TTET UNION CORPORATION

PARENT COMPANY ONLY FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2023 AND 2022

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

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of TTET Union Corporation

Opinion

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

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

Basis for opinion

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

Key audit matters

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

Key audit matters for the Company's 2023 parent company only financial statements are stated as follows:

Cut-off of inventory in transit

Description

The Company imports soybean from foreign suppliers as raw material. The term of trade is C&F which means the seller delivers the goods at the port of loading. The Company will confirm the information about loading date, quantity, pricing and other details with suppliers. After receiving the bill of lading, invoice, bank debit and other related source documents, the Company can recognize those materials as inventory. However, due to the complexity of the import process and paper work, the source documents may not be received on time which will result in inappropriate inventory recognition. In addition, the goods in transit have significant value. Thus, we considered the cut-off of inventory in transit a key audit matter.

How our audit addressed the matter

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

1. Understood the process of importing raw material and checked the source documents as basis of inventory recognition.
2. Tested the purchase transactions that took place after the balance sheet date, by inspecting the bill of lading or bank debit, to ensure the purchase was recognized in the correct reporting period.
3. Confirmed the borrowing amount of loan and the letter of credit with the banks.

Inventory valuation

Description

Refer to Notes 4(8) and 6(4) to the parent company only financial statements for the accounting policy and the details of accounts relating to inventory valuation. As at December 31, 2023, inventory and allowance for market price decline amounted to $2,763,691 thousand and $9,622 thousand, respectively, with the net amount constituting 45% of total assets.

The Company is engaged in the manufacture, sales and processing of a variety of vegetable oil and fat. The main raw material is soybean and it is usually affected by price changes in international trade. This results in higher risk of loss on market price decline. The inventories are estimated at the lower of cost and net realizable value. As the raw material is usually affected by price changes in international trade and the value of inventories is significant, we considered inventory valuation a key audit matter.

How our audit addressed the matter

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

1. Evaluated the reasonableness of accounting policy on provision for inventory, and the consistency of process application during the financial reporting period.
2. Tested the details of loss on market price decline, recalculated the net realizable value of the selected inventories, inspected related documents and discussed with management to confirm the adequacy of the provision on inventory market price decline.

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

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

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

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

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

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

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

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

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

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

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

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

Yeh, Fang-Ting

Independent Accountants

Lin, Tzu-Shu

PricewaterhouseCoopers, Taiwan

Republic of China

February 23, 2024

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

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

TTET UNION CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 1,249,911	21	$ 697,639	12
1150	Notes receivable, net	6(3)	135,986	2	163,213	3
1170	Accounts receivable, net	6(3)	434,354	7	512,849	9
1180	Accounts receivable - related parties	6(3) and 7	117,122	2	146,620	2
1200	Other receivables		8,543	-	25,133	-
130X	Inventory	5(2) and 6(4)	2,754,069	45	3,172,957	52
1410	Prepayments		139,803	2	156,530	3
11XX	**Total current assets**		4,839,788	79	4,874,941	81
	Non-current assets					
1517	Financial assets at fair value through other comprehensive income - non-current	6(5)	78,483	1	56,819	1
1550	Investments accounted for under equity method	6(6)	628,750	10	489,596	8
1600	Property, plant and equipment	6(7)(9) and 8	515,256	9	549,518	9
1755	Right-of-use assets	6(8)	13,688	-	23,962	-
1780	Intangible assets	6(7)(9)	1,514	-	1,259	-
1840	Deferred income tax assets	6(22)	14,104	-	20,121	-
1920	Guarantee deposits paid		9,013	-	9,649	-
1975	Net defined benefit asset - non-current	6(11)	29,352	1	28,357	1
15XX	**Total non-current assets**		1,290,160	21	1,179,281	19
1XXX	**Total assets**		$ 6,129,948	100	$ 6,054,222	100

(Continued)

TTET UNION CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(10)	$ -	-	$ 3,600	-
2120	Financial liabilities at fair value through profit or loss - current	6(2) and 12	8,641	-	168	-
2130	Current contract liabilities	6(15)	14,252	-	59,642	1
2150	Notes payable		5,027	-	5,007	-
2170	Accounts payable		101,376	2	228,401	4
2180	Accounts payable - related parties	7	30,319	1	33,202	-
2200	Other payables		290,726	5	251,340	4
2230	Current income tax liabilities	6(22)	253,136	4	283,396	5
2280	Lease liabilities - current	6(8)	9,800	-	773	-
21XX	**Total current liabilities**		713,277	12	865,529	14
	Non-current liabilities					
2570	Deferred income tax liabilities	6(22)	12,332	-	12,106	-
2580	Lease liabilities - non-current	6(8)	4,293	-	23,792	1
2645	Guarantee deposits received		1,780	-	2,089	-
25XX	**Total non-current liabilities**		18,405	-	37,987	1
2XXX	**Total liabilities**		731,682	12	903,516	15
	Equity					
	Share capital					
3110	Common stock	6(12)	1,599,749	26	1,599,749	27
3200	Capital surplus	6(13)	23,784	-	23,784	-
	Retained earnings	6(14)				
3310	Legal reserve		1,708,264	28	1,583,042	26
3320	Special reserve		5,858	-	5,528	-
3350	Unappropriated retained earnings		2,064,290	34	1,944,461	32
3400	Other equity interest		(3,679)	-	(5,858)	-
3XXX	**Total equity**		5,398,266	88	5,150,706	85
	Significant contingent liabilities and unrecognized contract commitments	9				
3X2X	**Total liabilities and equity**		$ 6,129,948	100	$ 6,054,222	100

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

TTET UNION CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except for earning per share amounts)

	Items	Notes	2023 AMOUNT	2023 %	2022 AMOUNT	2022 %
4000	Operating revenue	6(15) and 7	$ 18,488,138	100	$ 20,217,008	100
5000	Operating costs	6(4)(9)(11)(20)(21) and 7	(16,870,346)	(91)	(18,585,819)	(92)
5900	Net operating margin		1,617,792	9	1,631,189	8
	Operating expenses	6(9)(11)(20)(21) and 7				
6100	Selling expenses		(234,204)	(1)	(238,527)	(1)
6200	General and administrative expenses		(170,260)	(1)	(173,523)	(1)
6300	Research and development expenses		(9,315)	-	(9,435)	-
6450	Expected credit gains (losses)	12	358	-	(702)	-
6000	Total operating expenses		(413,421)	(2)	(422,187)	(2)
6900	Operating profit		1,204,371	7	1,209,002	6
	Non-operating income and expenses					
7100	Interest income	6(16)	10,695	-	4,619	-
7010	Other income	6(5)(17)	13,388	-	13,601	-
7020	Other gains and losses	6(2)(8)(18) and 12	37,930	-	109,786	-
7050	Finance costs	6(8)(19)	(3,033)	-	(4,440)	-
7070	Share of profit of subsidiaries, associates and joint ventures accounted for under equity method, net	6(6)	198,865	1	169,185	1
7000	Total non-operating income and expenses		257,845	1	292,751	1
7900	**Profit before income tax**		1,462,216	8	1,501,753	7
7950	Income tax expense	6(22)	(257,365)	(1)	(275,548)	(1)
8200	**Profit for the year**		$ 1,204,851	7	$ 1,226,205	6
	Other comprehensive income (loss)					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Remeasurements of defined benefit obligation	6(11)	($ 137)	-	$ 29,931	-
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(5)	1,449	-	(330)	-
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method	6(6)	489	-	2,067	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(22)	28	-	(5,986)	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8367	Unrealised gains on valuation of investments in debt instruments measured at fair value through other comprehensive income, net	6(5)	730	-	-	-
8300	**Other comprehensive income for the year**		$ 2,559	-	$ 25,682	-
8500	**Total comprehensive income for the year**		$ 1,207,410	7	$ 1,251,887	6
	Earnings per share (in dollars)	6(23)				
9750	Basic		$	7.53	$	7.66
9850	Diluted		$	7.52	$	7.65

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

TTET UNION CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

				Retained earnings			Other equity	
	Notes	Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Total equity
Year ended December 31, 2022								
Balance at January 1, 2022		$ 1,599,749	$ 23,784	$ 1,456,732	$ 7,000	$ 1,776,932	($ 5,528)	$ 4,858,669
Net income for 2022		-	-	-	-	1,226,205	-	1,226,205
Other comprehensive income (loss) for 2022	6(5)	-	-	-	-	26,012	(330)	25,682
Total comprehensive income (loss) for 2022		-	-	-	-	1,252,217	(330)	1,251,887
Distribution of 2021 net income:								
Legal reserve		-	-	126,310	-	(126,310)	-	-
Cash dividends	6(14)	-	-	-	-	(959,850)	-	(959,850)
Reversal of special reserve		-	-	-	(1,472)	1,472	-	-
Balance at December 31, 2022		$ 1,599,749	$ 23,784	$ 1,583,042	$ 5,528	$ 1,944,461	($ 5,858)	$ 5,150,706
Year ended December 31, 2023								
Balance at January 1, 2023		$ 1,599,749	$ 23,784	$ 1,583,042	$ 5,528	$ 1,944,461	($ 5,858)	$ 5,150,706
Net income for 2023		-	-	-	-	1,204,851	-	1,204,851
Other comprehensive income for 2023	6(5)	-	-	-	-	380	2,179	2,559
Total comprehensive income for 2023		-	-	-	-	1,205,231	2,179	1,207,410
Distribution of 2022 net income:								
Legal reserve		-	-	125,222	-	(125,222)	-	-
Special reserve		-	-	-	330	(330)	-	-
Cash dividends	6(14)	-	-	-	-	(959,850)	-	(959,850)
Balance at December 31, 2023		$ 1,599,749	$ 23,784	$ 1,708,264	$ 5,858	$ 2,064,290	($ 3,679)	$ 5,398,266

