

**TON YI INDUSTRIAL CORP. AND
SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
MARCH 31, 2024 AND 2023**

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.

TON YI INDUSTRIAL CORP.
MARCH 31, 2024 AND 2023 CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
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INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

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

Introduction

We have reviewed the accompanying consolidated balance sheets of Ton Yi Industrial Corp. and subsidiaries (the "Group") as of March 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three-month periods then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

The financial statements and the information disclosed in Note 13 of certain non-significant subsidiaries were not reviewed by independent auditors. Those statements reflect total assets of NT\$10,083,351 thousand and NT\$9,025,834 thousand, constituting 29.77% and 26.53% of the consolidated total assets, and total liabilities of NT\$2,523,251 thousand and NT\$2,683,465 thousand, constituting 18.93% and 22.99% of the consolidated total liabilities as at March 31, 2024 and 2023, respectively and total comprehensive income of NT\$64,862 thousand and NT\$38,469 thousand, constituting 10.67% and 19.38% of the consolidated total comprehensive income for the three-month periods ended March 31, 2024 and 2023, respectively.

Qualified Conclusion

Based on our reviews, except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements and the information disclosed in Note 13 of certain non-significant subsidiaries been reviewed by independent auditors, that we might have become aware of had it not been for the situation described above, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2024 and 2023, and of its consolidated financial performance and its consolidated cash flows for the three-month periods then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.

Yeh, Fang-Ting
Independent Accountants
Lin, Yung-Chih

PricewaterhouseCoopers, Taiwan
Republic of China
May 7, 2024

The accompanying consolidated 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 consolidated 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. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2024, DECEMBER 31, 2023 AND MARCH 31, 2023
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	March 31, 2024		December 31, 2023		March 31, 2023				
			AMOUNT	%	AMOUNT	%	AMOUNT	%			
Current assets											
1100	Cash and cash equivalents	6(1)	\$	3,260,486	10	\$	3,308,211	10	\$	3,405,795	10
1150	Notes receivable, net	6(2)(3) and 12		743,463	2		823,487	3		685,551	2
1170	Accounts receivable, net	6(2) and 12		2,257,778	7		1,627,756	5		1,617,369	5
1180	Accounts receivable - related parties	6(2) and 7		1,998,770	6		1,722,526	5		2,129,819	6
1200	Other receivables			85,539	-		72,209	-		74,816	-
1220	Current income tax assets	6(26)		6,576	-		5,163	-		4,131	-
130X	Inventories	6(4)		4,570,545	13		4,143,695	13		4,142,374	12
1410	Prepayments			711,501	2		463,198	1		508,249	2
1476	Other financial assets - current			1,542	-		1,289	-		1,193	-
11XX	Total current assets			13,636,200	40		12,167,534	37		12,569,297	37
Non-current assets											
1517	Financial assets at fair value through other comprehensive income - non-current	6(5)		134,302	-		118,781	1		96,039	-
1600	Property, plant and equipment	6(6)(8)		16,768,106	50		17,038,631	52		18,338,642	54
1755	Right-of-use assets	6(7) and 7		1,705,232	5		1,735,929	5		1,945,777	6
1760	Investment property, net	6(8)(9)		82,972	-		82,613	-		88,813	-
1780	Intangible assets	6(10)		3,611	-		3,734	-		6,010	-
1840	Deferred income tax assets	6(26)		1,226,132	4		1,170,855	4		867,449	3
1915	Prepayments for business facilities	6(6)		200,691	1		151,207	1		70,562	-
1920	Guarantee deposits paid	7		32,213	-		30,604	-		31,244	-
1975	Net defined benefit assets - non-current	6(15)		66,102	-		59,373	-		-	-
1990	Other non-current assets, others			11,063	-		13,579	-		11,969	-
15XX	Total non-current assets			20,230,424	60		20,405,306	63		21,456,505	63
1XXX	Total assets		\$	33,866,624	100	\$	32,572,840	100	\$	34,025,802	100

(Continued)

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2024, DECEMBER 31, 2023 AND MARCH 31, 2023
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	March 31, 2024		December 31, 2023		March 31, 2023	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
	Current liabilities							
2100	Short-term borrowings	6(11)	\$ 3,847,888	11	\$ 2,729,916	8	\$ 1,729,451	5
2110	Short-term notes and bills payable	6(12)	-	-	-	-	199,700	1
2130	Contract liabilities - current	6(19)	131,214	-	109,307	-	57,990	-
2170	Accounts payable		1,501,524	4	1,244,194	4	1,583,242	5
2180	Accounts payable - related parties	7	185,708	1	250,752	1	171,885	-
2200	Other payables		1,273,798	4	1,465,225	4	1,356,164	4
2220	Other payables - related parties	7	59,180	-	61,284	-	78,466	-
2230	Current income tax liabilities	6(26)	192,138	1	168,252	1	581,101	2
2280	Lease liabilities - current	7	223,787	1	223,885	1	229,369	1
2305	Other financial liabilities - current		25,904	-	26,309	-	21,568	-
2365	Refund liabilities - current		21,516	-	21,810	-	13,217	-
21XX	Total current liabilities		<u>7,462,657</u>	<u>22</u>	<u>6,300,934</u>	<u>19</u>	<u>6,022,153</u>	<u>18</u>
	Non-current liabilities							
2540	Long-term borrowings	6(13)	3,650,000	11	4,150,000	13	3,500,000	10
2550	Provisions - non-current	6(14)	86,260	-	85,858	-	84,672	-
2570	Deferred income tax liabilities	6(26)	997,201	3	941,641	3	707,736	2
2580	Lease liabilities - non-current	7	1,083,696	3	1,116,271	4	1,300,443	4
2630	Long-term deferred revenue		17,723	-	17,298	-	22,150	-
2640	Net defined benefit liabilities - non-current	6(15)	-	-	-	-	2,491	-
2645	Guarantee deposits received		28,886	-	28,606	-	34,198	-
25XX	Total non-current liabilities		<u>5,863,766</u>	<u>17</u>	<u>6,339,674</u>	<u>20</u>	<u>5,651,690</u>	<u>16</u>
2XXX	Total liabilities		<u>13,326,423</u>	<u>39</u>	<u>12,640,608</u>	<u>39</u>	<u>11,673,843</u>	<u>34</u>
	Equity attributable to owners of parent							
	Share capital							
3110	Common stock	6(16)	15,791,453	47	15,791,453	49	15,791,453	47
3200	Capital surplus	6(17)	232,586	1	232,586	1	232,045	1
	Retained earnings	6(18)						
3310	Legal reserve		2,307,402	7	2,307,402	7	2,062,280	6
3320	Special reserve		1,412,342	4	1,412,342	4	1,829,875	5
3350	Unappropriated retained earnings		1,255,365	4	1,102,260	3	2,849,631	8
3400	Other equity interest		(1,448,848)	(5)	(1,898,479)	(6)	(1,492,974)	(4)
31XX	Equity attributable to owners of the parent		<u>19,550,300</u>	<u>58</u>	<u>18,947,564</u>	<u>58</u>	<u>21,272,310</u>	<u>63</u>
36XX	Non-controlling interests		<u>989,901</u>	<u>3</u>	<u>984,668</u>	<u>3</u>	<u>1,079,649</u>	<u>3</u>
3XXX	Total equity		<u>20,540,201</u>	<u>61</u>	<u>19,932,232</u>	<u>61</u>	<u>22,351,959</u>	<u>66</u>
	Significant contingent liabilities and unrecognized contract commitments	9						
3X2X	Total liabilities and equity		<u>\$ 33,866,624</u>	<u>100</u>	<u>\$ 32,572,840</u>	<u>100</u>	<u>\$ 34,025,802</u>	<u>100</u>

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

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except earnings per share)

			Three months ended March 31			
			2024		2023	
Items	Notes		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(19) and 7		\$ 9,370,338	100	\$ 8,903,190	100
5000 Operating costs	6(4)(10)(15)(24)(25) and 7		(8,439,854)	(90)	(7,792,245)	(88)
5900 Gross profit from operations			930,484	10	1,110,945	12
Operating expenses	6(9)(10)(15)(24)(25), 7 and 12					
6100 Selling expenses			(388,512)	(4)	(384,520)	(4)
6200 Administrative expenses			(297,213)	(4)	(324,998)	(4)
6450 Expected credit (losses) gains			(6,314)	-	3,568	-
6000 Total operating expenses			(692,039)	(8)	(705,950)	(8)
6900 Operating income			238,445	2	404,995	4
Non-operating income and expenses						
7100 Interest income	6(20)		11,402	-	13,804	-
7010 Other income	6(8)(9)(21)		17,785	-	18,202	-
7020 Other gains and losses	6(7)(22) and 12		16,906	-	(2,149)	-
7050 Finance costs	6(3)(6)(7)(14)(23) and 7		(47,053)	-	(47,236)	-
7000 Total non-operating income and expenses			(960)	-	(17,379)	-
7900 Profit before income tax			237,485	2	387,616	4
7950 Income tax expense	6(26)		(102,804)	(1)	(103,368)	(1)
8200 Profit for the period			\$ 134,681	1	\$ 284,248	3
Other comprehensive income (loss)						
Components of other comprehensive income (loss) that will not be reclassified to profit or loss						
8316 Unrealized gain from investments in equity instruments measured at fair value through other comprehensive income	6(5)		\$ 15,521	-	\$ 6,798	-
Components of other comprehensive income (loss) that will be reclassified to profit or loss						
8361 Exchange differences on translation			457,767	5	(92,539)	(1)
8300 Other comprehensive income (loss) for the period			\$ 473,288	5	(\$ 85,741)	(1)
8500 Total comprehensive income for the period			\$ 607,969	6	\$ 198,507	2
Profit (loss) attributable to:						
8610 Owners of the parent			\$ 153,105	1	\$ 300,161	3
8620 Non-controlling interests			(18,424)	-	(15,913)	-
			\$ 134,681	1	\$ 284,248	3
Comprehensive income (loss) attributable to:						
8710 Owners of the parent			\$ 602,736	6	\$ 219,529	2
8720 Non-controlling interests			5,233	-	(21,022)	-
			\$ 607,969	6	\$ 198,507	2
Earnings per share (in dollars)						
9750 Basic	6(27)		\$ 0.10		\$ 0.19	
9850 Diluted			\$ 0.10		\$ 0.19	

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

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Equity attributable to owners of the parent										
Notes	Share capital - common stock	Capital surplus	Retained Earnings			Other Equity Interest		Total	Non-controlling interest	Total equity
			Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gain (loss) on financial assets measured at fair value through other comprehensive income			
	\$ 15,791,453	\$ 232,045	\$ 2,062,280	\$ 1,829,875	\$ 2,549,470	(\$ 1,122,666)	(\$ 289,676)	\$ 21,052,781	\$ 1,100,671	\$ 22,153,452
	-	-	-	-	300,161	-	-	300,161	(15,913)	284,248
6(5)	-	-	-	-	-	(87,430)	6,798	(80,632)	(5,109)	(85,741)
	-	-	-	-	300,161	(87,430)	6,798	219,529	(21,022)	198,507
	<u>\$ 15,791,453</u>	<u>\$ 232,045</u>	<u>\$ 2,062,280</u>	<u>\$ 1,829,875</u>	<u>\$ 2,849,631</u>	<u>(\$ 1,210,096)</u>	<u>(\$ 282,878)</u>	<u>\$ 21,272,310</u>	<u>\$ 1,079,649</u>	<u>\$ 22,351,959</u>
	\$ 15,791,453	\$ 232,586	\$ 2,307,402	\$ 1,412,342	\$ 1,102,260	(\$ 1,638,343)	(\$ 260,136)	\$ 18,947,564	\$ 984,668	\$ 19,932,232
	-	-	-	-	153,105	-	-	153,105	(18,424)	134,681
6(5)	-	-	-	-	-	434,110	15,521	449,631	23,657	473,288
	-	-	-	-	153,105	434,110	15,521	602,736	5,233	607,969
	<u>\$ 15,791,453</u>	<u>\$ 232,586</u>	<u>\$ 2,307,402</u>	<u>\$ 1,412,342</u>	<u>\$ 1,255,365</u>	<u>(\$ 1,204,233)</u>	<u>(\$ 244,615)</u>	<u>\$ 19,550,300</u>	<u>\$ 989,901</u>	<u>\$ 20,540,201</u>

