,365)	444,512
Finished goods	918,666	(53,551)	865,115
	<u>\$ 2,484,060</u>	<u>(\$ 131,000)</u>	<u>\$ 2,353,060</u>

December 31, 2022			
	Cost	Allowance for price decline of inventories	Carrying amount
Merchandise	\$ 5, 979	(\$ 32)	\$ 5, 947
Raw materials	963, 425	(6, 452)	956, 973
Raw materials in transit	21, 184	(143)	21, 041
Supplies	206, 193	(7, 722)	198, 471
Work in process	638, 437	(21, 741)	616, 696
Finished goods	1, 006, 378	(13, 910)	992, 468
	<u>\$ 2, 841, 596</u>	<u>(\$ 50, 000)</u>	<u>\$ 2, 791, 596</u>

The cost of inventories recognized as expense for the year:

	For the years ended December 31,	
	2023	2022
Cost of goods sold	\$ 11, 145, 047	\$ 19, 067, 074
Provision for inventory market price decline	81, 000	18, 000
Income from sale of scraps	(229, 176)	(350, 345)
Indemnities	(21, 889)	(10, 817)
	<u>\$ 10, 974, 982</u>	<u>\$ 18, 723, 912</u>

(4) Financial assets at fair value through other comprehensive income – non-current

Items	December 31, 2023	December 31, 2022
Equity instruments		
Listed stocks	\$ 378, 917	\$ 378, 917
Valuation adjustment	(260, 136)	(289, 676)
	<u>\$ 118, 781</u>	<u>\$ 89, 241</u>

A. The Company has elected to classify listed stocks that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments was approximately its book value as of December 31, 2023 and 2022.

B. Amounts recognized in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	For the years ended December 31,	
	2023	2022
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognized in other comprehensive income	\$ 29,540	\$ 1,038
Dividend income recognized in profit (listed under “Other income”)	\$ 3,653	\$ 6,051

C. The Company has no financial assets at fair value through other comprehensive income pledged to others as collateral.

D. Information relating to credit risk of financial assets at fair value through other comprehensive income is provided in Note 12(2) “Financial instruments”.

(5) Investments accounted for using equity method

	For the years ended December 31,	
	2023	2022
At January 1	\$ 17,942,238	\$ 17,878,715
Share of profit of investments accounted for using equity method	743,109	45,868
Earnings distribution from investments accounted for using equity method	(595,757)	(399,547)
Unrealized loss (profit) from sales	9,911	(36,987)
Realized profit from sales	36,987	36,827
Changes in other equity items — Exchange differences on translation of foreign financial statements	(516,003)	417,362
At December 31	\$ 17,620,485	\$ 17,942,238
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Cayman Ton Yi Industrial Holdings Ltd.	\$ 17,567,870	\$ 17,885,134
Tovecan Corp.	52,615	57,104
	<u>\$ 17,620,485</u>	<u>\$ 17,942,238</u>

Information on the Company’s subsidiaries is provided in Note 4(3) “Basis of consolidation” in the Company’s 2023 consolidated financial statements.

(6) Property, plant and equipment

							Equipment under installation and construction in	
	Land	Buildings	Machinery	Transportation equipment	Office equipment	Other equipment	progress	Total
<u>January 1, 2023</u>								
Cost	\$ 615,892	\$ 5,071,440	\$ 27,729,801	\$ 216,028	\$ 5,008	\$ 3,094,822	\$ 11,128	\$ 36,744,119
Accumulated depreciation	–	(3,777,220)	(23,863,676)	(208,202)	(4,385)	(2,591,395)	–	(30,444,878)
	<u>\$ 615,892</u>	<u>\$ 1,294,220</u>	<u>\$ 3,866,125</u>	<u>\$ 7,826</u>	<u>\$ 623</u>	<u>\$ 503,427</u>	<u>\$ 11,128</u>	<u>\$ 6,299,241</u>
<u>For the year ended December 31, 2023</u>								
At January 1	\$ 615,892	\$ 1,294,220	\$ 3,866,125	\$ 7,826	\$ 623	\$ 503,427	\$ 11,128	\$ 6,299,241
Additions - Cost	–	10,868	20,447	–	–	5,021	–	36,336
Transferred - Cost (Note)	–	303	70,223	2,351	14	(1,150)	1,723	73,464
Transferred - Accumulated depreciation	–	–	1,215	(2,351)	(14)	1,150	–	–
Depreciation	–	(99,994)	(787,051)	(1,510)	(269)	(98,521)	–	(987,345)
Disposal - Cost	–	(2,881)	(762)	–	(17)	(38,980)	–	(42,640)
Disposal - Accumulated depreciation	–	2,744	762	–	17	38,980	–	42,503
At December 31	<u>\$ 615,892</u>	<u>\$ 1,205,260</u>	<u>\$ 3,170,959</u>	<u>\$ 6,316</u>	<u>\$ 354</u>	<u>\$ 409,927</u>	<u>\$ 12,851</u>	<u>\$ 5,421,559</u>
<u>December 31, 2023</u>								
Cost	\$ 615,892	\$ 5,079,730	\$ 27,819,709	\$ 218,379	\$ 5,005	\$ 3,059,713	\$ 12,851	\$ 36,811,279
Accumulated depreciation	–	(3,874,470)	(24,648,750)	(212,063)	(4,651)	(2,649,786)	–	(31,389,720)
	<u>\$ 615,892</u>	<u>\$ 1,205,260</u>	<u>\$ 3,170,959</u>	<u>\$ 6,316</u>	<u>\$ 354</u>	<u>\$ 409,927</u>	<u>\$ 12,851</u>	<u>\$ 5,421,559</u>

(Note) Including transfers from prepayments for business facilities.

	Land	Buildings	Machinery	Transportation equipment	Office equipment	Other equipment	Equipment under installation and construction in progress	Total
<u>January 1, 2022</u>								
Cost	\$ 615,892	\$ 5,066,881	\$ 27,716,071	\$ 216,808	\$ 4,445	\$ 3,083,295	\$ 10,036	\$ 36,713,428
Accumulated depreciation	—	(3,677,140)	(23,109,339)	(207,327)	(4,440)	(2,498,380)	—	(29,496,626)
	<u>\$ 615,892</u>	<u>\$ 1,389,741</u>	<u>\$ 4,606,732</u>	<u>\$ 9,481</u>	<u>\$ 5</u>	<u>\$ 584,915</u>	<u>\$ 10,036</u>	<u>\$ 7,216,802</u>
<u>For the year ended December 31, 2022</u>								
At January 1	\$ 615,892	\$ 1,389,741	\$ 4,606,732	\$ 9,481	\$ 5	\$ 584,915	\$ 10,036	\$ 7,216,802
Additions - Cost	—	—	35,757	—	806	9,540	—	46,103
Transferred - Cost (Note)	—	4,559	—	—	—	8,340	1,092	13,991
Depreciation	—	(100,080)	(776,247)	(1,655)	(188)	(99,176)	—	(977,346)
Disposal - Cost	—	—	(22,027)	(780)	(243)	(6,353)	—	(29,403)
Disposal - Accumulated depreciation	—	—	21,910	780	243	6,161	—	29,094
At December 31	<u>\$ 615,892</u>	<u>\$ 1,294,220</u>	<u>\$ 3,866,125</u>	<u>\$ 7,826</u>	<u>\$ 623</u>	<u>\$ 503,427</u>	<u>\$ 11,128</u>	<u>\$ 6,299,241</u>
<u>December 31, 2022</u>								
Cost	\$ 615,892	\$ 5,071,440	\$ 27,729,801	\$ 216,028	\$ 5,008	\$ 3,094,822	\$ 11,128	\$ 36,744,119
Accumulated depreciation	—	(3,777,220)	(23,863,676)	(208,202)	(4,385)	(2,591,395)	—	(30,444,878)
	<u>\$ 615,892</u>	<u>\$ 1,294,220</u>	<u>\$ 3,866,125</u>	<u>\$ 7,826</u>	<u>\$ 623</u>	<u>\$ 503,427</u>	<u>\$ 11,128</u>	<u>\$ 6,299,241</u>

(Note) Including transfers from prepayments for business facilities.

- A. The Company's property, plant and equipment are all owner-occupied as at December 31, 2023 and 2022.
- B. Amount of borrowing costs capitalized as part of prepayment for business facilities and the range of the interest rates for such capitalization are as follows:

	For the years ended December 31,	
	2023	2022
Amount capitalized	\$ 472	\$ 137
Range of interest rates	1.75%~1.99%	0.95%~1.39%

- C. The Company did not pledge property, plant and equipment as collateral as at December 31, 2023 and 2022.

(7) Leasing arrangements — lessee

- A. The Company leases various assets including land and other equipment. Rental contracts are typically made for periods of 3 to 50 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.
- B. The carrying amount of right-of-use assets and the depreciation are as follows:

	December 31, 2023	December 31, 2022
	Carrying amount	Carrying amount
Land	\$ 349,265	\$ 354,163

	For the years ended December 31,	
	2023	2022
	Depreciation	Depreciation
Land	\$ 19,382	\$ 18,811
Other equipment	—	468
	\$ 19,382	\$ 19,279

- C. For the years ended December 31, 2023 and 2022, the additions and remeasurement to right-of-use assets were \$14,484 and \$8,528, respectively.

- D. The information on profit or loss relating to lease contracts is as follows:

<u>Items affecting profit or loss</u>	For the years ended December 31,	
	2023	2022
Interest expense on lease liabilities	\$ 5,994	\$ 5,965
Gain from lease modification	(8)	(152)

- E. For the years ended December 31, 2023 and 2022, the Company's total cash outflow for leases were \$16,821 and \$16,330, respectively.

(8) Leasing arrangements – lessor

- A. The Company leases various assets including buildings and machineries. Rental contracts are typically made for periods of 1 to 3 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.
- B. For the years ended December 31, 2023 and 2022, the Company recognized rent income (listed under “Other income”) in the amount of \$5,375 for both years based on the operating lease agreement, which does not include variable lease payments.
- C. The maturity date analysis of the unrealized lease payments of the Company under operating leases is as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Within 1 year	\$ 4,055	\$ 2,716
1 to 2 years	–	75
	<u>\$ 4,055</u>	<u>\$ 2,791</u>

(9) Investment property, net

	<u>For the years ended December 31,</u>	
<u>Land</u>	<u>2023</u>	<u>2022</u>
At January 1		
Cost	\$ 1,532	\$ 3,785
Accumulated impairment	(1,100)	(2,719)
	<u>\$ 432</u>	<u>\$ 1,066</u>
Carrying amount as of January 1	\$ 432	\$ 1,066
Disposal - Cost	–	(2,253)
Disposal - Accumulated impairment	–	1,619
Carrying amount as of December 31	<u>\$ 432</u>	<u>\$ 432</u>
At December 31		
Cost	\$ 1,532	\$ 1,532
Accumulated impairment	(1,100)	(1,100)
	<u>\$ 432</u>	<u>\$ 432</u>

- A. The fair values of the investment property held by the Company as at December 31, 2023 and 2022 were \$610 and \$605, respectively, which were categorized within Level 2 in the fair value hierarchy. Land is valued according to Current Land Value announced by the Department of Land Administration.
- B. As of December 31, 2023 and 2022, no investment property held by the Company was pledged to others as collateral.