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

TTET UNION CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 1,462,216	$ 1,501,753
Adjustments			
Adjustments to reconcile profit (loss)			
Loss on financial assets at fair value through profit or loss		8,473	148
Expected credit (gains) losses	12	(358)	702
(Reversal of allowance) provision for inventory market price decline	6(4)	(38,986)	47,890
Share of profit of subsidiaries, associates and joint ventures accounted for under equity method	6(6)	(198,865)	(169,185)
Depreciation	6(7)(8)(20)	139,670	139,092
Loss on disposal of property, plant and equipment	6(18)	356	-
Property, plant and equipment recognized as expense	6(7)	14,114	12,867
Gain from lease modification	6(8)(18)	-	(85)
Amortization	6(9)(20)	477	605
Dividend income	6(5)(17)	(2,693)	(2,351)
Interest income	6(16)	(10,695)	(4,619)
Finance costs	6(19)	3,033	4,440
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		27,288	(25,660)
Accounts receivable		78,792	(215,861)
Accounts receivable - related parties		29,498	(43,013)
Other receivables		16,590	(11,033)
Inventories		457,874	(1,001,844)
Prepayments		16,727	185,599
Net defined benefit asset - non-current		(1,132)	1,574
Changes in operating liabilities			
Current contract liabilities		(45,390)	30,191
Notes payable		20	219
Accounts payable		(127,025)	(79,613)
Accounts payable - related parties		(2,883)	(11,868)
Other payables		39,387	(24,650)
Net defined benefit liabilities - non-current		-	(1,847)
Cash inflow generated from operations		1,866,488	333,451
Dividends received from investment accounted for under equity method	6(6)	60,200	84,280
Dividends received		2,693	2,351
Interest received		10,695	4,619
Interest paid		(3,034)	(4,443)
Income tax paid		(281,354)	(286,860)
Net cash flows from operating activities		1,655,688	133,398

(Continued)

TTET UNION CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through other comprehensive income		($ 19,485)	($ 19,549)
Acquisition of property, plant and equipment	6(7)	(110,184)	(102,820)
Increase in intangible assets	6(9)	(152)	(952)
Decrease (increase) in guarantee deposits paid		636	(5,036)
Net cash flows used in investing activities		(129,185)	(128,357)
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease in short-term borrowings	6(25)	(3,600)	(41,916)
Repayments of lease principal	6(25)	(10,472)	(11,431)
(Decrease) increase in guarantee deposit received	6(25)	(309)	329
Payment of cash dividends	6(14)	(959,850)	(959,850)
Net cash flows used in financing activities		(974,231)	(1,012,868)
Net increase (decrease) in cash and cash equivalents		552,272	(1,007,827)
Cash and cash equivalents at beginning of year	6(1)	697,639	1,705,466
Cash and cash equivalents at end of year	6(1)	$ 1,249,911	$ 697,639

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

TTET UNION CORPORATION

NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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

1. HISTORY AND ORGANIZATION

(1) TTET Union Corporation (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 May 24, 1982. The Company is primarily engaged in the manufacture, sales, processing, import and export of a variety of vegetable oils and engaged in cogeneration plant business, etc.

(2) The common shares of the Company have been listed on the Taiwan Stock Exchange since February 1996.

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

These parent company only financial statements were authorized for issuance by the Board of Directors on February 23, 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 FSC and became effective from 2023 are as follows:

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

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

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

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

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

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company'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:

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

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

(1) Compliance statement

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

(2) Basis of preparation

A. Except for the following items, the parent company only financial statements have been prepared under the historical cost convention:

(a)Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

(b) Financial assets at fair value through other comprehensive income measured at fair value.

(c) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5.

(3) Foreign currency translation

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

A. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.

B. Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.

C. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

D. All foreign exchange gains and losses are presented in the statement of comprehensive income within "Other gains and losses".

(4) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realized within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be paid off within the normal operating cycle;

(b) Liabilities arising mainly from trading activities;

(c) Liabilities that are to be paid off within twelve months from the balance sheet date;

(d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(5) Cash equivalents

A. Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

B. Time deposits and commercial paper that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

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

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using settlement date accounting.

C. At initial recognition, the Company measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Company subsequently measures the financial assets at fair value, and recognizes the gain or loss in profit or loss.

(7) Accounts and notes receivable

A. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(8) Inventories

Cost is determined using the weighted-average method. The cost of finished goods and work in process comprises raw materials, direct labor, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. Inventories are stated at the lower of cost and net realizable value. The item by item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

When the cost of inventories exceeds the net realizable value, the amount of any write-down of inventories is recognized as cost of sales during the period; and the amount of any reversal of inventory write-down is recognized as a reduction in cost of sales during the period.

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

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income and debt instruments which meet all of the following criteria:

(a) The objective of the Company's business model is achieved both by collecting contractual cash flows and selling financial assets; and

(b) The assets' contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognized and derecognized using settlement date accounting.

C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. The Company subsequently measures the financial assets at fair value:

(a) The changes in fair value of equity investments that were recognized in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognized as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(b) Except for the recognition of impairment loss, interest income and gain or loss on foreign exchange which are recognized in profit or loss, the changes in fair value of debt instruments are taken through other comprehensive income. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

(10) Impairment of financial assets

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

(11) Derecognition of financial assets

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

A. The contractual rights to receive cash flows from the financial asset expire.

B. The contractual rights to receive cash flows from the financial asset have been transferred and the Company has transferred substantially all risks and rewards of ownership of the financial asset.

C. The contractual rights to receive cash flows from the financial asset have been transferred and the Company has not retained control of the financial asset.

(12) Investments accounted for under equity method / associates

A. Subsidiaries are all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company is exposed, or has right, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

B. Unrealized gains or losses between the Company and its subsidiaries are eliminated. Necessary adjustments are made to the accounting policies of subsidiaries, to be consistent with the accounting policies of the Company.

C. After acquisition of subsidiaries, the Company recognizes proportionately the share of profit and loss and other comprehensive income in the income statement as part of the Company's profit and loss and other comprehensive income, respectively. When the share of loss from a subsidiary exceeds the carrying amount of Company's interest in that subsidiary, the Company continues to recognize its share in the subsidiary's loss proportionately.

D. According to "Regulations Governing the Preparation of Financial Statements by Securities Issuers", 'profit for the year' and 'other comprehensive income for the year' reported in an entity's parent company only statement of comprehensive income, shall equal to 'profit for the year' and 'other comprehensive income' attributable to owners of the parent reported in that entity's consolidated statement of comprehensive income. Total equity reported in an entity's parent company only financial statements, shall equal to equity attributable to owners of parent reported in that entity's consolidated financial statements.

(13) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.

B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Property, plant and equipment apply the cost model. Except for land, other property, plant and equipment are depreciated using the straight-line method to allocate their cost over their estimated useful lives. If each component of property, plant and equipment is significant, it is depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Asset	Useful lives
Buildings	2~40 years
Machinery	2~25 years
Transportation equipment	2~12 years
Other equipment	2~19 years

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

A. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate.

Lease payments are comprised of the following:

(a) Fixed payments, less any lease incentives receivable; and

(b) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

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

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

(a) The amount of the initial measurement of lease liability;

(b) Any lease payments made at or before the commencement date;

(c) Any initial direct costs incurred by the lessee; and

(d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term.

When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

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

(15) Intangible assets

Computer software and trademarks are stated at cost and amortized on a straight-line basis over their estimated useful life of 3~10 years.

(16) Impairment of non-financial assets

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

(17) Borrowings

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

B. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

(18) 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 repurchasing in the short-term. Derivatives are also categorized as financial liabilities held for trading unless they are designated as hedges. 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 Company measures the financial liabilities at fair value. All related transaction costs are recognized in profit or loss. The Company subsequently measures these financial liabilities at fair value with any gain or loss recognized in profit or loss.

(19) Accounts payable

Accounts payable are liabilities for purchases of raw materials, goods or services. The short-term accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(20) Derecognition of financial liabilities

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

(21) Offsetting financial instruments

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

(22) Employee benefits

A. Short-term employee benefits

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

B. Pensions

(a) Defined contribution plan

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

(b) Defined benefit plan

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

II. Remeasurement arising on defined benefit plan is recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.

C. Employees' compensation and directors' remuneration

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

(23) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the country where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent company only financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is provided on temporary differences arising on investments in subsidiary, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

D. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.

E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

(24) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders. Cash dividends are recorded as liabilities.

(25) Revenue recognition

A. Sales of merchandise and finished goods

(a) Sales are recognized when control of the products has transferred, being when the products are delivered to the client, the client has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the client's acceptance of the products.

(b) Revenue from these sales is recognized based on the price specified in the contract, net of the estimated output tax, sales returns, and sales discounts and allowances. Accumulated experience is used to estimate and provide for the sales discounts and allowances, using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A refund liability is recognized for expected sales discounts and allowances payable to customers in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales are made with a credit term of 7~ 45 days. As the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year, the Company does not adjust the transaction price to reflect the time value of money.

