

**TON YI INDUSTRIAL CORP. AND
SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
SEPTEMBER 30, 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. AND SUBSIDIARIES
SEPTEMBER 30, 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 September 30, 2024 and 2023, and the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, as well as the consolidated statements of changes in equity and of cash flows for the nine-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\$9,320,607 thousand and NT\$7,227,484 thousand, constituting 25.96% and 21.54% of the consolidated total assets, and total liabilities of NT\$2,753,877 thousand and NT\$2,767,503 thousand, constituting 18.91% and 21.06% of the consolidated total liabilities as at September 30, 2024 and 2023, respectively and total comprehensive income of NT\$122,451 thousand, NT\$16,924 thousand, NT\$333,869 thousand and NT\$267,179 thousand, constituting 19.20%, 2.63%, 17.74% and 44.39% of the consolidated total comprehensive income for the three-month and nine-month periods ended September 30, 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 September 30, 2024 and 2023, and of its consolidated financial performance for the three-month and nine-month periods then ended and its consolidated cash flows for the nine-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
November 5, 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
SEPTEMBER 30, 2024, DECEMBER 31, 2023 AND SEPTEMBER 30, 2023
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	September 30, 2024		December 31, 2023		September 30, 2023	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 4,195,237	12	\$ 3,308,211	10	\$ 3,684,002	11
1150	Notes receivable, net	6(2)(3), 8 and 12	1,154,522	3	823,487	3	817,155	2
1170	Accounts receivable, net	6(2) and 12	2,784,898	8	1,627,756	5	1,370,145	4
1180	Accounts receivable - related parties	6(2) and 7	2,463,999	7	1,722,526	5	1,989,401	6
1200	Other receivables		98,940	-	72,209	-	50,403	-
1220	Current income tax assets	6(26)	1,907	-	5,163	-	201	-
130X	Inventories	6(4)	4,632,824	13	4,143,695	13	3,901,885	12
1410	Prepayments		818,387	2	463,198	1	675,540	2
1476	Other financial assets - current		1,556	-	1,289	-	1,195	-
11XX	Total current assets		<u>16,152,270</u>	<u>45</u>	<u>12,167,534</u>	<u>37</u>	<u>12,489,927</u>	<u>37</u>
Non-current assets								
1517	Financial assets at fair value through other comprehensive income - non-current	6(5)	106,620	-	118,781	1	118,423	-
1600	Property, plant and equipment	6(6)(8)	15,990,653	45	17,038,631	52	17,621,635	53
1755	Right-of-use assets	6(7) and 7	1,608,241	5	1,735,929	5	1,829,084	6
1760	Investment property, net	6(8)(9)	81,069	-	82,613	-	86,111	-
1780	Intangible assets	6(10)	3,274	-	3,734	-	4,200	-
1840	Deferred income tax assets	6(26)	1,205,582	3	1,170,855	4	1,223,038	4
1915	Prepayments for business facilities	6(6)	643,144	2	151,207	1	131,146	-
1920	Guarantee deposits paid	7	32,531	-	30,604	-	31,217	-
1975	Net defined benefit assets - non-current	6(15)	70,666	-	59,373	-	9,912	-
1990	Other non-current assets, others		6,281	-	13,579	-	15,842	-
15XX	Total non-current assets		<u>19,748,061</u>	<u>55</u>	<u>20,405,306</u>	<u>63</u>	<u>21,070,608</u>	<u>63</u>
1XXX	Total assets		<u>\$ 35,900,331</u>	<u>100</u>	<u>\$ 32,572,840</u>	<u>100</u>	<u>\$ 33,560,535</u>	<u>100</u>

(Continued)

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2024, DECEMBER 31, 2023 AND SEPTEMBER 30, 2023
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	September 30, 2024		December 31, 2023		September 30, 2023	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
	Current liabilities							
2100	Short-term borrowings	6(3)(11) and 8	\$ 3,933,718	11	\$ 2,729,916	8	\$ 3,563,363	11
2120	Financial liabilities at fair value through profit or loss - current	6(12)	170	-	-	-	-	-
2130	Contract liabilities - current	6(19)	114,366	-	109,307	-	68,079	-
2170	Accounts payable		1,953,845	6	1,244,194	4	1,321,287	4
2180	Accounts payable - related parties	7	323,136	1	250,752	1	192,508	1
2200	Other payables		1,587,078	4	1,465,225	4	1,423,639	4
2220	Other payables - related parties	7	69,024	-	61,284	-	86,887	-
2230	Current income tax liabilities	6(26)	225,181	1	168,252	1	147,715	-
2280	Lease liabilities - current	7	215,467	1	223,885	1	235,951	1
2305	Other financial liabilities - current		24,895	-	26,309	-	21,443	-
2365	Refund liabilities - current		15,899	-	21,810	-	22,522	-
21XX	Total current liabilities		<u>8,462,779</u>	<u>24</u>	<u>6,300,934</u>	<u>19</u>	<u>7,083,394</u>	<u>21</u>
	Non-current liabilities							
2540	Long-term borrowings	6(13)	3,900,000	11	4,150,000	13	3,600,000	11
2550	Provisions - non-current	6(14)	87,065	-	85,858	-	85,463	-
2570	Deferred income tax liabilities	6(26)	1,076,411	3	941,641	3	1,133,787	3
2580	Lease liabilities - non-current	7	987,459	3	1,116,271	4	1,182,168	4
2630	Long-term deferred revenue		18,037	-	17,298	-	22,108	-
2645	Guarantee deposits received		28,328	-	28,606	-	35,447	-
25XX	Total non-current liabilities		<u>6,097,300</u>	<u>17</u>	<u>6,339,674</u>	<u>20</u>	<u>6,058,973</u>	<u>18</u>
2XXX	Total liabilities		<u>14,560,079</u>	<u>41</u>	<u>12,640,608</u>	<u>39</u>	<u>13,142,367</u>	<u>39</u>
	Equity attributable to owners of parent							
	Share capital							
3110	Common stock	6(16)	15,791,453	44	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		2,379,154	7	2,307,402	7	2,307,402	7
3320	Special reserve		1,898,479	5	1,412,342	4	1,412,342	4
3350	Unappropriated retained earnings		1,203,483	3	1,102,260	3	1,137,926	3
3400	Other equity interest		(1,139,203)	(3)	(1,898,479)	(6)	(1,497,698)	(4)
31XX	Equity attributable to owners of the parent		<u>20,365,952</u>	<u>57</u>	<u>18,947,564</u>	<u>58</u>	<u>19,383,470</u>	<u>58</u>
36XX	Non-controlling interests		<u>974,300</u>	<u>2</u>	<u>984,668</u>	<u>3</u>	<u>1,034,698</u>	<u>3</u>
3XXX	Total equity		<u>21,340,252</u>	<u>59</u>	<u>19,932,232</u>	<u>61</u>	<u>20,418,168</u>	<u>61</u>
	Significant contingent liabilities and unrecognized contract commitments	9						
3X2X	Total liabilities and equity		<u>\$ 35,900,331</u>	<u>100</u>	<u>\$ 32,572,840</u>	<u>100</u>	<u>\$ 33,560,535</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 NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except earnings per share)

Items		Notes	Three months ended September 30				Nine months ended September 30			
			2024		2023		2024		2023	
			AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(19) and 7	\$ 12,488,560	100	\$ 8,483,827	100	\$ 33,479,458	100	\$ 27,280,845	100
5000	Operating costs	6(4)(10)(15)(24)(25) and 7	(10,885,014)	(87)	(7,837,607)	(92)	(29,344,829)	(88)	(24,378,693)	(89)
5900	Gross profit from operations		<u>1,603,546</u>	<u>13</u>	<u>646,220</u>	<u>8</u>	<u>4,134,629</u>	<u>12</u>	<u>2,902,152</u>	<u>11</u>
	Operating expenses	6(9)(10)(15)(24)(25), 7 and 12								
6100	Selling expenses		(531,672)	(4)	(216,331)	(3)	(1,386,602)	(4)	(895,546)	(3)
6200	Administrative expenses		(333,601)	(3)	(271,192)	(3)	(971,336)	(3)	(913,078)	(4)
6450	Expected credit gains (losses)		<u>915</u>	<u>-</u>	<u>1,494</u>	<u>-</u>	<u>(8,924)</u>	<u>-</u>	<u>5,836</u>	<u>-</u>
6000	Total operating expenses		(864,358)	(7)	(486,029)	(6)	(2,366,862)	(7)	(1,802,788)	(7)
6900	Operating income		<u>739,188</u>	<u>6</u>	<u>160,191</u>	<u>2</u>	<u>1,767,767</u>	<u>5</u>	<u>1,099,364</u>	<u>4</u>
	Non-operating income and expenses									
7100	Interest income	6(20)	18,786	-	15,932	-	43,301	-	44,836	-
7010	Other income	6(5)(8)(9)(21)	22,896	-	26,051	-	65,145	-	63,165	-
7020	Other gains and losses	6(7)(12)(22) and 12	(26,082)	-	(21,459)	-	(5,013)	-	(11,926)	-
7050	Finance costs	6(3)(6)(7)(14)(23) and 7	(55,073)	-	(45,237)	-	(154,906)	-	(137,343)	-
7000	Total non-operating income and expenses		(39,473)	-	(18,205)	-	(41,447)	-	(17,416)	-
7900	Profit before income tax		<u>699,715</u>	<u>6</u>	<u>178,396</u>	<u>2</u>	<u>1,726,320</u>	<u>5</u>	<u>1,081,948</u>	<u>4</u>
7950	Income tax expense	6(26)	(255,337)	(2)	(107,584)	(1)	(643,843)	(2)	(388,778)	(1)
8200	Profit for the period		<u>\$ 444,378</u>	<u>4</u>	<u>\$ 70,812</u>	<u>1</u>	<u>\$ 1,082,477</u>	<u>3</u>	<u>\$ 693,170</u>	<u>3</u>
	Other comprehensive income (loss)									
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss									
8316	Unrealized (loss) gain from investments in equity instruments measured at fair value through other comprehensive income	6(5)	(\$ 10,139)	-	\$ 8,236	-	(\$ 12,161)	-	\$ 29,182	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss									
8361	Exchange differences on translation of foreign financial statements		<u>203,667</u>	<u>1</u>	<u>565,307</u>	<u>7</u>	<u>811,448</u>	<u>3</u>	<u>(120,501)</u>	<u>-</u>
8300	Other comprehensive income (loss) for the period		<u>\$ 193,528</u>	<u>1</u>	<u>\$ 573,543</u>	<u>7</u>	<u>\$ 799,287</u>	<u>3</u>	<u>(\$ 91,319)</u>	<u>-</u>
8500	Total comprehensive income for the period		<u>\$ 637,906</u>	<u>5</u>	<u>\$ 644,355</u>	<u>8</u>	<u>\$ 1,881,764</u>	<u>6</u>	<u>\$ 601,851</u>	<u>3</u>
	Profit (loss) attributable to:									
8610	Owners of the parent		\$ 457,736	4	\$ 92,870	1	\$ 1,132,856	3	\$ 753,180	3
8620	Non-controlling interests		(13,358)	-	(22,058)	-	(50,379)	-	(60,010)	-
			<u>\$ 444,378</u>	<u>4</u>	<u>\$ 70,812</u>	<u>1</u>	<u>\$ 1,082,477</u>	<u>3</u>	<u>\$ 693,170</u>	<u>3</u>
	Comprehensive income (loss) attributable to:									
8710	Owners of the parent		\$ 641,468	5	\$ 637,346	8	\$ 1,892,132	6	\$ 667,824	3
8720	Non-controlling interests		(3,562)	-	(7,009)	-	(10,368)	-	(65,973)	-
			<u>\$ 637,906</u>	<u>5</u>	<u>\$ 644,355</u>	<u>8</u>	<u>\$ 1,881,764</u>	<u>6</u>	<u>\$ 601,851</u>	<u>3</u>
	Earnings per share (in dollars)	6(27)								
9750	Basic		\$ 0.29		\$ 0.06		\$ 0.72		\$ 0.48	
9850	Diluted		\$ 0.29		\$ 0.06		\$ 0.72		\$ 0.48	