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

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Three months ended March 31	
		2024	2023
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 237,485	\$ 387,616
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit losses (gains)	12	6,314	(3,568)
Provision (reversal of allowance) for inventory market price decline	6(4)		
Depreciation	6(6)(7)(9)	35,573	(99,786)
Loss (gain) on disposal of property, plant and equipment	6(22)	696,523	689,913
Gain from lease modifications		282	(16)
Amortization	6(7)(22)	-	(8)
Interest income	6(10)(24)	213	1,836
Interest expense	6(20)	(11,402)	(13,804)
	6(23)	47,053	47,236
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		80,059	356,924
Accounts receivable		(636,582)	157,210
Accounts receivable - related parties		(276,244)	(227,408)
Other receivables		(13,330)	26,922
Inventories		(463,976)	659,990
Prepayments		(248,303)	(298,904)
Net defined benefit assets - non-current		(6,729)	-
Changes in operating liabilities			
Contract liabilities - current		21,907	(12,513)
Accounts payable		257,330	290,368
Accounts payable - related parties		(65,044)	(127,953)
Other payables		(111,460)	(335,436)
Other payables - related parties		310	(10,469)
Refund liabilities - current		(294)	(5,215)
Long-term deferred revenue		425	(108)
Net defined benefit liabilities - non-current		-	(12,971)
Cash (outflow) inflow generated from operations		(449,890)	1,469,856
Interest received		11,402	13,804
Interest paid		(48,001)	(47,906)
Income tax paid		(71,548)	(67,432)
Net cash flows (used in) from operating activities		(558,037)	1,368,322

(Continued)

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Three months ended March 31 2024	2023
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
(Increase) decrease in other financial assets - current		(\$ 253)	\$ 7
Cash paid for acquisition of property, plant and equipment	6(28)	(116,481)	(174,325)
Proceeds from disposal of property, plant and equipment		153	79
Cash paid for acquisition of investment property	6(9)	-	(168)
Increase in prepayments for business facilities		(94,364)	(48,033)
Interest paid for prepayments for business facilities	6(6)(23)	(178)	(129)
Increase in guarantee deposits paid		(1,609)	(2,730)
Decrease in other non-current assets, others		<u>2,516</u>	<u>525</u>
Net cash flows used in investing activities		(<u>210,216</u>)	(<u>224,774</u>)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase (decrease) in short-term borrowings	6(29)	1,117,972	(700,438)
Increase in short-term notes and bills payable	6(29)	-	200,000
Decrease in other financial liabilities - current	6(29)	(405)	(9,390)
Payments of lease liabilities	6(29)	(57,901)	(64,720)
Increase in long-term borrowings	6(29)	-	100,000
Decrease in long-term borrowings	6(29)	(500,000)	(400,000)
Increase (decrease) in guarantee deposits received	6(29)	<u>280</u>	(<u>2,085</u>)
Net cash flows from (used in) financing activities		<u>559,946</u>	(<u>876,633</u>)
Effect of foreign exchange rate changes on cash and cash equivalents		<u>160,582</u>	(<u>29,485</u>)
Net (decrease) increase in cash and cash equivalents		(47,725)	237,430
Cash and cash equivalents at beginning of period	6(1)	<u>3,308,211</u>	<u>3,168,365</u>
Cash and cash equivalents at end of period	6(1)	<u>\$ 3,260,486</u>	<u>\$ 3,405,795</u>

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

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2024 AND 2023
(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. For more information regarding the scope of business the Company and its subsidiaries (the “Group”) are engaged in, refer to Note 4(3), ‘Basis of consolidation’.
- (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 CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These consolidated financial statements were authorized for issuance by the Board of Directors on May 7, 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 2024 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board (“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 Group’s financial position and financial performance based on the Group’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 Group

None.

(3) 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 as 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
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment:

IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Except for the compliance statement, basis of preparation, basis of consolidation and the additional descriptions described below, the other principal accounting policies are in agreement with Note 4 of the consolidated financial statements for the year ended December 31, 2023. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

- A. The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", and IAS 34, 'Interim Financial Reporting' that came into effect as endorsed by the FSC.
- B. These consolidated financial statements should be read together with the consolidated financial statements for the year ended December 31, 2023.

(2) Basis of preparation

- A. Except for the following items, these consolidated 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 Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5 ‘Critical accounting judgements, estimates and key sources of assumption uncertainty’.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

The basis for preparation of these consolidated financial statements is consistent with those for the preparation of consolidated financial statements for the year ended December 31, 2023.

B. Subsidiaries included in the consolidated financial statements:

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Group (%)			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
Ton Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd.	General investment	100.00	100.00	100.00	—
Ton Yi Industrial Corp.	Tovecan Corp.	Manufacturing and sale of cans	51.00	51.00	51.00	(Note 1)
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Ton Yi Holdings Ltd.	General investment	100.00	100.00	100.00	—
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Fujian Ton Yi Holding Ltd.	General investment	100.00	100.00	100.00	—
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Jiangsu Ton Yi Holding Ltd.	General investment	100.00	100.00	100.00	—
Cayman Ton Yi Industrial Holdings Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM, and sale of cans	100.00	100.00	100.00	(Note 1)
Cayman Ton Yi Industrial Holdings Ltd.	Chengdu Ton Yi Industrial Packing Co., Ltd.	Sale of cans	100.00	100.00	100.00	(Note 1)
Cayman Ton Yi Industrial Holdings Ltd.	Changsha Ton Yi Industrial Co., Ltd.	Sale of cans	100.00	100.00	100.00	(Note 1)
Cayman Ton Yi Holdings Ltd.	Cayman Ton Yi (China) Holdings Ltd.	General investment	100.00	100.00	100.00	—
Cayman Fujian Ton Yi Holding Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Manufacturing and sale of tinplate	86.80	86.80	86.80	—
Cayman Jiangsu Ton Yi Holding Ltd.	Jiangsu Ton Yi Tinplate Co., Ltd.	Sale of tinplate	82.86	82.86	82.86	—

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Group (%)			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
Wuxi Ton Yi Industrial Packing Co., Ltd.	Wuxi Tonyi Daiwa Industrial Co., Ltd.	Manufacturing and sale of new bottle can	66.50	66.50	66.50	(Note 1)
Cayman Ton Yi (China) Holdings Ltd.	Ton Yi (China) Investment Co., Ltd.	General investment	100.00	100.00	100.00	—
Ton Yi (China) Investment Co., Ltd.	Taizhou Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	100.00	100.00	100.00	—
Ton Yi (China) Investment Co., Ltd.	Zhangzhou Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	100.00	100.00	100.00	—
Ton Yi (China) Investment Co., Ltd.	Kunshan Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	100.00	100.00	100.00	—
Ton Yi (China) Investment Co., Ltd.	Beijing Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	100.00	100.00	100.00	(Note 1)
Ton Yi (China) Investment Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	100.00	100.00	100.00	(Note 1)
Ton Yi (China) Investment Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	100.00	100.00	100.00	(Note 2)
Ton Yi (China) Investment Co., Ltd.	Sichuan Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	100.00	100.00	100.00	(Note 1)
Ton Yi (China) Investment Co., Ltd.	Zhanjiang Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	100.00	100.00	100.00	(Note 1)
Ton Yi (China) Investment Co., Ltd.	Tianjin Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	100.00	100.00	100.00	(Note 1)

(Note 1) The financial statements of the subsidiary included in the consolidated financial statements as of March 31, 2024 and 2023 were not reviewed by independent auditors.

(Note 2) The financial statements of the subsidiary included in the consolidated financial statements as of March 31, 2023 were not reviewed by independent auditors.

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

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Employee benefits

Defined benefit plans

Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

(5) Income tax

The interim period income tax expense is recognized based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

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

There have been no significant changes during the period. Refer to Note 5 of the consolidated financial statements for the year ended December 31, 2023.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Cash:			
Cash on hand	\$ 185	\$ 326	\$ 459
Checking deposits and demand deposits	<u>2,367,342</u>	<u>2,373,920</u>	<u>2,201,943</u>
	<u>2,367,527</u>	<u>2,374,246</u>	<u>2,202,402</u>
Cash equivalents:			
Time deposits	<u>892,959</u>	<u>933,965</u>	<u>1,203,393</u>
	<u>\$ 3,260,486</u>	<u>\$ 3,308,211</u>	<u>\$ 3,405,795</u>

A. The Group 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 Group did not pledge cash and cash equivalents as collateral as at March 31, 2024, December 31, 2023 and March 31, 2023.

(2) Notes and accounts receivable, net

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Notes receivable	\$ 745,261	\$ 825,320	\$ 687,741
Less: Allowance for doubtful accounts	(<u>1,798</u>)	(<u>1,833</u>)	(<u>2,190</u>)
	<u>\$ 743,463</u>	<u>\$ 823,487</u>	<u>\$ 685,551</u>
	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Accounts receivable	\$ 2,279,405	\$ 1,642,823	\$ 1,646,162
Less: Allowance for doubtful accounts	(<u>21,627</u>)	(<u>15,067</u>)	(<u>28,793</u>)
	<u>\$ 2,257,778</u>	<u>\$ 1,627,756</u>	<u>\$ 1,617,369</u>

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

	March 31, 2024		December 31, 2023	
	Notes Receivable	Accounts Receivable	Notes Receivable	Accounts Receivable
1 to 30 days	\$ 244,106	\$ 3,381,098	\$ 301,659	\$ 2,709,038
31 to 60 days	175,278	572,277	163,610	396,748
61 to 90 days	39,020	233,223	98,360	192,348
91 to 180 days	286,857	86,172	261,691	63,907
Over 181 days	–	5,405	–	3,308
	<u>\$ 745,261</u>	<u>\$ 4,278,175</u>	<u>\$ 825,320</u>	<u>\$ 3,365,349</u>

	March 31, 2023	
	Notes Receivable	Accounts Receivable
1 to 30 days	\$ 191,285	\$ 3,258,090
31 to 60 days	81,829	372,750
61 to 90 days	121,524	48,638
91 to 180 days	292,660	79,185
Over 181 days	443	17,318
	<u>\$ 687,741</u>	<u>\$ 3,775,981</u>

The above aging analysis was based on credit date.

- B. As of March 31, 2024, December 31, 2023 and March 31, 2023, notes receivable and accounts receivable were all from contracts with customers. As of January 1, 2023, the balance of receivables (including related parties) from contracts with customers amounted to \$4,750,448.
- C. The Group did not pledge notes receivable and accounts receivable as collateral.
- 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 Group 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) Transfer of financial assets

Transferred financial assets that are derecognized in their entirety.