(c) A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

B. Sales of services

The Company provides processing services. Revenue from processing services is recognized under the percentage-of-completion method when the outcome of services provided can be estimated reliably. The stage of completion of a service contract is measured by the percentage of the actual services performed as of the financial reporting date to the total services to be performed. If the outcome of a service contract cannot be estimated reliably, contract revenue should be recognized only to the extent that contract costs incurred are likely to be recoverable.

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

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

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

None.

(2) Critical accounting estimates and assumptions

Evaluation of inventories

A. As inventories are stated at the lower of cost and net realizable value, the Company must determine the net realizable value of inventories on balance sheet date using judgements and estimates. Due to fluctuations in the price of international soybean futures, the Company evaluates the amounts of market price decline due to price fluctuations, and writes down the cost of inventories to the net realizable value. Such an evaluation of inventories is principally based on the estimated selling price of the inventory on the measurement date. Therefore, there might be material changes to the evaluation.

B. As of December 31, 2023, the carrying amount of inventories was $2,754,069.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Cash:		
Cash on hand	$ 282	$ 488
Checking accounts and demand deposits	350,464	337,458
	350,746	337,946
Cash equivalents:		
Time deposits	400,000	-
Commercial paper	499,165	359,693
	899,165	359,693
	$ 1,249,911	$ 697,639

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

B. The Company has no cash and cash equivalents pledged to others as of December 31, 2023 and 2022.

(2) Financial assets and liabilities at fair value through profit or loss - current

	December 31, 2023	December 31, 2022
Financial liabilities held for trading		
Non-hedging derivatives	$ 8,641	$ 168

A. The Company recognized net gain (shown as "Other gains and losses") on financial assets and liabilities mandatorily measured at fair value amounting to $26,582 and $110,795 for the years ended December 31, 2023 and 2022, respectively.

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

	December 31, 2023	
Derivative instruments	Contract amount (Notional principal)	Contract period
Current liability items:		
Forward foreign exchange contracts	USD 21,000 thousand	2023.12.5~2024.2.19

	December 31, 2022	
Derivative instruments	Contract amount (Notional principal)	Contract period
Current liability items:		
Forward foreign exchange contracts	USD 146 thousand	2022.11.9~2023.1.5

The Company entered into forward foreign exchange contracts to hedge exchange rate risk of import proceeds. However, these forward foreign exchange contracts are not accounted for under hedge accounting.

C. Information relating to credit risk of financial assets and liabilities at fair value through profit or loss is provided in Note 12(2).

(3) Notes and accounts receivable

	December 31, 2023	December 31, 2022
Notes receivable	$ 136,252	$ 163,540
Less: Allowance for uncollectible accounts	(266)	(327)
	$ 135,986	$ 163,213

	December 31, 2023	December 31, 2022
Accounts receivable	$ 436,102	$ 514,894
Accounts receivable - related parties	117,122	146,620
	553,224	661,514
Less: Allowance for uncollectible accounts	(1,748)	(2,045)
	$ 551,476	$ 659,469

A. The ageing analysis of notes receivable and accounts receivable is as follows:

	December 31, 2023		December 31, 2022	
	Notes receivable	Accounts receivable	Notes receivable	Accounts receivable
Not past due	$ 136,252	$ 553,224	$ 163,540	$ 661,514
Less than 30 days	-	-	-	-
31~60 days	-	-	-	-
61~90 days	-	-	-	-
91~Over 120 days	-	-	-	-
	$ 136,252	$ 553,224	$ 163,540	$ 661,514

The above ageing analysis was based on past due date.

B. As of December 31, 2023 and 2022, accounts receivable and notes receivable were all from contracts with customers. As of January 1, 2022, the balance of receivables from contracts with customers amounted to $540,520.

C. As at December 31, 2023 and 2022, 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 Company's notes and accounts receivable was the book value.

D. The Company holds certificates of time deposit and land as security for accounts receivable as of December 31, 2023 and 2022.

E. The Company has no notes and accounts receivable pledged to others as of December 31, 2023 and 2022.

F. Information relating to credit risk of accounts receivable and notes receivable is provided in Note 12(2).

(4) Inventories

	December 31, 2023		
	Cost	Allowance for market price decline	Book value
Merchandise	$ 3,337	$ -	$ 3,337
Raw materials	421,900	(8,553)	413,347
Raw materials in transit	1,380,511	-	1,380,511
Supplies	18,005	(553)	17,452
Work in progress	250,374	-	250,374
Work in progress in transit	11,199	-	11,199
Finished goods	678,365	(516)	677,849
	$ 2,763,691	($ 9,622)	$ 2,754,069

	December 31, 2022		
	Cost	Allowance for market price decline	Book value
Merchandise	$ 7,916	($ 35)	$ 7,881
Raw materials	495,736	-	495,736
Raw materials in transit	1,612,832	-	1,612,832
Supplies	21,994	(53)	21,941
Work in progress	278,842	-	278,842
Finished goods	804,245	(48,520)	755,725
	$ 3,221,565	($ 48,608)	$ 3,172,957

The cost of inventories recognized as expense for the year:

	For the years ended December 31,	
	2023	2022
Cost of goods sold	$ 16,543,384	$ 18,215,002
(Reversal of allowance) provision for inventory market price decline (Note)	(38,986)	47,890
Loss (gain) on physical inventory	966	(2,167)
Loss on scrapped inventories	580	1,724
	$ 16,505,944	$ 18,262,449

(Note) The Company recognized gain from price recovery as the increase in the international prices of raw materials led to a recovery in inventory net realizable value for the year ended December 31, 2023.

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

	December 31, 2023	December 31, 2022
Equity instruments		
Listed stocks	$ 67,551	$ 54,402
Unlisted stocks	8,275	8,275
	75,826	62,677
Valuation adjustment	(4,409)	(5,858)
	71,417	56,819
Debt instruments		
Beneficiary certificates	6,336	-
Valuation adjustment	730	-
	7,066	-
	$ 78,483	$ 56,819

A. The Company has elected to classify equity investments that are considered to be strategic investments and have steady dividend income as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to $78,483 and $56,819 at December 31, 2023 and 2022, respectively.

B. The Company recognized other comprehensive income in relation to financial assets at fair value through other comprehensive income amounting to $2,179 and ($330) for the years ended December 31, 2023 and 2022, respectively.

C. The Company recognized dividend income in relation to financial assets at fair value through other comprehensive income amounting to $2,693 and $2,351 for the years ended December 31, 2023 and 2022, respectively.

D. As at December 31, 2023 and 2022, 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 financial assets at fair value through other comprehensive income held by the Company was the book value.

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

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

(6) Investments accounted for under equity method

Movement of investments accounted for under equity method is as follows:

	For the years ended December 31,	
	2023	2022
At January 1	$ 489,596	$ 402,624
Share of profit of investments accounted for under equity method	198,865	169,185
Earnings distribution of investments accounted for under equity method	(60,200)	(84,280)
Changes in other equity items	489	2,067
At December 31	$ 628,750	$ 489,596

	December 31, 2023	December 31, 2022
Subsidiaries	$ 628,750	$ 489,596

A. For information relating to the Company's subsidiaries, refer to Note 4(3), 'Basis of consolidation' of the Company and its subsidiaries' consolidated financial statements for the year ended December 31, 2023.

B. The Company has no investments accounted for under equity method pledged to others as of December 31, 2023 and 2022.

(7) Property, plant and equipment

	Land	Buildings	Machinery	Transportation equipment	Other equipment	Construction in progress	Total
January 1, 2023							
Cost	$ 44,244	$ 941,901	$ 3,525,997	$ 11,947	$ 55,530	$ 13,110	$ 4,592,729
Accumulated depreciation	-	(796,600)	(3,194,194)	(11,145)	(41,272)	-	(4,043,211)
	$ 44,244	$ 145,301	$ 331,803	$ 802	$ 14,258	$ 13,110	$ 549,518
For the year ended December 31, 2023							
At January 1	$ 44,244	$ 145,301	$ 331,803	$ 802	$ 14,258	$ 13,110	$ 549,518
Additions	-	3,924	45,709	-	723	59,828	110,184
Transferred after acceptance	-	1,542	43,049	-	3,410	(48,001)	-
Depreciation	-	(25,483)	(100,417)	(131)	(3,365)	-	(129,396)
Disposals-Cost	-	-	(2,217)	-	(162)	-	(2,379)
-Accumulated depreciaton	-	-	1,861	-	162	-	2,023
Reclassified to intangible assets	-	-	-	-	-	(580)	(580)
Expensed	-	-	-	-	-	(14,114)	(14,114)
At December 31	$ 44,244	$ 125,284	$ 319,788	$ 671	$ 15,026	$ 10,243	$ 515,256
December 31, 2023							
Cost	$ 44,244	$ 947,367	$ 3,612,538	$ 11,947	$ 59,501	$ 10,243	$ 4,685,840
Accumulated depreciation	-	(822,083)	(3,292,750)	(11,276)	(44,475)	-	(4,170,584)
	$ 44,244	$ 125,284	$ 319,788	$ 671	$ 15,026	$ 10,243	$ 515,256