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 NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Equity attributable to owners of the parent										

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 NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine months ended September 30	
		2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 1,726,320	\$ 1,081,948
Adjustments			
Adjustments to reconcile profit (loss)			
Loss on financial liabilities at fair value through profit or loss	6(12)(22)	170	-
Expected credit losses (gains)	12	8,924	(5,836)
Reversal of allowance for inventory market price decline	6(4)	(72,368)	(63,479)
Depreciation	6(6)(7)(9)	2,119,118	2,060,722
Loss on disposal of property, plant and equipment	6(22)	1,113	57
Gain from lease modifications	6(7)(22)	-	(8)
Amortization	6(10)(24)	612	3,606
Interest income	6(20)	(43,301)	(44,836)
Dividend income	6(5)(21)	(2,118)	(1,360)
Interest expense	6(23)	154,906	137,343
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		(331,422)	226,297
Accounts receivable		(1,166,002)	405,684
Accounts receivable - related parties		(741,473)	(86,990)
Other receivables		(19,961)	51,335
Inventories		(419,064)	864,615
Prepayments		(355,189)	(465,080)
Net defined benefit assets - non-current		(11,293)	(9,912)
Changes in operating liabilities			
Contract liabilities - current		5,059	(2,424)
Accounts payable		709,651	28,413
Accounts payable - related parties		72,384	(107,330)
Other payables		290,357	(280,491)
Other payables - related parties		10,154	(2,048)
Refund liabilities - current		(5,911)	4,090
Long-term deferred revenue		739	(150)
Net defined benefit liabilities - non-current		-	(15,462)
Cash inflow generated from operations		1,931,405	3,778,704
Interest received		36,531	44,836
Dividends received		2,118	1,360
Interest paid		(155,527)	(137,125)
Income tax paid		(469,780)	(711,854)
Net cash flows from operating activities		1,344,747	2,975,921

(Continued)

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine months ended September 30 2024	2023
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
(Increase) decrease in other financial assets - current		(\$ 267)	\$ 5
Cash paid for acquisition of property, plant and equipment	6(28)	(391,444)	(444,004)
Proceeds from disposal of property, plant and equipment		7,179	3,573
Cash paid for acquisition of investment property	6(9)	-	(929)
Increase in prepayments for business facilities		(665,039)	(382,919)
Interest paid for prepayments for business facilities	6(6)(23)	(921)	(387)
Increase in guarantee deposits paid		(1,927)	(2,703)
Decrease (increase) in other non-current assets, others		7,298	(3,348)
Net cash flows used in investing activities		(1,045,121)	(830,712)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(29)	1,203,802	1,133,474
Decrease in other financial liabilities - current	6(29)	(1,414)	(9,515)
Payments of lease liabilities	6(29)	(191,512)	(189,423)
Increase in long-term borrowings	6(29)	500,000	650,000
Decrease in long-term borrowings	6(29)	(750,000)	(850,000)
Decrease in guarantee deposits received	6(29)	(278)	(836)
Cash dividends paid	6(18)	(473,744)	(2,337,135)
Net cash flows from (used in) financing activities		286,854	(1,603,435)
Effect of foreign exchange rate changes on cash and cash equivalents		300,546	(26,137)
Net increase in cash and cash equivalents		887,026	515,637
Cash and cash equivalents at beginning of period	6(1)	3,308,211	3,168,365
Cash and cash equivalents at end of period	6(1)	<u>\$ 4,195,237</u>	<u>\$ 3,684,002</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 NINE-MONTH PERIODS ENDED SEPTEMBER 30, 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 November 5, 2024.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

New standards, interpretations and amendments endorsed by the FSC and became effective from 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 condition 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

New standards, interpretations and amendments endorsed by the FSC effective from 2025 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by IASB</u>
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

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

(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 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'	January 1, 2026
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
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Annual Improvements to IFRS Accounting Standards – Volume 11	January 1, 2026

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, additional descriptions and applicable policies of the interim financial statements 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
			September 30, 2024	December 31, 2023	September 30, 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 Holdings Ltd.	General investment	100.00	100.00	100.00	—
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Jiangsu Ton Yi Holdings Ltd.	General investment	100.00	100.00	100.00	—

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Group (%)			Note
			September 30, 2024	December 31, 2023	September 30, 2023	
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 Holdings Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Manufacturing and sale of tinplate	86.80	86.80	86.80	—
Cayman Jiangsu Ton Yi Holdings Ltd.	Jiangsu Ton Yi Tinplate Co., Ltd.	Sale of tinplate	82.86	82.86	82.86	—
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 September 30, 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 September 30, 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) Financial liabilities at fair value through profit or loss

A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of reselling or repurchasing in the short-term. Derivatives are also categorized as financial liabilities held for trading unless they are designated as hedges or financial liabilities at fair value through profit or loss. Financial liabilities that meet one of the following criteria are designated as at fair value through profit or loss at initial recognition:

- (a) Hybrid (combined) contracts; or
- (b) They eliminate or significantly reduce a measurement or recognition inconsistency; or
- (c) They are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management policy.

B. At initial recognition, the Group measures the financial liabilities at fair value. All related transaction costs are recognized in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognized in profit or loss.

(5) 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.

(6) 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>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Cash:			
Cash on hand	\$ 254	\$ 326	\$ 419
Checking deposits and demand deposits	<u>968,690</u>	<u>2,373,920</u>	<u>2,919,621</u>
	<u>968,944</u>	<u>2,374,246</u>	<u>2,920,040</u>
Cash equivalents:			
Time deposits	<u>3,226,293</u>	<u>933,965</u>	<u>763,962</u>
	<u>\$ 4,195,237</u>	<u>\$ 3,308,211</u>	<u>\$ 3,684,002</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 of September 30, 2024, December 31, 2023 and September 30, 2023.

(2) Notes and accounts receivable, net

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Notes receivable	\$ 1,156,742	\$ 825,320	\$ 818,368
Less: Allowance for doubtful accounts	<u>(2,220)</u>	<u>(1,833)</u>	<u>(1,213)</u>
	<u>\$ 1,154,522</u>	<u>\$ 823,487</u>	<u>\$ 817,155</u>
	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Accounts receivable	\$ 2,808,825	\$ 1,642,823	\$ 1,382,656
Less: Allowance for doubtful accounts	<u>(23,927)</u>	<u>(15,067)</u>	<u>(12,511)</u>
	<u>\$ 2,784,898</u>	<u>\$ 1,627,756</u>	<u>\$ 1,370,145</u>

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

	<u>September 30, 2024</u>		<u>December 31, 2023</u>	
	<u>Notes Receivable</u>	<u>Accounts Receivable</u>	<u>Notes Receivable</u>	<u>Accounts Receivable</u>
1 to 30 days	\$ 283,831	\$ 4,046,686	\$ 301,659	\$ 2,709,038
31 to 60 days	339,437	867,104	163,610	396,748
61 to 90 days	134,981	221,374	98,360	192,348
91 to 180 days	398,493	131,464	261,691	63,907
Over 181 days	–	6,196	–	3,308
	<u>\$ 1,156,742</u>	<u>\$ 5,272,824</u>	<u>\$ 825,320</u>	<u>\$ 3,365,349</u>

	September 30, 2023	
	Notes Receivable	Accounts Receivable
1 to 30 days	\$ 229, 678	\$ 2, 693, 028
31 to 60 days	166, 339	569, 231
61 to 90 days	104, 704	94, 873
91 to 180 days	314, 994	8, 731
Over 181 days	2, 653	6, 194
	<u>\$ 818, 368</u>	<u>\$ 3, 372, 057</u>

The above aging analysis was based on credit date.

- B. As of September 30, 2024, December 31, 2023 and September 30, 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. For more information regarding the Group's notes receivable pledged to others as collateral as of September 30, 2024, December 31, 2023 and September 30, 2023, refer to Note 8, "PLEDGED ASSETS".
- D. The Group did not pledge accounts receivable as collateral as of September 30, 2024, December 31, 2023 and September 30, 2023.
- E. 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.
- F. Information relating to credit risk of notes receivable and accounts receivable is provided in Note 12(2), "Financial instruments".

(3) Transfer of financial assets

- A. Transferred financial assets that are derecognized in their entirety

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 September 30, 2024, December 31, 2023 and September 30, 2023, the Group derecognized the transferred notes receivable, and the related information is as follows:

	September 30, 2024			
Purchase of notes receivable	Notes receivable transferred	Amount derecognized	Amount advanced	Interest rate of amount advanced
China Construction Bank	<u>\$ 165, 630</u>	<u>\$ 165, 630</u>	<u>\$ 165, 630</u>	(Note 1)

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 1)

September 30, 2023				
Purchase of notes receivable	Notes receivable transferred	Amount derecognized	Amount advanced	Interest rate of amount advanced
China Construction Bank	<u>\$ 124,704</u>	<u>\$ 124,704</u>	<u>\$ 124,704</u>	3.20% (Note 2)

(Note 1) The financial expense when transferring the derecognized notes receivable was not borne by the Group.

(Note 2) Part of the financial expense when transferring the derecognized notes receivable was not borne by the Group.

B. Transferred financial assets that are not derecognized in their entirety

(a) The Group entered into a factoring agreement with Bank of China Limited to sell its notes receivable. Under the agreement, the Group is obligated to provide guarantees for the default risk of the transferred notes receivable. Therefore, the Group did not derecognize these notes receivable in their entirety. Related advance payments are listed under “short-term borrowings”.

(b) As of September 30, 2024, the information on transferred notes receivable continued to be recognized by the Group is as follows:

	September 30, 2024
Carrying amount / fair value of transferred notes receivable	<u>\$ 63,713</u>
Carrying amount / fair value of advanced payments	<u>\$ 63,713</u>

There was no such situation as of December 31, 2023 and September 30, 2023.

C. The Group has recognized financial expense (listed under “Finance costs”) of \$549, \$134, \$1,524 and \$455, respectively, when transferring the notes receivable for the three-month and nine-month periods ended September 30, 2024 and 2023, respectively.

