WEI CHUAN FOODS CORPORATION AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2022 AND 2021

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.

WEI CHUAN FOODS CORPORATION

Declaration of Consolidated Financial Statements of Affiliated Enterprises

For the year ended December 31, 2022, pursuant to 'Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises', the entities that are required to be included in the consolidated financial statements of affiliates are the same as those required to be included in the consolidated financial statements of parent and subsidiary companies under IFRS 10. Also, if relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies, it shall not be required to prepare separate consolidated financial statements of affiliates.

Hereby declare,

Wei Chuan Foods Corporation
March 15, 2023

INDEPENDENT AUDITORS' REPORT

PWCR22000528

To the Board of Directors and Shareholders of Wei Chuan Foods Corporation

Opinion

We have audited the accompanying consolidated balance sheets of Wei Chuan Foods Corporation and subsidiaries (the "Group") as at December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits of the consolidated financial statements in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by 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 consolidated financial statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2022 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated 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 Group's 2022 consolidated financial statements are stated as follows:

Estimation of sales incentives

Description

Refer to Note 4(30) for accounting policy on revenue, Note 5(2) for the uncertainty of accounting judgments, assumptions and estimates in relation to revenue recognition and Note 6(22) for details of revenue.

The Group enters into different sales incentive agreements with different sales customers due to the nature of the industry. The Group pays incentives to sales customers if they meet the sales targets at various reward and promotion activities that the Group launches over a number of periods for cooperating with customers and distributors to promote products. International Financial Reporting Standards require that if sales incentives are substantively linked to operating revenue, the Group shall combine the two transactions and record the sales incentives as a deduction item to operating revenue.

The Group calculates and estimates the sales incentive amounts based on the actual sales amounts and the contract terms negotiated with sales customers. Given that the aforementioned process to recognise sales incentives usually involves management judgment and the calculations are relatively complicated, we consider the estimation of sales incentives a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of the Group's internal control designed for sales incentives and tested the effectiveness of the control, such as ascertained whether the calculations and estimates of each main sales incentive were reviewed by an authorised supervisor.
2. Obtained the reports derived from the Group's system and the relevant proofs of delivery, and then sampled and verified the actual sales volumes and unit prices.
3. Obtained the sales agreements of the Group's main sales customers. Used the actual sales amounts to recalculate the incentives based on the terms specified in the agreement.
4. Performed tests of subsequent deductions and write-offs for the balances of incentives payable that are material on the balance sheet date.

Evaluation of inventories

Description

Refer to Note 4(13) for accounting policy on inventory evaluation, Note 5(2) for critical judgement in relation to inventory evaluation, and Note 6(4) for details of inventories.

The Group is primarily engaged in the manufacture and sale of dairy products, beverages and soy sauce. Due to the high competitiveness of similar products in the food market, the growing consumer awareness of food safety in recent years and the short shelf-life of most dairy products, there is a higher risk of inventories losing value or becoming obsolete if the products are not selling as expected.

The Group applies judgments and estimates in determining the net realisable value of inventories on balance sheet date and then writes down the inventory costs to the net realisable value. Given that the inventories are the main operating assets for the Group, the evaluation of inventories involves management judgments and evaluation amounts are material to the financial statements, we consider the evaluation of inventories a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained the policies for inventory valuation and determined whether the policies applied in provision of allowance for inventory valuation losses in the different periods are in agreement.
2. Observed physical inventory count at the end of period to identify whether there are obsolete, damaged or unsalable inventories.
3. Obtained aging statements of each kind of inventory and tested the changes in ages of inventory. Selected samples with inventory number and verified the date of manufacture, checked the accuracy of classification range of inventory ages.
4. Obtained net realizable value statement of each kind of inventory and checked the applied calculation logic. Tested relevant parameters, including: sales or purchases data, reasonableness of marketing to sales ratio calculation, and relevant estimate document. Checked and compared allowance for valuation losses that the Group should provision at the lower of cost and net realizable value.

Other matter – Parent company only financial statements

We have audited and expressed an unqualified opinion on the parent company only financial statements of Wei Chuan Food Corporation as at and for the years ended December 31, 2022 and 2021.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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 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, we determine those matters that were of most significance in the audit of the consolidated 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.