	Land	Buildings	Machinery	Transportation equipment	Other equipment	Construction in progress	Total
January 1, 2022							
Cost	$ 44,244	$ 935,313	$ 3,451,978	$ 11,947	$ 53,209	$ 8,685	$ 4,505,376
Accumulated depreciation	-	(770,134)	(3,098,967)	(10,966)	(38,219)	-	(3,918,286)
	$ 44,244	$ 165,179	$ 353,011	$ 981	$ 14,990	$ 8,685	$ 587,090
For the year ended December 31, 2022							
At January 1	$ 44,244	$ 165,179	$ 353,011	$ 981	$ 14,990	$ 8,685	$ 587,090
Additions	-	5,888	48,786	-	2,070	46,076	102,820
Transferred after acceptance	-	700	27,312	-	772	(28,784)	-
Depreciation	-	(26,466)	(97,306)	(179)	(3,574)	-	(127,525)
Disposals-Cost	-	-	(2,079)	-	(521)	-	(2,600)
-Accumulated depreciaton	-	-	2,079	-	521	-	2,600
Expensed	-	-	-	-	-	(12,867)	(12,867)
At December 31	$ 44,244	$ 145,301	$ 331,803	$ 802	$ 14,258	$ 13,110	$ 549,518
December 31, 2022							
Cost	$ 44,244	$ 941,901	$ 3,525,997	$ 11,947	$ 55,530	$ 13,110	$ 4,592,729
Accumulated depreciation	-	(796,600)	(3,194,194)	(11,145)	(41,272)	-	(4,043,211)
	$ 44,244	$ 145,301	$ 331,803	$ 802	$ 14,258	$ 13,110	$ 549,518

A. The Company’s property, plant and equipment are all owner-occupied as at December 31, 2023 and 2022.

B. The Company has not capitalized any interest for the years ended December 31, 2023 and 2022.

C. For more information regarding the Company’s property, plant and equipment pledged to others as at December 31, 2023 and 2022, refer to Note 8, “Pledged assets”.

(8) Leasing arrangements－lessee

A. The Company leases various assets including buildings and transportation equipment. Rental contracts are typically made for periods of 1 to 6 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

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

	December 31, 2023	December 31, 2022
	Carrying amount	Carrying amount
Buildings	$ 12,154	$ 21,039
Transportation equipment	1,534	2,923
	$ 13,688	$ 23,962

	For the years ended December 31,	
	2023	2022
	Depreciation charge	Depreciation charge
Buildings	$ 8,885	$ 8,885
Transportation equipment	1,389	2,682
	$ 10,274	$ 11,567

C. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets were $－ and $3,768, respectively.

D. The information on income and expense accounts relating to lease contracts is as follows:

	For the years ended December 31,	
	2023	2022
Items affecting profit or loss		
Interest expense on lease liabilities	$ 166	$ 276
Expense on short-term lease contracts	83	78
Gain from lease modification	-	(85)

E. For the years ended December 31, 2023 and 2022, the Company's total cash outflow for leases were $10,721 and $11,785, respectively.

(9) Intangible assets

	For the years ended December 31,	
	2023	2022
At January 1		
Cost	$ 10,021	$ 9,069
Accumulated amortization	(8,762)	(8,157)
	$ 1,259	$ 912
For the year ended December 31		
At January 1	$ 1,259	$ 912
Additions－acquired separately	152	952
Transferred from property, plant and equipment	580	-
Amortization charge	(477)	(605)
At December 31	$ 1,514	$ 1,259
At December 31		
Cost	$ 10,753	$ 10,021
Accumulated amortization	(9,239)	(8,762)
	$ 1,514	$ 1,259

Details of amortization on intangible assets are as follows:

	For the years ended December 31,	
	2023	2022
Operating costs	$ 88	$ 43
Selling expenses	265	207
Administrative expenses	124	355
	$ 477	$ 605

(10) Short-term borrowings

	December 31, 2022	Interest rate	Collateral
Bank unsecured borrowings	$ 3,600	5.18%	None

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

For interest expense recognized in profit or loss for the years ended December 31, 2023 and 2022, refer to Note 6(19).

(11) 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. In

2022, the Company contributes monthly an amount equal to 2%～2.5% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is not enough 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 contribution for the deficit by next March. The information on the Company's defined benefit pension plan is as follows:

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

	December 31, 2023	December 31, 2022
Present value of defined benefit obligations	($ 203,690)	($ 205,328)
Fair value of plan assets	233,042	233,685
Net defined benefit asset	$ 29,352	$ 28,357

(b) Movements in net defined benefit liabilities are as follows:

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit asset
For the year ended December 31, 2023			
Balance at January 1	($ 205,328)	$ 233,685	$ 28,357
Current service cost	(820)	-	(820)
Interest (expense) income	(2,497)	2,860	363
	(208,645)	236,545	27,900
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	2,118	2,118
Change in financial assumptions	(765)	-	(765)
Experience adjustments	(1,490)	-	(1,490)
	(2,255)	2,118	(137)
Pension fund contribution	-	1,589	1,589
Paid pension	7,210	(7,210)	-
Balance at December 31	($ 203,690)	$ 233,042	$ 29,352

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit asset (liability)
For the year ended December 31, 2022			
Balance at January 1	($ 227,008)	$ 225,161	($ 1,847)
Current service cost	(1,346)	-	(1,346)
Interest (expense) income	(1,566)	1,560	(6)
	(229,920)	226,721	(3,199)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	17,386	17,386
Change in financial assumptions	9,331	-	9,331
Experience adjustments	3,214	-	3,214
	12,545	17,386	29,931
Pension fund contribution	-	1,625	1,625
Paid pension	12,047	(12,047)	-
Balance at December 31	($ 205,328)	$ 233,685	$ 28,357

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

(d) The principal actuarial assumptions used were as follows:

	For the years ended December 31,	
	2023	2022
Discount rate	1.20%	1.25%
Future salary increases	2.00%	2.00%

For the years ended December 31, 2023 and 2022, assumptions regarding future mortality experience are set based on actuarial advice in accordance with Taiwan Life Insurance Industry 6th Mortality Table.

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

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2023				
Effect on present value of defined benefit obligation	($ 3,780)	$ 3,889	$ 3,849	($ 3,760)
December 31, 2022				
Effect on present value of defined benefit obligation	($ 4,042)	$ 4,165	$ 4,123	($ 4,023)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

(e) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2024 amount to $1,441.

(f) As of December 31, 2023, the weighted average duration of the retirement plan is 7 years. The analysis of timing of the future pension payment was as follows:

Within 1 year	$ 8,995
2-5 years	57,753
Over 6 years	156,110
	$ 222,858

B. Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs under the defined contribution pension plan of the

Company for the years ended December 31, 2023 and 2022 were $4,542 and $4,456, respectively.

(12) Share capital

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

	For the years ended December 31,	
	2023	2022
Beginning and ending balance	159,975	159,975

B. As of December 31, 2023, the Company's authorized capital was $1,778,000 and the paid-in capital was $1,599,749, consisting of 159,975 thousand shares of ordinary stock, with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

(13) Capital surplus

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

	For the year ended December 31, 2023		
	Share premium	Treasury share transactions	Total
Beginning and ending balance	$ 154	$ 23,630	$ 23,784

	For the year ended December 31, 2022		
	Share premium	Treasury share transactions	Total
Beginning and ending balance	$ 154	$ 23,630	$ 23,784

(14) Retained earnings

A. Pursuant to the Company Act, the current year's after-tax earnings should set aside 10% of the remaining earnings as legal reserve until the balance of legal reserve is equal to that of paid-in capital. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

B. According to the Company's Articles of Incorporation, 10% of the annual net income, after offsetting any loss of prior years and paying all taxes and dues, shall be set aside as legal reserve, and set aside or reverse special reserve. The remaining net income and the unappropriated retained earnings from prior years can be distributed in accordance with a resolution passed during a meeting of the Board of Directors and approved at the stockholders' meeting. Of the amount to be distributed by the Company, stockholders' dividends shall comprise 50% to 100% of the unappropriated retained earnings. Since the Company is in a changeable industry environment and the life cycle of the Company is in a stable growth, the appropriation of earnings should consider fund requirements and capital budgets to decide how much earnings will be kept or distributed and how much cash dividends will be distributed. The percentage of stock dividends shall not be more than 50% of dividends distributed.

C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

D. For the years ended December 31, 2023 and 2022, the Company distributed cash dividends both amounting to $959,850 ($6 (in dollars) per share). On February 23, 2024, the Board of Directors proposed for the distribution of dividends from 2023 earnings in the amount of $1,055,834 at $6.6 (in dollars) per share.

(15) Operating revenue

	For the years ended December 31,	
	2023	2022
Revenue from contracts with customers	$ 18,488,138	$ 20,217,008

A. Disaggregation of revenue from contracts with customers

The Company derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines:

	For the years ended December 31,	
	2023	2022
Sales revenue	$ 18,021,390	$ 19,764,037
Processing revenue	466,748	452,971
	$ 18,488,138	$ 20,217,008
Timing of revenue recognition		
At a point in time	$ 18,021,390	$ 19,764,037
Over time	466,748	452,971
	$ 18,488,138	$ 20,217,008

B. Contract liabilities

(a) As of December 31, 2023, December 31, 2022 and January 1, 2022, the Company has recognized the revenue-related liabilities amounting to $14,252, $59,642 and $29,451, respectively.

(b) Revenue recognized that were included in the contract liabilities balance at the beginning of 2023 and 2022 amounted to $59,642 and $29,449, respectively.