(4) Inventories

September 30, 2024			
	Cost	Allowance for price decline of inventories	Carrying amount
Raw materials	\$ 1,537,822	(\$ 42,059)	\$ 1,495,763
Raw materials in transit	10,228	–	10,228
Supplies	612,235	(94)	612,141
Supplies in transit	20,552	–	20,552
Work in process	872,293	(32,026)	840,267
Finished goods	1,706,560	(52,687)	1,653,873
	<u>\$ 4,759,690</u>	<u>(\$ 126,866)</u>	<u>\$ 4,632,824</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>
September 30, 2023			
	Cost	Allowance for price decline of inventories	Carrying amount
Raw materials	\$ 1,278,268	(\$ 27,531)	\$ 1,250,737
Raw materials in transit	205,568	(10,877)	194,691
Supplies	651,969	(2,487)	649,482
Supplies in transit	31,645	–	31,645
Work in process	605,018	(18,416)	586,602
Finished goods	1,266,594	(77,866)	1,188,728
	<u>\$ 4,039,062</u>	<u>(\$ 137,177)</u>	<u>\$ 3,901,885</u>

The cost of inventories recognized as expense for the period:

	For the three-month periods ended September 30,	
	2024	2023
Cost of goods sold	\$ 10,961,367	\$ 7,897,505
(Reversal of allowance) provision for inventory market price decline (Note)	(10,552)	7,620
Loss on disposal of inventory	32,846	916
Revenue from sale of scraps	(84,179)	(54,745)
Indemnities	(14,468)	(13,689)
	<u>\$ 10,885,014</u>	<u>\$ 7,837,607</u>
	For the nine-month periods ended September 30,	
	2024	2023
Cost of goods sold	\$ 29,638,790	\$ 24,661,874
Reversal of allowance for inventory market price decline (Note)	(72,368)	(63,479)
Loss on disposal of inventory	33,613	1,493
Revenue from sale of scraps	(231,401)	(200,983)
Indemnities	(23,805)	(20,212)
	<u>\$ 29,344,829</u>	<u>\$ 24,378,693</u>

(Note) For the three-month period ended September 30, 2024, and the nine-month periods ended September 30, 2024 and 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	September 30, 2024	December 31, 2023	September 30, 2023
Equity instruments			
Listed stocks	\$ 378,917	\$ 378,917	\$ 378,917
Valuation adjustment	(272,297)	(260,136)	(260,494)
	<u>\$ 106,620</u>	<u>\$ 118,781</u>	<u>\$ 118,423</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 September 30, 2024, December 31, 2023 and September 30, 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 September 30,	
	2024	2023
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognized in other comprehensive (loss) income	(\$ <u>10,139</u>)	\$ <u>8,236</u>
Dividend income recognized in profit (listed under “Other income”)	\$ <u>–</u>	\$ <u>7</u>
	For the nine-month periods ended September 30,	
	2024	2023
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognized in other comprehensive (loss) income	(\$ <u>12,161</u>)	\$ <u>29,182</u>
Dividend income recognized in profit (listed under “Other income”)	\$ <u>2,118</u>	\$ <u>1,360</u>

- C. As of September 30, 2024, December 31, 2023 and September 30, 2023, 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 nine-month period ended September 30, 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	-	7,923	21,100	-	-	1,099	-	81,839	-	110,393	222,354
Transferred - Cost (Note)	-	5,739	138,410	-	2,113	211	-	24,557	-	2,993	174,023
Depreciation	-	(205,764)	(1,481,788)	(12,738)	(5,656)	(5,251)	-	(205,673)	-	-	(1,916,870)
Disposal - Cost	-	-	(41,505)	-	(3,632)	(2,801)	-	(29,743)	-	-	(77,681)
Disposal - Accumulated depreciation	-	-	34,582	-	3,614	2,751	-	28,442	-	-	69,389
Net currency exchange differences	-	151,535	302,846	2,926	826	661	8	19,963	-	2,042	480,807
At September 30	<u>\$ 615,892</u>	<u>\$ 4,755,104</u>	<u>\$ 9,504,171</u>	<u>\$ 62,523</u>	<u>\$ 25,997</u>	<u>\$ 14,019</u>	<u>\$ 193</u>	<u>\$ 836,648</u>	<u>\$ -</u>	<u>\$ 176,106</u>	<u>\$ 15,990,653</u>
<u>September 30, 2024</u>											
Cost	\$ 615,892	\$ 11,214,026	\$ 49,367,244	\$ 936,629	\$ 280,342	\$ 221,735	\$ 2,107	\$ 6,398,320	\$ 2,917	\$ 176,106	\$ 69,215,318
Accumulated depreciation	-	(6,458,922)	(39,817,979)	(856,068)	(254,345)	(207,716)	(1,914)	(5,561,672)	(2,917)	-	(53,161,533)
Accumulated impairment	-	-	(45,094)	(18,038)	-	-	-	-	-	-	(63,132)
	<u>\$ 615,892</u>	<u>\$ 4,755,104</u>	<u>\$ 9,504,171</u>	<u>\$ 62,523</u>	<u>\$ 25,997</u>	<u>\$ 14,019</u>	<u>\$ 193</u>	<u>\$ 836,648</u>	<u>\$ -</u>	<u>\$ 176,106</u>	<u>\$ 15,990,653</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		
January 1, 2023											
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>
For the nine-month period ended September 30, 2023											
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	-	11,411	24,121	-	3,122	2,534	-	36,447	3,962	321,062	402,659
Transferred - Cost (Note)	-	391,595	293,236	(187,325)	4,408	496	-	31,768	(8,715)	(211,389)	314,074
Transferred - Accumulated depreciation	-	-	(157,957)	159,172	(2,351)	(14)	-	(500)	1,650	-	-
Depreciation	-	(198,248)	(1,426,346)	(15,773)	(5,326)	(5,498)	(18)	(209,152)	(1,283)	-	(1,861,644)
Disposal - Cost	-	(2,881)	(24,926)	-	(2,265)	(985)	-	(50,106)	-	-	(81,163)
Disposal - Accumulated depreciation	-	2,744	24,399	-	2,044	935	-	47,411	-	-	77,533
Net currency exchange differences	-	(23,660)	(58,628)	(920)	(88)	(168)	(2)	(4,840)	(37)	(2,453)	(90,796)
At September 30	<u>\$ 615,892</u>	<u>\$ 4,928,629</u>	<u>\$ 10,515,095</u>	<u>\$ 78,176</u>	<u>\$ 26,708</u>	<u>\$ 18,183</u>	<u>\$ 189</u>	<u>\$ 954,711</u>	<u>\$ -</u>	<u>\$ 484,052</u>	<u>\$ 17,621,635</u>
September 30, 2023											
Cost	\$ 615,892	\$ 11,067,462	\$ 48,174,767	\$ 918,428	\$ 276,579	\$ 218,572	\$ 2,066	\$ 6,226,507	\$ 2,860	\$ 484,052	\$ 67,987,185
Accumulated depreciation	-	(6,138,833)	(37,615,454)	(822,565)	(249,871)	(200,389)	(1,877)	(5,271,796)	(2,860)	-	(50,303,645)
Accumulated impairment	-	-	(44,218)	(17,687)	-	-	-	-	-	-	(61,905)
	<u>\$ 615,892</u>	<u>\$ 4,928,629</u>	<u>\$ 10,515,095</u>	<u>\$ 78,176</u>	<u>\$ 26,708</u>	<u>\$ 18,183</u>	<u>\$ 189</u>	<u>\$ 954,711</u>	<u>\$ -</u>	<u>\$ 484,052</u>	<u>\$ 17,621,635</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 September 30,	
	2024	2023
Amount capitalized	\$ 432	\$ 57
Range of interest rates	2.00%	1.99%
	For the nine-month periods ended September 30,	
	2024	2023
Amount capitalized	\$ 921	\$ 387
Range of interest rates	1.88%~2.00%	1.75%~1.99%

- B. The Group did not pledge property, plant and equipment as collateral as of September 30, 2024, December 31, 2023 and September 30, 2023.

(7) Leasing arrangements — lessee

- A. The Group leases various assets including land, buildings and forklifts. 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:

	September 30, 2024	December 31, 2023	September 30, 2023
	Carrying amount	Carrying amount	Carrying amount
Land	\$ 790,965	\$ 789,181	\$ 806,972
Buildings	816,595	946,748	1,022,112
Transportation equipment	681	—	—
	<u>\$ 1,608,241</u>	<u>\$ 1,735,929</u>	<u>\$ 1,829,084</u>

	For the three-month periods ended September 30,	
	2024	2023
	Depreciation	Depreciation
Land	\$ 7,843	\$ 7,673
Buildings	58,726	56,846
Transportation equipment	49	—
	<u>\$ 66,618</u>	<u>\$ 64,519</u>

	For the nine-month periods ended September 30,	
	2024	2023
	Depreciation	Depreciation
Land	\$ 23, 259	\$ 22, 741
Buildings	173, 949	171, 425
Transportation equipment	49	–
	<u>\$ 197, 257</u>	<u>\$ 194, 166</u>

D. For the nine-month periods ended September 30, 2024 and 2023, the additions and remeasurement to right-of-use assets were \$12,866 and \$18,695, respectively.

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

	For the three-month periods ended September 30,	
	2024	2023
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 11, 246	\$ 13, 324
Expense on leases of low-value assets	58	53
	For the nine-month periods ended September 30,	
	2024	2023
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 35, 173	\$ 41, 959
Expense on leases of low-value assets	173	154
Gain from lease modification	–	8

F. For the nine-month periods ended September 30, 2024 and 2023, the Group's total cash outflow for leases were \$226,858 and \$231,536, 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 and nine-month periods ended September 30, 2024 and 2023, the Group recognized rent income (listed under “Other income”) in the amounts of \$9,848, \$9,687, \$29,172 and \$29,576, 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:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Within 1 year	\$ 33,430	\$ 35,911	\$ 38,331
1 to 2 years	31,770	31,386	32,152
2 to 3 years	18,121	26,966	31,152
3 to 4 years	18,121	17,379	17,769
4 to 5 years	7,551	17,379	17,769
Over 5 years	–	2,896	7,404
	<u>\$ 108,993</u>	<u>\$ 131,917</u>	<u>\$ 144,577</u>

(9) Investment property, net

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
<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 nine-month period ended</u> <u>September 30, 2024</u>			
At January 1	\$ 432	\$ 82,181	\$ 82,613
Depreciation	–	(4,991)	(4,991)
Net currency exchange differences	–	3,447	3,447
At September 30	<u>\$ 432</u>	<u>\$ 80,637</u>	<u>\$ 81,069</u>
<u>September 30, 2024</u>			
Cost	\$ 1,532	\$ 149,774	\$ 151,306
Accumulated depreciation	–	(69,137)	(69,137)
Accumulated impairment	(1,100)	–	(1,100)
	<u>\$ 432</u>	<u>\$ 80,637</u>	<u>\$ 81,069</u>

	Land	Buildings	Total
<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 nine-month period ended</u> <u>September 30, 2023</u>			
At January 1	\$ 432	\$ 90, 297	\$ 90, 729
Additions - cost	–	929	929
Depreciation	–	(4, 912)	(4, 912)
Net currency exchange differences	–	(635)	(635)
At September 30	<u>\$ 432</u>	<u>\$ 85, 679</u>	<u>\$ 86, 111</u>
<u>September 30, 2023</u>			
Cost	\$ 1, 532	\$ 146, 864	\$ 148, 396
Accumulated depreciation	–	(61, 185)	(61, 185)
Accumulated impairment	(1, 100)	–	(1, 100)
	<u>\$ 432</u>	<u>\$ 85, 679</u>	<u>\$ 86, 111</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 September 30,</u>	
	<u>2024</u>	<u>2023</u>
Rental income from the lease of the investment property	<u>\$ 4, 532</u>	<u>\$ 4, 391</u>
Direct operating expenses arising from the investment property that generated rental income during the period	<u>\$ 2, 554</u>	<u>\$ 2, 475</u>
	<u>For the nine-month periods ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Rental income from the lease of the investment property	<u>\$ 13, 418</u>	<u>\$ 13, 247</u>
Direct operating expenses arising from the investment property that generated rental income during the period	<u>\$ 7, 562</u>	<u>\$ 7, 450</u>

B. The fair values of the investment property held by the Group as at September 30, 2024, December 31, 2023 and September 30, 2023 were \$78,626, \$86,853 and \$92,671, 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 September 30, 2024, December 31, 2023 and September 30, 2023, no investment property held by the Group was pledged to others as collateral.