- A. The Group entered into a factoring agreement with China Construction Bank to sell its notes receivable. Under the agreement, the Group is not obligated to bear the default risk of the transferred notes receivable, but is liable for the losses incurred on any business dispute. The Group does not have any continuing involvement in the transferred notes receivable. As of March 31, 2024, December 31, 2023 and March 31, 2023, the Group derecognized the transferred notes receivable, and the related information is as follows:

March 31, 2024				
Purchase of notes receivable	Notes receivable transferred	Amount derecognized	Amount advanced	Interest rate of amount advanced
China Construction Bank	<u>\$ 252,336</u>	<u>\$ 252,336</u>	<u>\$ 252,336</u>	2.10%~3.20%
December 31, 2023				
Purchase of notes receivable	Notes receivable transferred	Amount derecognized	Amount advanced	Interest rate of amount advanced
China Construction Bank	<u>\$ 88,482</u>	<u>\$ 88,482</u>	<u>\$ 88,482</u>	(Note)
March 31, 2023				
Purchase of notes receivable	Notes receivable transferred	Amount derecognized	Amount advanced	Interest rate of amount advanced
China Construction Bank	<u>\$ 133,663</u>	<u>\$ 133,663</u>	<u>\$ 133,663</u>	3.30%

(Note) The financial expense when transferring the derecognized notes receivable was not borne by the Group.

- B. The Group has recognized financial expense (listed under “Finance costs”) of \$22 and \$191, respectively, when transferring the derecognized notes receivable for the three-month periods ended March 31, 2024 and 2023, respectively. Part of the financial expense when transferring the derecognized notes receivable was not borne by the Group.

(4) Inventories

March 31, 2024			
	Cost	Allowance for price decline of inventories	Carrying amount
Raw materials	\$ 1,668,716	(\$ 93,273)	\$ 1,575,443
Raw materials in transit	234,777	(21,492)	213,285
Supplies	600,617	(146)	600,471
Supplies in transit	17,042	–	17,042
Work in process	893,983	(31,549)	862,434
Finished goods	1,389,467	(87,597)	1,301,870
	<u>\$ 4,804,602</u>	<u>(\$ 234,057)</u>	<u>\$ 4,570,545</u>
December 31, 2023			
	Cost	Allowance for price decline of inventories	Carrying amount
Raw materials	\$ 1,532,969	(\$ 64,151)	\$ 1,468,818
Raw materials in transit	8,572	(691)	7,881
Supplies	595,989	(9,312)	586,677
Work in process	693,612	(24,697)	668,915
Finished goods	1,509,484	(98,080)	1,411,404
	<u>\$ 4,340,626</u>	<u>(\$ 196,931)</u>	<u>\$ 4,143,695</u>
March 31, 2023			
	Cost	Allowance for price decline of inventories	Carrying amount
Raw materials	\$ 1,706,900	(\$ 15,725)	\$ 1,691,175
Supplies	549,897	(4,565)	545,332
Supplies in transit	1,955	–	1,955
Work in process	719,217	(21,591)	697,626
Finished goods	1,265,718	(59,432)	1,206,286
	<u>\$ 4,243,687</u>	<u>(\$ 101,313)</u>	<u>\$ 4,142,374</u>

The cost of inventories recognized as expense for the period:

	For the three-month periods ended March 31,	
	2024	2023
Cost of goods sold	\$ 8,475,684	\$ 7,975,226
Provision (reversal of allowance) for inventory market price decline (Note)	35,573 (	99,786)
Loss on disposal of inventory	220	2
Revenue from sale of scraps	(68,923)	(79,840)
Indemnities	(2,700)	(3,357)
	<u>\$ 8,439,854</u>	<u>\$ 7,792,245</u>

(Note) For the three-month period ended March 31, 2023, the Group reversed a previous inventory write-down as a result of the subsequent sales of inventories which were previously provided with allowance.

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

Items	March 31, 2024	December 31, 2023	March 31, 2023
Equity instruments			
Listed stocks	\$ 378,917	\$ 378,917	\$ 378,917
Valuation adjustment	(244,615)	(260,136)	(282,878)
	<u>\$ 134,302</u>	<u>\$ 118,781</u>	<u>\$ 96,039</u>

- A. The Group has elected to classify listed stocks that are considered to be strategic investment as financial assets at fair value through other comprehensive income. The fair value of such investments was approximately its book value as of March 31, 2024, December 31, 2023 and March 31, 2023.
- B. Amounts recognized in other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	For the three-month periods ended March 31,	
	2024	2023
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognized in other comprehensive income	<u>\$ 15,521</u>	<u>\$ 6,798</u>

- C. The Group 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”.

(6) Property, plant and equipment

			Machinery		Transportation	Office equipment		Other equipment		Equipment under installation and construction in progress	Total
	Land	Buildings	Owner-occupied	Lease	equipment	Owner-occupied	Lease	Owner-occupied	Lease		
<u>January 1, 2024</u>											
Cost	\$ 615,892	\$ 10,950,299	\$ 48,369,685	\$ 898,255	\$ 279,510	\$ 214,286	\$ 2,021	\$ 6,188,146	\$ 2,797	\$ 60,678	\$ 67,581,569
Accumulated depreciation	-	(6,154,628)	(37,795,912)	(808,622)	(250,778)	(196,937)	(1,836)	(5,270,883)	(2,797)	-	(50,482,393)
Accumulated impairment	-	-	(43,247)	(17,298)	-	-	-	-	-	-	(60,545)
	<u>\$ 615,892</u>	<u>\$ 4,795,671</u>	<u>\$ 10,530,526</u>	<u>\$ 72,335</u>	<u>\$ 28,732</u>	<u>\$ 17,349</u>	<u>\$ 185</u>	<u>\$ 917,263</u>	<u>\$ -</u>	<u>\$ 60,678</u>	<u>\$ 17,038,631</u>
<u>For the three-month period ended March 31, 2024</u>											
At January 1	\$ 615,892	\$ 4,795,671	\$ 10,530,526	\$ 72,335	\$ 28,732	\$ 17,349	\$ 185	\$ 917,263	\$ -	\$ 60,678	\$ 17,038,631
Additions - Cost	-	7,837	287	-	-	97	-	9,133	-	18,096	35,450
Transferred - Cost (Note)	-	5,104	60,205	-	1,057	7	-	886	-	(22,201)	45,058
Depreciation	-	(67,829)	(488,626)	(4,172)	(2,011)	(1,735)	-	(65,831)	-	-	(630,204)
Disposal - Cost	-	-	(16,762)	-	(1,755)	(1,168)	-	(5,459)	-	-	(25,144)
Disposal - Accumulated depreciation	-	-	16,440	-	1,737	1,158	-	5,374	-	-	24,709
Net currency exchange differences	-	87,433	176,464	1,719	516	395	5	11,902	-	1,172	279,606
At March 31	<u>\$ 615,892</u>	<u>\$ 4,828,216</u>	<u>\$ 10,278,534</u>	<u>\$ 69,882</u>	<u>\$ 28,276</u>	<u>\$ 16,103</u>	<u>\$ 190</u>	<u>\$ 873,268</u>	<u>\$ -</u>	<u>\$ 57,745</u>	<u>\$ 16,768,106</u>
<u>March 31, 2024</u>											
Cost	\$ 615,892	\$ 11,107,018	\$ 48,919,163	\$ 920,274	\$ 280,265	\$ 218,352	\$ 2,070	\$ 6,269,371	\$ 2,866	\$ 57,745	\$ 68,393,016
Accumulated depreciation	-	(6,278,802)	(38,596,323)	(832,669)	(251,989)	(202,249)	(1,880)	(5,396,103)	(2,866)	-	(51,562,881)
Accumulated impairment	-	-	(44,306)	(17,723)	-	-	-	-	-	-	(62,029)
	<u>\$ 615,892</u>	<u>\$ 4,828,216</u>	<u>\$ 10,278,534</u>	<u>\$ 69,882</u>	<u>\$ 28,276</u>	<u>\$ 16,103</u>	<u>\$ 190</u>	<u>\$ 873,268</u>	<u>\$ -</u>	<u>\$ 57,745</u>	<u>\$ 16,768,106</u>

(Note) Including transfers from prepayments for business facilities.

			Machinery		Transportation	Office equipment		Other equipment		Equipment under installation and construction in progress	Total
	Land	Buildings	Owner-occupied	Lease	equipment	Owner-occupied	Lease	Owner-occupied	Lease		
<u>January 1, 2023</u>											
Cost	\$ 615,892	\$ 10,704,256	\$ 48,015,194	\$ 1,113,221	\$ 271,411	\$ 217,956	\$ 2,080	\$ 6,229,218	\$ 7,664	\$ 376,832	\$ 67,553,724
Accumulated depreciation	-	(5,956,588)	(36,129,482)	(972,392)	(244,247)	(197,073)	(1,871)	(5,125,535)	(3,241)	-	(48,630,429)
Accumulated impairment	-	-	(44,516)	(17,807)	-	-	-	-	-	-	(62,323)
	<u>\$ 615,892</u>	<u>\$ 4,747,668</u>	<u>\$ 11,841,196</u>	<u>\$ 123,022</u>	<u>\$ 27,164</u>	<u>\$ 20,883</u>	<u>\$ 209</u>	<u>\$ 1,103,683</u>	<u>\$ 4,423</u>	<u>\$ 376,832</u>	<u>\$ 18,860,972</u>
<u>For the three-month period ended March 31, 2023</u>											
At January 1	\$ 615,892	\$ 4,747,668	\$ 11,841,196	\$ 123,022	\$ 27,164	\$ 20,883	\$ 209	\$ 1,103,683	\$ 4,423	\$ 376,832	\$ 18,860,972
Additions - Cost	-	-	1,573	-	-	608	-	3,367	-	114,699	120,247
Transferred - Cost (Note)	-	-	32,434	-	2,351	135	-	778	-	4,931	40,629
Transferred - Accumulated depreciation	-	-	1,215	-	(2,351)	(14)	-	1,150	-	-	-
Depreciation	-	(65,590)	(477,335)	(5,849)	(1,721)	(1,724)	(18)	(70,279)	(567)	-	(623,083)
Disposal - Cost	-	-	(22)	-	(7)	(200)	-	(1,163)	-	-	(1,392)
Disposal - Accumulated depreciation	-	-	17	-	7	184	-	1,121	-	-	1,329
Net currency exchange differences	-	(16,672)	(38,008)	(586)	(83)	(95)	(1)	(2,817)	(21)	(1,777)	(60,060)
At March 31	<u>\$ 615,892</u>	<u>\$ 4,665,406</u>	<u>\$ 11,361,070</u>	<u>\$ 116,587</u>	<u>\$ 25,360</u>	<u>\$ 19,777</u>	<u>\$ 190</u>	<u>\$ 1,035,840</u>	<u>\$ 3,835</u>	<u>\$ 494,685</u>	<u>\$ 18,338,642</u>
<u>March 31, 2023</u>											
Cost	\$ 615,892	\$ 10,676,971	\$ 47,950,648	\$ 1,107,808	\$ 273,517	\$ 217,463	\$ 2,070	\$ 6,216,986	\$ 7,627	\$ 494,685	\$ 67,563,667
Accumulated depreciation	-	(6,011,565)	(36,545,278)	(973,501)	(248,157)	(197,686)	(1,880)	(5,181,146)	(3,792)	-	(49,163,005)
Accumulated impairment	-	-	(44,300)	(17,720)	-	-	-	-	-	-	(62,020)
	<u>\$ 615,892</u>	<u>\$ 4,665,406</u>	<u>\$ 11,361,070</u>	<u>\$ 116,587</u>	<u>\$ 25,360</u>	<u>\$ 19,777</u>	<u>\$ 190</u>	<u>\$ 1,035,840</u>	<u>\$ 3,835</u>	<u>\$ 494,685</u>	<u>\$ 18,338,642</u>

(Note) Including transfers from prepayments for business facilities.