(10) Short-term borrowings

Nature	December 31, 2023	Range of interest rates	Collateral
Unsecured bank borrowings	\$ 2,729,916	1.43%~6.66%	None
Nature	December 31, 2022	Range of interest rates	Collateral
Unsecured bank borrowings	\$ 2,429,889	1.36%~6.03%	None

A. For more information about interest expenses recognized by the Company for the years ended December 31, 2023 and 2022, refer to Note 6(21), "Finance costs".

B. For information on the terms and conditions of all the loan contracts the Company entered into with financial institutions, refer to Note 9, "Significant contingent liabilities and unrecognized contract commitments".

(11) Long-term borrowings

Nature	Range of maturity dates	Range of interest rates	Collateral	December 31, 2023
Unsecured bank borrowings	2025. 2. 9~ 2026. 6. 12	1.66%~1.93%	None	\$ 4,150,000
Nature	Range of maturity dates	Range of interest rates	Collateral	December 31, 2022
Unsecured bank borrowings	2024. 1. 28~ 2025. 12. 5	1.38%~1.69%	None	\$ 3,800,000

A. For more information about interest expenses recognized by the Company for the years ended December 31, 2023 and 2022, refer to Note 6(21), "Finance costs".

B. For information on the terms and conditions of all the loan contracts the Company entered into with financial institutions, refer to Note 9, "Significant contingent liabilities and unrecognized contract commitments".

(12) Provisions - non-current

	For the years ended December 31,	
<u>Decommissioning liabilities</u>	2023	2022
At January 1	\$ 84,277	\$ 82,727
Unwinding of discount	1,581	1,550
At December 31	\$ 85,858	\$ 84,277

According to the policy published, applicable agreement or the law and regulation, the Company has obligations to restore certain property, plant and equipment located in Yong-Kang District, Tainan City in the future. A provision is recognized for the present value of costs to be incurred for dismantling, removing the asset and restoring the site. It is expected that the provision will be settled within 50 years from the beginning of contract.

(13) Pensions

A. The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 10% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. The rate was reduced to 6% since May 2023 and approved by the Bureau of Labor Affairs, Tainan City Government on May 19, 2023. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions to cover the deficit by next March.

(a) The amounts recognized in the balance sheet are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Present value of defined benefit obligation	(\$ 1, 356, 722)	(\$ 1, 422, 863)
Fair value of plan assets	<u>1, 416, 095</u>	<u>1, 407, 401</u>
Net defined benefit assets (liabilities) - non-current	<u>\$ 59, 373</u>	<u>(\$ 15, 462)</u>

(b) Movements in net defined benefit assets (liabilities) - non-current are as follows:

	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit (liabilities) assets
<u>For the year ended December 31, 2023</u>			
At January 1	(\$ 1, 422, 863)	\$ 1, 407, 401	(\$ 15, 462)
Current service cost	(10, 929)	–	(10, 929)
Interest (expense) income	(24, 652)	24, 897	245
	(1, 458, 444)	1, 432, 298	(26, 146)
Remeasurement:			
Return on plan assets (excluding amounts included in interest income or expense)	–	4, 863	4, 863
Changes in financial assumptions	(15, 909)	–	(15, 909)
Experience adjustments	56, 482	–	56, 482
	40, 573	4, 863	45, 436
Pension fund contribution	–	40, 083	40, 083
Paid pensions	61, 149	(61, 149)	–
At December 31	(\$ 1, 356, 722)	\$ 1, 416, 095	\$ 59, 373
	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liabilities
<u>For the year ended December 31, 2022</u>			
At January 1	(\$ 1, 604, 794)	\$ 1, 293, 760	(\$ 311, 034)
Current service cost	(14, 426)	–	(14, 426)
Interest (expense) income	(9, 944)	8, 167	(1, 777)
	(1, 629, 164)	1, 301, 927	(327, 237)
Remeasurement:			
Return on plan assets (excluding amounts included in interest income or expense)	–	101, 813	101, 813
Changes in financial assumptions	176, 661	–	176, 661
Experience adjustments	(22, 488)	–	(22, 488)
	154, 173	101, 813	255, 986
Pension fund contribution	–	55, 789	55, 789
Paid pensions	52, 128	(52, 128)	–
At December 31	(\$ 1, 422, 863)	\$ 1, 407, 401	(\$ 15, 462)

- (c) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan asset fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2023 and 2022 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.
- (d) The principal actuarial assumptions used were as follows:

	For the years ended December 31,	
	2023	2022
Discount rate	1.63%	1.75%
Future salary increase rate	3.00%	3.00%

Future mortality rate was estimated based on the 6th Taiwan Standard Ordinary Experience Mortality Table for the years ended December 31, 2023 and 2022.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increase rate	
	Increase	Decrease	Increase	Decrease
<u>December 31, 2023</u>	<u>0.25%</u>	<u>0.25%</u>	<u>0.25%</u>	<u>0.25%</u>
Effect on present value of defined benefit obligation	(\$ 31,568)	\$ 32,585	\$ 31,416	(\$ 30,604)
<u>December 31, 2022</u>				
Effect on present value of defined benefit obligation	(\$ 35,743)	\$ 36,963	\$ 35,726	(\$ 34,737)

The sensitivity analysis above was arrived at based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

(e) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2024 amount to \$27,621.

(f) As of December 31, 2023, the weighted average duration of that retirement plan is 11 years. The analysis of timing of the future pension payment was as follows:

Within 1 year	\$	41,990
2~5 years		228,605
6~10 years		450,781
The 11th year		<u>101,488</u>
	\$	<u>822,864</u>

B. Effective July 1, 2005, the Company has established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs under the defined contribution pension plan of the Company (listed under “Operating cost” and “Operating expense”) for the years ended December 31, 2023 and 2022 were \$26,370 and \$26,079, respectively.

(14) Share capital - Common stock

A. Movements in the number of the Company’s ordinary shares outstanding are as follows (in thousands of shares):

	For the years ended December 31,	
	2023	2022
Balance as of January 1 and December 31	<u>1,579,145</u>	<u>1,579,145</u>

B. As of December 31, 2023, the Company’s authorized capital was \$17,847,009, and the paid-in capital was \$15,791,453, consisting of 1,579,145 thousand shares of ordinary stock with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.

(15) Capital surplus

Pursuant to the Company Act, capital reserve arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to offset accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the Securities and Exchange Law requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital reserves should not be used to cover accumulated deficit after the legal reserve is used. Movements of the Company's capital reserve for the years ended December 31, 2023 and 2022 are as follows:

	For the year ended December 31, 2023				
	Share premium	Treasury share transactions	Donations	Others	Total
At January 1	\$ 58,271	\$ 169,088	\$ 819	\$ 3,867	\$ 232,045
Non-payment of expired cash dividends from previous years transferred to capital reserve	-	-	-	580	580
Payment of unpaid cash dividends from previous years transferred to capital reserve	-	-	-	(39)	(39)
At December 31	<u>\$ 58,271</u>	<u>\$ 169,088</u>	<u>\$ 819</u>	<u>\$ 4,408</u>	<u>\$ 232,586</u>
	For the year ended December 31, 2022				
	Share premium	Treasury share transactions	Donations	Others	Total
At January 1	\$ 58,271	\$ 169,088	\$ 819	\$ 3,495	\$ 231,673
Non-payment of expired cash dividends from previous years transferred to capital reserve	-	-	-	431	431
Payment of unpaid cash dividends from previous years transferred to capital reserve	-	-	-	(59)	(59)
At December 31	<u>\$ 58,271</u>	<u>\$ 169,088</u>	<u>\$ 819</u>	<u>\$ 3,867</u>	<u>\$ 232,045</u>

(16) Retained earnings

- A. The legal reserve shall be exclusively used to offset against accumulated deficit, to issue new stocks or distribute cash to shareholders in proportion to their share ownership. The use of legal reserve for the issuance of stocks or cash dividends to shareholders in proportion to their share ownership is permitted provided that the balance of such reserve exceeds 25% of the Company's paid-in capital.
- B. According to the Articles of Incorporation of the Company, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve and special reserve shall be set aside or reversed in accordance with related regulations. The remaining amount plus the accumulated unappropriated earnings from prior years is the accumulated distributable earnings. Of the amount to be distributed by the Company, shareholders' dividends shall comprise 50% to 100% of the accumulated distributable earnings and cash dividends shall not be lower than 30% of the total dividends distributed. The appropriation of earnings shall be proposed by the Board of Directors and resolved by the shareholders.
- C. Special reserve
 - a. In accordance with the regulations, the Company shall set aside special reserve arising from the debit balances in other equity items at the balance sheet date before distributing earnings. When debit balances on other equity items are reversed subsequently, an equal amount could be included in the distributable earnings. For the years ended December 31, 2023 and 2022, special reserve of (\$417,533) and \$18,069, respectively, was (reversed) set aside in accordance with the Company Act on special reserve.
 - b. The amounts previously set aside by the Company as special reserve of \$826,453 on initial application of IFRSs in accordance with Jin-Guan-Zheng-Fa-Zi Letter No. 1090150022, dated March 31, 2021, shall be reversed proportionately when the relevant assets, those other than land, are used, disposed of or reclassified subsequently. Such amounts are reversed upon disposal or reclassified if the assets are investment property of land, and reversed over the use period if the assets are investment property other than land.
- D. The Company recognized dividends distributed to owners amounting to \$1,579,145, constituting \$1 (in dollars) per share as cash dividend from the distribution of 2021 earnings. On June 15, 2023, the stockholders during their meeting resolved the distribution of cash dividends from 2022 earnings in the amount of \$2,337,135 at \$1.48 (in dollars) per share. On March 5, 2024, the Board of Directors proposed for the distribution of cash dividends from 2023 earnings amounting to \$473,744, constituting \$0.3 (in dollars) per share.

(17) Operating revenue

	For the years ended December 31,	
	2023	2022
Revenue from contracts with customers	\$ 12,060,595	\$ 23,401,298

A. Disaggregation of revenue from contracts with customers

The Company derives revenue from the transfer of goods at a point in time in the following major products:

	For the years ended December 31,	
	2023	2022
Revenue from products of Tinsplate	\$ 12,027,092	\$ 23,360,614
Revenue from products of Plastic pack	33,503	40,684
	\$ 12,060,595	\$ 23,401,298

B. The Company has recognized the following revenue-related contract liabilities:

	December 31, 2023	December 31, 2022	January 1, 2022
Contract liabilities - current	\$ 89,335	\$ 44,813	\$ 169,878

Revenue recognized that was included in the contract liability balance at the beginning of the years ended December 31, 2023 and 2022 was \$44,485 and \$169,392, respectively.