Huang, Shih-Chun	Wu, Yu-Lung

For and on Behalf of PricewaterhouseCoopers, Taiwan

May 15, 2023

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

WEI CHUAN FOODS CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2022 AMOUNT	%	December 31, 2021 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 964,499	5	$ 1,292,071	7
1110	Financial assets at fair value through profit or loss - current	6(2)	2,270	-	-	-
1150	Notes receivable, net	6(3)	31,965	-	42,996	-
1170	Accounts receivable, net	6(3)	2,321,146	13	2,365,742	13
1180	Accounts receivable due from related parties, net	6(3) and 7(2)	172,040	1	220,261	1
1200	Other receivables	7(2)	117,142	1	111,648	1
1220	Current tax assets		37,199	-	3,096	-
130X	Inventories	6(4)	1,551,775	9	1,383,609	8
1410	Prepayments	7(2)	496,811	3	490,772	3
1470	Other current assets		28,182	-	16,376	-
11XX	**Total current Assets**		5,723,029	32	5,926,571	33
	Non-current assets					
1510	Non-current financial assets at fair value through profit or loss	6(2)	23,452	-	33,452	-
1535	Non-current financial assets at amortised cost	6(1) and 8	8,060	-	8,000	-
1550	Investments accounted for using the equity method	6(5)	16,441	-	18,060	-
1600	Property, plant and equipment	6(6) and 8	9,093,780	52	9,170,598	51
1755	Right-of-use assets	6(7)	787,959	5	775,441	4
1760	Investment property, net	6(8) and 8	216,866	1	222,453	1
1780	Intangible assets	6(9)	190,166	1	164,456	1
1830	Biological assets-non-current	6(10)	142,086	1	135,760	1
1840	Deferred tax assets	6(28)	1,134,961	6	1,181,961	7
1900	Other non-current assets	6(11)	271,426	2	322,342	2
15XX	**Total non-current assets**		11,885,197	68	12,032,523	67
1XXX	**Total assets**		$ 17,608,226	100	$ 17,959,094	100

(Continued)

WEI CHUAN FOODS CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2022 AMOUNT	%	December 31, 2021 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(13)	$ 2,041,678	12	$ 1,446,826	8
2110	Short-term notes and bills payable	6(14)	155,231	1	170,000	1
2130	Current contract liabilities	6(22)	94,300	-	86,480	1
2150	Notes payable		212	-	61	-
2170	Accounts payable		1,563,356	9	1,625,083	9
2180	Accounts payable due from related parties	7(2)	54,675	-	57,920	-
2200	Other payables	6(15)	1,896,034	11	2,183,531	12
2230	Current tax liabilities		29,549	-	69,486	-
2280	Current lease liabilities		135,975	1	107,670	1
2320	Long-term liabilities, current portion	6(16)	220,919	1	175,461	1
2399	Other current liabilities		14,902	-	12,388	-
21XX	**Total current Liabilities**		6,206,831	35	5,934,906	33
	Non-current liabilities					
2540	Long-term borrowings	6(16)	2,974,351	17	3,507,046	19
2570	Deferred tax liabilities	6(28)	667,672	4	710,978	4
2580	Non-current lease liabilities		233,489	1	283,742	2
2600	Other non-current liabilities	6(17)	293,227	2	470,369	3
25XX	**Total non-current liabilities**		4,168,739	24	4,972,135	28
2XXX	**Total Liabilities**		10,375,570	59	10,907,041	61
	Equity attributable to owners of parent					
	Share capital	6(19)				
3110	Ordinary share		5,060,629	29	5,060,629	28
	Capital surplus	6(20)				
3200	Capital surplus		36,115	-	36,115	-
	Retained earnings	6(21)				
3310	Legal reserve		786,135	4	736,381	4
3320	Special reserve		285,547	2	252,501	2
3350	Unappropriated retained earnings		1,260,898	7	1,243,902	7
	Other equity interest					
3400	Other equity interest		(204,898)	(1)	(285,547)	(2)
31XX	**Total equity attributable to owners of parent**		7,224,426	41	7,043,981	39
36XX	Non-controlling interest		8,230	-	8,072	-
3XXX	**Total equity**		7,232,656	41	7,052,053	39
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 17,608,226	100	$ 17,959,094	100