- A. 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 three-month periods ended March 31,	
	2024	2023
Amount capitalized	\$ 178	\$ 129
Range of interest rates	1.88%	1.75%

- B. The Group did not pledge property, plant and equipment as collateral as at March 31, 2024, December 31, 2023 and March 31, 2023.

(7) Leasing arrangements – lessee

- A. The Group leases various assets including land and buildings. Rental contracts are typically made for periods of 1 to 50 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

- B. Low-value assets are comprised of multifunction printers.

- C. The carrying amount of right-of-use assets and the depreciation are as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
	Carrying amount	Carrying amount	Carrying amount
Land	\$ 793,018	\$ 789,181	\$ 810,713
Buildings	912,214	946,748	1,135,064
	<u>\$ 1,705,232</u>	<u>\$ 1,735,929</u>	<u>\$ 1,945,777</u>

	For the three-month periods ended March 31,	
	2024	2023
	Depreciation	Depreciation
Land	\$ 7,676	\$ 7,546
Buildings	57,008	57,635
	<u>\$ 64,684</u>	<u>\$ 65,181</u>

- D. For the three-month periods ended March 31, 2024 and 2023, the additions and remeasurement to right-of-use assets were \$796 and \$2,321, respectively.

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

	For the three-month periods ended March 31,	
	2024	2023
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 12,146	\$ 14,722
Expense on leases of low-value assets	54	53
Gain from lease modification	–	8

- F. For the three-month periods ended March 31, 2024 and 2023, the Group's total cash outflow for leases were \$70,101 and \$79,495, respectively.

(8) Leasing arrangements — lessor

- A. The Group leases various assets including buildings and machineries (listed under “Property, plant and equipment” and “Investment property, net”). Rental contracts are typically made for periods of 1 to 15 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.
- B. For the three-month periods ended March 31, 2024 and 2023, the Group recognized rent income (listed under “Other income”) in the amounts of \$9,575 and \$10,271, respectively, 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 Group under operating leases is as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Within 1 year	\$ 35,009	\$ 35,911	\$ 36,339
1 to 2 years	32,156	31,386	32,296
2 to 3 years	24,040	26,966	32,151
3 to 4 years	17,805	17,379	24,036
4 to 5 years	16,321	17,379	17,802
Over 5 years	—	2,896	16,319
	<u>\$ 125,331</u>	<u>\$ 131,917</u>	<u>\$ 158,943</u>

(9) Investment property, net

	Land	Buildings	Total
<u>January 1, 2024</u>			
Cost	\$ 1,532	\$ 143,638	\$ 145,170
Accumulated depreciation	—	(61,457)	(61,457)
Accumulated impairment	(1,100)	—	(1,100)
	<u>\$ 432</u>	<u>\$ 82,181</u>	<u>\$ 82,613</u>
<u>For the three-month period ended</u> <u>March 31, 2024</u>			
At January 1	\$ 432	\$ 82,181	\$ 82,613
Depreciation	—	(1,635)	(1,635)
Net currency exchange differences	—	1,994	1,994
At March 31	<u>\$ 432</u>	<u>\$ 82,540</u>	<u>\$ 82,972</u>
<u>March 31, 2024</u>			
Cost	\$ 1,532	\$ 147,159	\$ 148,691
Accumulated depreciation	—	(64,619)	(64,619)
Accumulated impairment	(1,100)	—	(1,100)
	<u>\$ 432</u>	<u>\$ 82,540</u>	<u>\$ 82,972</u>

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
<u>January 1, 2023</u>			
Cost	\$ 1,532	\$ 146,921	\$ 148,453
Accumulated depreciation	–	(56,624)	(56,624)
Accumulated impairment	(1,100)	–	(1,100)
	<u>\$ 432</u>	<u>\$ 90,297</u>	<u>\$ 90,729</u>
<u>For the three-month period ended</u>			
<u>March 31, 2023</u>			
At January 1	\$ 432	\$ 90,297	\$ 90,729
Additions - cost	–	168	168
Depreciation	–	(1,649)	(1,649)
Net currency exchange differences	–	(435)	(435)
At March 31	<u>\$ 432</u>	<u>\$ 88,381</u>	<u>\$ 88,813</u>
<u>March 31, 2023</u>			
Cost	\$ 1,532	\$ 146,375	\$ 147,907
Accumulated depreciation	–	(57,994)	(57,994)
Accumulated impairment	(1,100)	–	(1,100)
	<u>\$ 432</u>	<u>\$ 88,381</u>	<u>\$ 88,813</u>

A. Rental income from the lease of the investment property and direct operating expenses arising from the investment property are shown below:

	<u>For the three-month periods ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Rental income from the lease of the investment property	<u>\$ 4,395</u>	<u>\$ 4,461</u>
Direct operating expenses arising from the investment property that generated rental income during the period	<u>\$ 2,477</u>	<u>\$ 2,504</u>

B. The fair values of the investment property held by the Group as at March 31, 2024, December 31, 2023 and March 31, 2023 were \$85,044, \$86,853 and \$99,945, respectively, which were categorized within Level 2 and Level 3 in the fair value hierarchy. Land is valued according to Current Land Value announced by the Department of Land Administration. Buildings are valued based on discounted recoverable amounts of future rent income.

C. As of March 31, 2024, December 31, 2023 and March 31, 2023, no investment property held by the Group was pledged to others as collateral.

(10) Intangible assets

	For the three-month periods ended March 31,	
	2024	2023
<u>Computer Software</u>		
<u>January 1, 2024</u>		
Cost	\$ 24,337	\$ 75,269
Accumulated amortization	(20,603)	(67,388)
	<u>\$ 3,734</u>	<u>\$ 7,881</u>
At January 1	\$ 3,734	\$ 7,881
Amortization	(213)	(1,836)
Disposal - Cost	—	(32,706)
Disposal - Accumulated amortization	—	32,706
Net currency exchange differences	90	(35)
At March 31	<u>\$ 3,611</u>	<u>\$ 6,010</u>
<u>March 31, 2024</u>		
Cost	\$ 24,934	\$ 42,197
Accumulated amortization	(21,323)	(36,187)
	<u>\$ 3,611</u>	<u>\$ 6,010</u>

A. No borrowing costs were capitalized as part of intangible assets for the three-month periods ended March 31, 2024 and 2023.

B. Details of amortization on intangible assets are as follows:

	For the three-month periods ended March 31,	
	2024	2023
Operating costs	\$ 49	\$ 234
Selling expenses	9	110
Administrative expenses	155	1,492
	<u>\$ 213</u>	<u>\$ 1,836</u>

C. The Group had no intangible assets pledged as collateral as at March 31, 2024, December 31, 2023 and March 31, 2023.

(11) Short-term borrowings

Nature	March 31, 2024	Range of interest rates	Collateral
Unsecured bank borrowings	<u>\$ 3,847,888</u>	1.20%~6.31%	None
Nature	December 31, 2023	Range of interest rates	Collateral
Unsecured bank borrowings	<u>\$ 2,729,916</u>	1.43%~6.66%	None
Nature	March 31, 2023	Range of interest rates	Collateral
Unsecured bank borrowings	<u>\$ 1,729,451</u>	0.76%~6.06%	None

A. For more information about interest expenses recognized by the Group for the three-month periods ended March 31, 2024 and 2023, refer to Note 6(23), “Finance costs”.

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

(12) Short-term notes and bills payable

	March 31, 2023	Collateral
Commercial papers payable	\$ 200,000	None
Less: Unamortized discount	(300)	
	<u>\$ 199,700</u>	
Range of interest rates	<u>1.61%</u>	

There was no such situation as of March 31, 2024 and December 31, 2023.

A. For more information about interest expenses recognized by the Group for the three-month periods ended March 31, 2024 and 2023, refer to Note 6(23), “Finance costs.”

B. The above commercial papers were issued and secured by Union Bills Finance Corporation for short-term financing.

(13) Long-term borrowings

Nature	Range of maturity dates	Range of interest rates	Collateral	March 31, 2024
Unsecured bank borrowings	2025. 8. 15 ~ 2027. 2. 7	1.66% ~ 1.88%	None	<u>\$ 3,650,000</u>

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	<u>\$ 4,150,000</u>

Nature	Range of maturity dates	Range of interest rates	Collateral	March 31, 2023
Unsecured bank borrowings	2024. 5. 10 ~ 2026. 1. 28	1.53% ~ 1.80%	None	<u>\$ 3,500,000</u>

A. For more information about interest expenses recognized by the Group for the three-month periods ended March 31, 2024 and 2023, refer to Note 6(23), “Finance costs.”

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

(14) Provisions - non-current

<u>Decommissioning liabilities</u>	<u>For the three-month periods ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
At January 1	\$ 85,858	\$ 84,277
Unwinding of discount	402	395
At March 31	<u>\$ 86,260</u>	<u>\$ 84,672</u>

According to the policy published, applicable agreement or the law and regulation, the Group 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.

(15) 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 pension cost under the defined benefit pension plan of the Company (listed under "Operating cost" and "Operating expense") for the three-month periods ended March 31, 2024 and 2023 were \$8,591 and \$2,671, respectively.
- b. Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2024 amount to \$27,621.
- B. Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension 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 Group's subsidiaries have defined contribution plans. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations are based on certain percentage of employees' monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations. The pension costs under the defined contribution pension plans of the Group (listed under "Operating cost" and "Operating expense") for the three-month periods ended March 31, 2024 and 2023 were \$56,505 and \$54,067, respectively.

(16) 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 three-month periods ended March 31,	
	2024	2023
Balance as of January 1 and March 31	<u>1, 579, 145</u>	<u>1, 579, 145</u>

B. As of March 31, 2024, 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.

(17) Capital surplus

Pursuant to the R.O.C. 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 R.O.C. 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 reserve should not be used to cover accumulated deficit after the legal reserve is used.

Movement of the Company's capital reserve for the three-month periods ended March 31, 2024 and 2023 are as follows:

	For the three-month period ended March 31, 2024				
	Share premium	Treasury share transactions	Donations	Others	Total
Beginning and ending balance	<u>\$ 58, 271</u>	<u>\$ 169, 088</u>	<u>\$ 819</u>	<u>\$4, 408</u>	<u>\$232, 586</u>
	For the three-month period ended March 31, 2023				
	Share premium	Treasury share transactions	Donations	Others	Total
Beginning and ending balance	<u>\$ 58, 271</u>	<u>\$ 169, 088</u>	<u>\$ 819</u>	<u>\$3, 867</u>	<u>\$232, 045</u>

(18) Retained earnings

- A. The legal reserve shall be exclusively used to offset 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 in other equity items are reversed subsequently, an equal amount could be included in the distributable earnings.
- 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 \$2,337,135, constituting \$1.48 (in dollars) per share as cash dividend from the distribution of 2022 earnings. 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. These consolidated financial statements do not reflect such dividends payable.