(10) Intangible assets

	For the nine-month periods ended September 30,	
	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	(612)	(3,606)
Disposal - Cost	(15,887)	(32,645)
Disposal - Accumulated amortization	15,887	32,645
Net currency exchange differences	152	(75)
At September 30	<u>\$ 3,274</u>	<u>\$ 4,200</u>
<u>September 30, 2024</u>		
Cost	\$ 9,490	\$ 42,119
Accumulated amortization	(6,216)	(37,919)
	<u>\$ 3,274</u>	<u>\$ 4,200</u>

A. No borrowing costs were capitalized as part of intangible assets for the nine-month periods ended September 30, 2024 and 2023.

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

	For the three-month periods ended September 30,	
	2024	2023
Operating costs	\$ 51	\$ 169
Selling expenses	9	75
Administrative expenses	134	529
	<u>\$ 194</u>	<u>\$ 773</u>
	For the nine-month periods ended September 30,	
	2024	2023
Operating costs	\$ 150	\$ 634
Selling expenses	27	294
Administrative expenses	435	2,678
	<u>\$ 612</u>	<u>\$ 3,606</u>

C. The Group had no intangible assets pledged as collateral as of September 30, 2024, December 31, 2023 and September 30, 2023.

(11) Short-term borrowings

Nature	September 30, 2024	Range of interest rates	Collateral
Unsecured bank borrowings	\$ 3,870,005	1.57%~6.22%	None
Secured bank borrowings	63,713	1.33%~1.70%	Notes receivable
	<u>\$ 3,933,718</u>		
Nature	December 31, 2023	Range of interest rates	Collateral
Unsecured bank borrowings	<u>\$ 2,729,916</u>	1.43%~6.66%	None
Nature	September 30, 2023	Range of interest rates	Collateral
Unsecured bank borrowings	<u>\$ 3,563,363</u>	1.08%~7.00%	None

A. For more information about interest expenses recognized by the Group for the three-month and nine-month periods ended September 30, 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) Financial liabilities at fair value through profit or loss – current

Items	September 30, 2024
Financial liabilities mandatorily measured at fair value through profit or loss	
Forward foreign exchange contract	<u>\$ 170</u>

There was no such situation as of December 31, 2023 and September 30, 2023.

A. The Group recognized net loss on financial liabilities mandatorily measured at fair value through profit or loss (listed under “Other gains and losses”) amounting to \$170 for the three-month and nine-month periods ended September 30, 2024.

B. The Group entered into contracts relating to derivative financial liabilities which were not accounted for under hedge accounting. The information is listed below:

	September 30, 2024	
	Contract Amount	
Items	(in thousands)	Contract period
Forward foreign exchange selling contract	JPY 70,000	2024. 9~2025. 1

The Group entered into forward foreign exchange contracts to manage exposures due to fluctuations of foreign exchange rates. However, the Group did not apply hedge accounting treatment but apply held for trading accounting treatment for the forward foreign exchange contracts.

(13) Long-term borrowings

Nature	Range of maturity dates	Range of interest rates	Collateral	September 30, 2024
Unsecured bank borrowings	2025. 11. 22~ 2027. 9. 22	1. 80%~1. 96%	None	\$ 3, 900, 000

Nature	Range of maturity dates	Range of interest rates	Collateral	December 31, 2023
Unsecured bank borrowings	2025. 2. 9~ 2026. 6. 12	1. 66%~1. 93%	None	\$ 4, 150, 000

Nature	Range of maturity dates	Range of interest rates	Collateral	September 30, 2023
Unsecured bank borrowings	2025. 2. 15~ 2026. 6. 12	1. 61%~1. 93%	None	\$ 3, 600, 000

- A. For more information about interest expenses recognized by the Group for the three-month and nine-month periods ended September 30, 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>	For the nine-month periods ended September 30,	
	2024	2023
At January 1	\$ 85, 858	\$ 84, 277
Unwinding of discount	1, 207	1, 186
At September 30	\$ 87, 065	\$ 85, 463

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 3% 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 10% and was reduced to 6% and 3% since May 2023 and April 2024 as approved by the Bureau of Labor Affairs, Tainan City Government on May 19, 2023 and April 18, 2024, respectively. 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 and nine-month periods ended September 30, 2024 and 2023 were \$1,725, \$2,672, \$12,041 and \$8,014, 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 and nine-month periods ended September 30, 2024 and 2023 were \$59,126, \$54,900, \$173,477 and \$162,554, 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 nine-month periods ended September 30,	
	2024	2023
Balance as of January 1 and September 30	<u>1, 579, 145</u>	<u>1, 579, 145</u>

- B. As of September 30, 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 nine-month periods ended September 30, 2024 and 2023 are as follows:

	For the nine-month period ended September 30, 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 nine-month period ended September 30, 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. 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.
- B. 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.
- 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 appropriations for 2023 and 2022 were resolved by the shareholders on June 21, 2024 and June 15, 2023, respectively, as follows:

	2023		2022	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Appropriation for legal reserve	<u>\$ 71,752</u>		<u>\$ 245,122</u>	
Appropriation for (reversal of) special reserve	<u>\$ 486,137</u>		<u>(\$ 417,533)</u>	
Distribution of cash dividends	<u>\$ 473,744</u>	<u>\$ 0.30</u>	<u>\$ 2,337,135</u>	<u>\$ 1.48</u>

(19) Operating revenue

	For the three-month periods ended September 30,	
	2024	2023
Revenue from contracts with customers	<u>\$ 12,488,560</u>	<u>\$ 8,483,827</u>
	For the nine-month periods ended September 30,	
	2024	2023
Revenue from contracts with customers	<u>\$ 33,479,458</u>	<u>\$ 27,280,845</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:

	For the three-month period ended September 30, 2024	
<u>Segment</u>	Revenue from products of Tinplate	Revenue from products of Plastic pack (including filling)
Taiwan	\$ 4,189,460	\$ 13,708
Mainland China - tinplate products	1,336,915	–
Mainland China - plastic products	–	5,920,481
Others	<u>1,027,996</u>	<u>–</u>
	<u>\$ 6,554,371</u>	<u>\$ 5,934,189</u>

For the three-month period ended September 30, 2023		
<u>Segment</u>	Revenue from products of Tinplate	Revenue from products of Plastic pack (including filling)
Taiwan	\$ 1, 566, 091	\$ 8, 423
Mainland China - tinplate products	913, 748	–
Mainland China - plastic products	–	5, 278, 372
Others	717, 193	–
	<u>\$ 3, 197, 032</u>	<u>\$ 5, 286, 795</u>
For the nine-month period ended September 30, 2024		
<u>Segment</u>	Revenue from products of Tinplate	Revenue from products of Plastic pack (including filling)
Taiwan	\$ 10, 954, 578	\$ 36, 871
Mainland China - tinplate products	3, 488, 486	–
Mainland China - plastic products	–	16, 163, 713
Others	2, 835, 810	–
	<u>\$ 17, 278, 874</u>	<u>\$ 16, 200, 584</u>
For the nine-month period ended September 30, 2023		
<u>Segment</u>	Revenue from products of Tinplate	Revenue from products of Plastic pack (including filling)
Taiwan	\$ 7, 726, 796	\$ 24, 535
Mainland China - tinplate products	2, 571, 872	–
Mainland China - plastic products	–	14, 782, 238
Others	2, 175, 404	–
	<u>\$ 12, 474, 072</u>	<u>\$ 14, 806, 773</u>

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

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>	<u>January 1, 2023</u>
Contract liabilities – current	<u>\$ 114, 366</u>	<u>\$ 109, 307</u>	<u>\$ 68, 079</u>	<u>\$ 70, 503</u>

Revenue recognized that was included in the contract liability balance at the beginning of the nine-month periods ended September 30, 2024 and 2023 were \$101,169 and \$68,660, respectively.

(20) Interest income

	For the three-month periods ended September 30,	
	2024	2023
Interest income from bank deposits	\$ 18,786	\$ 15,932
	For the nine-month periods ended September 30,	
	2024	2023
Interest income from bank deposits	\$ 43,301	\$ 44,836

(21) Other income

	For the three-month periods ended September 30,	
	2024	2023
Rental income	\$ 9,848	\$ 9,687
Dividend income	–	7
Government grants	2,525	11,165
Other income	10,523	5,192
	\$ 22,896	\$ 26,051
	For the nine-month periods ended September 30,	
	2024	2023
Rental income	\$ 29,172	\$ 29,576
Dividend income	2,118	1,360
Government grants	10,073	14,402
Other income	23,782	17,827
	\$ 65,145	\$ 63,165

(22) Other gains and losses

	For the three-month periods ended September 30,	
	2024	2023
Loss on financial liabilities at fair value through profit or loss	(\$ 170)	\$ –
Net (loss) gain on disposal of property, plant and equipment	(1,134)	608
Net currency exchange (loss) gain	(23,570)	23,862
Other losses	(1,208)	(3,011)
	(\$ 26,082)	\$ 21,459

	For the nine-month periods ended September 30,	
	2024	2023
Loss on financial liabilities at fair value through profit or loss	(\$ 170)	\$ –
Net loss on disposal of property, plant and equipment	(1,113)	(57)
Gain from lease modifications	–	8
Net currency exchange gain	24,698	26,948
Other losses	(18,402)	(14,973)
	<u>\$ 5,013</u>	<u>\$ 11,926</u>

(23) Finance costs

	For the three-month periods ended September 30,	
	2024	2023
Interest expense:		
Bank borrowings	\$ 43,308	\$ 31,441
Interest expense on lease liabilities	11,246	13,324
Financial expense of transferred notes receivable	549	134
Provisions – unwinding of discount	<u>402</u>	<u>395</u>
	55,505	45,294
Less: Capitalization of qualifying assets	(432)	(57)
	<u>\$ 55,073</u>	<u>\$ 45,237</u>

	For the nine-month periods ended September 30,	
	2024	2023
Interest expense:		
Bank borrowings	\$ 117,923	\$ 94,130
Interest expense on lease liabilities	35,173	41,959
Financial expense of transferred notes receivable	1,524	455
Provisions – unwinding of discount	<u>1,207</u>	<u>1,186</u>
	155,827	137,730
Less: Capitalization of qualifying assets	(921)	(387)
	<u>\$ 154,906</u>	<u>\$ 137,343</u>

(24) Expenses by nature

For the three-month period ended September 30, 2024			
	Operating cost	Operating expense	Total
Employee benefit expenses	\$ 597,221	\$ 245,760	\$ 842,981
Depreciation	\$ 628,988	\$ 82,860	\$ 711,848
Amortization	\$ 51	\$ 143	\$ 194
For the three-month period ended September 30, 2023			
	Operating cost	Operating expense	Total
Employee benefit expenses	\$ 545,919	\$ 190,066	\$ 735,985
Depreciation	\$ 603,263	\$ 79,624	\$ 682,887
Amortization	\$ 169	\$ 604	\$ 773
For the nine-month period ended September 30, 2024			
	Operating cost	Operating expense	Total
Employee benefit expenses	\$ 1,693,660	\$ 712,994	\$ 2,406,654
Depreciation	\$ 1,868,112	\$ 246,015	\$ 2,114,127
Amortization	\$ 150	\$ 462	\$ 612
For the nine-month period ended September 30, 2023			
	Operating cost	Operating expense	Total
Employee benefit expenses	\$ 1,575,342	\$ 646,231	\$ 2,221,573
Depreciation	\$ 1,818,974	\$ 236,836	\$ 2,055,810
Amortization	\$ 634	\$ 2,972	\$ 3,606