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

WEI CHUAN FOODS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

	Items	Notes	Year ended December 31 2022 AMOUNT	%	2021 AMOUNT	%
4000	Operating revenue	6(22) and 7(2)	$ 19,972,832	100	$ 19,817,862	100
5000	Operating costs	6(4)(26) and 7(2)	(14,474,786)	(73)	(14,035,011)	(71)
5950	Gross profit from operations		5,498,046	27	5,782,851	29
	Operating expenses	6(26)				
6100	Selling expenses		(4,107,491)	(21)	(4,020,500)	(20)
6200	General and administrative expenses		(846,046)	(4)	(889,936)	(5)
6300	Research and development expenses		(210,338)	(1)	(225,589)	(1)
6450	Expected credit gains (losses)	12(2)	6	-	(2,944)	-
6000	Total operating expenses		(5,163,869)	(26)	(5,138,969)	(26)
6900	Operating profit		334,177	1	643,882	3
	Non-operating income and expenses					
7100	Interest income		21,024	-	25,653	-
7010	Other income	6(23) and 7(2)	313,214	2	203,113	1
7020	Other gains and losses	6(24)	(267,432)	(1)	(102,257)	-
7050	Finance costs	6(25)	(120,397)	(1)	(115,937)	(1)
7055	Expected credit profit	12(2)	20,833	-	63,468	-
7060	Share of loss (profit) of associates and joint ventures accounted for using the equity method	6(5)	(1,619)	-	374	-
7000	Total non-operating income and expenses		(34,377)	-	74,414	-
7900	**Profit before income tax**		299,800	1	718,296	3
7950	Income tax expense	6(28)	(58,717)	-	(210,470)	(1)
8200	**Profit for the year**		$ 241,083	1	$ 507,826	2

(Continued)

WEI CHUAN FOODS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

			Year ended December 31			
			2022		2021	
	Items	Notes	AMOUNT	%	AMOUNT	%
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Gains (losses) on remeasurements of defined benefit plans	6(18)	$ 113,133	1	($ 9,417)	-
8310	Components of other comprehensive (loss) income that will not be reclassified to profit or loss		113,133	1	(9,417)	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translation		81,520	-	(33,314)	-
8399	Income tax relating to components of other comprehensive income(loss) that will be reclassified to profit or loss		(828)	-	255	-
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss		80,692	-	(33,059)	-
8300	**Other comprehensive income (loss)**		$ 193,825	1	($ 42,476)	-
8500	**Total comprehensive income**		$ 434,908	2	$ 465,350	2
	Profit, attributable to:					
8610	Owners of the parent		$ 240,283	1	$ 507,002	2
8620	Non-controlling interest		800	-	824	-
	Profit for the year		$ 241,083	1	$ 507,826	2
	Comprehensive income attributable to:					
8710	Owners of the parent		$ 433,983	2	$ 464,487	2
8720	Non-controlling interest		925	-	863	-
	Total comprehensive income		$ 434,908	2	$ 465,350	2
	Basic earnings per share					
9750	Profit for the year	6(29)	$ 0.47		$ 1.00	
	Diluted earnings per share					
9850	Profit for the year	6(29)	$ 0.47		$ 1.00	