(19) Operating revenue

	<u>For the three-month periods ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Revenue from contracts with customers	<u>\$ 9,370,338</u>	<u>\$ 8,903,190</u>

A. Disaggregation of revenue from contracts with customers

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

<u>Segment</u>	<u>For the three-month period ended March 31, 2024</u>	
	Revenue from products of Tinplate	Revenue from products of Plastic pack (including filling)
Taiwan	\$ 3,359,310	\$ 11,198
Mainland China - tinplate products	824,843	–
Mainland China - plastic products	–	4,404,293
Others	770,694	–
	<u>\$ 4,954,847</u>	<u>\$ 4,415,491</u>
<u>Segment</u>	<u>For the three-month period ended March 31, 2023</u>	
	Revenue from products of Tinplate	Revenue from products of Plastic pack (including filling)
Taiwan	\$ 3,402,174	\$ 7,554
Mainland China - tinplate products	786,743	–
Mainland China - plastic products	–	4,019,859
Others	686,860	–
	<u>\$ 4,875,777</u>	<u>\$ 4,027,413</u>

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

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>	<u>January 1, 2023</u>
Contract liabilities - current	<u>\$ 131,214</u>	<u>\$ 109,307</u>	<u>\$ 57,990</u>	<u>\$ 70,503</u>

Revenue recognized that was included in the contract liability balance at the beginning of the three-month periods ended March 31, 2024 and 2023 were \$82,897 and \$64,144, respectively.

(20) Interest income

	<u>For the three-month periods ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Interest income from bank deposits	<u>\$ 11,402</u>	<u>\$ 13,804</u>

(21) Other income

	<u>For the three-month periods ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Rental income	\$ 9,575	\$ 10,271
Government grants	3,225	1,813
Other income	4,985	6,118
	<u>\$ 17,785</u>	<u>\$ 18,202</u>

(22) Other gains and losses

	For the three-month periods ended March 31,	
	2024	2023
Net (loss) gain on disposal of property, plant and equipment	(\$ 282)	\$ 16
Gain from lease modifications	—	8
Net currency exchange gain	29,069	2,715
Other losses	(11,881)	(4,888)
	<u>\$ 16,906</u>	<u>(\$ 2,149)</u>

(23) Finance costs

	For the three-month periods ended March 31,	
	2024	2023
Interest expense:		
Bank borrowings	\$ 34,661	\$ 32,057
Interest expense on lease liabilities	12,146	14,722
Financial expense of transferred notes receivable	22	191
Provisions – unwinding of discount	402	395
	<u>47,231</u>	<u>47,365</u>
Less: Capitalization of qualifying assets	(178)	(129)
	<u>\$ 47,053</u>	<u>\$ 47,236</u>

(24) Expenses by nature

	For the three-month period ended March 31, 2024		
	Operating cost	Operating expense	Total
Employee benefit expenses	<u>\$ 516,553</u>	<u>\$ 216,809</u>	<u>\$ 733,362</u>
Depreciation	<u>\$ 614,443</u>	<u>\$ 80,445</u>	<u>\$ 694,888</u>
Amortization	<u>\$ 49</u>	<u>\$ 164</u>	<u>\$ 213</u>
	For the three-month period ended March 31, 2023		
	Operating cost	Operating expense	Total
Employee benefit expenses	<u>\$ 485,833</u>	<u>\$ 233,550</u>	<u>\$ 719,383</u>
Depreciation	<u>\$ 609,543</u>	<u>\$ 78,721</u>	<u>\$ 688,264</u>
Amortization	<u>\$ 234</u>	<u>\$ 1,602</u>	<u>\$ 1,836</u>

(25) Employee benefit expenses

	For the three-month period ended March 31, 2024		
	Operating cost	Operating expense	Total
Wages and salaries	\$ 390,642	\$ 163,201	\$ 553,843
Labor and health insurance expenses	38,289	14,175	52,464
Pension costs	44,534	20,562	65,096
Other personnel expenses	43,088	18,871	61,959
	<u>\$ 516,553</u>	<u>\$ 216,809</u>	<u>\$ 733,362</u>

	For the three-month period ended March 31, 2023		
	Operating cost	Operating expense	Total
Wages and salaries	\$ 360,773	\$ 167,941	\$ 528,714
Labor and health insurance expenses	36,886	17,515	54,401
Pension costs	43,101	13,637	56,738
Other personnel expenses	45,073	34,457	79,530
	<u>\$ 485,833</u>	<u>\$ 233,550</u>	<u>\$ 719,383</u>

- A. 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.
- B. For the three-month periods ended March 31, 2024 and 2023, employees' compensation was accrued at \$8,827 and \$17,187, respectively, while directors' remuneration was accrued at \$2,756 and \$5,403, respectively. The aforementioned amounts were recognized in salary expenses. The expenses recognized were accrued based on the profit of current period 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.

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.

(26) Income tax

A. Income tax expense

Components of income tax expense:

	For the three-month periods ended March 31,	
	2024	2023
Current income tax:		
Income tax incurred in current period	\$ 102,498	\$ 96,739
Under (over) provision of prior year's income tax	23	(75)
	<u>102,521</u>	<u>96,664</u>
Deferred income tax:		
Origination and reversal of temporary differences	283	6,704
Income tax expense	<u>\$ 102,804</u>	<u>\$ 103,368</u>

B. The Company's income tax returns through 2022 have been assessed and approved by the Tax Authority. As of May 7, 2024, there was no administrative lawsuit.

(27) Earnings per share

	For the three-month period ended March 31, 2024		
		Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Amount after tax</u>			
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	<u>\$ 153,105</u>	<u>1,579,145</u>	<u>\$ 0.10</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 153,105	1,579,145	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	—	2,371	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 153,105</u>	<u>1,581,516</u>	<u>\$ 0.10</u>

For the three-month period ended March 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 of the parent	<u>\$ 300,161</u>	<u>1,579,145</u>	<u>\$ 0.19</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 300,161	1,579,145	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	<u>—</u>	<u>6,369</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 300,161</u>	<u>1,585,514</u>	<u>\$ 0.19</u>

(28) Supplemental cash flow information

A. Investing activities with partial cash payments:

For the three-month periods ended March 31,			
	2024	2023	
Acquisition of property, plant and equipment	\$ 35,450	\$ 120,247	
Add: Beginning balance of other payables	282,762	236,106	
Beginning balance of other payables - related parties	2,414	—	
Less: Ending balance of other payables	(204,145)	(182,028)	
Cash paid for acquisition of property, plant and equipment	<u>\$ 116,481</u>	<u>\$ 174,325</u>	

B. Investing activities with no cash flow effect:

For the three-month periods ended March 31,			
	2024	2023	
a. Prepayment for business facilities reclassified to prepayments	<u>\$ —</u>	<u>\$ 213</u>	
b. Prepayment for business facilities reclassified to property, plant and equipment	<u>\$ 45,058</u>	<u>\$ 40,629</u>	

(29) Changes in liabilities from financing activities

	Short-term		Long-term		Total liabilities
For the three-month period ended March 31, 2024	borrowings	Lease liabilities	borrowings	Others	from financing activities
At January 1	\$ 2,729,916	\$ 1,340,156	\$ 4,150,000	\$ 54,915	\$ 8,274,987
Changes in cash flow from financing activities	1,117,972	(57,901)	(500,000)	(125)	559,946
Changes in other non-cash items	–	796	–	–	796
Impact of changes in foreign exchange rate	–	24,432	–	–	24,432
At March 31	<u>\$ 3,847,888</u>	<u>\$ 1,307,483</u>	<u>\$ 3,650,000</u>	<u>\$ 54,790</u>	<u>\$ 8,860,161</u>

	Short-term	Short-term	Lease	Long-term		Total liabilities
For the three-month period ended March 31, 2023	borrowings	notes and bills payable	liabilities	borrowings	Others	from financing activities
At January 1	\$2,429,889	\$ –	\$1,598,319	\$3,800,000	\$ 67,241	\$ 7,895,449
Changes in cash flow from financing activities	(700,438)	200,000	(64,720)	(300,000)	(11,475)	(876,633)
Changes in other non-cash items	–	(300)	2,313	–	–	2,013
Impact of changes in foreign exchange rate	–	–	(6,100)	–	–	(6,100)
At March 31	<u>\$1,729,451</u>	<u>\$ 199,700</u>	<u>\$1,529,812</u>	<u>\$3,500,000</u>	<u>\$ 55,766</u>	<u>\$ 7,014,729</u>

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

The Company's parent company and the Group's ultimate parent 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 Group</u>
Uni-President Enterprises Corp.	Ultimate parent company
Taizhou President Enterprises Co., Ltd.	Parent company to entity with joint control or significant influence
Guangzhou President Enterprises Co., Ltd.	Parent company to entity with joint control or significant influence
President (Kunshan) Trading Co., Ltd.	Parent company to entity with joint control or significant influence
Beijing President Enterprises Drinks Co., Ltd.	Parent company to entity with joint control or significant influence
TTET Union Corp.	Parent company to entity with joint control or significant influence
Chengdu President Enterprises Food Co., Ltd.	Parent company to entity with joint control or significant influence
Zhanjiang President Enterprises Co., Ltd.	Parent company to entity with joint control or significant influence
Uni-President Enterprises (TianJin) Co., Ltd.	Parent company to entity with joint control or significant influence
Shanghai E & P Trading Co., Ltd.	Parent company to entity with joint control or significant influence
Daiwa Can Co., Ltd.	Entity to subsidiary-Wuxi Tonyi Daiwa Industrial Co., Ltd. with significant influence

(3) Significant transactions and balances with related parties

A. Sales

	<u>For the three-month periods ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Sales of goods:		
Ultimate parent company	\$ 11,088	\$ 8,150
Parent company to entities with joint control or significant influence		
Guangzhou President Enterprises Co., Ltd.	1,047,346	822,379
Others	3,352,033	3,244,004
	<u>\$ 4,410,467</u>	<u>\$ 4,074,533</u>

Sales price from related party is similar to that of a third party. The Group's collection terms for related parties are within 30~90 days of monthly statements, and within 15~45 days after receipt of the invoice, and 40~50% in advance, the remaining are within 45 days after receipt of the invoice. The collection terms are similar to those of third parties.

B. Purchases

	For the three-month periods ended March 31,	
	2024	2023
Purchases of goods:		
Parent company to entities with joint control or significant influence	\$ 697,527	\$ 489,065
Others	445	262
	<u>\$ 697,972</u>	<u>\$ 489,327</u>

Purchase price from related party is similar to that of a third party. Payments are made within 25~30 days of monthly statement, 5~30 days after invoice date, within 5~45 days after receipt of the invoice. The payment terms are similar to those of third parties.

C. Receivables from related parties

	March 31, 2024	December 31, 2023	March 31, 2023
Receivables from related parties:			
Ultimate parent company	\$ 3,535	\$ 3,381	\$ 3,517
Parent company to entities with joint control or significant influence			
Guangzhou President Enterprises Co., Ltd.	317,563	437,972	367,935
Others	1,677,672	1,281,173	1,758,367
	<u>\$ 1,998,770</u>	<u>\$ 1,722,526</u>	<u>\$ 2,129,819</u>

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

D. Guarantee deposit paid

	March 31, 2024	December 31, 2023	March 31, 2023
Parent company to entities with joint control or significant influence	<u>\$ 24,733</u>	<u>\$ 24,142</u>	<u>\$ 21,981</u>

E. Payables to related parties

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Payables to related parties:			
Ultimate parent company	\$ 2, 519	\$ 8, 866	\$ 3, 651
Parent company to entities with joint control or significant influence	<u>242, 369</u>	<u>303, 170</u>	<u>246, 700</u>
	<u>\$ 244, 888</u>	<u>\$ 312, 036</u>	<u>\$ 250, 351</u>

Payables to related parties arise from purchases of goods and other expenses. These payables do not incur interest.