(18) Interest income

	For the years ended December 31,	
	2023	2022
Interest income from bank deposits	\$ 1,729	\$ 739

(19) Other income

	For the years ended December 31,	
	2023	2022
Rental income	\$ 5,375	\$ 5,375
Dividend income	3,653	6,051
Other income	13,194	3,187
	\$ 22,222	\$ 14,613

(20) Other gains and losses

	For the years ended December 31,	
	2023	2022
Net loss on financial assets at fair value through profit or loss	\$ –	(\$ 2, 773)
Net loss on disposal of property, plant and equipment	(137)	(309)
Gain from lease modifications	8	152
Net gain on disposal of investment property	–	418
Net currency exchange gain	16, 906	278, 142
Other losses	(87)	(63)
	<u>\$ 16, 690</u>	<u>\$ 275, 567</u>

(21) Finance costs

	For the years ended December 31,	
	2023	2022
Interest expense:		
Bank borrowings	\$ 128, 538	\$ 113, 437
Interest expense on lease liabilities	5, 994	5, 965
Provisions – unwinding of discount	<u>1, 581</u>	<u>1, 550</u>
	136, 113	120, 952
Less: Capitalization of qualifying assets	(472)	(137)
	<u>\$ 135, 641</u>	<u>\$ 120, 815</u>

(22) Expenses by nature

	For the year ended December 31, 2023			For the year ended December 31, 2022		
	<u>Operating cost</u>	<u>Operating expense</u>	<u>Total</u>	<u>Operating cost</u>	<u>Operating expense</u>	<u>Total</u>
Employee benefits expense	\$ 668,230	\$ 330,574	\$ 998,804	\$ 691,950	\$ 555,186	\$ 1,247,136
Depreciation	\$ 999,530	\$ 7,197	\$ 1,006,727	\$ 989,641	\$ 6,984	\$ 996,625

(23) Employee benefits expense

	For the year ended December 31, 2023			For the year ended December 31, 2022		
	<u>Operating cost</u>	<u>Operating expense</u>	<u>Total</u>	<u>Operating cost</u>	<u>Operating expense</u>	<u>Total</u>
Wages and salaries	\$ 543,875	\$ 261,735	\$ 805,610	\$ 559,086	\$ 459,722	\$ 1,018,808
Labor and health insurance expenses	62,953	26,281	89,234	61,743	24,418	86,161
Directors' remuneration	–	22,739	22,739	–	48,181	48,181
Pension costs	26,881	10,173	37,054	30,830	11,452	42,282
Other personnel expenses	34,521	9,646	44,167	40,291	11,413	51,704
	<u>\$ 668,230</u>	<u>\$ 330,574</u>	<u>\$ 998,804</u>	<u>\$ 691,950</u>	<u>\$ 555,186</u>	<u>\$ 1,247,136</u>

- A. For the years ended December 31, 2023 and 2022, the Company had approximately 1,124 and 1,131 employees on average, respectively, including 8 non-employee directors for both years. The employee benefit expenses were \$875 and \$1,067, while the employee wages and salaries were \$722 and \$906 on average for the years ended December 31, 2023 and 2022, respectively. The employee wages and salaries for the year ended December 31, 2023 decreased by approximately 20.31% compared to the year ended December 31, 2022. The Company has set up an Audit Committee, thus there is no remuneration of supervisors.
- B. Directors' remuneration is determined by the board of directors and measured according to the level of importance and value of contribution of directors to the Company, usually with an average level. President, vice president, and directors' remuneration are determined in accordance with the Company's articles of incorporation and business performance. The reward which the Company offers to the employees for the services rendered is measured based on the level of employees' position, contribution and value to the Company. It has a positive correlation with the performance of the Company's business. It mainly includes basic salary, bonus and fringe benefits. Basic salary is assessed by taking into account of the Company's articles of salary promotion; the bonus is considered with each individual and divisional achievement or entire performance of the Company; the fringe benefits is planned in accordance with the law to meet the needs of employees. The Company has set up an Audit Committee, thus there is no policy on remuneration of supervisors.
- C. According to the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 2% for employees' compensation and shall not be higher than 2% for directors' remuneration.
- D. For the years ended December 31, 2023 and 2022, employees' compensation was accrued at \$38,102 and \$139,558, respectively, while directors' remuneration was accrued at \$3,193 and \$40,436, respectively. The aforementioned amounts were recognized in salary expenses. The expenses recognized were accrued based on the profit of current year distributable and the percentage specified in the Articles of Incorporation of the Company. The employees' compensation and directors' remuneration resolved by the Board of Directors were \$38,102 and \$3,193, respectively, for the year ended December 31, 2023, which were the same as the estimated amount, and the employees' compensation will be distributed in the form of cash. The employees' compensation and directors' remuneration resolved by the Board of Directors were \$139,558 and \$52,473, respectively, for the year ended December 31, 2022, and the employees' compensation was distributed in the form of cash. The difference due to estimates of \$12,037 had been adjusted in profit or loss for the year ended December 31, 2023.

Information about employees' compensation and directors' remuneration by the Company as proposed by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(24) Income tax

A. Income tax expense

a. Components of income tax expense:

	For the years ended December 31,	
	2023	2022
Current income tax:		
Income tax incurred in current year	\$ 90,616	\$ 613,288
Tax on unappropriated earnings	9,000	194
(Over) under provision of prior year's income tax	(2,779)	4,746
	<u>96,837</u>	<u>618,228</u>
Deferred income tax:		
Origination and reversal of temporary differences	10,674	7,325
Income tax expense	<u>\$ 107,511</u>	<u>\$ 625,553</u>

b. The income tax relating to components of other comprehensive income is as follows:

	For the years ended December 31,	
	2023	2022
Remeasurement of defined benefit obligations	\$ 9,087	\$ 51,197
Currency translation differences	(326)	867
	<u>\$ 8,761</u>	<u>\$ 52,064</u>

B. Reconciliation between income tax expense and accounting profit

	For the years ended December 31,	
	2023	2022
Income tax expense at the statutory tax rate	\$ 157,736	\$ 574,398
Effect from items disallowed by tax regulation	(56,446)	46,191
Tax on unappropriated earnings	9,000	194
Separate taxation	-	24
(Over) under provision of prior year's income tax	(2,779)	4,746
Income tax expense	<u>\$ 107,511</u>	<u>\$ 625,553</u>

C. Amounts of deferred income tax assets or liabilities recognized as a result of temporary differences are as follows:

For the year ended December 31, 2023				
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
Deferred income tax assets				
Temporary differences:				
Unrealized sales returns and allowance	\$ 3,686	\$ 676	\$ -	\$ 4,362
Unrealized profit from sales	7,397	(7,397)	-	-
Loss on inventories from market value decline	10,000	16,200	-	26,200
Unused compensated absences	7,709	(66)	-	7,643
Unrealized provisions	14,486	2,686	-	17,172
Unrealized loss on currency exchange	-	702	-	702
Remeasurement of defined benefit obligation	32,573	-	(9,087)	23,486
Currency translation differences	<u>1,436</u>	<u>-</u>	<u>326</u>	<u>1,762</u>
	<u>\$ 77,287</u>	<u>\$ 12,801</u>	<u>(\$ 8,761)</u>	<u>\$ 81,327</u>
Deferred income tax liabilities				
Temporary differences:				
Restoration costs	\$ -	(\$ 2,267)	\$ -	(\$ 2,267)
Unrealized loss from sales	-	(1,982)	-	(1,982)
Pensions	(29,480)	(5,880)	-	(35,360)
Foreign investment income	(6,073)	(15,812)	-	(21,885)
Land value incremental tax	(197,039)	-	-	(197,039)
Unrealized gain on currency exchange	(<u>2,466</u>)	<u>2,466</u>	<u>-</u>	<u>-</u>
	<u>(\$ 235,058)</u>	<u>(\$ 23,475)</u>	<u>\$ -</u>	<u>(\$ 258,533)</u>
	<u>(\$ 157,771)</u>	<u>(\$ 10,674)</u>	<u>(\$ 8,761)</u>	<u>(\$ 177,206)</u>

For the year ended December 31, 2022

	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
Deferred income tax assets				
Temporary differences:				
Unrealized sales returns and allowance	\$ 3,017	\$ 669	\$ –	\$ 3,686
Unrealized profit from sales	7,365	32	–	7,397
Loss on inventories from market value decline	6,400	3,600	–	10,000
Unused compensated absences	7,556	153	–	7,709
Unrealized provisions	14,072	414	–	14,486
Unrealized loss on currency exchange	1,498	(1,498)	–	–
Remeasurement of defined benefit obligation	83,770	–	(51,197)	32,573
Currency translation differences	2,303	–	(867)	1,436
	<u>\$ 125,981</u>	<u>\$ 3,370</u>	<u>(\$ 52,064)</u>	<u>\$ 77,287</u>
Deferred income tax liabilities				
Temporary differences:				
Pensions	(\$ 21,563)	(\$ 7,917)	\$ –	(\$ 29,480)
Foreign investment income	(5,761)	(312)	–	(6,073)
Land value incremental tax	(197,039)	–	–	(197,039)
Unrealized gain on currency exchange	–	(2,466)	–	(2,466)
	<u>(\$ 224,363)</u>	<u>(\$ 10,695)</u>	<u>\$ –</u>	<u>(\$ 235,058)</u>
	<u>(\$ 98,382)</u>	<u>(\$ 7,325)</u>	<u>(\$ 52,064)</u>	<u>(\$ 157,771)</u>

- D. The Company did not recognize temporary differences arising from gains on investment in overseas subsidiaries. As of December 31, 2023 and 2022, unrecognized deferred income tax liabilities were \$4,067,576 and \$4,513,656, respectively.
- E. The Company's income tax returns through 2021 have been assessed and approved by the Tax Authority. As of March 5, 2024, there was no administrative lawsuit.

(25) Earnings per share

For the year ended December 31, 2023			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders	<u>\$ 681,165</u>	<u>1,579,145</u>	<u>\$ 0.43</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 681,165	1,579,145	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	<u>—</u>	<u>3,692</u>	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 681,165</u>	<u>1,582,837</u>	<u>\$ 0.43</u>
For the year ended December 31, 2022			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders	<u>\$ 2,246,437</u>	<u>1,579,145</u>	<u>\$ 1.42</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 2,246,437	1,579,145	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	<u>—</u>	<u>9,386</u>	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 2,246,437</u>	<u>1,588,531</u>	<u>\$ 1.41</u>

(26) Supplemental cash flow information

Investing activities with no cash flow effect:

	For the years ended December 31,	
	2023	2022
Prepayment for business facilities reclassified to property, plant and equipment	<u>\$ 73,464</u>	<u>\$ 13,991</u>

(27) Changes in liabilities from financing activities

For the year ended December 31, 2023	Short-term borrowings	Lease liabilities	Long-term borrowings	Others	Total liabilities from financing activities	
At January 1	\$ 2,429,889	\$ 308,128	\$ 3,800,000	\$ 17,310	\$ 6,555,327	
Changes in cash flow from financing activities	300,027	(10,827)	350,000	(2,338,625)	(1,699,425)	
Changes in other non-cash items	—	14,476	—	2,337,135	2,351,611	
At December 31	<u>\$ 2,729,916</u>	<u>\$ 311,777</u>	<u>\$ 4,150,000</u>	<u>\$ 15,820</u>	<u>\$ 7,207,513</u>	
For the year ended December 31, 2022	Short-term borrowings	Short-term notes and bills payable	Lease liabilities	Long-term borrowings	Others	Total liabilities from financing activities
At January 1	\$ 2,798,456	\$ 399,900	\$ 310,117	\$ 7,050,000	\$ 21,588	\$ 10,580,061
Changes in cash flow from financing activities	(368,567)	(400,000)	(10,365)	(3,250,000)	(1,583,423)	(5,612,355)
Changes in other non-cash items	—	100	8,376	—	1,579,145	1,587,621
At December 31	<u>\$ 2,429,889</u>	<u>\$ —</u>	<u>\$ 308,128</u>	<u>\$ 3,800,000</u>	<u>\$ 17,310</u>	<u>\$ 6,555,327</u>

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

The ultimate parent of the Company is Uni-President Enterprises Corp. The ultimate controlling party of the Company is 45.55%.