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

WEI CHUAN FOODS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent								
				Retained earnings			Other equity			
	Notes	Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Total	Non-controlling interest	Total equity
Year ended December 31, 2021										
Balance at January 1, 2021		$5,060,629	$ 36,113	$ 682,715	$ 302,706	$1,018,043	($ 252,501)	$6,847,705	$ 8,083	$6,855,788
Profit for the year		-	-	-	-	507,002	-	507,002	824	507,826
Other comprehensive income (loss) for the year		-	-	-	-	(9,469)	(33,046)	(42,515)	39	(42,476)
Total comprehensive income (loss) for the year		-	-	-	-	497,533	(33,046)	464,487	863	465,350
Appropriation and distribution of 2020 retained earnings										
Legal reserve appropriated	6(21)	-	-	53,666	-	(53,666)	-	-	-	-
Special reserve reversed	6(21)	-	-	-	(50,205)	50,205	-	-	-	-
Cash dividends	6(21)	-	-	-	-	(268,213)	-	(268,213)	-	(268,213)
Capital surplus - dividends unclaimed by shareholders		-	2	-	-	-	-	2	-	2
Changes in non-controlling interests	4(3)	-	-	-	-	-	-	-	(874)	(874)
Balance at December 31, 2021		$5,060,629	$ 36,115	$ 736,381	$ 252,501	$1,243,902	($ 285,547)	$7,043,981	$ 8,072	$7,052,053
Year ended December 31, 2022										
Balance at January 1, 2022		$5,060,629	$ 36,115	$ 736,381	$ 252,501	$1,243,902	($ 285,547)	$7,043,981	$ 8,072	$7,052,053
Profit for the year		-	-	-	-	240,283	-	240,283	800	241,083
Other comprehensive income for the year		-	-	-	-	113,051	80,649	193,700	125	193,825
Total comprehensive income for the year		-	-	-	-	353,334	80,649	433,983	925	434,908
Appropriation and distribution of 2021 retained earnings										
Legal reserve appropriated	6(21)	-	-	49,754	-	(49,754)	-	-	-	-
Special reserve appropriated	6(21)	-	-	-	33,046	(33,046)	-	-	-	-
Cash dividends	6(21)	-	-	-	-	(253,538)	-	(253,538)	-	(253,538)
Changes in non-controlling interests	4(3)	-	-	-	-	-	-	-	(767)	(767)
Balance at December 31, 2022		$5,060,629	$ 36,115	$ 786,135	$ 285,547	$1,260,898	($ 204,898)	$7,224,426	$ 8,230	$7,232,656

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

WEI CHUAN FOODS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 299,800	$ 718,296
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(26)	1,090,557	1,076,551
Amortisation expense	6(26)	28,365	25,682
Expected credit loss	12(2)	(20,839)	(60,524)
Interest expense	6(25)	120,397	115,937
Interest income		(21,024)	(25,653)
Dividends revenue	6(23)	(2,081)	-
Net loss (gains) on financial assets or liabilities at fair value through profit or loss	6(24)	4,802	-
Share of (loss) profit of associates accounted for using the equity method	6(5)	1,619	(374)
Losses on disposal of property, plant and equipment and biological assets	6(24)	26,231	22,675
Impairment gain on reversal of non-financial assets	6(24)	(16)	(32,271)
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		11,031	(21,000)
Accounts receivable		44,616	(90,996)
Accounts receivable due from related parties		48,221	(6,315)
Other receivables		20,793	34,867
Inventories		(168,166)	(178,613)
Prepayments		(6,039)	(332,209)
Other current assets		(11,806)	(10,178)
Other non-current assets		(16,563)	(10,204)
Changes in operating liabilities			
Current contract liabilities		7,820	(4,429)
Notes payable		151	(238)
Accounts payable		(61,727)	139,131
Accounts payable due from related parties		(3,245)	(7,796)
Other payables		(276,237)	110,841
Other current liabilities		2,514	(2,216)
Other non-current liabilities		(48,975)	(77,386)
Cash inflow generated from operations		1,070,199	1,383,578
Interest received		21,024	25,653
Dividends received		2,057	-
Interest paid		(114,224)	(115,798)
Income taxes paid		(130,376)	(153,043)
Net cash flows from operating activities		848,680	1,140,390

(Continued)