(25) Employee benefit expenses

For the three-month period ended September 30, 2024			
	Operating cost	Operating expense	Total
Wages and salaries	\$ 460,252	\$ 193,776	\$ 654,028
Labor and health insurance expenses	40,231	12,164	52,395
Pension costs	46,572	14,279	60,851
Other personnel expenses	50,166	25,541	75,707
	<u>\$ 597,221</u>	<u>\$ 245,760</u>	<u>\$ 842,981</u>
For the three-month period ended September 30, 2023			
	Operating cost	Operating expense	Total
Wages and salaries	\$ 417,182	\$ 146,673	\$ 563,855
Labor and health insurance expenses	37,191	11,172	48,363
Pension costs	43,950	13,622	57,572
Other personnel expenses	47,596	18,599	66,195
	<u>\$ 545,919</u>	<u>\$ 190,066</u>	<u>\$ 735,985</u>

For the nine-month period ended September 30, 2024			
	Operating cost	Operating expense	Total
Wages and salaries	\$ 1,300,045	\$ 555,736	\$ 1,855,781
Labor and health insurance expenses	118,163	38,183	156,346
Pension costs	136,788	48,730	185,518
Other personnel expenses	138,664	70,345	209,009
	<u>\$ 1,693,660</u>	<u>\$ 712,994</u>	<u>\$ 2,406,654</u>
For the nine-month period ended September 30, 2023			
	Operating cost	Operating expense	Total
Wages and salaries	\$ 1,199,149	\$ 490,248	\$ 1,689,397
Labor and health insurance expenses	110,636	40,032	150,668
Pension costs	129,957	40,611	170,568
Other personnel expenses	135,600	75,340	210,940
	<u>\$ 1,575,342</u>	<u>\$ 646,231</u>	<u>\$ 2,221,573</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 and nine-month periods ended September 30, 2024 and 2023, employees' compensation and directors' remuneration were recognized based on the profit of current period distributable and the percentage specified in the Articles of Incorporation of the Company. The amounts recognized in salary expense are as follows:

	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2024	2023	2024	2023
Employees' compensation	<u>\$ 23,573</u>	<u>\$ 5,375</u>	<u>\$ 61,524</u>	<u>\$ 43,507</u>
Directors' remuneration	<u>\$ 8,239</u>	<u>\$ 1,671</u>	<u>\$ 20,391</u>	<u>\$ 13,557</u>

The employees' compensation and directors' remuneration for 2023 as resolved by the Board of Directors on March 2024 were as follow and distributed in the form of cash:

	2023
Employees' compensation	<u>\$ 38,102</u>
Directors' remuneration	<u>\$ 3,193</u>

The distributed amounts were the same as the estimated amount.

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 September 30,	
	2024	2023
Current income tax:		
Income tax incurred in current period	\$ 269,710	\$ 92,047
Over provision of prior year's income tax	(15)	—
	<u>269,695</u>	<u>92,047</u>
Deferred income tax:		
Origination and reversal of temporary differences	(14,358)	15,537
Income tax expense	<u>\$ 255,337</u>	<u>\$ 107,584</u>
	For the nine-month periods ended September 30,	
	2024	2023
Current income tax:		
Income tax incurred in current period	\$ 549,665	\$ 299,980
Tax on unappropriated earnings	—	9,000
(Over) under provision of prior year's income tax	(5,865)	2,632
	<u>543,800</u>	<u>311,612</u>
Deferred income tax:		
Origination and reversal of temporary differences	100,043	77,166
Income tax expense	<u>\$ 643,843</u>	<u>\$ 388,778</u>

B. The Company's income tax returns through 2022 have been assessed and approved by the Tax Authority. As of November 5, 2024, there was no administrative lawsuit.

(27) Earnings per share

<u>For the three-month period ended September 30, 2024</u>			
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	<u>\$ 457,736</u>	<u>1,579,145</u>	<u>\$ 0.29</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 457,736	1,579,145	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	<u>—</u>	<u>3,673</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 457,736</u>	<u>1,582,818</u>	<u>\$ 0.29</u>
<u>For the three-month period ended September 30, 2023</u>			
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	<u>\$ 92,870</u>	<u>1,579,145</u>	<u>\$ 0.06</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 92,870	1,579,145	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	<u>—</u>	<u>2,637</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 92,870</u>	<u>1,581,782</u>	<u>\$ 0.06</u>

For the nine-month period ended September 30, 2024			
	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>\$ 1,132,856</u>	<u>1,579,145</u>	<u>\$ 0.72</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 1,132,856	1,579,145	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	<u>–</u>	<u>4,251</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 1,132,856</u>	<u>1,583,396</u>	<u>\$ 0.72</u>
For the nine-month period ended September 30, 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>\$ 753,180</u>	<u>1,579,145</u>	<u>\$ 0.48</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 753,180	1,579,145	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	<u>–</u>	<u>4,418</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 753,180</u>	<u>1,583,563</u>	<u>\$ 0.48</u>

(28) Supplemental cash flow information

A. Investing activities with partial cash collection and payments:

Cash paid for acquisition of property, plant and equipment:

	For the nine-month periods ended September 30,	
	2024	2023
Acquisition of property, plant and equipment	\$ 222,354	\$ 402,659
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	(116,086)	(194,761)
Cash paid for acquisition of property, plant and equipment	<u>\$ 391,444</u>	<u>\$ 444,004</u>

B. Operating and investing activities with no cash flow effect:

	For the nine-month periods ended September 30,	
	2024	2023
a. Write-off of allowance for doubtful accounts	<u>\$ –</u>	<u>\$ 15,032</u>
b. Prepayment for business facilities reclassified to prepayments	<u>\$ –</u>	<u>\$ 1,328</u>
c. Prepayment for business facilities reclassified to property, plant and equipment	<u>\$ 174,023</u>	<u>\$ 314,074</u>

(29) Changes in liabilities from financing activities

	Short-term		Long-term		Total liabilities
	borrowings	Lease liabilities	borrowings	Others	from financing
For the nine-month period ended September 30, 2024					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	1,203,802	(191,512)	(250,000)	(475,436)	286,854
Changes in other non-cash items	–	12,866	–	473,744	486,610
Impact of changes in foreign exchange rate	–	41,416	–	–	41,416
At September 30	<u>\$ 3,933,718</u>	<u>\$ 1,202,926</u>	<u>\$ 3,900,000</u>	<u>\$ 53,223</u>	<u>\$ 9,089,867</u>

	Short-term		Long-term		Total liabilities
	borrowings	Lease liabilities	borrowings	Others	from financing
For the nine-month period ended September 30, 2023					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	1,133,474	(189,423)	(200,000)	(2,347,486)	(1,603,435)
Changes in other non-cash items	–	18,687	–	2,337,135	2,355,822
Impact of changes in foreign exchange rate	–	(9,464)	–	–	(9,464)
At September 30	<u>\$ 3,563,363</u>	<u>\$ 1,418,119</u>	<u>\$ 3,600,000</u>	<u>\$ 56,890</u>	<u>\$ 8,638,372</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
Xuzhou President Enterprises 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
President Tokyo Corp.	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 September 30,</u>	
	<u>2024</u>	<u>2023</u>
Sales of goods:		
Ultimate parent company	\$ 12,649	\$ 8,395
Parent company to entities with joint control or significant influence		
Guangzhou President Enterprises Co., Ltd.	1,271,644	1,122,002
Chengdu President Enterprises Food Co., Ltd.	1,154,752	890,694
Others	<u>3,544,575</u>	<u>3,293,192</u>
	<u>\$ 5,983,620</u>	<u>\$ 5,314,283</u>
	<u>For the nine-month periods ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Sales of goods:		
Ultimate parent company	\$ 34,644	\$ 25,559
Parent company to entities with joint control or significant influence		
Guangzhou President Enterprises Co., Ltd.	3,478,474	3,008,446
Chengdu President Enterprises Food Co., Ltd.	3,061,882	2,776,072
Others	<u>9,628,795</u>	<u>9,107,895</u>
	<u>\$ 16,203,795</u>	<u>\$ 14,917,972</u>

Sales price from related party is similar to that of a third party. The Group's collection terms for related parties are within 28~90 days of monthly statements, and within 10~45 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

	<u>For the three-month periods ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Purchases of goods:		
Parent company to entities with joint control or significant influence	\$ 905,785	\$ 681,062
Entity to subsidiary with significant influence	12	354
	<u>\$ 905,797</u>	<u>\$ 681,416</u>

	For the nine-month periods ended September 30,	
	2024	2023
Purchases of goods:		
Parent company to entities with joint control or significant influence	\$ 2,434,854	\$ 1,798,187
Entity to subsidiary with significant influence	1,834	641
	<u>\$ 2,436,688</u>	<u>\$ 1,798,828</u>

Purchase price from related party is similar to that of a third party. Payments are made within 25 ~60 days of monthly statement, and within 5~45 days after receipt of the invoice. The payment terms are similar to those of third parties.

C. Receivables from related parties

	September 30, 2024	December 31, 2023	September 30, 2023
Receivables from related parties:			
Ultimate parent company	\$ 4,931	\$ 3,381	\$ 2,701
Parent company to entities with joint control or significant influence			
Guangzhou President Enterprises Co., Ltd.	574,940	437,972	523,987
Others	1,884,128	1,281,173	1,462,713
	<u>\$ 2,463,999</u>	<u>\$ 1,722,526</u>	<u>\$ 1,989,401</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

	September 30, 2024	December 31, 2023	September 30, 2023
Parent company to entities with joint control or significant influence	<u>\$ 25,173</u>	<u>\$ 24,142</u>	<u>\$ 24,684</u>

E. Payables to related parties

	September 30, 2024	December 31, 2023	September 30, 2023
Payables to related parties:			
Ultimate parent company	\$ 13,009	\$ 8,866	\$ 9,200
Parent company to entities with joint control or significant influence	379,151	303,170	270,195
	<u>\$ 392,160</u>	<u>\$ 312,036</u>	<u>\$ 279,395</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 1 to 15 years. Rents are prepaid for three months or paid monthly.