F. Lease transactions — lessee

(a) The Group leases buildings from related parties. Rental contracts are typically made for periods of 6 to 15 years. Rents are prepaid for three months.

(b) Lease liabilities and interest expense

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
	<u>Lease liabilities</u>	<u>Lease liabilities</u>	<u>Lease liabilities</u>
Parent company to entities with joint control or significant influence			
Uni-President Enterprises (TianJin) Co., Ltd.	\$ 280, 276	\$ 278, 719	\$ 301, 004
Zhanjiang President Enterprises Co., Ltd.	235, 435	240, 638	279, 087
Taizhou President Enterprises Co., Ltd.	224, 982	235, 247	288, 036
Kunshan President Enterprises Food Co., Ltd.	130, 139	135, 383	163, 818
Others	<u>112, 510</u>	<u>126, 727</u>	<u>178, 595</u>
	<u>\$ 983, 342</u>	<u>\$ 1, 016, 714</u>	<u>\$ 1, 210, 540</u>

	For the three-month periods ended March 31,	
	2024	2023
	Interest expense	Interest expense
Parent company to entities with joint control or significant influence		
Uni-President Enterprises (TianJin) Co., Ltd.	\$ 2,933	\$ 3,195
Zhanjiang President Enterprises Co., Ltd.	2,501	3,009
Taizhou President Enterprises Co., Ltd.	2,390	3,106
Kunshan President Enterprises Food Co., Ltd.	1,489	1,875
Others	1,138	1,877
	<u>\$ 10,451</u>	<u>\$ 13,062</u>

(4) Key management compensation

	For the three-month periods ended March 31,	
	2024	2023
Salaries and other short-term employee benefits	<u>\$ 6,897</u>	<u>\$ 7,012</u>

8. PLEDGED ASSETS

None.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT

COMMITMENTS

- A. As of March 31, 2024, December 31, 2023 and March 31, 2023, the remaining balances due to capital expenditure contracted for at the balance sheet date but not yet incurred were \$650,161, \$468,854 and \$567,382, respectively.
- B. As of March 31, 2024, December 31, 2023 and March 31, 2023, the unused letters of credit amounted to \$428,265, \$357,688 and \$425,744, respectively.
- C. The commitments of the Group 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 【(Total liability less cash and cash equivalents) / consolidated tangible shareholders' equity】 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 within four months, the bank has the right to cancel or reduce the credit line.

As of March 31, 2024, December 31, 2023 and March 31, 2023, the Group 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 Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders, maintain an optimal capital structure to both reduce the cost of capital and to meet the monetary needs of improving productivity. In order to maintain or adjust the capital structure, the Group 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 Group are described in Note 6, 'Financial assets.'

B. Financial risk management policies

- a. The Group'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 Group seeks to minimize potential adverse effects on the Group's financial performance. The Group hedges foreign exchange risk by using forward foreign exchange contracts.
- b. Risk management is carried out by a central treasury department (Group Finance Department) under policies approved by the Board of Directors. Group Finance Department identifies, evaluates and hedges financial risks in close cooperation with the Group'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 Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD, EUR and JPY. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.
- ii. The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. The Group's foreign operations are considered strategic investments; thus, no hedging for the purpose is conducted.
- iii. The Group's businesses involve some non-functional currency operations (the Company's functional currency: NTD; certain subsidiaries' functional currency: USD, CNY and VND). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

(Foreign currency: Functional currency)	March 31, 2024		
	Foreign Currency (in thousands)	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 34,751	32.00	\$ 1,112,032
EUR : NTD	4,880	34.46	168,165
USD : CNY	1,571	7.22	50,272
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	15,579	32.00	498,528
USD : CNY	2,423	7.22	77,536
(Foreign currency: Functional currency)	December 31, 2023		
	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
USD : CNY	1,832	7.10	56,261
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	14,036	30.71	431,046
USD : CNY	5,519	7.10	169,488

(Foreign currency: Functional currency)	March 31, 2023		
	Foreign Currency (in thousands)	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 29,347	30.45	\$ 893,616
USD : CNY	3,025	6.87	92,111
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	13,419	30.45	408,609
USD : CNY	12,085	6.87	367,988
JPY : CNY	115,885	0.05	26,514

- iv. As of March 31, 2024 and 2023, if the functional currency exchange rate had appreciated/depreciated by 1%, with all other factors remaining constant, the Group's post-tax profit for the three-month periods ended March 31, 2024 and 2023 would have increased/decreased by \$6,035 and \$1,461, respectively.
- v. The total exchange gain, including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Group for the three-month periods ended March 31, 2024 and 2023 amounted to \$29,069 and \$2,715, respectively.

(b) Price risk

- i. The Group'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 Group evaluates investment activities carefully. Accordingly, no material market risk is expected.
- ii. The Group'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 three-month periods ended March 31, 2024 and 2023 would have increased/decreased by \$1,343 and \$960, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

(c) Cash flow and fair value interest rate risk

- i. The Group's interest rate risk arises from short-term and long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rate. For the three-month periods ended March 31, 2024 and 2023, the Group's borrowings at variable rate were mainly denominated in New Taiwan dollars, US dollars, Japanese yens and Chinese yuan.

- ii. If the borrowing interest rate had increased/decreased by 1% with all other variables held constant, profit, net of tax for the three-month periods ended March 31, 2024 and 2023 would have decreased/increased by \$277 and \$258, 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 Group 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 Group manages its credit risk taking into consideration the entire Group's concern. For banks and financial institutions, only those with a high credit rating are accepted. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing 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 utilisation 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 Group adopts the 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 are 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. If the credit rating grade of an investment target degrades two scales, there has been a significant increase in credit risk on that instrument since initial recognition.
- (e) The Group classifies customers' notes and accounts receivable in accordance with credit rating of customers. The Group 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 Group applying the simplified approach to provide loss allowance for notes and accounts receivable are as follows:

	For the three-month period ended March 31, 2024		
	Notes	Accounts	
	receivable	receivable	Total
At January 1	\$ 1,833	\$ 15,067	\$ 16,900
Expected credit (gains) losses	(52)	6,366	6,314
Effect of foreign exchange	17	194	211
At March 31	<u>\$ 1,798</u>	<u>\$ 21,627</u>	<u>\$ 23,425</u>

	For the three-month period ended March 31, 2023		
	Notes	Accounts	
	receivable	receivable	Total
At January 1	\$ 2,446	\$ 32,217	\$ 34,663
Expected credit gains	(253)	(3,315)	(3,568)
Effect of foreign exchange	(3)	(109)	(112)
At March 31	<u>\$ 2,190</u>	<u>\$ 28,793</u>	<u>\$ 30,983</u>

c. Liquidity risk

- (a) Cash flow forecasting is performed in the operating entities of the Group and aggregated by the Group Finance Department. Group Finance Department monitors rolling forecasts of the Group'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 operating entities over and above the balance required for working capital management are transferred to the Group Finance Department. Group Finance Department invests surplus cash in interest bearing current accounts and time deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts.
- (c) The table below analyzes the Group'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.

March 31, 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Non-derivative financial liabilities:				
Short-term borrowings	\$ 3,863,837	\$ -	\$ -	\$ -
Accounts payable (including related parties)	1,687,232	-	-	-
Other payables (including related parties)	1,332,978	-	-	-
Lease liabilities (current and non-current)	264,842	255,741	492,611	490,232
Other financial liabilities - current	25,904	-	-	-
Refund liabilities - current	21,516	-	-	-
Long-term borrowings	64,416	2,151,451	1,558,110	-
Guarantee deposits received	-	9,945	18,941	-
December 31, 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Non-derivative financial liabilities:				
Short-term borrowings	\$ 2,743,366	\$ -	\$ -	\$ -
Accounts payable (including related parties)	1,494,946	-	-	-
Other payables (including related parties)	1,526,509	-	-	-
Lease liabilities (current and non-current)	268,212	250,554	531,297	494,768
Other financial liabilities - current	26,309	-	-	-
Refund liabilities - current	21,810	-	-	-
Long-term borrowings	72,908	2,653,753	1,559,523	-
Guarantee deposits received	-	10,455	18,151	-
March 31, 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Non-derivative financial liabilities:				
Short-term borrowings	\$ 1,737,871	\$ -	\$ -	\$ -
Short-term notes and bills payable	200,000	-	-	-
Accounts payable (including related parties)	1,755,127	-	-	-
Other payables (including related parties)	1,434,630	-	-	-
Lease liabilities (current and non-current)	282,000	272,709	651,270	570,087
Other financial liabilities - current	21,568	-	-	-
Refund liabilities - current	13,217	-	-	-
Long-term borrowings	58,711	1,788,482	1,767,902	-
Guarantee deposits received	-	9,413	7,065	17,720

(d) The Group 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 Group'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 instruments not measured at fair value including cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables, other financial assets - current, guarantee deposits paid, short-term borrowings, short-term notes and bills payable, accounts payable (including related parties), other payables (including related parties), 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>March 31, 2024</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>\$ 134,302</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 134,302</u>
<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>March 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>\$ 96,039</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 96,039</u>

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

The instruments the Group 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 three-month periods ended March 31, 2024 and 2023, there was no transfer into or out between Level 1 and Level 2.

F. For the three-month periods ended March 31, 2024 and 2023, there was no such situation of Level 3.

13. SUPPLEMENTARY DISCLOSURES

(According to the current regulatory requirements, the Group is only required to disclose the information for the three-month period ended March 31, 2024.)

(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 NT\$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 period: 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

(1) General information

The management of the Group has identified the operating segments based on information provided to the Group's chief operating decision-maker in order to make strategic decisions. The Group's organization, basis of identification and measurement of segment information had no significant changes in this period.

(2) Measurement of segment information

The chief operating decision-maker evaluates the performance of operating segments based on segment pre-tax income.

(3) Information about segment profit or loss and assets

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

For the three-month period ended March 31, 2024					
	Taiwan	Tinplate Products in Mainland China	Plastic Products in Mainland China	Others	Total
Revenue from external customers	\$ 3,370,508	\$ 824,843	\$ 4,404,293	\$ 770,694	\$ 9,370,338
Revenue from internal customers	132,889	107,452	19,249	–	259,590
Segment revenue	<u>\$ 3,503,397</u>	<u>\$ 932,295</u>	<u>\$ 4,423,542</u>	<u>\$ 770,694</u>	<u>\$ 9,629,928</u>
Segment income	<u>\$ 194,426</u>	<u>(\$ 90,199)</u>	<u>\$ 353,665</u>	<u>\$ 209,008</u>	<u>\$ 666,900</u>
Segment assets	<u>\$ 28,500,374</u>	<u>\$ 6,227,427</u>	<u>\$ 19,205,678</u>	<u>\$ 20,953,732</u>	<u>\$ 74,887,211</u>
For the three-month period ended March 31, 2023					
	Taiwan	Tinplate Products in Mainland China	Plastic Products in Mainland China	Others	Total
Revenue from external customers	\$ 3,409,728	\$ 786,743	\$ 4,019,859	\$ 686,860	\$ 8,903,190
Revenue from internal customers	613,084	147,041	18,562	–	778,687
Segment revenue	<u>\$ 4,022,812</u>	<u>\$ 933,784</u>	<u>\$ 4,038,421</u>	<u>\$ 686,860</u>	<u>\$ 9,681,877</u>
Segment income	<u>\$ 378,578</u>	<u>(\$ 110,739)</u>	<u>\$ 242,464</u>	<u>\$ 121,507</u>	<u>\$ 631,810</u>
Segment assets	<u>\$ 28,584,036</u>	<u>\$ 6,300,638</u>	<u>\$ 18,676,835</u>	<u>\$ 20,723,255</u>	<u>\$ 74,284,764</u>