WEI CHUAN FOODS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through profit or loss		($ 175,384)	$ -
Proceeds from financial assets at fair value through profit or loss	6(30)	173,663	-
Acquisition of property, plant and equipment	6(30)	(609,349)	(595,986)
Proceeds from disposal of property, plant and equipment		2,595	12,501
Acquisition of right-of-use assets		(42,027)	-
Acquisition of intangible assets	6(9)	(47,064)	(17,243)
Acquisition of biological assets	6(30)	(64,609)	(57,163)
Proceeds from disposal of biological assets	6(30)	15,838	9,475
Increase in prepayments for business facilities		(98,054)	(191,807)
Decrease (increase) in guarantee deposits paid	6(11)	5,083	(6,446)
Decrease (increase) in restricted bank deposits		(60)	-
Land value increment tax refunded		-	7,172
Net cash flows used in investing activities		(839,368)	(839,497)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Decrease) increase in short-term borrowings	6(31)	594,852	(323,603)
Decrease in short-term notes and bills payable	6(31)	(14,769)	(180,000)
Payments of lease liabilities	6(31)	(166,470)	(152,631)
Repayments of long-term borrowings	6(31)	(4,902,996)	(628,357)
Proceeds from long-term borrowings	6(31)	4,410,486	643,611
(Decrease) increase in guarantee deposits received	6(17)	(15,116)	9,951
Dividends paid	6(21)	(253,538)	(268,213)
Changes in non-controlling interests		(767)	(874)
Proceeds from dividends unclaimed by shareholders		-	2
Net cash flows used in financing activities		(348,318)	(900,114)
Effect of exchange rate changes		11,434	(14,139)
Net decrease in cash and cash equivalents		(327,572)	(613,360)
Cash and cash equivalents at beginning of year	6(1)	1,292,071	1,905,431
Cash and cash equivalents at end of year	6(1)	$ 964,499	$ 1,292,071

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

WEI CHUAN FOODS CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and Organisation

(1) Wei Chuan Foods 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.) and other related regulations in September 1953. The Company is primarily engaged in manufacturing, processing and sale of dairy products, beverages and instant foods. The information regarding the main business activities that the Company and its subsidiaries (the “Group”) are engaged in is provided in Note 4(3).

(2) The Company’s shares have been listed on Taiwan Stock Exchange since February 1962.

2. The Date of Authorisation for Issuance of the Financial Statements and Procedures for Authorisation

These consolidated financial statements were authorised for issuance by the Board of Directors on March 15, 2023.

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”) that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC and became effective from 2022 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 3, ‘Reference to the conceptual framework’	January 1, 2022
Amendments to IAS 16, ‘Property, plant and equipment: proceeds before intended use’	January 1, 2022
Amendments to IAS 37, ‘Onerous contracts—cost of fulfilling a contract’	January 1, 2022
Annual improvements to IFRS Standards 2018–2020	January 1, 2022

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

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
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

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

Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'

The amendments require an entity to recognise deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.

Upon adoption, the Group expects to recognise a deferred tax asset and liability for all deductible and taxable temporary differences associated with right-of-use assets and lease liabilities as of January 1, 2022. The potential impacts of these amendments are an increase in deferred tax assets by $53,416 and $51,181 and deferred tax liabilities by $53,416 and $51,181, as of December 31, 2022 and January 1, 2022, respectively

(3) IFRSs issued by IASB but not yet endorsed by the FSC

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

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

The Group continually evaluates the impact of the above standards and interpretations to the Group's consolidated financial condition and financial performance. The quantitative impact will be disclosed when the assessment is complete.

4. Summary of Significant Accounting Policies

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

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, 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").

(2) Basis of preparation

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

(a) Financial assets at fair value through profit or loss.

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

B. The preparation of consolidated financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements

(a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

(b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

(c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

(e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership(%) December 31, 2022	Ownership(%) December 31, 2021	Description
Wei Chuan Foods Corporation	KING CAN INDUSTRY CORPORATION	Process, manufacture and trade of tinplate products such as tin cans, tin boxes and bottle caps	98.68	98.68	Note 1
Wei Chuan Foods Corporation	CONCOURSE INTERNATIONAL INC.	General import and export trade business	99.99	99.99	Note 2
Wei Chuan Foods Corporation	CHINA YOUTH CO., LTD.	Trade of vegetables and fruits as well as agricultural and fishery products	99.79	99.79	Note 3
Wei Chuan Foods Corporation	KANG CHUAN ENGINEERING CO., LTD.	Planning, design and implementation of construction projects	99.85	99.85	Note 4
Wei Chuan Foods Corporation	Cheng Shuen Nung Ranch Dairy Co., Ltd.	Livestock farm management	100	100	-
Wei Chuan Foods Corporation	WEI CHUAN BUSINESS DEVELOPMENT CORPORATION	General investment	100	-	Note 5