(b) Acquisition of right-of-use assets

	For the nine-month periods ended September 30,	
	2024	2023
Parent company to entities with joint control or significant influence		
President Tokyo Corp.	\$ 730	\$ —
Beijing President Enterprises Drinks Co., Ltd.	—	2,151
	<u>\$ 730</u>	<u>\$ 2,151</u>

(c) Lease liabilities and interest expense

	September 30, 2024	December 31, 2023	September 30, 2023
	Lease liabilities	Lease liabilities	Lease liabilities
Parent company to entities with joint control or significant influence			
Uni-President Enterprises (TianJin) Co., Ltd.	\$ 274,345	\$ 278,719	\$ 290,188
Zhanjiang President Enterprises Co., Ltd.	216,651	240,638	257,001
Taizhou President Enterprises Co., Ltd.	195,813	235,247	256,356
Kunshan President Enterprises Food Co., Ltd.	114,735	135,383	146,877
Others	79,203	126,727	146,690
	<u>\$ 880,747</u>	<u>\$ 1,016,714</u>	<u>\$ 1,097,112</u>

		For the three-month periods ended September 30,	
		2024	2023
		Interest expense	Interest expense
Parent company to entities with joint control or significant influence			
Uni-President Enterprises (TianJin) Co., Ltd.	\$	2,912	\$ 3,039
Zhanjiang President Enterprises Co., Ltd.		2,334	2,732
Taizhou President Enterprises Co., Ltd.		2,111	2,725
Kunshan President Enterprises Food Co., Ltd.		1,347	1,668
Others		833	1,475
	\$	<u>9,537</u>	<u>\$ 11,639</u>
		For the nine-month periods ended September 30,	
		2024	2023
		Interest expense	Interest expense
Parent company to entities with joint control or significant influence			
Uni-President Enterprises (TianJin) Co., Ltd.	\$	8,786	\$ 9,329
Zhanjiang President Enterprises Co., Ltd.		7,270	8,591
Taizhou President Enterprises Co., Ltd.		6,769	8,725
Kunshan President Enterprises Food Co., Ltd.		4,265	5,302
Others		2,960	4,995
	\$	<u>30,050</u>	<u>\$ 36,942</u>

(4) Key management compensation

		For the three-month periods ended September 30,	
		2024	2023
Salaries and other short-term employee benefits	\$	<u>6,593</u>	<u>\$ 6,993</u>
		For the nine-month periods ended September 30,	
		2024	2023
Salaries and other short-term employee benefits	\$	<u>26,802</u>	<u>\$ 20,483</u>

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

<u>Assets pledged</u>	<u>September 30, 2024</u>	<u>Purpose of collateral</u>
Notes receivable	\$ 63, 713	Guarantee for short-term borrowings

There was no such situation as of December 31, 2023 and September 30, 2023.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

A. As of September 30, 2024, December 31, 2023 and September 30, 2023, the remaining balances due for capital expenditures contracted for at the balance sheet date but not yet incurred were \$922,475, \$468,854 and \$369,029, respectively.

B. As of September 30, 2024, December 31, 2023 and September 30, 2023, the unused letters of credit amounted to \$572,346, \$357,688 and \$313,467, 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 【(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 within four months, the bank has the right to cancel or reduce the credit line.
- c. Fujian Ton Yi Tinplate Co., Ltd. (the "Fujian Ton Yi Tinplate"), a subsidiary of the Group, has entered into a loan agreement with Xiamen Bank in 2024. In accordance with the agreement, Fujian Ton Yi Tinplate has to maintain the following financial ratios and terms: the net debt-to-equity ratio 【(Total interest-bearing liability less loans to associates) / shareholders' equity】 of less than 60% and review of the cumulative net profit for the most recent four quarters' financial statements, if the cumulative net loss is less than RMB 50 million, the credit line will be RMB 100 million; if

the cumulative net loss is more than RMB 50 million but less than RMB 100 million, the credit line will be RMB 80 million; if the cumulative net loss is more than RMB 100 million, the credit line will be RMB 50 million. Under the terms of the loan agreement, if any of the financial covenants were not met, Fujian Ton Yi Tinplate has to pay off the loan within the current quarter to meet the aforementioned financial ratios and terms.

As of September 30, 2024, December 31, 2023 and September 30, 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 and EUR. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.
- ii. For more information about forward foreign exchange contracts that are used to hedge risk by the Group for the nine-month period ended September 30, 2024, refer to Note 6(12), “Financial liabilities at fair value through profit or loss – current”.
- iii. 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.
- iv. 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)	September 30, 2024		
	Foreign Currency (in thousands)	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 44,241	31.65	\$ 1,400,228
EUR : NTD	5,515	35.38	195,121
USD : CNY	7,169	7.02	226,899
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	17,332	31.65	548,558
USD : CNY	1,136	7.02	35,954

December 31, 2023			
(Foreign currency: Functional currency)	Foreign Currency (in thousands)	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 20,846	30.71	\$ 640,181
EUR : NTD	604	33.98	20,524
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

September 30, 2023			
(Foreign currency: Functional currency)	Foreign Currency (in thousands)	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 20,894	32.27	\$ 674,249
USD : CNY	1,861	7.30	60,054
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	8,647	32.27	279,039
USD : CNY	6,506	7.30	209,949

- v. As of September 30, 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 nine-month periods ended September 30, 2024 and 2023 would have increased/decreased by \$9,902 and \$1,963, respectively.
- vi. The total exchange (loss) gain, including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Group for the three-month and nine-month periods ended September 30, 2024 and 2023 amounted to (\$23,570), \$23,862, \$24,698 and \$26,948, 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 nine-month periods ended September 30, 2024 and 2023 would have increased/decreased by \$1,066 and \$1,184, respectively, as a result of other comprehensive income on equity investments classified as 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 nine-month periods ended September 30, 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 nine-month periods ended September 30, 2024 and 2023 would have increased/decreased by \$956 and \$757, 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 instruments 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 nine-month period ended September 30, 2024		
	Notes receivable	Accounts receivable	Total
At January 1	\$ 1,833	\$ 15,067	\$ 16,900
Expected credit losses	352	8,572	8,924
Effect of foreign exchange	35	288	323
At September 30	<u>\$ 2,220</u>	<u>\$ 23,927</u>	<u>\$ 26,147</u>

	For the nine-month period ended September 30, 2023		
	Notes receivable	Accounts receivable	Total
At January 1	\$ 2,446	\$ 32,217	\$ 34,663
Expected credit gains	(1,227)	(4,609)	(5,836)
Write-off of allowance for doubtful accounts	–	(15,032)	(15,032)
Effect of foreign exchange	(6)	(65)	(71)
At September 30	<u>\$ 1,213</u>	<u>\$ 12,511</u>	<u>\$ 13,724</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.

September 30, 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	\$ 3,954,492	\$ -	\$ -	\$ -
Accounts payable (including related parties)	2,276,981	-	-	-
Other payables (including related parties)	1,656,102	-	-	-
Lease liabilities (current and non-current)	252,579	262,259	397,975	466,428
Other financial liabilities - current	24,895	-	-	-
Refund liabilities - current	15,899	-	-	-
Long-term borrowings	73,194	3,241,805	709,020	-
Guarantee deposits received	-	9,591	18,737	-
Derivative financial liabilities:				
Forward foreign exchange contracts	170	-	-	-
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	-
September 30, 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	\$ 3,577,714	\$ -	\$ -	\$ -
Accounts payable (including related parties)	1,513,795	-	-	-
Other payables (including related parties)	1,510,526	-	-	-
Lease liabilities (current and non-current)	283,604	254,377	578,544	522,411
Other financial liabilities - current	21,443	-	-	-
Refund liabilities - current	22,522	-	-	-
Long-term borrowings	63,100	1,307,884	2,368,782	-
Guarantee deposits received	-	10,708	7,052	17,687

(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. The fair value of the Group's investment in foreign exchange contracts is included in Level 2.

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, 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>September 30, 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>\$ 106,620</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 106,620</u>
Liabilities:				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Forward foreign exchange contracts	<u>\$ -</u>	<u>\$ 170</u>	<u>\$ -</u>	<u>\$ 170</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>September 30, 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>\$ 118,423</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 118,423</u>

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

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

Listed shares

Market quoted price

Closing price

(b) Forward foreign exchange contracts are usually valued based on the current forward exchange rate.

E. For the nine-month periods ended September 30, 2024 and 2023, there was no transfer into or out between Level 1 and Level 2.

F. For the nine-month periods ended September 30, 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 nine-month period ended September 30, 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:
 - a. For more information about the Company's derivative instruments trading: Refer to Note 6(12), "Financial liabilities at fair value through profit or loss – current".
 - b. The subsidiaries have not traded derivative financial instruments.
- 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 nine-month period ended September 30, 2024					
	Taiwan	Tinplate Products in Mainland China	Plastic Products in Mainland China	Others	Total
Revenue from external customers	\$ 10,991,449	\$ 3,488,486	\$ 16,163,713	\$ 2,835,810	\$ 33,479,458
Revenue from internal customers	578,346	505,909	147,856	–	1,232,111
Segment revenue	<u>\$ 11,569,795</u>	<u>\$ 3,994,395</u>	<u>\$ 16,311,569</u>	<u>\$ 2,835,810</u>	<u>\$ 34,711,569</u>
Segment income	<u>\$ 1,355,146</u>	<u>(\$ 278,531)</u>	<u>\$ 1,734,522</u>	<u>\$ 1,099,984</u>	<u>\$ 3,911,121</u>
Segment assets	<u>\$ 29,291,417</u>	<u>\$ 6,648,280</u>	<u>\$ 20,705,758</u>	<u>\$ 21,879,073</u>	<u>\$ 78,524,528</u>
For the nine-month period ended September 30, 2023					
	Taiwan	Tinplate Products in Mainland China	Plastic Products in Mainland China	Others	Total
Revenue from external customers	\$ 7,751,331	\$ 2,571,872	\$ 14,782,238	\$ 2,175,404	\$ 27,280,845
Revenue from internal customers	1,680,196	447,157	88,452	–	2,215,805
Segment revenue	<u>\$ 9,431,527</u>	<u>\$ 3,019,029</u>	<u>\$ 14,870,690</u>	<u>\$ 2,175,404</u>	<u>\$ 29,496,650</u>
Segment income	<u>\$ 958,305</u>	<u>(\$ 386,228)</u>	<u>\$ 1,311,463</u>	<u>\$ 778,716</u>	<u>\$ 2,662,256</u>
Segment assets	<u>\$ 28,030,572</u>	<u>\$ 6,513,400</u>	<u>\$ 19,548,814</u>	<u>\$ 21,286,591</u>	<u>\$ 75,379,377</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 nine-month periods ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Income of reportable segments	\$ 2,811,137	\$ 1,883,540
Income of other segments	1,099,984	778,716
Elimination of intersegment transactions	(2,184,801)	(1,580,308)
Net income before income tax from continuing operations	<u>\$ 1,726,320</u>	<u>\$ 1,081,948</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>September 30, 2024</u>	<u>September 30, 2023</u>
Assets of reportable segments	\$ 56,645,455	\$ 54,092,786
Assets of other operating segments	21,879,073	21,286,591
Elimination of intersegment transactions	(42,624,197)	(41,818,842)
Total assets	<u>\$ 35,900,331</u>	<u>\$ 33,560,535</u>

Ton Yi Industrial Corp. and Subsidiaries

Loans to others

For the nine-month period ended September 30, 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	\$ 135,281	\$ 135,281	\$ -	2.615	2	\$ -	Operational use	\$ -	—	\$ -	\$ 1,126,806	\$ 1,126,806	Note 2
1	Kunshan Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	360,751	225,469	225,469	3.015~3.315	2	-	Operational use	-	—	-	1,126,806	1,126,806	Note 2
1	Kunshan Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	135,281	135,281	135,281	3.115~3.315	2	-	Operational use	-	—	-	225,361	450,722	Note 2
2	Chengdu Ton Yi Industrial Packing Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	293,110	293,110	293,110	3.015~3.315	2	-	Operational use	-	—	-	452,564	452,564	Note 2
3	Taizhou Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	135,281	135,281	36,075	2.515	2	-	Operational use	-	—	-	1,803,016	1,803,016	Note 2
3	Taizhou Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	270,563	180,375	180,375	3.115~3.315	2	-	Operational use	-	—	-	1,803,016	1,803,016	Note 2
3	Taizhou Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	248,016	248,016	248,016	3.115~3.215	2	-	Operational use	-	—	-	360,603	721,206	Note 2
3	Taizhou Ton Yi Industrial Co., Ltd.	Wuxi Tonyi Daiwa Industrial Co., Ltd.	Other receivables	Y	180,375	67,641	67,641	3.015~3.315	2	-	Operational use	-	—	-	360,603	721,206	Note 2
4	Sichuan Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	225,469	225,469	157,828	3.115	2	-	Operational use	-	—	-	1,427,092	1,427,092	Note 2
4	Sichuan Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	135,281	135,281	9,019	2.515~2.615	2	-	Operational use	-	—	-	1,427,092	1,427,092	Note 2
4	Sichuan Ton Yi Industrial Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	Other receivables	Y	405,844	135,281	135,281	3.115~3.315	2	-	Operational use	-	—	-	1,427,092	1,427,092	Note 2