(2) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Company</u>
Uni-President Enterprises Corp.	Ultimate parent company
Tovecan Corp.	Subsidiary
Fujian Ton Yi Tinplate Co., Ltd.	Subsidiary
Wuxi Ton Yi Industrial Packing Co., Ltd.	Subsidiary
Zhangzhou Ton Yi Industrial Co., Ltd.	Subsidiary
TTET Union Corp.	Parent company to entity with joint control or significant influence
President Tokyo Corp.	Parent company to entity with joint control or significant influence

(3) Significant transactions and balances with related parties

A. Sales

	<u>For the years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Sales of goods:		
Ultimate parent company	\$ 34,935	\$ 42,097
Subsidiaries		
Fujian Ton Yi Tinplate Co., Ltd.	1,896,130	4,454,395
Others	44,867	61,105
Parent company to entities with joint control or significant influence	370,897	355,180
	<u>\$ 2,346,829</u>	<u>\$ 4,912,777</u>

- Sales price from related party is similar to that of a third party. The Company's collection terms for related parties are within 30~45 days of monthly statements, within 50 days after packing or within 30 days after arrival at port. The collection terms are similar to those of third parties.
- The unrealized (loss) gain arising from goods sold to subsidiaries of (\$9,911) and \$36,987 was recorded as a increment (reduction) to 'investments accounted for using equity method' for the years ended December 31, 2023 and 2022, respectively.

B. Purchases

	For the years ended December 31,	
	2023	2022
Purchases of goods:		
Subsidiaries	\$ 25,616	\$ 45,496
Parent company to entities with joint control or significant influence	30,079	65,393
	<u>\$ 55,695</u>	<u>\$ 110,889</u>

Purchase price from related party is similar to that of a third party. Payments are made with 30 days after invoice date. The payment terms are similar to those of third parties.

C. Receivables from related parties

	December 31, 2023	December 31, 2022
Ultimate parent company	\$ 3,381	\$ 3,021
Subsidiaries		
Fujian Ton Yi Tinplate Co., Ltd.	167,175	318,927
Others	13,940	34,697
Parent company to entities with joint control or significant influence	63,398	66,032
	<u>\$ 247,894</u>	<u>\$ 422,677</u>

Receivables from related parties arise primarily from sales of goods. The receivables have not been pledged and do not incur interest.

D. Property transactions

Acquisition of property, plant and equipment:

	For the years ended December 31,	
	2023	2022
Subsidiaries	<u>\$ –</u>	<u>\$ 13,595</u>

(4) Key management compensation

	For the years ended December 31,	
	2023	2022
Salaries and other short-term employee benefits	<u>\$ 41,867</u>	<u>\$ 121,736</u>

8. PLEGDED ASSETS

None.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

A. As of December 31, 2023 and 2022, the remaining balances due to capital expenditure contracted for at the balance sheet date but not yet incurred were \$190,226 and \$87,858, respectively.

B. As of December 31, 2023 and 2022, the unused letters of credit amounted to \$357,688 and \$333,662, respectively.

C. The commitments of the Company to sign loan agreements with banks are as follows:

- a. The Company has entered into a loan agreement with CTBC Bank in 2022. In accordance with the agreement, the Company has to maintain the following financial ratios and terms: the consolidated debt-to-equity ratio $\left[\frac{\text{Total liability less cash and cash equivalents}}{\text{consolidated tangible shareholders' equity}} \right]$ of less than 180%, interest coverage ratio of over 200%, and the consolidated tangible shareholders' equity of not less than \$15,000,000 at the annual assessment. Under the terms of the loan agreement, if any of the financial covenants were not met, and the Company has not improved its financial condition, the bank has the right to cancel or reduce the credit line, shorten the credit period, or principal and interest deemed as due.
- b. The Company has entered into a loan agreement with KGI Bank in 2022. In accordance with the agreement, the Company has to maintain the following financial ratios and terms: the consolidated debt-to-equity ratio $\left[\frac{\text{Total liability less cash and cash equivalents}}{\text{consolidated tangible shareholders' equity}} \right]$ of less than 180%, interest coverage ratio of over 200%, and the consolidated tangible shareholders' equity of not less than \$15,000,000 at the annual assessment. Under the terms of the loan agreement, if any of the financial covenants were not met, and the Company has not improved its financial condition with four months, the bank has the right to cancel or reduce the credit line.

As of December 31, 2023 and 2022, the Company has not violated any of the above covenants.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(2) Financial instruments

A. Financial instruments by category

Details of financial instruments by category of the Company are described in Note 6, 'Finance assets.'

B. Financial risk management policies

- a. The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. The Company

seeks to minimize potential adverse effects on the Company's financial performance. The Company may hedge foreign exchange risk by using forward foreign exchange contracts.

- b. Risk management is carried out by a central treasury department under policies approved by the Board of Directors. Company treasury identifies, evaluates and hedges financial risks in close cooperation with the Company's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.
- C. Significant financial risks and degrees of financial risks

a. Market risk

(a) Foreign exchange risk

- i. The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD and EUR. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.
- ii. The Company has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. The Company's foreign operations are considered strategic investments; thus, no hedging for the purpose is conducted.
- iii. The Company's businesses involve some non-functional currency operations (the Company's functional currency: NTD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2023		
(Foreign currency: functional currency)	Foreign Currency (in thousands)	Exchange Rate	Carrying amount
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 20,846	30.71	\$ 640,181
EUR : NTD	604	33.98	20,524
<u>Investments accounted for using equity method</u>			
USD : NTD	571,553	30.71	17,552,393
VND : NTD	48,246,102	0.001265	61,031
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	14,036	30.71	431,046

	December 31, 2022		
(Foreign currency: functional currency)	Foreign Currency (in thousands)	Exchange Rate	Carrying amount
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 33,163	30.71	\$ 1,018,436
EUR : NTD	3,818	32.72	124,925
<u>Investments accounted for using equity method</u>			
USD : NTD	583,300	30.71	17,913,143
VND : NTD	50,853,086	0.001299	66,058
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	14,594	30.71	448,182

- iv. As of December 31, 2023 and 2022, if the functional currency exchange rate had appreciated/depreciated by 1%, with all other factors remaining constant, the Company's post-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by \$1,837 and \$5,561, respectively.
- v. The total exchange gain, including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2023 and 2022 amounted to \$16,906 and \$278,142, respectively.
- (b) Price risk
- The Company's equity securities, which are exposed to price risk, are held as financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Company evaluates investment activities carefully. Accordingly, no material market risk is expected.
 - The Company's investments in equity securities comprise the prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, other components of equity for the years ended December 31, 2023 and 2022 would have increased/decreased by \$1,188 and \$892, respectively, as a result of other comprehensive income classified as equity investment at fair through other comprehensive income.
- (c) Cash flow and fair value interest rate risk
- The Company's interest rate risk arises from short-term and long-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rate. For the

years ended December 31, 2023 and 2022, the Company's borrowings at variable rate were denominated in New Taiwan dollars, Japanese yen and US dollars.

- ii. If the borrowing interest rate had increased/decreased by 1% with all other variables held constant, profit, net of tax for the years ended December 31, 2023 and 2022 would have decreased/increased by \$1,028 and \$907, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

b. Credit risk

- (a) Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the notes and accounts receivable based on the agreed terms and the contract cash flows of debt instruments stated at amortized cost.
- (b) The Company manages its credit risk taking into consideration the entire Company's concern. For banks and financial institutions, only those with a high credit rating are accepted. According to the Company's credit policy, the Company is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. The utilization of credit limits is regularly monitored.
- (c) In line with credit risk management procedure, when the contract payments are past due over certain number days, the default has occurred.
- (d) The Company adopts following assumptions to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:
 - i. If the contract payments were past due over certain number of days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
 - ii. If any external credit rating agency rates these bonds as investment grade, the credit risk of these financial assets is low. When the investment target of the independent credit rating is set to be reduced by two grades, the company judges that the credit risk of the investment target has increased significantly.

- (e) The Company classifies customers' notes and accounts receivable in accordance with credit rating of customers. The Company applies the simplified approach using the provision matrix to estimate expected credit loss, and used the forecastability concern to adjust historical and timely information to assess the default possibility of notes and accounts receivable. Movements in relation to the Company applying the simplified approach to provide loss allowance for notes and accounts receivable are as follows:

For the year ended December 31, 2023			
	Notes receivable	Accounts receivable	Total
At January 1	\$ 1, 556	\$ 9, 243	\$ 10, 799
Expected credit gains	(436)	(2, 891)	(3, 327)
At December 31	<u>\$ 1, 120</u>	<u>\$ 6, 352</u>	<u>\$ 7, 472</u>

For the year ended December 31, 2022			
	Notes receivable	Accounts receivable	Total
At January 1	\$ 1, 536	\$ 15, 737	\$ 17, 273
Expected credit losses (gains)	20	(6, 494)	(6, 474)
At December 31	<u>\$ 1, 556</u>	<u>\$ 9, 243</u>	<u>\$ 10, 799</u>

C. Liquidity risk

- (a) Finance Department monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times.
- (b) Surplus cash held by the Company over and above the balance required for working capital management are transferred to the Finance Department. Finance Department invests surplus cash in interest bearing current accounts, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts.

(c) The table below analyses the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

<u>December 31, 2023</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>More than 5 years</u>
Non-derivative financial liabilities:				
Short-term borrowings	\$ 2,743,366	\$ -	\$ -	\$ -
Accounts payable	106,108	-	-	-
Other payables	435,034	-	-	-
Lease liabilities (current and non-current)	16,829	16,829	50,363	291,942
Other financial liabilities - current	11,320	-	-	-
Refund liabilities - current	21,810	-	-	-
Long-term borrowings	72,908	2,653,753	1,559,523	-
Guarantee deposits received	-	4,500	-	-
<u>December 31, 2022</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>More than 5 years</u>
Non-derivative financial liabilities:				
Short-term borrowings	\$ 2,442,414	\$ -	\$ -	\$ -
Accounts payable	108,710	-	-	-
Other payables	782,871	-	-	-
Lease liabilities (current and non-current)	15,988	15,988	47,882	295,489
Other financial liabilities - current	14,810	-	-	-
Refund liabilities - current	18,432	-	-	-
Long-term borrowings	60,056	2,090,393	1,769,158	-
Guarantee deposits received	-	2,500	-	-

(d) The Company does not expect the maturity date to end early nor the actual cash flow to be materially different.

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Company's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

B. The carrying amounts of financial assets and financial liabilities not measured at fair value including cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables, guarantee deposits paid, short-term borrowings, accounts payable, other payables, other financial liabilities - current, refund liabilities - current, long-term borrowings, and guarantee deposits received are approximate to their fair values.

C. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities are as follows:

<u>December 31, 2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through other comprehensive income				
Equity securities	<u>\$ 118,781</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 118,781</u>
<u>December 31, 2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through other comprehensive income				
Equity securities	<u>\$ 89,241</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 89,241</u>

D. The methods and assumptions the Company used to measure fair value are as follows:

The instruments the Company used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed shares</u>
Market quoted price	Closing price

E. For the years ended December 31, 2023 and 2022, there was no transfer into or out between Level 1 and Level 2.

F. For the years ended December 31, 2023 and 2022, there was no transfer in or out of Level 3.

13. SUPPLEMENTARY DISCLOSURES

(According to the current regulatory requirements, the Company is only required to disclose the information for the year ended December 31, 2023.)

(1) Significant transactions information

- A. Loans to others: Refer to table 1.
- B. Provision of endorsements and guarantees to others: None
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 2.
- D. Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: None.
- E. Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.
- F. Disposal of real estate reaching NT \$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching NT \$100 million or 20% of paid-in capital or more: Refer to table 3.
- H. Receivables from related parties reaching NT \$100 million or 20% of paid-in capital or more: Refer to table 4.
- I. Trading in derivative financial instruments undertaken during the reporting periods: None.
- J. Significant inter-company transactions during the reporting periods: Refer to table 5.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 6.

(3) Information on investments in Mainland China

- A. Basic information: Refer to table 7.
- B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to table 8.

(4) Major shareholders information

Major shareholders information: Refer to table 9.

14. SEGMENT INFORMATION

None.

TON YI INDUSTRIAL CORP.
STATEMENT OF ACCOUNTS RECEIVABLE, NET
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

<u>Client Name</u>	<u>Item</u>	<u>Amount</u>	<u>Note</u>
United Steel Global Trading Corporation	Accounts receivable	\$ 161, 172	—
Crown Food Packaging (Thailand) Public Co., Ltd.	"	64, 900	—
Mei Ta Food Industrial Co., Ltd.	"	61, 049	—
JFE Shoji Corporation	"	59, 672	—
NCI Holdings PTY Ltd.	"	46, 002	—
Ming She Industrial Co., Ltd.	"	45, 117	—
Others (less than 5%)	"	<u>200, 044</u>	—
		637, 956	
Less : Allowance for doubtful accounts		(<u>6, 352</u>)	
		<u>\$ 631, 604</u>	

TON YI INDUSTRIAL CORP.
STATEMENT OF INVENTORIES
DECEMBER 31, 2023
 (Expressed in thousands of New Taiwan dollars)

Item	Description	Amount		Note
		Cost	Net Realizable Value	
Merchandise	—	\$ 5, 853	\$ 6, 791	(Note)
Raw materials	—	818, 072	805, 557	"
Supplies	—	273, 592	264, 280	"
Work in progress	—	467, 877	506, 241	"
Finished goods	—	918, 666	980, 207	"
		2, 484, 060	<u>\$ 2, 563, 076</u>	
Less : Allowance for price decline of inventories		(131, 000)		
		<u>\$ 2, 353, 060</u>		

Note: Refer to Note 4(7) for the method to determine the net realizable value.

TON YI INDUSTRIAL CORP.
STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Company Name	Beginning Balance		Additions		Decrease		Ending Balance			Market Value or Net Assets Value			
	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Percentage of Ownership(%)	Amount	Unit Price (NT\$)	Total Amount	Collateral	Note
Cayman Ton Yi Industrial Holdings Ltd.	43,471	\$ 17,885,134	-	\$ 792,865	-	(\$ 1,110,129)	43,471	100%	\$ 17,567,870	\$ -	\$ 17,549,533	None	—
Tovecan Corp.	-	57,104	-	552	-	(5,041)	-	51%	52,615	-	61,041	None	—
	43,471	\$ 17,942,238	-	\$ 793,417	-	(\$ 1,115,170)	43,471		\$ 17,620,485		\$ 17,610,574		

TON YI INDUSTRIAL CORP.
STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT-COST
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Refer to Note 6(6) for the information related to property, plant and equipment.

TON YI INDUSTRIAL CORP.
STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT-ACCUMULATED
DEPRECIATION
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Refer to Note 6(6) for the information related to property, plant and equipment, and Note 4(12) for the method to determine depreciation and useful lives of assets.

TON YI INDUSTRIAL CORP.
STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS-COST
FOR THE YEAR ENDED DECEMBER 31, 2023
 (Expressed in thousands of New Taiwan dollars)

	<u>Land</u>
Balance at January 1, 2023	\$ 428,384
Additions	<u>14,484</u>
Balance at December 31, 2023	<u>\$ 442,868</u>

TON YI INDUSTRIAL CORP.
STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS-ACCUMULATED DEPRECIATION
FOR THE YEAR ENDED DECEMBER 31, 2023
 (Expressed in thousands of New Taiwan dollars)

	Land
Balance at January 1, 2023	\$ 74,221
Additions	19,382
Balance at December 31, 2023	\$ 93,603

TON YI INDUSTRIAL CORP.
STATEMENT OF SHORT-TERM BORROWINGS
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Type	Description	Ending Balance	Period of Contract	Range of Interest Rate	Loan Commitments	Collateral	Note
Unsecured loan	Bank of Taiwan	\$ 600,000	2023.12.28~2024.3.27	(Note)	\$ 950,000	None	—
"	The Export-Import Bank of the Republic of China	500,000	2023.9.27~2024.9.26	"	500,000	"	—
"	Taishin International Bank	300,000	2023.12.5~2024.1.8	"	400,000	"	—
"	Bangkok Bank Public Company Ltd.	264,226	2023.10.13~2024.1.11	"	USD 20,000 in thousands	"	—
"	DBS Bank	250,000	2023.12.7~2024.1.19	"	USD 10,000 in thousands	"	—
"	HSBC Bank, Ltd.	237,772	2023.12.21~2024.4.26	"	USD 20,000 in thousands	"	—
"	CHB Bank, Ltd.	200,000	2023.12.15~2024.2.15	"	400,000	"	—
"	E.Sun Commercial Bank, Ltd.	160,813	2023.10.13~2024.3.11	"	300,000	"	—
"	Bank of Panhsin	100,344	2023.10.12~2024.3.12	"	200,000	"	—
"	First Commercial Bank	49,892	2023.12.12~2024.3.4	"	800,000	"	—
"	Land Bank of Taiwan	46,574	2023.10.6~2024.3.13	"	400,000	"	—
"	Mega International Commercial Bank	20,295	2023.10.18~2024.3.7	"	950,000	"	—
		<u>\$ 2,729,916</u>					

Note : Range of interest rate is 1.43% ~ 6.66% °

TON YI INDUSTRIAL CORP.
STATEMENT OF OTHER PAYABLES
DECEMBER 31, 2023
 (Expressed in thousands of New Taiwan dollars)

<u>Item</u>	<u>Description</u>	<u>Amount</u>	<u>Note</u>
Payroll and bonus payable		\$ 190,176	—
Employees' compensation and directors' remuneration payable		41,295	—
Utilities payable		34,603	—
Others (less than 5%)		168,960	—
		<u>\$ 435,034</u>	

TON YI INDUSTRIAL CORP.
STATEMENT OF LONG-TERM BORROWINGS
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Creditor	Description	Amount	Period of Contract	Rate	Collateral	Note
Bangkok Bank Public Company Ltd.	Unsecured loan	\$ 800, 000	2022. 11. 24~2026. 1. 28	(Note)	None	Payable upon maturity.
E.Sun Commercial Bank, Ltd.	"	800, 000	2022. 2. 15~2026. 6. 12	"	"	"
Bank of Taiwan	"	750, 000	2023. 5. 19~2026. 5. 19	"	"	"
Yuanta Commercial Bank Co., Ltd.	"	650, 000	2022. 8. 16~2025. 8. 15	"	"	Revolving credit facility until the expiry date, and payable upon maturity
Mizuho Bank Ltd.	"	500, 000	2023. 6. 30~2025. 6. 30	"	"	"
Taipei Fubon Bank Co., Ltd.	"	350, 000	2023. 2. 9~2025. 2. 9	"	"	"
CTBC Bank Co., Ltd.	"	300, 000	2022. 12. 7~2025. 12. 5	"	"	Payable upon maturity.
		<u>\$ 4, 150, 000</u>				

Note : Range of Interest rate is 1.66% ~1.93% 。

TON YI INDUSTRIAL CORP.
STATEMENT OF LEASE LIABILITIES, NON-CURRENT
DECEMBER 31, 2023
 (Expressed in thousands of New Taiwan dollars)

Item	Period of lease	Discount rate	Amount	Note
Land	2019.1～2050.3	1.95%	\$ 311,777	—
Less : Current portion			(10,919)	
			<u>\$ 300,858</u>	

TON YI INDUSTRIAL CORP.
STATEMENT OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Item	Quantity	Amount	Note
TMBP & SPCC	180,676 tons	\$ 4,782,803	—
Tinplate	175,234 tons	6,456,232	—
Tin-Can	96,074 bottles in thousands		
	6,507 angled can in thousands	792,182	—
Others		<u>91,317</u>	—
		12,122,534	
Less : Sales returns		(2,947)	—
Sales discounts and allowance		(<u>58,992</u>)	—
Operating revenue, net		<u>\$ 12,060,595</u>	

TON YI INDUSTRIAL CORP.
STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023
 (Expressed in thousands of New Taiwan dollars)

Item	Amount
Merchandise beginning of year	\$ 5, 979
Add: Merchandise purchased	27, 789
Merchandise end of year	(5, 853)
Merchandise sold during the year	27, 915
Raw materials and materials in transit beginning of year	984, 609
Add: Raw materials purchased	7, 394, 214
Finished goods transfer in	4, 800, 846
Less: Transfer to expenses	(2, 285)
Raw materials end of year	(818, 072)
Raw materials used during the year	12, 359, 312
Supplies beginning of year	206, 193
Add: Supplies purchased	738, 459
Less: Sales of supplies	(1, 939)
Supplies end of year	(273, 592)
Supplies used during the year	669, 121
Direct labor	463, 460
Manufacturing overhead	2, 188, 153
Manufacturing cost	15, 680, 046
Work in process beginning of year	638, 437
Less: Transfer to expenses	(22, 982)
Work in process end of year	(467, 877)
Cost of finished goods	15, 827, 624
Finished goods beginning of year	1, 006, 378
Add: Finished goods purchased	6, 528
Less: Finished goods transfer out	(4, 800, 846)
Transfer to expenses	(5, 825)
Finished goods end of year	(918, 666)
Cost of production and marketing	11, 115, 193
Cost of supplies sold	1, 939
Cost of goods sold	11, 145, 047
Provision for inventory market price decline	81, 000
Income from sale of scraps	(229, 176)
Indemnities	(21, 889)
Operating cost	\$ 10, 974, 982

TON YI INDUSTRIAL CORP.
STATEMENT OF MANUFACTURING OVERHEAD
FOR THE YEAR ENDED DECEMBER 31, 2023
 (Expressed in thousands of New Taiwan dollars)

Item	Description	Amount	Note
Depreciation	—	\$ 999, 530	—
Utilities expense	—	363, 152	—
Repairs and maintenance expense	—	190, 390	—
Packing costs	—	167, 082	—
Heating expenses	—	151, 099	—
Others (less than 5%)	—	<u>316, 900</u>	—
		<u>\$ 2, 188, 153</u>	

TON YI INDUSTRIAL CORP.
STATEMENT OF SELLING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
 (Expressed in thousands of New Taiwan dollars)

Item	Description	Amount	Note
Freight	—	\$ 526, 316	—
Others (less than 5%)	—	<u>99, 081</u>	—
		<u>\$ 625, 397</u>	

TON YI INDUSTRIAL CORP.
STATEMENT OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
 (Expressed in thousands of New Taiwan dollars)

Item	Description	Amount	Note
Wages and salaries	—	\$ 246,162	—
Insurance	—	25,239	—
Directors' remuneration	—	22,739	—
Others (less than 5%)	—	<u>75,734</u>	—
		<u>\$ 369,874</u>	

TON YI INDUSTRIAL CORP.
STATEMENT OF FINANCE COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Refer to Note 6(21) for the information related to finance costs.