(16) Interest income

	For the years ended December 31,	
	2023	2022
Interest income from bank deposits	$ 3,619	$ 1,217
Other interest income	7,076	3,402
	$ 10,695	$ 4,619

(17) Other income

	For the years ended December 31,	
	2023	2022
Dividend income	$ 2,693	$ 2,351
Other income	10,695	11,250
	$ 13,388	$ 13,601

(18) Other gains and losses

	For the years ended December 31,	
	2023	2022
Net gain on financial assets at fair value through profit or loss	$ 26,582	$ 110,795
Net currency exchange gain	11,704	81
Loss on disposals of property, plant and equipment	(356)	-
Gain from lease modification	-	85
Other losses	-	(1,175)
	$ 37,930	$ 109,786

(19) Finance costs

	For the years ended December 31,	
	2023	2022
Interest expense		
Bank borrowings	$ 2,867	$ 4,164
Interest expense on lease liabilities	166	276
	$ 3,033	$ 4,440

(20) Expenses by nature

	For the years ended December 31,					
	2023			2022		
	Operating cost	Operating expense	Total	Operating cost	Operating expense	Total
Employee benefit expense	$ 113,598	$ 202,357	$ 315,955	$ 116,689	$ 203,079	$ 319,768
Depreciation	$ 123,200	$ 16,470	$ 139,670	$ 121,131	$ 17,961	$ 139,092
Amortization	$ 88	$ 389	$ 477	$ 43	$ 562	$ 605

(21) Employee benefit expense

	For the years ended December 31,					
	2023			2022		
	Operating cost	Operating expense	Total	Operating cost	Operating expense	Total
Wages and salaries	$ 103,150	$ 149,286	$ 252,436	$ 106,107	$ 148,265	$ 254,372
Labor and health insurance expense	5,848	9,382	15,230	5,821	9,319	15,140
Pension costs	2,564	2,435	4,999	2,730	3,078	5,808
Directors' remuneration	-	29,760	29,760	-	30,330	30,330
Other personnel expenses	2,036	11,494	13,530	2,031	12,087	14,118
	$ 113,598	$ 202,357	$ 315,955	$ 116,689	$ 203,079	$ 319,768

A. As of December 31, 2023 and 2022, the Company had 156 employees, including 10 non-employee directors for both years.

B. For the years ended December 31, 2023 and 2022, the average employee benefit expense were \$1,960 and \$1,982, respectively.

C. For the years ended December 31, 2023 and 2022, the average wages and salaries were \$1,729 and \$1,742, respectively.

D. For the year ended December 31, 2023, the adjustment of average employee salary rate was (0.75%).

E. For the tasks carried out by the Company's directors, the Company may pay remunerations; the remunerations are to be enforced in compliance with the Company's internal management system and to be paid according to the industry criteria. The Company's remuneration policy is established according to personal capabilities, contribution to the Company's operating results, and salary standard for the position held and is positively correlated to the management performance. The overall compensation includes the basic salary, prize and welfare. About the standard of payment, basic salary is determined according to the market value of the position held, prize is determined according to the fulfilled goals or corporate management performance, and welfare refers to sound welfare measures designed as required by laws and regulations and reflective of personal needs.

F. 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' and supervisors' remuneration. The ratio shall not be lower than 2% for employees' compensation and shall not be higher than 2% for directors' and supervisors' remuneration.

G. For the years ended December 31, 2023 and 2022, employees' compensation were accrued at $30,360 and $31,200, respectively; while directors' remuneration were accrued at $22,840 and $23,400, respectively. The aforementioned amounts were recognized in salary expenses and accrued based on the distributable net profit of current year and the percentage prescribed under the Articles of Incorporation of the Company. On February 23, 2024, the employees' compensation and directors' remuneration as resolved by the Board of Directors were $30,308 and $22,731, respectively, and the employees' compensation will be distributed in the form of cash. The actual amount resolved by the Board of Directors for employees' compensation and directors' remuneration for 2022 was $54,472, which is different from the estimated amount recognized in the 2022 financial statements of $54,600, by ($128). Such difference was recognized in profit and loss for the year ended December 31, 2023. Information about employees' compensation and directors' remuneration of the Company as proposed by the board of directors and resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(22) Income tax

A. Income tax expense

(a) Components of income tax expense:

	For the years ended December 31, 2023	2022
Current tax:		
Current tax on profits for the year	$ 245,861	$ 274,931
Tax on undistributed earnings	8,341	8,921
Prior year income tax (over) under estimation	(3,108)	584
Total current tax	251,094	284,436
Deferred tax:		
Origination and reversal of temporary differences	6,271	(8,888)
Income tax expense	$ 257,365	$ 275,548

(b) The income tax charge relating to components of other comprehensive income is as follows:

	For the years ended December 31, 2023	2022
Remeasurement of defined benefit obligations	($ 28)	$ 5,986

B. Reconciliation between income tax expense and accounting profit

	For the years ended December 31,	
	2023	2022
Tax calculated based on profit before tax and statutory tax rate	$ 292,443	$ 300,350
Effects from items disallowed by tax regulation	(40,311)	(34,307)
Tax on undistributed earnings	8,341	8,921
Prior year income tax (over) under estimation	(3,108)	584
Income tax expense	$ 257,365	$ 275,548

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

	For the year ended December 31, 2023			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
Temporary differences:				
Deferred tax assets:				
Allowance for doubtful accounts	$ 944	$ -	$ -	$ 944
Unrealized loss on inventory market value decline	9,721	(7,797)	-	1,924
Unrealized expense	1,337	58	-	1,395
Unrealized loss on financial assets and liabilities	34	1,694	-	1,728
Actuarial loss	8,085	-	28	8,113
	$ 20,121	($ 6,045)	$ 28	$ 14,104
Deferred tax liabilities:				
Pensions	($ 12,106)	($ 226)	$ -	($ 12,332)
	$ 8,015	($ 6,271)	$ 28	$ 1,772

	For the year ended December 31, 2022			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
Temporary differences:				
Deferred tax assets:				
Allowance for doubtful accounts	$ 944	$ -	$ -	$ 944
Unrealized loss on inventory market value decline	143	9,578	-	9,721
Unrealized expense	2,009	(672)	-	1,337
Unrealized loss on financial assets and liabilities	4	30	-	34
Actuarial loss	14,071	-	(5,986)	8,085
	$ 17,171	$ 8,936	($ 5,986)	$ 20,121
Deferred tax liabilities:				
Pensions	(12,051)	(55)	-	(12,106)
Unrealized exchange gain	(7)	7	-	-
	($ 12,058)	($ 48)	$ -	($ 12,106)
	$ 5,113	$ 8,888	($ 5,986)	$ 8,015

D. As of February 23, 2024, the Company’s income tax returns through 2021 have been assessed by the Tax Authority, and there were no disputes existing between the Company and the Tax Authority.

(23) Earnings per share

	For the year ended December 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders	$ 1,204,851	159,975	$ 7.53
Diluted earnings per share			
Profit attributable to ordinary shareholders	$ 1,204,851	159,975	
Assumed conversion of all dilutive potential ordinary shares Employees' compensation	-	260	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	$ 1,204,851	160,235	$ 7.52

	For the year ended December 31, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders	$ 1,226,205	159,975	$ 7.66
Diluted earnings per share			
Profit attributable to ordinary shareholders	$ 1,226,205	159,975	
Assumed conversion of all dilutive potential ordinary shares Employees' compensation	-	262	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	$ 1,226,205	160,237	$ 7.65

(24) Supplemental cash flow information

A. Investing activities with no cash flow effects:

	For the years ended December 31,	
	2023	2022
Property, plant and equipment reclassified to intangible assets	$ 580	$ -

(25) Changes in liabilities from financing activities

	Short-term borrowings	Lease liabilities	Guarantee deposits received	Liabilities from financing activities-gross
At January 1, 2023	$ 3,600	$ 24,565	$ 2,089	$ 30,254
Changes in cash flow from financing activities	(3,600)	(10,472)	(309)	(14,381)
At December 31, 2023	$ -	$ 14,093	$ 1,780	$ 15,873

	Short-term borrowings	Lease liabilities	Guarantee deposits received	Liabilities from financing activities-gross
At January 1, 2022	$ 45,516	$ 38,946	$ 1,760	$ 86,222
Increase in lease liabilities	-	3,768	-	3,768
Decrease in lease liabilities	-	(6,718)	-	(6,718)
Changes in cash flow from financing activities	(41,916)	(11,431)	329	(53,018)
At December 31, 2022	$ 3,600	$ 24,565	$ 2,089	$ 30,254

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
Uni-President Enterprises Corp.	Key management individuals
Great Wall Enterprise Co., Ltd.	"
Tai Hwa Oil Industrial Co., Ltd.	"
May Lan Lei Co., Ltd.	An entity controlled by key management individuals
Total Nutrition Technologies Co., Ltd.	"
Ton-Yi Industrial Corp.	"
President Nisshin Corp.	"
Uni-President Vender Corp.	"
Weilih Food Industrial Co., Ltd.	Investee of key management individual accounted for under the equity method
Master Channels Corporation	Subsidiary

(2) Significant related party transactions

A. Sales and processing revenue

	For the years ended December 31,	
	2023	2022
Sales of merchandise and finished goods:		
－Key management individuals	$ 290,671	$ 431,771
－Subsidiaries	342,933	327,489
－An entity controlled by key management individuals	426,262	419,632
－Investee of key management individual accounted for under the equity method	6,909	7,623
	1,066,775	1,186,515
Processing revenue:		
－May Lan Lei Co., Ltd.	359,609	346,084
－Tai Hwa Oil Industrial Co., Ltd.	92,999	91,257
－Other entities controlled by key management individuals	13,748	14,989
－Other key management individuals	392	641
	466,748	452,971
	$ 1,533,523	$ 1,639,486

The collection period for related parties was 7~45 days after sales of goods, 10~45 days for sales to regular customers. The price was the same for related and third parties. The terms of providing processing services to related parties were the same with regular customers. The above related parties close their accounts at the end of each month and made payment within 15 days after. The pricing depends on the contract and management methods.