Name of investor	Name of subsidiary	Main business activities	Ownership(%) December 31, 2022	Ownership(%) December 31, 2021	Description
Wei Chuan Foods Corporation	WEI-CHUAN INTERNATIONAL LIMITED	General investment	100	100	-
Wei Chuan Foods Corporation	WEI-CHUAN (BVI) CO., LTD.	General investment	100	100	-
Wei Chuan Foods Corporation	WEI-CHUAN ASIAN INVESTMENT LIMITED	General investment	1	1	-
Wei Chuan Foods Corporation	THAI WEI-CHUAN CO., LTD.	Food processing	60	60	-
KING CAN INDUSTRY CORPORATION	KingCan (BVI) Corporation	General investment	100	100	-
KingCan (BVI) Corporation	KUNSHAN KING CAN MOLD INDUSTRIAL CO.,	Manufacture of food molds and injection molds	100	100	-
CONCOURSE INTERNATIONAL INC.	CONCOURSE INTERNATIONAL LIMITED	General investment	100	100	-
CONCOURSE INTERNATIONAL LIMITED	HANGZHOU CONCOURSE TRADING CO., LTD.	General import and export trade business	100	100	-
WEI-CHUAN INTERNATIONAL LIMITED	WEI-CHUAN ASIAN INVESTMENT LIMITED	General investment	99	99	-
WEI-CHUAN (BVI) CO., LTD.	WEI CHUAN FOODS INVESTMENT CO., LTD.	General investment	100	100	-
WEI-CHUAN (BVI) CO., LTD.	Hangzhou Weichuan Biotechnology Foods Co., Ltd.	Manufacture and sale of food products such as solid drinks	100	100	-
WEI-CHUAN (BVI) CO., LTD.	HANGZHOU WEI-CHUAN FOOD CO., LTD.	Manufacture and brand marketing of refrigerated dairy beverages	100	100	-
WEI CHUAN FOODS INVESTMENT CO., LTD.	LANGFANG WEI-CHUAN FOODS CO., LTD.	Manufacture and brand marketing of refrigerated dairy beverages	100	100	-
WEI CHUAN FOODS INVESTMENT CO., LTD.	SUZHOU WEI-CHUAN FOODS CO., LTD.	Manufacture and brand marketing of refrigerated dairy beverages	100	100	Note 6

Note 1: On June 24, 2022, the shareholders of the investee resolved to distribute earnings of $58,243 as cash dividends. The ex-dividend effective date was set on July 15, 2022. The change in non-controlling interests was ($766).

On August 24, 2021, the shareholders of the investee resolved to distribute earnings of $66,313 as cash dividends. The ex-dividend effective date was set on September 15, 2021. The change in non-controlling interests was ($873).

Note 2: On June 21, 2022, the shareholders of the investee resolved to distribute earnings of $57,220 as cash dividends. The ex-dividend effective date was set on July 15, 2022. The change in non-controlling interests was ($1).

On June 15, 2021, the shareholders of the investee resolved to distribute earnings of $50,715 as cash dividends. The ex-dividend effective date was set on August 15, 2021. The change in non-controlling interests was ($1).

Note 3: In November 2016, the shareholders of the investee approved to dissolve the investee, which was approved by the competent authority in January 2017. As of March 15,2023, the investee is in the process of liquidation.

Note 4: In December 2016, the Board of Directors of the investee resolved to dissolve the investee. As of March 15, 2023, the liquidation has not been registered.

Note 5: To execute the strategic investment, the company invested $100,000 to establish a wholly-owned subsidiary, WEI CHUAN BUSINESS DEVELOPMENT CORPORATION, in January 2022

Note 6: To expand the development of the food segment in China, the Company implemented a Group reorganization restructuring, using the Group's subsidiary, Wei Chuan Foods Investment Co., Ltd. conducting a layout of the refrigerated food products in China market.

Wei Chuan Foods Investment Co., Ltd. acquired a 100% equity interest in SUZHOU WEI-CHUAN FOODS CO., LTD. through its indirect wholly-owned investee company, HANGZHOU WEI-CHUAN FOOD CO., LTD. The aforementioned transaction was completed on November 24, 2021.