TON YI INDUSTRIAL CORP.
STATEMENT OF SUMMARY OF EMPLOYEE BENEFITS, DEPRECIATION AND AMORTIZATION
EXPENSES IN THE CURRENT PERIOD
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Refer to Note 6(22) for the additional information related to expense by nature and Note 6(23) for the information related to employee benefits expense.

Ton Yi Industrial Corp.
Loans to others
For the year ended December 31, 2023

Table 1

Expressed in thousands of NTD

NO.	Name of lender	Name of borrower	Account	Related party	Maximum balance	Ending balance	Actual amount		Nature of financial activity (Note 1)	Total transaction amount	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Loan limit per entity	Maximum amount available for loan	Note
							drawn down	Interest rate					Item	Value			
1	Kunshan Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	\$ 129,739	\$ 129,739	\$ -	2.215~2.315	2	\$ -	Operational use	\$ -	—	\$ -	\$ 1,128,169	\$ 1,128,169	Note 2
1	Kunshan Ton Yi Industrial Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	Other receivables	Y	172,986	-	-	3.315~3.365	2	-	Operational use	-	—	-	1,218,169	1,218,169	Note 2
1	Kunshan Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	345,972	345,972	216,232	3.115~3.315	2	-	Operational use	-	—	-	1,218,169	1,218,169	Note 2
1	Kunshan Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	129,739	129,739	129,739	3.315	2	-	Operational use	-	—	-	225,634	451,268	Note 2
2	Chengdu Ton Yi Industrial Packing Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	281,102	281,102	281,102	3.215~3.365	2	-	Operational use	-	—	-	434,024	434,024	Note 2
3	Taizhou Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	129,739	129,739	-	—	2	-	Operational use	-	—	-	1,667,778	1,667,778	Note 2
3	Taizhou Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	345,972	259,479	259,479	3.115~3.315	2	-	Operational use	-	—	-	1,667,778	1,667,778	Note 2
3	Taizhou Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	259,479	237,856	237,856	3.115~3.315	2	-	Operational use	-	—	-	333,556	667,111	Note 2
3	Taizhou Ton Yi Industrial Co., Ltd.	Wuxi Tonyi Daiwa Industrial Co., Ltd.	Other receivables	Y	216,232	172,986	172,986	3.315~3.365	2	-	Operational use	-	—	-	333,556	667,111	Note 2

NO.	Name of lender	Name of borrower	Account	Related party	Actual amount		Interest rate	Nature of financial activity (Note 1)	Total transaction amount	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Loan limit per entity	Maximum amount available for loan	Note	
					Maximum balance	Ending balance						drawn down	Item				Value
4	Sichuan Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	\$ 237,856	\$ 151,363	\$ 151,363	3.115~3.465	2	\$ -	Operational use	\$ -	—	\$ -	\$ 1,368,629	\$ 1,368,629	Note 2
4	Sichuan Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	129,739	129,739	108,116	2.215~2.615	2	-	Operational use	-	—	-	1,368,629	1,368,629	Note 2
4	Sichuan Ton Yi Industrial Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	Other receivables	Y	475,711	259,479	259,479	3.315~3.365	2	-	Operational use	-	—	-	1,368,629	1,368,629	Note 2
4	Sichuan Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	129,739	64,870	64,870	3.115~3.365	2	-	Operational use	-	—	-	273,726	547,452	Note 2
4	Sichuan Ton Yi Industrial Co., Ltd.	Wuxi Tonyi Daiwa Industrial Co., Ltd.	Other receivables	Y	172,986	172,986	172,986	3.315	2	-	Operational use	-	—	-	273,726	547,452	Note 2
5	Zhanjiang Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	497,335	410,842	410,842	3.115~3.365	2	-	Operational use	-	—	-	948,331	948,331	Note 2
5	Zhanjiang Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	129,739	129,739	21,623	2.215~2.615	2	-	Operational use	-	—	-	948,331	948,331	Note 2
5	Zhanjiang Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	129,739	-	-	3.315	2	-	Operational use	-	—	-	189,666	379,332	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Zhangzhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	129,739	129,739	-	—	2	-	Operational use	-	—	-	12,307,104	12,307,104	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Taizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	129,739	129,739	-	—	2	-	Operational use	-	—	-	12,307,104	12,307,104	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	Other receivables	Y	129,739	129,739	-	3.315	2	-	Operational use	-	—	-	12,307,104	12,307,104	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Kunshan Ton Yi Industrial Co., Ltd.	Other receivables	Y	129,739	129,739	-	—	2	-	Operational use	-	—	-	12,307,104	12,307,104	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Beijing Ton Yi Industrial Co., Ltd.	Other receivables	Y	129,739	129,739	-	—	2	-	Operational use	-	—	-	12,307,104	12,307,104	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	216,232	216,232	86,493	3.115~3.315	2	-	Operational use	-	—	-	12,307,104	12,307,104	Note 2

NO.	Name of lender	Name of borrower	Account	Related party	Maximum balance	Ending balance	Actual amount		Nature of financial activity (Note 1)	Total transaction amount	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Loan limit per entity	Maximum amount available for loan	Note
							drawn down	Interest rate					Item	Value			
6	Ton Yi (China) Investment Co., Ltd.	Zhanjiang Ton Yi Industrial Co., Ltd.	Other receivables	Y	\$ 129,739	\$ 129,739	\$ -	3.215~3.315	2	\$ -	Operational use	\$ -	—	\$ -	\$ 12,307,104	\$ 12,307,104	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Sichuan Ton Yi Industrial Co., Ltd.	Other receivables	Y	129,739	129,739	-	—	2	-	Operational use	-	—	-	12,307,104	12,307,104	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Tianjin Ton Yi Industrial Co., Ltd.	Other receivables	Y	129,739	129,739	-	3.215~3.315	2	-	Operational use	-	—	-	12,307,104	12,307,104	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	973,046	583,827	540,581	3.115~3.465	2	-	Operational use	-	—	-	12,307,104	12,307,104	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	778,437	778,437	648,697	3.115~3.365	2	-	Operational use	-	—	-	2,461,421	4,922,842	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Wuxi Tonyi Daiwa Industrial Co., Ltd.	Other receivables	Y	129,739	86,493	43,246	3.115	2	-	Operational use	-	—	-	2,461,421	4,922,842	Note 2
7	Zhangzhou Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	129,739	129,739	-	2.215~2.615	2	-	Operational use	-	—	-	1,820,003	1,820,003	Note 2
7	Zhangzhou Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	86,493	-	-	3.315	2	-	Operational use	-	—	-	1,820,003	1,820,003	Note 2
7	Zhangzhou Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	129,739	129,739	129,739	3.115	2	-	Operational use	-	—	-	364,001	728,001	Note 2
8	Chengdu Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	129,739	129,739	-	—	2	-	Operational use	-	—	-	1,330,280	1,330,280	Note 2
9	Beijing Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	129,739	129,739	-	2.215~2.315	2	-	Operational use	-	—	-	1,021,403	1,021,403	Note 2
9	Beijing Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	302,725	194,609	194,609	3.115~3.365	2	-	Operational use	-	—	-	1,021,403	1,021,403	Note 2
9	Beijing Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	216,232	108,116	108,116	3.115~3.315	2	-	Operational use	-	—	-	1,021,403	1,021,403	Note 2

NO.	Name of lender	Name of borrower	Account	Related party	Maximum balance	Ending balance	Actual amount		Interest rate	Nature of financial activity (Note 1)	Total transaction amount	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Loan limit per entity	Maximum amount available for loan	Note
							drawn down							Item	Value			
9	Beijing Ton Yi Industrial Co., Ltd.	Tianjin Ton Yi Industrial Co., Ltd.	Other receivables	Y	\$ 86,493	\$ 86,493	\$ 86,493		3.215	2	\$ -	Operational use	\$ -	—	-	\$ 1,021,403	\$ 1,021,403	Note 2
9	Beijing Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	172,986	64,870	64,870		3.115~3.315	2	-	Operational use	-	—	-	204,281	408,561	Note 2
10	Huizhou Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	129,739	129,739	-		—	2	-	Operational use	-	—	-	1,359,762	1,359,762	Note 2
11	Jiangsu Ton Yi Tinplate Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	389,218	389,218	389,218		3.215~3.515	2	-	Operational use	-	—	-	430,810	861,621	Note 2
11	Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Tonyi Daiwa Industrial Co., Ltd.	Other receivables	Y	172,986	21,623	21,623		3.115~3.365	2	-	Operational use	-	—	-	430,810	861,621	Note 2
11	Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	151,363	151,363	151,363		3.315~3.365	2	-	Operational use	-	—	-	430,810	861,621	Note 2
12	Tianjin Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	129,739	129,739	-		—	2	-	Operational use	-	—	-	427,260	427,260	Note 2

(Note 1) Nature of loans to others is filled as follows:

(1) For trading partner.

(2) For short-term financing.

(Note 2) The maximum loan amount is 40% of its net assets.

(1) Trading partner: The maximum amount for individual trading partner shall not exceed the higher of total purchase or sale transactions during the reporting period or the most recent year.

(2) Short-term financing: The maximum amount for short-term financing is 20% of the Company's net assets; If the Company loans to foreign subsidiaries, which the Company holds 100% ownership directly or indirectly, the maximum amount for the subsidiary is 100% of the Company's net assets.

(Note 3) Foreign currency was translated into New Taiwan Dollars with exchange rate as at December 31, 2023 as follows: CNY:NTD 1 : 4.324648.

Ton Yi Industrial Corp.

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2023

Table 2

Expressed in thousands of NTD

		As of December 31, 2023						
Investor	Marketable securities type and name	Relationship with the issuer	General ledger account (Note)	Shares/units (in thousands)	Book value	Percentage of ownership (%)	Fair value	Note
Ton-Yi Industrial Corp.	Stocks:							
	JFE Holdings Inc.	—	1	250	\$ 118,781	0.04%	\$ 118,781	—

(Note) The code number explanation is as follows:

1. Financial assets at fair value through other comprehensive income - non-current

Ton Yi Industrial Corp.

Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more

For the year ended December 31, 2023

Table 3

Expressed in thousands of NTD

							Description and reasons for difference in transaction terms					
Transaction							compared to third party transactions		Notes or accounts receivable/(payable)			
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit terms	Unit price	Credit terms	Ending balance	Percentage of total notes or accounts receivable/(payable)	Note	
Ton Yi Industrial Corp.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	(Sales)	(\$ 1,896,130)	(16)	50 days after shipping, T/T	\$ -	—	\$ 167,175	17	—	
Ton Yi Industrial Corp.	TTET union Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(347,313)	(3)	Within 30 days of statements settled monthly, T/T	-	—	61,094	6	—	
Wuxi Ton Yi Industrial Packing Co., Ltd.	President (Kunshan) Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(668,185)	(23)	5~45 days after receipt of invoice, T/T	-	—	16,314	7	—	
Wuxi Ton Yi Industrial Packing Co., Ltd.	Chengdu Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	(Sales)	(521,481)	(18)	Within 30 days of statements settled monthly, T/T	-	—	38,904	18	—	
Wuxi Ton Yi Industrial Packing Co., Ltd.	Changsha Ton Yi Industrial Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	(Sales)	(426,147)	(15)	Within 30 days of statements settled monthly, T/T	-	—	34,641	16	—	
Chengdu Ton Yi Industrial Packing Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Purchases	521,481	96	Within 30 days of statements settled monthly, T/T	-	—	(38,904)	(98)	—	
Changsha Ton Yi Industrial Co., Ltd.	Jiangsu Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Jiangsu Ton Yi Holdings Ltd. accounted for using equity method	Purchases	471,869	47	67 days after invoice date, T/T	-	—	(73,082)	(54)	—	
Changsha Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Purchases	426,147	43	Within 30 days of statements settled monthly, T/T	-	—	(34,641)	(26)	—	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Description and reasons for difference in transaction terms compared to third party transactions		Notes or accounts receivable/(payable)		
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit terms	Unit price	Credit terms	Ending balance	Percentage of total notes or accounts receivable/(payable)	Note
Fujian Ton Yi Tinplate Co., Ltd	Ton Yi Industrial Corp.	The Company	Purchases	\$ 1,896,130	51	50 days after shipping, T/T	\$ -	—	(\$ 167,175)	(87)	—
Fujian Ton Yi Tinplate Co., Ltd	Jiangsu Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Jiangsu Ton Yi Holdings Ltd. accounted for using equity method	(Sales)	(1,824,661)	(43)	67 days after invoice date, T/T	-	—	230,668	26	—
Jiangsu Ton Yi Tinplate Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Purchases	1,824,661	100	67 days after invoice date, T/T	-	—	(230,668)	(100)	—
Jiangsu Ton Yi Tinplate Co., Ltd.	Changsha Ton Yi Industrial Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	(Sales)	(471,869)	(25)	67 days after invoice date, T/T	-	—	73,082	9	—
Zhangzhou Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	242,157	17	5~15 days after receipt of invoice, T/T	-	—	(27,007)	(16)	—
Zhangzhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(1,893,500)	(80)	25 days after receipt of invoice, T/T	-	—	186,370	75	—
Taizhou Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	275,919	15	15 days after receipt of invoice, T/T	-	—	(26,634)	(17)	—
Taizhou Ton Yi Industrial Co., Ltd.	Taizhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(2,224,957)	(73)	25 days after receipt of invoice, T/T	-	—	179,921	68	—
Taizhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(151,861)	(5)	50% prepaid/ 50% 45 days after invoice date, T/T	-	—	9,497	4	—
Chengdu Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	146,456	16	5~45 days after receipt of invoice, T/T	-	—	(22,521)	(25)	—

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Description and reasons for difference in transaction terms compared to third party transactions		Notes or accounts receivable/(payable)			
			Purchases	Amount	Percentage of total purchases	Credit terms	Unit price	Credit terms	Ending balance	Percentage of total notes or accounts	Note	
			(sales)		(sales)					receivable/(payable)		
Chengdu Ton Yi Industrial Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	\$	1,054,236	(69)	25 days after receipt of invoice, T/T	\$ -	—	\$ 73,275	53	—
Chengdu Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(	129,414	(8)	50% prepaid/ 50% 45 days after receipt of invoice, T/T	-	—	9,624	7	—
Huizhou Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases		140,065	14	5~45 days after receipt of invoice, T/T	-	—	(9,559)	(5)	—
Huizhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(	1,419,050	(83)	25 days after receipt of invoice, T/T	-	—	200,227	91	—
Huizhou Ton Yi Industrial Co., Ltd.	Jiangsu President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(	104,908	(6)	40% prepaid/ 60% 45 days after receipt of invoice, T/T	-	—	5,734	3	—
Kunshan Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases		387,610	21	5~45 days after receipt of invoice, T/T	-	—	(12,033)	(11)	—
Kunshan Ton Yi Industrial Co., Ltd.	President (Kunshan) Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(	2,622,992	(98)	25 days after receipt of invoice, T/T	-	—	171,741	99	—
Beijing Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases		191,047	15	5~45 days after receipt of invoice, T/T	-	—	(18,826)	(17)	—
Beijing Ton Yi Industrial Co., Ltd.	Beijing President Enterprises Drinks Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(	1,959,566	(100)	25 days after receipt of invoice, T/T	-	—	151,924	100	—

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Description and reasons for difference in transaction terms compared to third party transactions		Notes or accounts receivable/(payable)		
			Purchases	Amount	Percentage of total purchases	Credit terms	Unit price	Credit terms	Ending balance	Percentage of total notes or accounts receivable/(payable)	Note
			(sales)		(sales)						
Sichuan Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	\$ 237,995	14	5~45 days after receipt of invoice, T/T	\$ -	—	(\$ 28,106)	(11)	—
Sichuan Ton Yi Industrial Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(2,466,350)	(98)	25 days after receipt of invoice, T/T	-	—	317,286	98	—
Zhanjiang Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	201,827	19	5~45 days after receipt of invoice, T/T	-	—	(27,019)	(30)	—
Zhanjiang Ton Yi Industrial Co., Ltd.	Zhanjiang President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(1,407,145)	(83)	25 days after receipt of invoice, T/T	-	—	88,989	73	—
Zhanjiang Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(276,204)	(16)	50% prepaid/ 50% 45 days after receipt of invoice, T/T	-	—	27,988	23	—
Tianjin Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	138,801	22	5~45 days after receipt of invoice, T/T	-	—	(14,852)	(18)	—
Tianjin Ton Yi Industrial Co., Ltd.	Uni-President Enterprises (TianJin) Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(830,615)	(93)	25 days after receipt of invoice, T/T	-	—	71,223	93	—

(Note 1) The above terms are in accordance with the Company's policy on credit management, please refer to Note 7 Related Party Transactions for details.

(Note 2) Foreign currency was translated into New Taiwan Dollars using the following exchange rates: Ending balances of receivables and payables were translated using the exchange rate as at t December 31, 2023 (USD:NTD 1:30.705 ; CNY:NTD 1:4.324648).

Purchases and sales were translated using the weighted-average exchange rate for the year ended December 31, 2023 (USD:NTD 1:31.177617 ; CNY:NTD 1:4.39968).

Ton Yi Industrial Corp.

Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more

For the year ended December 31, 2023

Table 4

Expressed in thousands of NTD

Company name	Counterparty	Relationship with the counterparty	Ending balance		Turnover rate	Overdue receivables		Amount received in subsequent period	Allowance for doubtful accounts
			Items	Amount		Amount	Action taken		
Ton Yi Industrial Corp.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Accounts receivable	\$ 167,175	7.80	\$ -	—	\$ 120,215	\$ -
Chengdu Ton Yi Industrial Packing Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Other receivables	281,384	-	-	—	-	-
Fujian Ton Yi Tinplate Co., Ltd.	Jiangsu Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Jiangsu Ton Yi Holdings Ltd. accounted for using equity method	Accounts receivable	230,668	11.22	-	—	230,668	-
Jiangsu Ton Yi Tinplate Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Other receivables	390,195	-	-	—	586	-
Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Other receivables	151,516	-	-	—	-	-
Ton Yi (China) Investment Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Other receivables	656,959	-	-	—	131	-
Ton Yi (China) Investment Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Other receivables	550,165	-	-	—	232	-
Zhangzhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Accounts receivable	186,370	10.07	-	—	172,241	-
Zhangzhou Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Other receivables	130,188	-	-	—	-	-
Taizhou Ton Yi Industrial Co., Ltd.	Taizhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Accounts receivable	179,921	11.88	-	—	179,921	-
Taizhou Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co.,Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for using equity method	Other receivables	262,254	-	-	—	10	-
Taizhou Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Other receivables	240,162	-	-	—	-	-

Company name	Counterparty	Relationship with the counterparty	Ending balance		Turnover rate	Overdue receivables		Amount received in subsequent period	Allowance for doubtful accounts
			Items	Amount		Amount	Action taken		
Taizhou Ton Yi Industrial Co., Ltd.	Wuxi Tonyi Daiwa Industrial Co., Ltd.	An investee company of Wuxi Ton Yi Industrial Packing Co., Ltd. accounted for using equity method	Other receivables	\$ 173,161	-	\$ -	—	\$ -	\$ -
Huizhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Accounts receivable	200,227	7.96	-	—	174,599	-
Kunshan Ton Yi Industrial Co., Ltd.	President (Kunshan) Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Accounts receivable	171,741	11.34	-	—	171,741	-
Kunshan Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Other receivables	221,553	-	-	—	134,117	-
Kunshan Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Other receivables	133,969	-	-	—	133,969	-
Beijing Ton Yi Industrial Co., Ltd.	Beijing President Enterprises Drinks Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Accounts receivable	151,924	11.51	-	—	127,490	-
Beijing Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for using equity method	Other receivables	194,797	-	-	—	-	-
Beijing Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Other receivables	108,228	-	-	—	-	-
Sichuan Ton Yi Industrial Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Accounts receivable	317,286	8.47	-	—	317,286	-
Sichuan Ton Yi Industrial Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for using equity method	Other receivables	265,723	-	-	—	294	-
Sichuan Ton Yi Industrial Co., Ltd.	Wuxi Tonyi Daiwa Industrial Co., Ltd.	An investee company of Wuxi Ton Yi Industrial Packing Co., Ltd. accounted for using equity method	Other receivables	177,335	-	-	—	-	-
Sichuan Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Other receivables	151,927	-	-	—	56	-

Company name	Counterparty	Relationship with the counterparty	Ending balance		Turnover rate	Overdue receivables		Amount received in subsequent period	Allowance for doubtful accounts
			Items	Amount		Amount	Action taken		
Sichuan Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	An investee company of Cayman Ton Yi (China) Holdings Ltd. accounted for using equity method	Other receivables	\$ 108,360	-	\$ -	—	\$ 243	\$ -
Zhanjiang Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co.,Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for using equity method	Other receivables	411,239	-	-	—	-	-

(Note) Foreign currency was translated into New Taiwan Dollars using the following exchanges: Ending balances of receivables and subsequent collections were translated using the exchange rate as at December 31, 2023 (CNY:NTD 1:4.324648 ; USD:NTD 1:30.705).