B. Purchases

	For the years ended December 31,	
	2023	2022
An entity controlled by key management individuals	$ 383,027	$ 385,885
Key management individuals	208,176	36,448
	$ 591,203	$ 422,333

The terms of purchases and payments are made in 15~30 days after receipt to related parties which were the same with third party suppliers, except for an entity controlled by key management individuals, wherein payments are made in 12~25 days after receipt. The price was the same for related and third parties.

C. Accounts receivable

	December 31, 2023	December 31, 2022
Key management individuals	$ 22,219	$ 71,743
An entity controlled by key management individuals	55,937	40,503
Subsidiaries	37,973	34,374
Investee of key management individual accounted for under the equity method	993	-
	$ 117,122	$ 146,620

D. Accounts payable

	December 31, 2023	December 31, 2022
Ton-Yi Industrial Corp.	$ 30,319	$ 33,202

(3) Key management compensation

	For the years ended December 31,	
	2023	2022
Salaries and other short-term employee benefits	$ 75,840	$ 75,787

8. PLEDGED ASSETS

The Company's assets pledged as collateral were as follows:

	Book Value		
Assets pledged	December 31, 2023	December 31, 2022	Purpose of collateral
Land (Note 1)	$ -	$ 44,244	(Note 2)
Buildings, net (Note 1)	-	80,440	〃
	$ -	$ 124,684	

(Note 1) Recognized as "Property, plant, and equipment".

(Note 2) The associated debt has been repaid but the designation of 'Property, plant, and equipment' as collateral has not yet been removed.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

(1) As of December 31, 2023 and 2022, the unused letters of credit amounted to $1,154,033 and $1,315,612, respectively.

(2) Capital expenditures contracted for but not yet incurred

	December 31, 2023	December 31, 2022
Property, plant and equipment	$ 44,026	$ 42,443

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

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

(2) Financial instruments

A. Financial instruments by category

Details of financial instruments by category of the Company are described in Note 6.

B. Financial risk management policies

(a) The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial position and financial performance.

(b) Company treasury identifies, evaluates and hedges financial risks in close cooperation with the Company's operating units.

(c) Information about derivative financial instruments that are used to hedge certain exchange rate risk are provided in Note 6(2).

C. Significant financial risks and degrees of financial risks

(a) Market risk

I. Foreign exchange risk

(i) Some purchases and sales are valued in US dollars, therefore the fair value changes with market exchange rate.

(ii) Management has set up a policy to require the Company to manage the foreign exchange risk against the functional currency. The Company hedges foreign exchange rate by using forward exchange contracts. However, the Company does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(2).

(iii) The Company's businesses involve some non-functional currency operations (the Company's functional currency: NTD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2023		
	Foreign currency amount (in thousands)	Exchange rate	Book value
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD : NTD	$ 110	30.755	$ 3,397

	December 31, 2022		
	Foreign currency amount (in thousands)	Exchange rate	Book value
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD : NTD	$ 67	30.76	$ 2,073
Financial liabilities			
Monetary items			
USD : NTD	117	30.76	3,600

(iv) As of December 31, 2023 and 2022, if the NTD:USD exchange rate appreciates/ depreciates by 1% with all other factors remaining constant, the after-tax profit for the years ended December 31, 2023 and 2022 would increase/decrease by $27 and $12, respectively.

(v) The unrealized exchange gain arising from significant foreign exchange variation on monetary items held by the Company for the years ended December 31, 2023 and 2022 both amounted to $－.

II. Price risk

The Company's equity securities, which are exposed to price risk, are the held financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Company has set various stop loss points to ensure that the Company is not exposed to significant market risks.

The Company's invests in equity securities comprise unlisted stocks. 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 2% with all other variables held constant, other components of equity for the years ended December 31, 2023 and 2022 would have increased/decreased by $1,570 and $1,136, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

III. Cash flow and fair value interest rate risk

If the borrowing interest rate had increased/decreased by 1% with all other variables held constant, there is no significant effect on after-tax profit for the years ended December 31, 2023 and 2022.

(b) Credit risk

I. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.

II. The Company manages its credit risk taking into consideration the Company's concern. For banks and financial institutions, only independently rated parties with a certain rating are accepted. According to the Company's credit policy, the Company is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilization of credit limits is regularly monitored.

III. The Company adopts the following assumption under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:

If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

IV. The Company adopts the assumption under IFRS 9, whereby the default occurs when the contract payments are past due over 90 days.

V. The Company wrote-off financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Company will continue executing the recourse procedures to secure their rights.

VI. The Company classifies customers' accounts receivable in accordance with credit risk on trade. The Company applies the simplified approach using the provision matrix to estimate expected credit loss. The Company uses the forecastability of Taiwan Institute of Economic Research boom observation report to adjust historical and timely information to assess the default possibility of accounts receivable, and expected loss rate range is 0.3% to 100%. Movements in relation to the Company applying the simplified approach to provide loss allowance for accounts receivable are as follows:

	For the year ended December 31, 2023		
	Notes receivable	Accounts receivable	Total
At January 1	$ 327	$ 2,045	$ 2,372
Reversal of impairment	(61)	(297)	(358)
At December 31	$ 266	$ 1,748	$ 2,014

	For the year ended December 31, 2022		
	Notes receivable	Accounts receivable	Total
At January 1	$ 345	$ 1,325	$ 1,670
(Reversal of) provision for impairment	(18)	720	702
At December 31	$ 327	$ 2,045	$ 2,372

(c) Liquidity risk

I. Cash flow forecasting is performed in Finance Division of the Company. Finance division monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

II. For the forward exchange agreement which the Company is engaged in, the expected cash outflow amounts to USD$21,000 thousand. There is no significant risk because the rate of forward exchange agreement had already been confirmed.

III. The Company has the following undrawn borrowing facilities:

	December 31, 2023	December 31, 2022
Floating rate:		
Expiring within one year	$ 5,768,875	$ 5,765,400

IV. The table below analyses the Company's non-derivative financial liabilities and gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

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:				
Notes payable	$ 5,027	$ -	$ -	$ -
Accounts payable (including related parties)	131,695	-	-	-
Other payables	290,726	-	-	-
Lease liabilities (including current and non-current)	9,880	4,006	303	-
Guarantee deposits received	-	1,780	-	-
Derivative financial liabilities:				
Forward foreign exchange contracts	8,641	-	-	-

December 31, 2022	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	$ 3,600	$ -	$ -	$ -
Notes payable	5,007	-	-	-
Accounts payable (including related parties)	261,603	-	-	-
Other payables	251,340	-	-	-
Lease liabilities (including current and non-current)	10,638	9,880	4,309	-
Guarantee deposits received	-	2,089	-	-
Derivative financial liabilities:				
Forward foreign exchange contracts	168	-	-	-

(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.

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 Company's investment in forward foreign exchange contracts is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Company's investment in equity investment without active market is included in Level 3.

B. Financial instruments not measured at fair value

The financial instruments not measured at fair value (including cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables, guarantee deposits paid, short-term borrowings, notes payable, accounts payable (including related parties), other payables, and guarantee deposits received) are based on their book value which approximates fair value.

C. The related information on 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:

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income				
Equity securities - non-current	$ 70,142	$ -	$ 1,275	$ 71,417
Beneficiary certificates	7,066	-	-	7,066
	$ 77,208	$ -	$ 1,275	$ 78,483
Liabilities				
Recurring fair value measurements				
Financial liabilities at fair value through profit or loss				
Forward foreign exchange contract	$ -	$ 8,641	$ -	$ 8,641

December 31, 2022	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income				
Equity securities - non-current	$ 55,544	$ -	$ 1,275	$ 56,819
Liabilities				
Recurring fair value measurements				
Financial liabilities at fair value through profit or loss				
Forward foreign exchange contract	$ -	$ 168	$ -	$ 168

D. The methods and assumptions the Company used to measure fair value are as follows:
The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward foreign exchange contracts are usually valued based on the current forward exchange rate.

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

F. The following is the movement of Level 3 for the years ended December 31, 2023 and 2022:

	Equity Securities
For the year ended December 31, 2023	$ 1,275

	Equity Securities
For the year ended December 31, 2022	$ 1,275

G. For the years ended December 31, 2023 and 2022, there was no transfer into or out from Level 3.

H. Financial segment is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

13. SUPPLEMENTARY DISCLOSURES

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

(1) Significant transactions information

A. Loans to others: None.

B. Provision of endorsements and guarantees to others: None.

C. Holding of marketable securities at the end of the period (not including subsidiary, associates and joint ventures): Refer to Table 1.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital: None.

E. Acquisition of real estate reaching $300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching $300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Refer to Table 2.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: None.

I. Trading in derivative instruments undertaken during the reporting periods: Refer to Note 6(2), "Financial assets and liabilities at fair value through profit or loss - current".

J. Significant inter-company transactions during the reporting periods: Refer to Table 3.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to Table 4.

(3) Information on investments in Mainland China

A. Basic information: Refer to Table 5.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: None.

(4) Major shareholders information

Major shareholders information: Refer to Table 6.

14. SEGMENT INFORMATION

None.