(4) Reconciliation for segment income (loss) and assets

- A. Sales between segments were carried out at arm's length. Basis of measurement remained consistent with revenue in the consolidated statements of comprehensive income and revenue from external parties reported to the chief operating decision-maker. A reconciliation of segment profit or loss before tax and the profit or loss before tax from continuing operations is shown below:

	<u>For the three-month periods ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Income of reportable segments	\$ 457,892	\$ 510,303
Income of other segments	209,008	121,507
Elimination of intersegment transactions	(429,415)	(244,194)
Net income before income tax from continuing operations	<u>\$ 237,485</u>	<u>\$ 387,616</u>

- B. The amount of total assets provided to the chief operating decision-maker adopts the same basis of measurement as assets in the Group's financial statements. The reconciliations between reportable segments' assets and total assets are as follows:

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
Assets of reportable segments	\$ 53,933,479	\$ 53,561,509
Assets of other operating segments	20,953,732	20,723,255
Elimination of intersegment transactions	(41,020,587)	(40,258,962)
Total assets	<u>\$ 33,866,624</u>	<u>\$ 34,025,802</u>

Ton Yi Industrial Corp. and Subsidiaries

Loans to others

For the three-month period ended March 31, 2024

Table 1

Expressed in thousands of NTD

NO.	Name of lender	Name of borrower	Account	Related party	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
					Maximum balance	Ending balance	drawn down	Interest rate					Item	Value			
1	Kunshan Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	\$ 132,920	\$ 132,920	\$ 109,880	2.615	2	\$ -	Operational use	\$ -	—	\$ -	\$ 1,165,647	\$ 1,165,647	Note 2
1	Kunshan Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	354,453	221,533	221,533	3.115~3.315	2	-	Operational use	-	—	-	1,165,647	1,165,647	Note 2
1	Kunshan Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinsplate Co., Ltd.	Other receivables	Y	132,920	132,920	132,920	3.115~3.315	2	-	Operational use	-	—	-	233,129	466,259	Note 2
2	Chengdu Ton Yi Industrial Packing Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	287,993	287,993	287,993	3.215~3.315	2	-	Operational use	-	—	-	444,664	444,664	Note 2
3	Taizhou Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	132,920	132,920	-	—	2	-	Operational use	-	—	-	1,782,900	1,782,900	Note 2
3	Taizhou Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	265,840	265,840	177,226	3.115~3.315	2	-	Operational use	-	—	-	1,782,900	1,782,900	Note 2
3	Taizhou Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinsplate Co., Ltd.	Other receivables	Y	243,686	243,686	243,686	3.115~3.215	2	-	Operational use	-	—	-	356,580	713,160	Note 2
3	Taizhou Ton Yi Industrial Co., Ltd.	Wuxi Tonyi Daiwa Industrial Co., Ltd.	Other receivables	Y	177,226	177,226	177,226	3.315	2	-	Operational use	-	—	-	356,580	713,160	Note 2
4	Sichuan Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	155,073	155,073	155,073	3.115	2	-	Operational use	-	—	-	1,402,179	1,402,179	Note 2
4	Sichuan Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	132,920	132,920	110,767	2.615	2	-	Operational use	-	—	-	1,402,179	1,402,179	Note 2
4	Sichuan Ton Yi Industrial Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	Other receivables	Y	398,759	265,840	265,840	3.115~3.315	2	-	Operational use	-	—	-	1,402,179	1,402,179	Note 2

Ton Yi Industrial Corp. and Subsidiaries

Loans to others

For the three-month period ended March 31, 2024

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		Note
							drawn down	Interest rate					Item	Value		available for loan		
4	Sichuan Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	\$ 66,460	\$ 66,460	\$ 66,460	3.115	2	\$ -	Operational use	\$ -	—	\$ -	\$ 280,436	\$ 560,872	Note 2	
4	Sichuan Ton Yi Industrial Co., Ltd.	Wuxi Tonyi Daiwa Industrial Co., Ltd.	Other receivables	Y	177,226	177,226	177,226	3.315	2	-	Operational use	-	—	-	280,436	560,872	Note 2	
5	Zhanjiang Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	487,373	420,913	420,913	3.115~3.315	2	-	Operational use	-	—	-	971,578	971,578	Note 2	
5	Zhanjiang Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	132,920	132,920	22,153	2.615	2	-	Operational use	-	—	-	971,578	971,578	Note 2	
6	Ton Yi (China) Investment Co., Ltd.	Zhangzhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	132,920	132,920	-	—	2	-	Operational use	-	—	-	12,928,512	12,928,512	Note 2	
6	Ton Yi (China) Investment Co., Ltd.	Taizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	132,920	132,920	-	—	2	-	Operational use	-	—	-	12,928,512	12,928,512	Note 2	
6	Ton Yi (China) Investment Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	Other receivables	Y	132,920	132,920	-	3.115	2	-	Operational use	-	—	-	12,928,512	12,928,512	Note 2	
6	Ton Yi (China) Investment Co., Ltd.	Kunshan Ton Yi Industrial Co., Ltd.	Other receivables	Y	132,920	132,920	-	—	2	-	Operational use	-	—	-	12,928,512	12,928,512	Note 2	
6	Ton Yi (China) Investment Co., Ltd.	Beijing Ton Yi Industrial Co., Ltd.	Other receivables	Y	132,920	132,920	-	—	2	-	Operational use	-	—	-	12,928,512	12,928,512	Note 2	
6	Ton Yi (China) Investment Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	221,533	221,533	88,613	3.315	2	-	Operational use	-	—	-	12,928,512	12,928,512	Note 2	
6	Ton Yi (China) Investment Co., Ltd.	Zhanjiang Ton Yi Industrial Co., Ltd.	Other receivables	Y	132,920	132,920	-	—	2	-	Operational use	-	—	-	12,928,512	12,928,512	Note 2	
6	Ton Yi (China) Investment Co., Ltd.	Sichuan Ton Yi Industrial Co., Ltd.	Other receivables	Y	132,920	132,920	-	—	2	-	Operational use	-	—	-	12,928,512	12,928,512	Note 2	

Ton Yi Industrial Corp. and Subsidiaries

Loans to others

For the three-month period ended March 31, 2024

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				
6	Ton Yi (China) Investment Co., Ltd.	Tianjin Ton Yi Industrial Co., Ltd.	Other receivables	Y	\$ 132,920	\$ 132,920	\$ -	—	2	\$ -	Operational use	\$ -	—	\$ -	\$ 12,928,512	\$ 12,928,512		Note 2
6	Ton Yi (China) Investment Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	753,212	753,212	553,833	3.115~3.315	2	-	Operational use	-	—	-	12,928,512	12,928,512		Note 2
6	Ton Yi (China) Investment Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	797,519	797,519	796,633	3.115~3.315	2	-	Operational use	-	—	-	2,585,702	5,171,405		Note 2
6	Ton Yi (China) Investment Co., Ltd.	Wuxi Tonyi Daiwa Industrial Co., Ltd.	Other receivables	Y	88,613	88,613	44,306	3.115	2	-	Operational use	-	—	-	2,585,702	5,171,405		Note 2
7	Zhangzhou Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	132,920	132,920	22,153	2.615	2	-	Operational use	-	—	-	1,906,511	1,906,511		Note 2
7	Zhangzhou Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	132,920	132,920	132,920	3.115	2	-	Operational use	-	—	-	381,302	762,604		Note 2
8	Chengdu Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	132,920	132,920	-	—	2	-	Operational use	-	—	-	1,414,007	1,414,007		Note 2
9	Beijing Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	132,920	132,920	-	—	2	-	Operational use	-	—	-	1,046,441	1,046,441		Note 2
9	Beijing Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	199,380	199,380	199,380	3.115~3.215	2	-	Operational use	-	—	-	1,046,441	1,046,441		Note 2
9	Beijing Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	110,767	110,767	110,767	3.115	2	-	Operational use	-	—	-	1,046,441	1,046,441		Note 2
9	Beijing Ton Yi Industrial Co., Ltd.	Tianjin Ton Yi Industrial Co., Ltd.	Other receivables	Y	88,613	88,613	88,613	3.215	2	-	Operational use	-	—	-	1,046,441	1,046,441		Note 2

Ton Yi Industrial Corp. and Subsidiaries

Loans to others

For the three-month period ended March 31, 2024

Table 1

Expressed in thousands of NTD

										Nature of financial activity	Total transaction	Reason for short-term	Allowance for doubtful	Collateral		Loan limit	Maximum amount	
NO.	Name of lender	Name of borrower	Account	Related party	Maximum balance	Ending balance	Actual amount drawn down	Interest rate	(Note 1)	amount	financing	accounts	Item	Value	per entity	available for loan	Note	
9	Beijing Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	\$ 199,380	\$ 199,380	\$ 66,460	3.115	2	\$ -	Operational use	\$ -	—	\$ -	\$ 209,288	\$ 418,576	Note 2	
10	Huizhou Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	132,920	132,920	-	—	2	-	Operational use	-	—	-	1,393,095	1,393,095	Note 2	
11	Jiangsu Ton Yi Tinplate Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	398,759	265,840	265,840	3.215~3.315	2	-	Operational use	-	—	-	438,332	876,664	Note 2	
11	Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Tonyi Daiwa Industrial Co., Ltd.	Other receivables	Y	199,380	199,380	22,153	3.115	2	-	Operational use	-	—	-	438,332	876,664	Note 2	
11	Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	155,073	155,073	155,073	3.315	2	-	Operational use	-	—	-	438,332	876,664	Note 2	
12	Tianjin Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	132,920	132,920	-	—	2	-	Operational use	-	—	-	437,733	437,733	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 March 31, 2024 as follows: CNY:NTD 1 : 4.43066.

Ton Yi Industrial Corp. and Subsidiaries

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

March 31, 2024

Table 2

Expressed in thousands of NTD

		As of March 31, 2024						
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	\$ 134,302	0.04%	\$ 134,302	—

(Note) The code number explanation is as follows:

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

Ton Yi Industrial Corp. and Subsidiaries

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

For the three-month period ended March 31, 2024

Table 3

Expressed in thousands of NTD

							Description and reasons for difference in transaction terms compared to third party transactions					
			Transaction						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)	(\$ 119,709)	(3)	50 days after shipping, T/T	\$ -	—	\$ 74,513	5	—	
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)	(127,953)	(23)	Within 30 days of statements settled monthly, T/T	-	—	45,950	15	—	
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	127,953	54	Within 30 days of statements settled monthly, T/T	-	—	(45,950)	(36)	—	
Fujian Ton Yi Tinplate Co., Ltd	Ton Yi Industrial Corp.	The Company	Purchases	119,709	13	50 days after shipping, T/T	-	—	(74,513)	(73)	—	
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)	(382,198)	(41)	67 days after invoice date, T/T	-	—	26,286	4	—	
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	382,198	100	67 days after invoice date, T/T	-	—	(26,286)	(100)	—	
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)	(315,208)	(67)	25 days after receipt of invoice, T/T	-	—	98,881	57	—	
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)	(459,543)	(64)	25 days after receipt of invoice, T/T	-	—	266,732	67	—	

Ton Yi Industrial Corp. and Subsidiaries

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

For the three-month period ended March 31, 2024

Table 3

Expressed in thousands of NTD

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
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)	\$ 320,698)	(68)	25 days after receipt of invoice, T/T	\$ -	—	\$ 148,193	70	—
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)	(481,104)	(80)	25 days after receipt of invoice, T/T	-	—	157,032	87	—
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	105,357	25	5~45 days after receipt of invoice, T/T	-	—	(25,172)	(13)	—
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)	(574,218)	(99)	25 days after receipt of invoice, T/T	-	—	280,782	98	—
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)	(472,512)	(99)	25 days after receipt of invoice, T/T	-	—	271,892	99	—
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	109,319	27	5~45 days after receipt of invoice, T/T	-	—	(32,801)	(16)	—
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)	(565,549)	(99)	25 days after receipt of invoice, T/T	-	—	202,923	100	—
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)	(309,119)	(77)	25 days after receipt of invoice, T/T	-	—	129,933	87	—

Ton Yi Industrial Corp. and Subsidiaries

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

For the three-month period ended March 31, 2024

Table 3

Expressed in thousands of NTD

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
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)	(\$ 184,566)	(63)	25 days after receipt of invoice, T/T	\$ -	—	\$ 62,327	85	—

(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 March 31, 2024 (USD:NTD 1:32 ; CNY:NTD 1:4.43066).