NO.	Name of lender	Name of borrower	Account	Related party	Maximum balance	Ending balance	Actual amount		Nature of financial activity (Note 1)	Total transaction amount	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Loan limit per entity	Maximum amount available for loan	Note
							drawn down	Interest rate					Item	Value			
4	Sichuan Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	\$ 67,641	\$ -	\$ -	3.115	2	\$ -	Operational use	\$ -	—	\$ -	\$ 285,418	\$ 570,837	Note 2
4	Sichuan Ton Yi Industrial Co., Ltd.	Wuxi Tonyi Daiwa Industrial Co., Ltd.	Other receivables	Y	180,375	180,375	180,375	3.115~3.315	2	-	Operational use	-	—	-	285,418	570,837	Note 2
5	Zhanjiang Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	496,032	428,391	338,204	3.015~3.315	2	-	Operational use	-	—	-	988,840	988,840	Note 2
5	Zhanjiang Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	135,281	135,281	-	2.515~2.615	2	-	Operational use	-	—	-	988,840	988,840	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Zhangzhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	135,281	135,281	-	—	2	-	Operational use	-	—	-	13,727,918	13,727,918	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Taizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	135,281	135,281	-	—	2	-	Operational use	-	—	-	13,727,918	13,727,918	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	Other receivables	Y	135,281	135,281	-	3.115	2	-	Operational use	-	—	-	13,727,918	13,727,918	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Kunshan Ton Yi Industrial Co., Ltd.	Other receivables	Y	135,281	135,281	-	—	2	-	Operational use	-	—	-	13,727,918	13,727,918	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Beijing Ton Yi Industrial Co., Ltd.	Other receivables	Y	135,281	135,281	-	—	2	-	Operational use	-	—	-	13,727,918	13,727,918	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	315,657	225,469	90,188	3.115~3.315	2	-	Operational use	-	—	-	13,727,918	13,727,918	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Zhanjiang Ton Yi Industrial Co., Ltd.	Other receivables	Y	135,281	135,281	-	—	2	-	Operational use	-	—	-	13,727,918	13,727,918	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Sichuan Ton Yi Industrial Co., Ltd.	Other receivables	Y	135,281	135,281	-	—	2	-	Operational use	-	—	-	13,727,918	13,727,918	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Tianjin Ton Yi Industrial Co., Ltd.	Other receivables	Y	135,281	135,281	-	—	2	-	Operational use	-	—	-	13,727,918	13,727,918	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	766,595	608,767	563,673	3.015~3.315	2	-	Operational use	-	—	-	13,727,918	13,727,918	Note 2

NO.	Name of lender	Name of borrower	Account	Related party	Maximum balance	Ending balance	Actual amount		Interest rate	Nature of financial activity (Note 1)	Total transaction amount	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Loan limit per entity	Maximum amount available for loan	Note
							drawn down							Item	Value			
6	Ton Yi (China) Investment Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	\$ 946,970	\$ 811,689	\$ 676,407		3.015~3.315	2	\$ -	Operational use	\$ -	—	\$ -	\$ 2,745,584	\$ 5,491,167	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Wuxi Tonyi Daiwa Industrial Co., Ltd.	Other receivables	Y	90,188	90,188	-		3.115	2	-	Operational use	-	—	-	2,745,584	5,491,167	Note 2
7	Zhangzhou Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	135,281	135,281	-		2.515~2.615	2	-	Operational use	-	—	-	2,104,645	2,104,645	Note 2
7	Zhangzhou Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	135,281	135,281	135,281		3.115	2	-	Operational use	-	—	-	420,929	841,858	Note 2
8	Chengdu Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	135,281	135,281	-		—	2	-	Operational use	-	—	-	1,570,960	1,570,960	Note 2
9	Beijing Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	135,281	135,281	-		—	2	-	Operational use	-	—	-	1,065,034	1,065,034	Note 2
9	Beijing Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	293,110	90,188	90,188		3.015~3.215	2	-	Operational use	-	—	-	1,065,034	1,065,034	Note 2
9	Beijing Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	112,735	112,735	112,735		3.115	2	-	Operational use	-	—	-	1,065,034	1,065,034	Note 2
9	Beijing Ton Yi Industrial Co., Ltd.	Tianjin Ton Yi Industrial Co., Ltd.	Other receivables	Y	90,188	-	-		3.215	2	-	Operational use	-	—	-	1,065,034	1,605,034	Note 2
9	Beijing Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	202,922	135,281	135,281		3.115	2	-	Operational use	-	—	-	213,007	426,013	Note 2
10	Huizhou Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	135,281	135,281	-		—	2	-	Operational use	-	—	-	1,417,846	1,417,846	Note 2
11	Jiangsu Ton Yi Tinplate Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	405,844	270,563	270,563		3.015~3.315	2	-	Operational use	-	—	-	439,821	879,642	Note 2
11	Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Tonyi Daiwa Industrial Co., Ltd.	Other receivables	Y	202,922	180,375	180,375		3.115	2	-	Operational use	-	—	-	439,821	879,642	Note 2

NO.	Name of lender	Name of borrower	Account	Related party	Maximum balance	Ending balance	Actual amount		Interest rate	Nature of financial activity (Note 1)	Total transaction amount	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Loan limit per entity	Maximum amount available for loan	Note
							drawn down							Item	Value			
11	Jiangsu Ton Yi Tinsplate Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	\$ 157,828	\$ 157,828	\$ 157,828	3.115~3.315	2		\$ -	Operational use	\$ -	—	\$ -	\$ 439,821	\$ 879,642	Note 2
12	Tianjin Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	135,281	135,281	-	—	2		-	Operational use	-	—	-	445,511	445,511	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 of September 30, 2024 as follows: CNY:NTD 1 : 4.509382.

Ton Yi Industrial Corp. and Subsidiaries

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

September 30, 2024

Table 2

Expressed in thousands of NTD

		As of September 30, 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	\$ 106,620	0.04%	\$ 106,620	—

(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 nine-month period ended September 30, 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
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)	(\$ 530,576)	(5)	50 days after shipping, T/T	\$ -	—	\$ 16,092	1	—
Ton Yi Industrial Corp.	TTET Union Corp.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(277,922)	(2)	Within 30 days of statements settled monthly, T/T	-	—	32,564	2	—
Wuxi Ton Yi Industrial Packing Co., Ltd.	President (Kunshan) Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(670,621)	(27)	25 days after receipt of invoice and within 90 days of statements settled monthly, T/T	-	—	113,870	32	—
Wuxi Ton Yi Industrial Packing Co., Ltd.	Chengdu Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	(Sales)	(370,140)	(15)	Within 30 days of statements settled monthly, T/T	-	—	59,513	16	—
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)	(356,919)	(14)	Within 30 days of statements settled monthly, T/T	-	—	39,372	11	—
Chengdu Ton Yi Industrial Packing Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Purchases	370,140	82	Within 30 days of statements settled monthly, T/T	-	—	(59,513)	(71)	—
Changsha Ton Yi Industrial Co., Ltd.	Jiangsu Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Jiangsu Ton Yi Holdings Ltd. accounted for using equity method	Purchases	394,550	44	67 days after invoice date, T/T	-	—	(129,069)	(64)	—

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
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	\$ 356,919	39	Within 30 days of statements settled monthly, T/T	\$ -	—	(\$ 39,372)	(19)	—
Changsha 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	Purchases	108,311	12	67 days after invoice date, T/T	-	—	(24,052)	(12)	—
Fujian Ton Yi Tinplate Co., Ltd	Ton Yi Industrial Corp.	The Company	Purchases	530,576	15	50 days after shipping, T/T	-	—	(16,092)	(29)	—
Fujian Ton Yi Tinplate Co., Ltd	Jiangsu Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Jiangsu Ton Yi Holdings Ltd. accounted for using equity method	(Sales)	(1,308,455)	(33)	67 days after invoice date, T/T	-	—	59,200	6	—
Fujian Ton Yi Tinplate Co., Ltd	Changsha Ton Yi Industrial Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	(Sales)	(108,311)	(3)	67 days after invoice date, T/T	-	—	24,052	2	—
Jiangsu Ton Yi Tinplate Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Purchases	1,308,455	99	67 days after invoice date, T/T	-	—	(59,200)	(100)	—
Jiangsu Ton Yi Tinplate Co., Ltd.	Changsha Ton Yi Industrial Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	(Sales)	(394,550)	(29)	67 days after invoice date, T/T	-	—	129,069	15	—
Zhangzhou Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	151,007	13	5~15 days after receipt of invoice, T/T	-	—	(25,375)	(10)	—
Zhangzhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(1,360,696)	(72)	25 days after receipt of invoice, T/T	-	—	251,190	73	—
Taizhou Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	208,138	12	15 days after receipt of invoice, T/T	-	—	(15,956)	(7)	—

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Description and reasons for difference in transaction terms compared to third party transactions		Notes or accounts receivable/(payable)		
			Purchases	Amount	Percentage of total purchases	Credit terms	Unit price	Credit terms	Ending balance	Percentage of total notes or accounts receivable/(payable)	Note
			(sales)		(sales)						
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)	\$ 1,970,870)	(71)	25 days after receipt of invoice, T/T	\$ -	—	\$ 289,371	68	—
Taizhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(144,112)	(5)	45 days after receipt of invoice, T/T	-	—	9,450	2	—
Chengdu Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	161,992	17	5~45 days after receipt of invoice, T/T	-	—	(32,728)	(17)	—
Chengdu Ton Yi Industrial Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(1,137,698)	(71)	25 days after receipt of invoice, T/T	-	—	218,691	68	—
Huizhou Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	255,658	22	5~45 days after receipt of invoice, T/T	-	—	(63,882)	(28)	—
Huizhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(1,637,354)	(83)	25 days after receipt of invoice, T/T	-	—	269,160	96	—
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	354,488	21	5~45 days after receipt of invoice, T/T	-	—	(32,816)	(15)	—
Kunshan Ton Yi Industrial Co., Ltd.	President (Kunshan) Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(2,316,875)	(98)	25 days after receipt of invoice, T/T	-	—	284,101	97	—
Beijing Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	144,711	14	5~45 days after receipt of invoice, T/T	-	—	(11,852)	(9)	—
Beijing Ton Yi Industrial Co., Ltd.	Beijing President Enterprises Drinks Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(1,484,635)	(96)	25 days after receipt of invoice, T/T	-	—	175,403	98	—

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Description and reasons for difference in transaction terms compared to third party transactions		Notes or accounts receivable/(payable)		
			Purchases	Amount	Percentage of total purchases	Credit terms	Unit price	Credit terms	Ending balance	Percentage of total notes or accounts receivable/(payable)	Note
			(sales)		(sales)						
Sichuan Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	\$ 353,836	26	15 days after receipt of invoice, T/T	\$ -	—	(\$ 45,986)	(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)	(1,924,184)	(98)	25 days after receipt of invoice, T/T	-	—	300,492	100	—
Zhanjiang Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	226,027	27	5~45 days after receipt of invoice, T/T	-	—	(10,615)	(9)	—
Zhanjiang Ton Yi Industrial Co., Ltd.	Zhanjiang President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(1,130,441)	(84)	25 days after receipt of invoice, T/T	-	—	133,418	80	—
Zhanjiang Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(210,642)	(16)	50% prepaid/ 50% 45 days after receipt of invoice, T/T	-	—	32,955	20	—
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)	(577,016)	(65)	25 days after receipt of invoice, T/T	-	—	75,530	80	—

(Note 1) The above terms are in accordance with the Company's policy on credit management, 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 of September 30, 2024 (USD:NTD 1:31.65 ; CNY:NTD 1:4.509382).