TTET Union Corporation

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

December 31, 2023

Table 1 Expressed in thousands of NTD

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2023				Note
				Number of shares	Book value	Ownership	Fair value	
TTET Union Corporation	Stock:							
	FOOD CHINA INC.	—	Financial assets at fair value through other comprehensive income - non-current	400,000	$ 1,275	1.08%	$ 1,275	—
	Taiwan Mobile Co., Ltd.	—	Financial assets at fair value through other comprehensive income - non-current	160,000	15,776	-	15,776	—
	Taiwan Secom Co. , Ltd.	—	Financial assets at fair value through other comprehensive income - non-current	100,000	11,700	-	11,700	—
	Far Eastern New Century Corporation	—	Financial assets at fair value through other comprehensive income - non-current	530,000	16,536	-	16,536	—
	The Shanghai Commercial & Savings Bank, Ltd.	—	Financial assets at fair value through other comprehensive income - non-current	228,796	10,707	-	10,707	—
	Formosa Plastics Corporation	—	Financial assets at fair value through other comprehensive income - non-current	165,000	13,068	-	13,068	—
	TTFB Company Limited	—	Financial assets at fair value through other comprehensive income - non-current	10,000	2,355	-	2,355	—
	Beneficiary Certificates:							
	Yuanta AAA-A Corporate Bond ETF	—	Financial assets at fair value through other comprehensive income - non-current	200,000	7,066	-	7,066	—

TTET Union Corporation

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

For the year ended December 31, 2023

Table 2 Expressed in thousands of NTD

			Description of transaction				Description and reasons for difference in transaction terms compared to non-related party transactions		Notes or accounts receivable/(payable)		
Purchase/sale company	Counterparty	Relationship with the counterparty	Purchases /(sales)	Amount	Percentage of total purchases /(sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Note
TTET Union Corporation	Uni-President Enterprises Corp.	The investor of the Company	(Sales)	($ 250,545)	(1%)	15 days after sales	$ -	(Note 1)	$ 14,350	2%	—
	Tai hwa Oil Industrial Co., Ltd.	The director of the Company	Purchases	113,176	1%	15 days after delivery	-	(Note 2)	-	-	—
	Master Channels Corporation	An investee company accounted for under the equity method	(Sales)	(342,933)	(2%)	Closes its accounts each half month, notes due in 20 days	-	(Note 1)	37,973	6%	—
	Ton-Yi Industrial Corp.	An investee company of Uni-President Enterprises Corp. accounted for under the equity method	Purchases	347,313	2%	30 days after acceptance	-	(Note 2)	(30,319)	(22%)	—
	Total Nutrition Technologies Co., Ltd.	An investee company of Great Wall Enterprise Co., Ltd. accounted for under the equity method	(Sales)	(151,736)	(1%)	10 days after sales	-	(Note 1)	15,731	2%	—

			Description of transaction				Description and reasons for difference in transaction terms compared to non-related party transactions		Notes or accounts receivable/(payable)		
Purchase/sale company	Counterparty	Relationship with the counterparty	Purchases /(sales)	Amount	Percentage of total purchases /(sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Note
TTET Union Corporation	May Lan Lei Co., Ltd.	An investee company of Great Wall Enterprise Co., Ltd. accounted for under the equity method	(Sales)	($ 185,078)	(1%)	10 days after sales	$ -	(Note 1)	$ 3,151	-	—
			(Processing revenue)	(359,609)	(77%)	Closes its accounts 15 days after the end of each month	-	(Note 1)	30,997	4%	—
Master Channels Corporation	TTET Union Corporation	The Company	Purchases	342,933	8%	Closes its accounts each half month, notes due in 20 days	-	—	(37,973)	(6%)	—

Note 1: The collection period for third parties was 10~45 days after sales of goods.
Note 2: Payments to third parties were made in 12~30 days after receipt of goods.

TTET Union Corporation

Significant inter-company transactions during the reporting period

For the year ended December 31, 2023

Table 3 Expressed in thousands of NTD

				Transaction terms			
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of total consolidated revenues or total assets (Note 3)
0	TTET Union Corporation	Master Channels Corporation	1	Sales	($ 342,933)	Closes its accounts each half month, notes due in 20 days	(1%)
				Accounts receivable	37,973	—	—

Note 1: 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 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice.)

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated revenues or total assets, it is computed based on period-end balance of transaction to consolidated assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

TTET Union Corporation

Information on investees (not including investees in China)

For the year ended December 31, 2023

Table 4

Expressed in thousands of NTD

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at December 31, 2023	Initial investment amount: Balance as at December 31, 2022	Shares held as at December 31, 2023: Number of shares	Shares held as at December 31, 2023: Ownership	Shares held as at December 31, 2023: Book value	Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognized by the Company for the year ended December 31, 2023	Note
TTET Union Corporation	Master Channels Corporation	Taiwan	Wholesale of food	$ 138,585	$ 138,585	24,079,998	80.27	$ 628,750	$ 247,756	$ 198,865	Subsidiary

TTET Union Corporation

Information on investments in Mainland China

For the year ended December 31, 2023

Table 5

Expressed in thousands of NTD

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2023: Remitted to Mainland China	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2023: Remitted back to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income of investee for the year ended December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the year ended December 31, 2023	Book value of investments as of December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2023	Note
Beijing FoodChina Online Information and Technology Ltd.	Program planning, System design, etc.	$ 43,057	(2)	$ 7,381	$ -	$ -	$ 7,381	($ 6)	1.08%	$ -	$ 1,275	$ -	—

Note : Investment methods are classified into the following three categories:

(1) Directly invest in a company in Mainland China.

(2) Indirect investment in PRC through the existing company (FOOD CHINA INC.) located in the third area.

(3) Others

Company name	Accumulated investment balance from Taiwan to Mainland China	Amount approved by MOEA	Ceiling amount of investments in Mainland China imposed by MOEA (Note 1)
TTET Union Corporation	$ 7,381	$ 7,381	$ 3,331,706

Note 1: The ceiling amount is 60% of consolidated net worth.

Note 2: Foreign currencies were translated into New Taiwan Dollars using the exchange rate as of balance sheet date as follows: USD:NTD 1:30.755

TTET Union Corporation

Major shareholders information

December 31, 2023

Table 6

Expressed in shares

Name of major shareholders	Number of shares held		Ownership	Note
	Common shares	Preferred shares		
Uni-President Enterprises Corp.	61,594,201	-	38.50%	—
Tai Hwa Oil Industrial Co., Ltd.	26,623,706	-	16.64%	—
Great Wall Enterprise Co., Ltd.	15,416,960	-	9.63%	—
Kai Yu Investment Co., Ltd.	12,255,730	-	7.64%	—

Note : The major shareholders information was calculated by Taiwan Depository & Clearing Corporation in accordance with the common shares (including treasury shares) and preferred shares in dematerialised form which were registered and held by the shareholders above 5％ on the last operating date of each quarter.

The share capital which was recorded on the financial statements might be different from the number of shares held in dematerialised form because of the different calculation basis.

TTET UNION CORPORATION
STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2023

Expressed in thousands of NTD

Item	Description	Amount
Cash		
Cash on hand		$ 282
Checking accounts		162,713
Demand deposits－New Taiwan Dollar		184,354
－Foreign currency deposits	US$ 110 thousand dollars @ 30.755	3,397
		350,746
Cash equivalents:		
Time deposits	Maturing by 2024.2.14~2024.10.18, interest rate at 1.4%~1.5%	400,000
Commerical paper	Maturing by 2024.1.2~2024.1.15, interest rate at 1.02%	499,165
		$ 1,249,911

TTET UNION CORPORATION
STATEMENT OF NOTES RECEIVABLE
DECEMBER 31, 2023

Expressed in thousands of NTD

Client Name	Description	Amount	Remark
Xing Dayi Co., Ltd.	Notes receivable	$ 14,874	—
Lian Hsing Oil Trading Company	〃	11,253	—
Others (less than 5%)	〃	110,125	—
		136,252	
Less: Allowance for doubtful accounts		(266)	
		$ 135,986	

TTET UNION CORPORATION
STATEMENT OF ACCOUNTS RECEIVABLE, NET
DECEMBER 31, 2023

Expressed in thousands of NTD

Client Name	Description	Amount	Remark
Non-related parties:			
Taiwan Sugar Corp.	Accounts receivable	$ 73,482	—
Cargill Taiwan Corp.	〃	59,586	—
Charoen Pokphand Enterprise (Taiwan) Co., Ltd.	〃	33,506	—
Others (less than 5%)	〃	269,528	—
		436,102	
Less: Allowance for doubtful accounts		(1,748)	
		434,354	
Related parties:			
Master Channels Corporation	〃	37,973	—
May Lan Lei Co., Ltd.	〃	34,148	—
Total Nutrition Technologies Co., Ltd.	〃	15,731	—
Uni-President Enterprises Corp.	〃	14,350	—
Tai Hwa Oil Industrial Co., Ltd.	〃	7,869	—
President Nisshin Corp.	〃	6,058	—
Others (less than 5%)	〃	993	—
		117,122	
		$ 551,476	

TTET UNION CORPORATION
STATEMENT OF INVENTORIES
DECEMBER 31, 2023

Expressed in thousands of NTD

Item	Description	Amount		Remark
		Cost	Net Realizable Value	
Merchandise	—	$ 3,337	$ 3,553	(Note)
Raw materials	—	421,900	421,752	〃
Raw materials in transit	—	1,380,511	1,380,511	〃
Supplies	—	18,005	17,462	〃
Work in progress	—	250,374	250,374	〃
Work in progress in transit	—	11,199	11,199	〃
Finished goods	—	678,365	717,190	〃
		2,763,691	$ 2,802,041	
Less: Allowance for market price decline	—	(9,622)		
		$ 2,754,069		

Note: Refer to Note 4(8) for the method to determine the net realizable value.