Purchases and sales were translated using the weighted-average exchange rate for the three-month period ended March 31, 2024 (USD:NTD 1:31.444661 ; CNY:NTD 1:4.374388).

Ton Yi Industrial Corp. and Subsidiaries

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

March 31, 2024

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		
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	\$ 288,282	-	\$ -	—	\$ -	\$ -
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	266,706	-	-	—	133,140	-
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	155,230	-	-	—	155,230	-
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	810,685	-	-	—	354	-
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	567,550	-	-	—	238	-
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	134,426	-	-	—	-	-
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	266,732	8.26	-	—	143,233	-
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	248,001	-	-	—	-	-
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	178,367	-	-	—	88,703	-

Ton Yi Industrial Corp. and Subsidiaries

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

March 31, 2024

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		
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	\$ 177,406	-	\$ -	—	\$ -	\$ -
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	Accounts receivable	148,193	11.64	-	—	57,372	-
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	157,032	10.76	-	—	109,576	-
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	280,782	10.19	-	—	161,576	-
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	224,263	-	-	—	215	-
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	133,299	-	-	—	-	-
Kunshan 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	110,137	-	-	—	257	-
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	271,892	8.96	-	—	172,214	-
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	199,572	-	-	—	-	-

Ton Yi Industrial Corp. and Subsidiaries

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

March 31, 2024

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		
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	\$ 111,803	-	\$ -	—	\$ -	\$ -
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	202,923	8.68	-	—	81,767	-
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	269,828	-	-	—	151	-
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	183,167	-	-	—	183,167	-
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	156,872	-	-	—	57	-
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	111,016	-	-	—	249	-
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	Accounts receivable	129,933	11.33	-	—	84,258	-
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	421,293	-	-	—	-	-

(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 March 31, 2024 (CNY:NTD 1:4.43066 ; USD:NTD 1:32).

Ton Yi Industrial Corp. and Subsidiaries
Significant inter-company transactions during the reporting period
For the three-month period ended March 31, 2024

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	\$ 119,709	50 days after shipping, T/T	1
1	Chengdu Ton Yi Industrial Packing Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	288,282	—	1
2	Wuxi Ton Yi Industrial Packing Co., Ltd.	Changsha Ton Yi Industrial Co., Ltd.	3	Sales	127,953	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	382,198	67 days after invoice date, T/T	4
4	Jiangsu Ton Yi Tinplate Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	266,706	—	1
		Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	155,230	—	—
5	Ton Yi (China) Investment Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	810,685	—	2
		Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	567,550	—	2
6	Zhangzhou Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	134,426	—	—
7	Taizhou Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	248,001	—	1
		Huizhou Ton Yi Industrial Co., Ltd.	3	Other receivables	178,367	—	1
		Wuxi Tonyi Daiwa Industrial Co., Ltd.	3	Other receivables	177,406	—	1
8	Kunshan Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	224,263	—	1
		Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	133,299	—	—
		Ton Yi (China) Investment Co., Ltd.	3	Other receivables	110,137	—	—
9	Beijing Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	3	Other receivables	199,572	—	1
		Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	111,803	—	—
10	Sichuan Ton Yi Industrial Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	3	Other receivables	269,828	—	1
		Wuxi Tonyi Daiwa Industrial Co., Ltd.	3	Other receivables	183,167	—	1
		Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	156,872	—	—
		Ton Yi (China) Investment Co., Ltd.	3	Other receivables	111,016	—	—

Ton Yi Industrial Corp. and Subsidiaries
Significant inter-company transactions during the reporting period
For the three-month period ended March 31, 2024

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	
11	Zhanjiang Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	3	Other receivables	\$ 421,293	—	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 March 31, 2024 (CNY:NTD 1:4.43066);

Sales were translated using the weighted-average exchange rate for the three-month period ended March 31, 2024 (CNY:NTD 1:4.374388).

Table 6

Expressed in thousands of NTD

Ton Yi Industrial Corp. and Subsidiaries												
Names, locations and other information of investee companies (not including investees in Mainland China)												
For the three-month period ended March 31, 2024												
Expressed in thousands of NTD												
Investor company	Investee company	Location	Main business activities	Original investment amount		Shares held as at March 31, 2024			Net income (loss) of the investee	Income (loss) recognized by the Company	Note	
				Balance at March 31, 2024	Balance at December 31, 2023	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	\$ 18,212,511	\$ 223,065	\$ 223,065	Subsidiary	
Ton Yi Industrial Corp.	Tovecan Corp.	Vietnam	Manufacturing and sale of cans	43,740	43,740	-	51.00	51,200 (	3,331) (	1,699)	Subsidiary	
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Ton Yi Holdings Ltd.	Cayman	General investment	7,360,000	7,360,000	230,000,000	100.00	12,928,500	315,658	-	Subsidiary (Note 1)	
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Fujian Ton Yi Holdings Ltd.	Cayman	General investment	2,049,986	2,049,986	8,727	100.00	1,816,749 (	45,491)	-	Subsidiary (Note 1)	
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Jiangsu Ton Yi Holdings Ltd.	Cayman	General investment	1,148,889	1,148,889	5,000	100.00	1,815,965 (	12,430)	-	Subsidiary (Note 1)	
Cayman Ton Yi Holdings Ltd.	Cayman Ton Yi (China) Holdings Ltd.	Cayman	General investment	7,360,000	7,360,000	230,000,000	100.00	12,928,500	315,658	-	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 March 31, 2024 (USD:NTD 1:32);

Profit and loss were translated using the weighted-average exchange rate for the three-month period ended March 31, 2024 (USD:NTD 1:31.444661).

Ton Yi Industrial Corp. and Subsidiaries
Information on investments in Mainland China - Basic information
For the three-month period ended March 31, 2024

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, 2024	Investment amount		Accumulated amount of remittance from Taiwan as of March 31, 2024	Net income (loss) of the investee	Ownership held by the Company (direct or indirect)	Income (loss) recognized by the Company	Book value as of March 31, 2024	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	\$ 864,000	Note 1	\$ 224,000	\$ -	\$ -	\$ 224,000	(\$ 42,253)	100.00	(\$ 41,739)	\$ 854,030	\$ -	Note 7
Chengdu Ton Yi Industrial Packing Co., Ltd.	Sale of cans	240,000	Note 1	240,000	-	-	240,000	2,445	100.00	2,445	447,140	-	Note 7
Changsha Ton Yi Industrial Co., Ltd.	Sale of cans	224,000	Note 1	-	-	-	-	4,621	100.00	4,621	343,052	-	Note 7
Fujian Ton Yi Tinplate Co., Ltd.	Manufacturing and sale of tinplate	2,768,000	Note 2	1,707,104	-	-	1,707,104	(52,406)	86.80	(45,491)	1,816,749	-	Note 8
Jiangsu Ton Yi Tinplate Co., Ltd.	Sales of tinplate	1,280,000	Note 3	888,000	-	-	888,000	(15,001)	82.86	(12,430)	1,815,965	-	Note 8
Ton Yi (China) Investment Co., Ltd.	General investment	7,360,000	Note 4	960,000	-	-	960,000	315,658	100.00	315,658	12,928,500	1,621,057	Note 8
Zhangzhou Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	960,000	Note 5	960,000	-	-	960,000	41,361	100.00	41,361	1,906,511	-	Note 8
Taizhou Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	960,000	Note 5	960,000	-	-	960,000	73,295	100.00	73,295	1,782,900	-	Note 8
Chengdu Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	960,000	Note 5	368,000	-	-	368,000	50,468	100.00	50,468	1,414,007	-	Note 8
Huizhou Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	960,000	Note 5	192,000	-	-	192,000	58,482	100.00	58,482	1,452,329	-	Note 7
Kunshan Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	960,000	Note 5	-	-	-	-	9,698	100.00	9,698	1,165,647	-	Note 8
Beijing Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	960,000	Note 5	-	-	-	-	6,466	100.00	6,466	1,052,990	-	Note 7

Ton Yi Industrial Corp. and Subsidiaries
Information on investments in Mainland China - Basic information
For the three-month period ended March 31, 2024

Table 7

Expressed in thousands of NTD

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, 2024	Remitted to Mainland China	Remitted back to Taiwan	of remittance from Taiwan as of March 31, 2024				as of March 31, 2024		
Sichuan Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	\$ 960,000	Note 5	\$ -	\$ -	\$ -	\$ -	\$ 30,253	100.00	\$ 30,253	\$ 1,432,821	\$ -	Note 7
Zhanjiang Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	640,000	Note 5	-	-	-	-	32,421	100.00	32,421	1,004,416	-	Note 7
Tianjin Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	640,000	Note 5	-	-	-	-	13,315	100.00	13,315	451,220	-	Note 7
Wuxi Tonyi Daiwa Industrial Co., Ltd.	Manufacturing and sale of new bottle can	1,280,000	Note 6	-	-	-	-	(21,806)	66.50	(14,501)	555,515	-	Note 7
Company name	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2024	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 9)										
Ton Yi Industrial Corp.	\$ 6,499,104	\$ 13,007,590	\$ 12,324,121										

(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 unreviewed financial statements.

(Note 8) The Company recognized income (loss) based on reviewed financial statements.

(Note 9) The ceiling amount is 60% of consolidated net assets.

(Note 10) Foreign currency was translated into New Taiwan Dollars using the following exchanges: Ending investment balances were translated using the exchange rate as at March 31, 2024 (CNY:NTD 1:4.43066, USD:NTD 1:32);

Investment gains or losses were translated using the weighted-average exchange rate for the three-month period ended March 31, 2024 (CNY:NTD 1:4.374388, USD:NTD 1:31.444661).

Ton Yi Industrial Corp. and Subsidiaries
Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area
For the three-month period ended March 31, 2024

Table 8

Expressed in thousands of NTD

	Sales/(purchases)		Property transaction		Accounts receivable/ (payable)		Provision of endorsements/guarantees or collaterals		Financing				
	Amount	%	Amount	%	Balance at March 31, 2024	%	Balance at March 31, 2024	Purpose	Maximum balance during the three-month period ended March 31, 2024	Balance at March 31, 2024	Interest rate	Interest during the three-month period ended March 31, 2024	Others
Investee in Mainland China													
Fujian Ton Yi Tinplate Co., Ltd.	\$ 119,709	3	\$ -	-	\$ 74,513	5	\$ -	—	\$ -	\$ -	—	\$ -	—

Ton Yi Industrial Corp. and Subsidiaries

Major shareholders information

March 31, 2024

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.