Ton Yi Industrial Corp.
Significant inter-company transactions during the reporting period
For the year ended December 31, 2023

Table 5

Expressed in thousands of NTD

No (Note 2)	Company name	Counterparty	Relationship (Note 3)	Intercompany transaction			Percentage of consolidated net revenues or total assets (Note 4)
				General ledger account	Amount	Transaction terms	
0	Ton Yi Industrial Corp.	Fujian Ton Yi Tinplate Co., Ltd.	1	Sales	\$ 1,896,130	50 days after shipping, T/T	5
			1	Accounts receivable	167,175	—	1
1	Chengdu Ton Yi Industrial Packing Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	281,384	—	1
2	Wuxi Ton Yi Industrial Packing Co., Ltd.	Chengdu Ton Yi Industrial Packing Co., Ltd.	3	Sales	521,481	Within 30 days of statements settled monthly, T/T	1
		Changsha Ton Yi Industrial Co., Ltd.	3	Sales	426,147	Within 30 days of statements settled monthly, T/T	1
3	Fujian Ton Yi Tinplate Co., Ltd.	Jiangsu Ton Yi Tinplate Co., Ltd.	3	Sales	1,824,661	67 days after invoice date, T/T	5
			3	Accounts receivable	230,668	—	1
4	Jiangsu Ton Yi Tinplate Co., Ltd.	Changsha Ton Yi Industrial Co., Ltd.	3	Sales	471,869	67 days after invoice date, T/T	1
		Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	390,195	—	1
		Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	151,516	—	—
5	Ton Yi (China) Investment Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	656,959	—	2
		Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	550,165	—	2
6	Zhangzhou Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	130,188	—	—
7	Taizhou Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	3	Other receivables	262,254	—	1
		Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	240,162	—	1
		Wuxi Tonyi Daiwa Industrial Co., Ltd.	3	Other receivables	173,161	—	1
8	Kunshan Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	221,553	—	1
		Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	133,969	—	—
9	Beijing Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	3	Other receivables	194,797	—	1
		Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	108,228	—	—
10	Sichuan Ton Yi Industrial Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	3	Other receivables	265,723	—	1
		Wuxi Tonyi Daiwa Industrial Co., Ltd.	3	Other receivables	177,335	—	1
		Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	151,927	—	—
		Ton Yi (China) Investment Co., Ltd.	3	Other receivables	108,360	—	—

No (Note 2)	Company name	Counterparty	Relationship (Note 3)	Intercompany transaction			Percentage of consolidated net revenues or total assets (Note 4)
				General ledger account	Amount	Transaction terms	
11	Zhanjiang Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	3	Other receivables	\$ 411,239	—	1

(Note 1) Transactions among the company and subsidiaries with amount over NTD\$100,000 and one side of them are disclosed.

(Note 2) The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1) Parent company is '0'.

(2) The subsidiaries are numbered in order starting from '1'.

(Note 3) Relationship between transaction company and counterparty is classified into the following three categories:

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

(Note 4) Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

(Note 5) Foreign currency was translated into New Taiwan Dollars using the following exchanges: Ending balances of receivables were translated using the exchange rate as at December 31, 2023 (CNY:NTD 1:4.324648);

Sales were translated using the weighted-average exchange rate for the year ended December 31, 2023 (CNY:NTD 1:4.39968).

Ton Yi Industrial Corp.

Names, locations and other information of investee companies (not including investees in Mainland China)

For the year ended December 31, 2023

Table 6

Expressed in thousands of NTD

Investor company	Investee company	Location	Main business activities	Original investment amount		Shares held as at December 31, 2023			Net income (loss) of the investee	Income (loss) recognized by the Company	Note
				Balance at December 31, 2023	Balance at December 31, 2022	Number of shares	Ownership (%)	Book value			
Ton Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd.	Cayman	General investment	\$ 13,399,488	\$ 13,399,488	43,470,820	100.00	\$ 17,567,870	\$ 746,518	\$ 746,518	Subsidiary
Ton Yi Industrial Corp.	Tovecan Corp.	Vietnam	Manufacturing and sale of cans	43,740	43,740	-	51.00	52,615 (	6,685) (	3,409)	Subsidiary
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Ton Yi Holdings Ltd.	Cayman	General investment	7,062,150	7,062,150	230,000,000	100.00	12,307,098	1,191,492	-	Subsidiary (Note 1)
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Fujian Ton Yi Holdings Ltd.	Cayman	General investment	1,967,026	1,967,026	8,727	100.00	1,818,254 (	312,464)	-	Subsidiary (Note 1)
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Jiangsu Ton Yi Holdings Ltd.	Cayman	General investment	1,102,395	1,102,395	5,000	100.00	1,784,803 (	49,108)	-	Subsidiary (Note 1)
Cayman Ton Yi Holdings Ltd.	Cayman Ton Yi (China) Holdings Ltd.	Cayman	General investment	7,062,150	7,062,150	230,000,000	100.00	12,307,098	1,191,492	-	Subsidiary (Note 1)

(Note 1) Not required to disclose income (loss) recognized by the Company.

(Note 2) Foreign currency was translated into New Taiwan Dollars using the following exchanges: Ending balances and carrying value were translated using the exchange rate as at December 31, 2023 (USD:NTD 1:30.705);

Profit and loss were translated using the weighted-average exchange rate for the year ended December 31, 2023 (USD:NTD 1:31.177617).

Ton Yi Industrial Corp.
Information on investments in Mainland China - Basic information
For the year ended December 31, 2023

Table 7

Expressed in thousands of NTD

Investee company	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Investment amount		Accumulated amount of remittance from Taiwan as of December 31, 2023	Net income (loss) of the investee	Ownership held by the Company (direct or indirect)	Income (loss) recognized by the Company	Book value as of December 31, 2023	Accumulated remittance	Note
					Remitted to Mainland China	Remitted back to Taiwan							
Wuxi Ton Yi Industrial Packing Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM, sale of cans	\$ 829,035	Note 1	\$ 214,935	\$ -	\$ -	\$ 214,935	(\$ 112,944)	100.00	(\$ 110,861)	\$ 875,030	\$ -	Note 7
Chengdu Ton Yi Industrial Packing Co., Ltd.	Sale of cans	230,288	Note 1	230,288	-	-	230,288	19,680	100.00	19,680	434,024	-	Note 7
Changsha Ton Yi Industrial Co., Ltd.	Sale of cans	214,935	Note 1	-	-	-	-	7,779	100.00	7,779	330,275	-	Note 7
Fujian Ton Yi Tinplate Co., Ltd.	Manufacturing and sale of tinplate	2,655,983	Note 2	1,638,020	-	-	1,638,020	(359,964)	86.80	(312,464)	1,818,254	-	Note 7
Jiangsu Ton Yi Tinplate Co., Ltd.	Sales of tinplate	1,228,200	Note 3	852,064	-	-	852,064	(59,267)	82.86	(49,108)	1,784,803	-	Note 7
Ton Yi (China) Investment Co., Ltd.	General investment	7,062,150	Note 4	921,150	-	-	921,150	1,255,189	100.00	1,255,189	12,307,098	1,555,455	Note 7
Zhangzhou Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	921,150	Note 5	921,150	-	-	921,150	224,007	100.00	224,007	1,820,003	-	Note 7
Taizhou Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	921,150	Note 5	921,150	-	-	921,150	310,522	100.00	310,522	1,667,778	-	Note 7
Chengdu Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	921,150	Note 5	353,108	-	-	353,108	144,203	100.00	144,203	1,330,280	-	Note 7
Huizhou Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	921,150	Note 5	184,230	-	-	184,230	128,143	100.00	128,143	1,359,762	-	Note 7
Kunshan Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	921,150	Note 5	-	-	-	-	80,585	100.00	80,585	1,128,169	-	Note 7
Beijing Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	921,150	Note 5	-	-	-	-	38,125	100.00	38,125	1,021,403	-	Note 7

Investee company	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from	Investment amount		Accumulated amount	Net income (loss) of the investee	Ownership held by the Company (direct or indirect)	Income (loss) recognized by the Company	Book value	Accumulated remittance	Note
				Taiwan to Mainland China as of January 1, 2023	Remitted to Mainland China	Remitted back to Taiwan	of remittance from Taiwan as of December 31, 2023				as of December 31, 2023		
Sichuan Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	\$ 921,150	Note 5	\$ -	\$ -	\$ -	\$ -	\$ 193,817	100.00	\$ 193,817	\$ 1,368,629	\$ -	Note 7
Zhanjiang Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	614,100	Note 5	-	-	-	-	143,853	100.00	143,853	948,331	-	Note 7
Tianjin Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	614,100	Note 5	-	-	-	- (	18,681)	100.00	(18,681)	427,260	-	Note 7
Wuxi Tonyi Daiwa Industrial Co., Ltd.	Manufacturing and sale of new bottle can	1,228,200	Note 6	-	-	-	- (	75,613)	66.50	(50,283)	556,559	-	Note 7
Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Investment amount authorized by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA (Note 8)										
Ton Yi Industrial Corp.	\$ 6,236,095	\$ 12,481,189	\$ 11,959,339										

(Note 1) Through investing in an existing company in the third area (Cayman Ton Yi Industrial Holdings Ltd.), which then invested in the investee in Mainland China.

(Note 2) Through investing in an existing company in the third area (Cayman Fujian Ton Yi Holdings Ltd.), which then invested in the investee in Mainland China.

(Note 3) Through investing in an existing company in the third area (Cayman Jiangsu Ton Yi Holdings Ltd.), which then invested in the investee in Mainland China.

(Note 4) Through investing in an existing company in the third area (Cayman Ton Yi (China) Holdings Limited), which then invested in the investee in Mainland China.

(Note 5) Through investing in an existing company in the Mainland China (Ton Yi (China) Investment Co., Ltd.), which then invested in the investee in Mainland China.

(Note 6) Through investing in an existing company in the Mainland China (Wuxi Ton Yi Industrial Packing Co., Ltd.), which then invested in the investee in Mainland China.

(Note 7) The Company recognized income (loss) based on audited financial statements.

(Note 8) The ceiling amount is 60% of consolidated net assets.

(Note 9) Foreign currency was translated into New Taiwan Dollars using the following exchanges: Ending investment balances were translated using the exchange rate as at December 31, 2023 (CNY:NTD 1:4.324648, USD:NTD 1:30.705);

Investment gains or losses were translated using the weighted-average exchange rate for the year ended December 31, 2023 (CNY:NTD 1:4.39968, USD:NTD 1:31.177617).

Ton Yi Industrial Corp.

Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area

For the year ended December 31, 2023

Table 8

Expressed in thousands of NTD

Investee in Mainland China	Sales/(purchases)		Property transaction		Accounts receivable/ (payable)		Provision of endorsements/guarantees or collaterals		Financing				
	Amount	%	Amount	%	Balance at December 31, 2023		Balance at December 31, 2023		Maximum balance during the year ended December 31, 2023	Balance at December 31, 2023	Interest rate	Interest during the year ended December 31, 2023	Others
								Purpose					
Fujian Ton Yi Tinplate Co., Ltd.	\$ 1,896,130	16	\$ -	-	\$ 167,175	17	\$ -	—	\$ -	\$ -	—	\$ -	—

Ton Yi Industrial Corp.
Major shareholders information
December 31, 2023

Table 9

Expressed in shares

Name of major shareholders	Number of shares held	Ownership Percentage
Uni-President Enterprises Corp.	719,357,425	45.55%
Toyota Tsusho Corporation	88,549,987	5.60%

(Note) The major shareholders information was derived from the data that the Company issued common shares (including treasury shares) and preference shares in dematerialised form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by Taiwan Depository & Clearing Corporation.

The share capital which was recorded in the financial statements may differ from the actual number of shares issued in dematerialised form because of a different calculation basis.