TTET UNION CORPORATION
STATEMENT OF PREPAYMENTS
DECEMBER 31, 2023

Expressed in thousands of NTD

Item	Description	Amount	Remark
Supplies inventory			
Factory supplies	—	$ 115,202	—
Prepaid expense	—	19,082	—
Prepayment for purchases			
Prepaid foreign purchases	Soybean etc.	5,519	—
		$ 139,803	

TTET UNION CORPORATION

STATEMENT OF FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON-CURRENT

FOR THE YEAR ENDED DECEMBER 31, 2023

Expressed in thousands of NTD

	Balance, January 1, 2023		Addition		Valuation adjustment	Balance, December 31, 2023		
Name	Number of shares	Fair value	Number of shares	Amount	Amount	Number of shares	Fair value	Collateral or Pledge
Listed shares								
Taiwan Mobile Co.,Ltd.	160,000	$ 15,152	-	$ -	$ 624	160,000	$ 15,776	None
Taiwan Secom Co.,Ltd.	100,000	10,000	-	-	1,700	100,000	11,700	〃
Far Eastern New Century Corporation	530,000	16,907	-	-	(371)	530,000	16,536	〃
The Shanghai Commercial & Savings Bank, Ltd.	128,796	5,673	100,000	4,557	477	228,796	10,707	〃
Formosa Plastics Corporation	90,000	7,812	75,000	6,259	(1,003)	165,000	13,068	〃
TTFB Company Limited	-	-	10,000	2,333	22	10,000	2,355	〃
Unisted shares								
Food CHINA INC.	400,000	1,275	-	-	-	400,000	1,275	〃
Beneficiary Certificates								
Yuanta AAA-A Corporate Bond ETF	-	-	200,000	6,336	730	200,000	7,066	〃
		$ 56,819		$ 19,485	$ 2,179		$ 78,483	

TTET UNION CORPORATION

STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

FOR THE YEAR ENDED DECEMBER 31, 2023

Expressed in thousands of NTD

	Balance, January 1, 2023		Additions in Investment		Decrease in Investment		Balance, December 31, 2023			Market Value or Net Assets Value		Collateral or	
Name	Shares (In Thousands)	Amount	Shares (In Thousands)	Amount	Shares (In Thousands)	Amount	Shares (In Thousands)	%	Amount	Unit Price (NT$)	Total Amount	Pledge	Note
Master Channels Corporation	12,040	$ 489,596	12,040	$ 199,354	-	($ 60,200)	24,080	80.27%	$ 628,750	$ 26.11	$ 628,750	None	—

TTET UNION CORPORATION
STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT-COST
FOR THE YEAR ENDED DECEMBER 31, 2023

Expressed in thousands of NTD

Refer to Note 6(7) for the information related to property, plant and equipment.

TTET UNION CORPORATION
STATEMENT OF CHANGES IN OF PROPERTY, PLANT AND EQUIPMENT- ACCUMULATED DEPRECIATION
FOR THE YEAR ENDED DECEMBER 31, 2023

Expressed in thousands of NTD

Refer to Note 6(7) for the information related to property, plant and equipment, and Note 4(13) for the method to determine depreciation and useful lives for assets.

TTET UNION CORPORATION
STATEMENT OF ACCOUNTS PAYABLE
DECEMBER 31, 2023

Expressed in thousands of NTD

Vendor Name	Description	Amount	Remark
Non-related parties			
MITSUI & CO. (MALAYSIA) SND. BHD.	Accounts payable	$ 47,646	—
GRAINCORP OILSEEDS PTY LTD.	〃	11,199	—
Others (less than 5%)	〃	42,531	—
		101,376	
Related parties			
Ton Yi Industrial Corp.	〃	30,319	—
		$ 131,695	

TTET UNION CORPORATION
STATEMENT OF OTHER PAYABLES
DECEMBER 31, 2023

Expressed in thousands of NTD

Item	Description	Amount	Remark
Wages and salaries payable	—	$ 117,040	—
Employees' compensation and directors' remuneration	—	53,200	—
Business tax payable	—	38,179	—
Steam charge payable	—	15,373	—
Freight payable	—	15,304	—
Others (less than 5%)	—	51,630	—
		$ 290,726	

TTET UNION CORPORATION
STATEMENT OF CURRENT INCOME TAX LIABLITIES
DECEMBER 31, 2023

Expressed in thousands of NTD

Item	Description	Amount	Note
Corporate profit tax	—	$ 244,795	—
Tax on undistributed surplus earnings	—	8,341	—
		$ 253,136	

TTET UNION CORPORATION
STATEMENT OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2023

Expressed in thousands of NTD

Item	Quantity (tons)	Amount	Remark
Sales revenue			
Soybean flour	461,089	$ 8,647,916	—
Refined salad oil	83,712	3,418,139	—
Others (less than 10%)	-	5,962,486	—
		18,028,541	
Less: Sales returns and discounts		(7,151)	—
Net sales revenue		18,021,390	
Net processing revenue		466,748	—
Operating revenue		$ 18, 488, 138	

TTET UNION CORPORATION
STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Expressed in thousands of NTD

Item	Amount
Merchandise at January 1, 2023	$ 7,916
Add : Merchandise purchased	53,697
Less : Transferred to other expenses	(166)
Loss on physical inventory	(987)
Merchandise at December 31, 2023	(3,337)
Merchandise sold	57,123
Raw materials and material in transit at January 1, 2023	2,108,568
Add : Raw materials purchased	12,986,156
Less : Raw materials sold	(108)
Raw materials and materials in transit at December 31, 2023	(1,802,411)
Raw materials used	13,292,205
Supplies at January 1, 2023	21,994
Add : Supplies purchased	529,692
Gain on physical inventory	16
Less: Transferred to processing cost	(69,293)
Scrapped supplies	(180)
Supplies at December 31, 2023	(18,005)
Supplies used	464,224
Direct labor	31,328
Less: Transferred to processing cost	(10,895)
Manufacturing expense	672,874
Less: Transferred to processing cost	(248,436)
Manufacturing cost	14,201,300
Work in process at January 1, 2023	278,842
Add : Work in process purchased	1,985,422
Work in process and work in process in transit at December 31, 2023	(261,573)
Cost of goods manufactured	16,203,991

TTET UNION CORPORATION
STATEMENT OF OPERATING COSTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

Expressed in thousands of NTD

Item	Amount
Finished goods at January 1, 2023	$ 804,245
Add : Finished goods purchased	185,731
Gain on physical inventory	5
Less: Transferred to other expenses	(29,054)
Scrapped finished goods	(400)
Finished goods at December 31, 2023	(678,365)
Cost of products sold	16,486,153
Cost of raw materials sold	108
Cost of goods sold	16,543,384
Loss on physical inventory	966
Loss on scrapped inventories	580
Reversal of inventories market price decline	(38,986)
Costs of good sold	16,505,944
Processing costs	328,624
Other operating costs	35,778
Operating costs	$ 16,870,346

TTET UNION CORPORATION
STATEMENT OF MANUFACTURING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

Expressed in thousands of NTD

Item	Description	Amount	Remark
Wages and salaries	—	$ 74,386	—
Repair and maintenance	—	48,021	—
Utilities	—	141,436	—
Depreciation	—	123,200	—
Natural gas	—	50,442	—
Steam expense	—	133,518	—
Freight	—	36,747	—
Others (less than 5%)	—	65,124	—
		$ 672,874	

TTET UNION CORPORATION
STATEMENT OF SELLING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

Expressed in thousands of NTD

Item	Description	Amount	Remark
Wages and salaries	—	$ 57,783	—
Freight	—	97,285	—
Depreciation	—	11,006	—
Commission	—	21,218	—
Export expense	—	15,816	—
Others (less than 5%)	—	31,096	—
		$ 234,204	

TTET UNION CORPORATION
STATEMENT OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

Expressed in thousands of NTD

Item	Description	Amount	Remark
Wages and salaries	—	$ 115,468	—
Insurance	—	7,331	—
Services fees	—	5,276	—
Others (less than 5%)	—	42,185	—
		$ 170,260	

TTET UNION CORPORATION
STATEMENT OF INTEREST INCOME
FOR THE YEAR ENDED DECEMBER 31, 2023

Expressed in thousands of NTD

Refer to Note 6(16) for the information related to interest income.

TTET UNION CORPORATION
STATEMENT OF OTHER INCOME
FOR THE YEAR ENDED DECEMBER 31, 2023

Expressed in thousands of NTD

Refer to Note 6(17) for the information related to other income.

TTET UNION CORPORATION
STATEMENT OF OTHER GAINS AND LOSSES
FOR THE YEAR ENDED DECEMBER 31, 2023

Expressed in thousands of NTD

Refer to Note 6(18) for the information related to other gains or losses.

TTET UNION CORPORATION
STATEMENT OF FINANCE COOST
FOR THE YEAR ENDED DECEMBER 31, 2023

Expressed in thousands of NTD

Refer to Note 6(19) for the information related to finance costs.

TTET UNION CORPORATION
STATEMENT OF SUMMARY OF EMPLOYEE BENEFITS, DEPRECIATION AND AMORTIZATION BY NATURE
FOR THE YEAR ENDED DECEMBER 31, 2023

Expressed in thousands of NTD

Refer to Note 6(20) for the additional information related to expenses by nature and Note 6(21) for the information related to employee benefits.