Purchases and sales were translated using the weighted-average exchange rate for the nine-month period ended September 30, 2024 (USD:NTD 1:32.047201 ; CNY:NTD 1:4.452022).

Ton Yi Industrial Corp. and Subsidiaries

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

September 30, 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		
Wuxi Ton Yi Industrial Packing Co., Ltd.	President (Kunshan) Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Accounts receivable	\$ 113,870	13.84	\$ -	—	\$ 65,799	\$ -
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	293,311	-	-	—	-	-
Jiangsu Ton Yi Tinplate Co., Ltd.	Changsha Ton Yi Industrial Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Accounts receivable	129,069	5.19	-	—	-	-
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	273,513	-	-	—	-	-
Jiangsu Ton Yi Tinplate 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	183,231	-	-	—	-	-
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	157,938	-	-	—	-	-
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	684,106	-	-	—	-	-
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	569,327	-	-	—	260	-
Zhangzhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Accounts receivable	251,190	8.25	-	—	135,876	-
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	138,957	-	-	—	-	-

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.	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	\$ 289,371	11.16	\$ -	—	\$ 172,803	\$ -
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	251,615	-	-	—	-	-
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	182,935	-	-	—	-	-
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	218,691	10.41	-	—	99,724	-
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	269,160	9.25	-	—	121,454	-
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	284,101	13.51	-	—	178,668	-
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	228,968	-	-	—	-	-
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	137,810	-	-	—	-	-
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	175,403	12.01	-	—	117,378	-
Beijing 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	137,353	-	-	—	-	-
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	115,571	-	-	—	-	-
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	300,492	8.23	-	—	169,874	-
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	182,529	-	-	—	-	-

Company name	Counterparty	Relationship with the counterparty	Ending balance		Turnover rate	Overdue receivables		Amount received in subsequent period	Allowance for doubtful accounts
			Items	Amount		Amount	Action taken		
Sichuan Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Other receivables	\$ 162,175	-	\$ -	—	\$ -	\$ -
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	137,891	-	-	—	-	-
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	133,418	13.50	-	—	57,069	-
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	338,436	-	-	—	-	-

(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 of September 30, 2024 (CNY:NTD 1:4.509382 ; USD:NTD 1:31.65).

Ton Yi Industrial Corp. and Subsidiaries
Significant inter-company transactions during the reporting period
For the nine-month period ended September 30, 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	\$ 530,576	50 days after shipping, T/T	2
1	Chengdu Ton Yi Industrial Packing Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	293,311	—	1
2	Wuxi Ton Yi Industrial Packing Co., Ltd.	Chengdu Ton Yi Industrial Packing Co., Ltd.	3	Sales	370,140	Within 30 days of statements settled monthly, T/T	1
		Changsha Ton Yi Industrial Co., Ltd.	3	Sales	356,919	Within 30 days of statements settled monthly, T/T	1
3	Fujian Ton Yi Tinplate Co., Ltd.	Jiangsu Ton Yi Tinplate Co., Ltd.	3	Sales	1,308,455	67 days after invoice date, T/T	4
		Changsha Ton Yi Industrial Co., Ltd.	3	Sales	108,311	67 days after invoice date, T/T	—
4	Jiangsu Ton Yi Tinplate Co., Ltd.	Changsha Ton Yi Industrial Co., Ltd.	3	Sales	394,550	67 days after invoice date, T/T	1
		Changsha Ton Yi Industrial Co., Ltd.	3	Accounts receivable	129,069	—	—
		Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	273,513	—	1
		Wuxi Tonyi Daiwa Industrial Co., Ltd.	3	Other receivables	183,231	—	1
		Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	157,938	—	—
5	Ton Yi (China) Investment Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	684,106	—	2
		Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	569,327	—	2
6	Zhangzhou Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	138,957	—	—
7	Taizhou Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	251,615	—	1
		Huizhou Ton Yi Industrial Co., Ltd.	3	Other receivables	182,935	—	1
8	Kunshan Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	228,968	—	1
		Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	137,810	—	—
9	Beijing Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	137,353	—	—
		Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	115,571	—	—
10	Sichuan Ton Yi Industrial Co., Ltd.	Wuxi Tonyi Daiwa Industrial Co., Ltd.	3	Other receivables	182,529	—	1
		Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	162,175	—	—
		Chengdu Ton Yi Industrial Co., Ltd.	3	Other receivables	137,891	—	—

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	\$ 338,436	—	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 of September 30, 2024 (CNY:NTD 1:4.509382); Sales were translated using the weighted-average exchange rate for the nine-month period ended September 30, 2024 (CNY:NTD 1:4.452022).

Ton Yi Industrial Corp. and Subsidiaries
Names, locations and other information of investee companies (not including investees in Mainland China)
For the nine-month period ended September 30, 2024

Table 6

Expressed in thousands of NTD

Investor company	Investee company	Location	Main business activities	Original investment amount		Shares held as of September 30, 2024			Net income (loss) of the investee	Income (loss) recognized by the Company	Note
				Balance at September 30, 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	\$ 19,018,784	\$ 1,105,040	\$ 1,105,040	Subsidiary
Ton Yi Industrial Corp.	Tovecan Corp.	Vietnam	Manufacturing and sale of cans	43,740	43,740	-	51.00	46,653 (	7,080) (	3,611)	Subsidiary
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Ton Yi Holdings Ltd.	Cayman	General investment	7,279,500	7,279,500	230,000,000	100.00	13,727,964	1,276,380	-	Subsidiary (Note 1)
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Fujian Ton Yi Holdings Ltd.	Cayman	General investment	2,027,565	2,027,565	8,727	100.00	1,730,226 (	163,596)	-	Subsidiary (Note 1)
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Jiangsu Ton Yi Holdings Ltd.	Cayman	General investment	1,136,323	1,136,323	5,000	100.00	1,822,140 (	38,416)	-	Subsidiary (Note 1)
Cayman Ton Yi Holdings Ltd.	Cayman Ton Yi (China) Holdings Ltd.	Cayman	General investment	7,279,500	7,279,500	230,000,000	100.00	13,727,964	1,276,380	-	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 of September 30, 2024 (USD:NTD 1:31.65); Profit and loss were translated using the weighted-average exchange rate for the nine-month period ended September 30, 2024 (USD:NTD 1:32.047201).

Ton Yi Industrial Corp. and Subsidiaries
Information on investments in Mainland China - Basic information
For the nine-month period ended September 30, 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 September 30, 2024				as of September 30, 2024		
Wuxi Ton Yi Industrial Packing Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM, sale of cans	\$ 854,550	Note 1	\$ 221,550	\$ -	\$ -	\$ 221,550	\$ 6,057	100.00	\$ 7,345	\$ 919,938	\$ -	Note 7
Chengdu Ton Yi Industrial Packing Co., Ltd.	Sale of cans	237,375	Note 1	237,375	-	-	237,375	12,195	100.00	12,195	464,918	-	Note 7
Changsha Ton Yi Industrial Co., Ltd.	Sale of cans	221,550	Note 1	-	-	-	-	11,132	100.00	11,132	355,660	-	Note 7
Fujian Ton Yi Tinplate Co., Ltd.	Manufacturing and sale of tinplate	2,737,725	Note 2	1,688,433	-	-	1,688,433	(188,465)	86.80	(163,596)	1,730,226	-	Note 8
Jiangsu Ton Yi Tinplate Co., Ltd.	Sales of tinplate	1,266,000	Note 3	878,288	-	-	878,288	(46,364)	82.86	(38,416)	1,822,140	-	Note 8
Ton Yi (China) Investment Co., Ltd.	General investment	7,279,500	Note 4	949,500	-	-	949,500	1,328,914	100.00	1,328,914	13,727,964	2,047,151	Note 8
Zhangzhou Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	949,500	Note 5	949,500	-	-	949,500	204,266	100.00	204,266	2,104,645	-	Note 8
Taizhou Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	949,500	Note 5	949,500	-	-	949,500	330,303	100.00	330,303	1,803,016	-	Note 8
Chengdu Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	949,500	Note 5	363,975	-	-	363,975	181,517	100.00	181,517	1,570,960	-	Note 8
Huizhou Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	949,500	Note 5	189,900	-	-	189,900	204,977	100.00	204,977	1,625,465	-	Note 7
Kunshan Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	949,500	Note 5	-	-	-	-	84,636	100.00	84,636	1,126,806	-	Note 8
Beijing Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	949,500	Note 5	-	-	-	-	22,340	100.00	22,340	1,087,661	-	Note 7

Investee company	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from	Investment amount		Accumulated amount	Net income (loss) of the investee	Ownership held by the Company (direct or indirect)	Income (loss) recognized by the Company	Book value	Accumulated remittance	Note
				Taiwan to Mainland China as of January 1, 2024	Remitted to Mainland China	Remitted back to Taiwan	of remittance from Taiwan as of September 30, 2024				as of September 30, 2024		
Sichuan Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	\$ 949,500	Note 5	\$ -	\$ -	\$ -	\$ -	\$ 146,641	100.00	\$ 146,641	\$ 1,305,060	\$ -	Note 7
Zhanjiang Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	633,000	Note 5	-	-	-	-	119,521	100.00	119,521	974,619	-	Note 7
Tianjin Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	633,000	Note 5	-	-	-	-	37,156	100.00	37,156	483,145	-	Note 7
Wuxi Tonyi Daiwa Industrial Co., Ltd.	Manufacturing and sale of new bottle can	1,266,000	Note 6	-	-	-	- (	42,070)	66.50	(27,976)	551,997	-	Note 7

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 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.	\$ 6,428,021	\$ 12,865,320	\$ 12,804,151

(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 of September 30, 2024 (CNY:NTD 1:4.509382, USD:NTD 1:31.65);

Investment gains or losses were translated using the weighted-average exchange rate for the nine-month period ended September 30, 2024 (CNY:NTD 1:4.452022, USD:NTD 1:32.047201).

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 nine-month period ended September 30, 2024

Table 8

Expressed in thousands of NTD

Investee in Mainland China	Sales/(purchases)		Property transaction		Accounts receivable/ (payable)		Provision of endorsements/guarantees or collaterals		Financing				
	Amount	%	Amount	%	Balance at September 30, 2024	%	Balance at September 30, 2024	Purpose	Maximum balance during the nine-month period ended September 30, 2024	Balance at September 30, 2024	Interest rate	Interest during the nine-month period ended September 30,	Others
												2024	
Fujian Ton Yi Tinplate Co., Ltd.	\$ 530,576	5	\$ -	-	\$ 16,092	1	\$ -	—	\$ -	\$ -	—	\$ -	—

Ton Yi Industrial Corp. and Subsidiaries

Major shareholders information

September 30, 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.