C. Subsidiaries not included in the consolidated financial statements:

			Ownership(%)		
Name of investor	Name of subsidiary	Main business activities	December 31, 2022	December 31, 2021	Description
WEI-CHUAN ASIAN INVESTMENT	HEALTH CAN DEVELOPMENT LIMITED	General investment	75	75	Note 1
WEI-CHUAN INTERNATIONAL LIMITED	HEILONGJIANG WEI CHUAN DAIRY CO.	Dairy and other products	70	70	Note 2
WEI-CHUAN INTERNATIONAL LIMITED	HEILONGJIANG WEI CHUAN FOOD CO.	Condiments and other products	67	67	Note 2

Note 1: The subsidiary was not included as a consolidated entity in the consolidated financial statements as its assets did not reach 0.05% of total assets of the parent company and it did not have operating revenue.

Note 2: The subsidiary was not included as a consolidated entity in the consolidated financial statements as it is in the process of liquidation.

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

E. Significant restrictions:None.

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

(4) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in New Taiwan dollars, which is the Company's functional and the Group's presentation currency. Subsidiaries's functional currencies are presented in New Taiwan dollars, Chinese Yuan and United States dollars.

A. Foreign currency transactions and balances

(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 recognised 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 recognised 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 recognised 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 recognised 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'.

B. Translation of foreign operations

(a) The operating results and financial position of all the group entities, associates and jointly controlled entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognised in other comprehensive income.

(b) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

(5) 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 realised, 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 realised 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 settle 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 settled within the normal operating cycle;

(b) Liabilities arising mainly from trading activities;

(c) Liabilities that are to be settled 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.

(6) Cash equivalents

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

(7) 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 amortised 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 recognised and derecognised using trade date accounting.

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

D. The Group recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(8) Financial assets at amortised cost

A. Financial assets at amortised cost are those that meet all of the following criteria:

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

(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 amortised cost are recognised and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognised in profit or loss when the asset is derecognised or impaired.

D. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(9) Accounts and notes receivable

A. Accounts and notes receivable entitle the Group 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.

(10) Impairment of financial assets

For financial assets at amortised cost, at each reporting date, the Group recognises the impairment provision for twelve months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises 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 that do not contain a significant financing component, the Group recognises the impairment provision for lifetime ECLs.

(11) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(12) Leasing arrangements (lessor) - operating leases

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

(13) Inventories

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

(14) Investments accounted for using the equity method / associates

A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.

B. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

C. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Group's ownership percentage of the associate, the Group recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.

D. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

(15) Property, plant and equipment

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

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

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be 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:

Buildings and structures	5 ~ 60 years
Machinery and equipment	2 ~ 30 years
Office equipment	2 ~ 20 years
Transportation equipment	2 ~ 10 years
Others	2 ~ 40 years

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

A. Leases are recognised 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 Group. For short-term leases or leases of low-value assets, lease payments are recognised 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 fixed payments, less any lease incentives receivable.

The Group subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised 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 amount of the initial measurement of lease liability and any initial direct costs incurred by the lessee.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised 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 recognise the difference between remeasured lease liability in profit or loss.

(17) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 38 ~ 60 years.

(18) Intangible assets

A. Computer software

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 1 to 10 years.

B. Goodwill

Goodwill arises in a business combination accounted for by applying the acquisition method.

(19) Biological assets

Biological assets are measured at fair value. However, biological assets may be measured at cost less accumulated depreciation if the fair value cannot be obtained from the active market, and the alternative estimation of the fair value is clearly not reliable. They are depreciated over the expected useful life using the straight-line method, which is primarily 5 years. In addition to acquisition cost, feeding costs are capitalised when incurred and are tested annually for impairment. Where there is objective evidence of impairment, an impairment loss is recognised.

(20) Impairment of non-financial assets

A. The Group 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 recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognising 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 amortised historical cost would have been if the impairment had not been recognised.

B. The recoverable amounts of goodwill, intangible assets with an indefinite useful life and intangible assets that have not yet been available for use are evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.

C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination.

(21) Borrowings

A. Borrowings comprise long-term and short-term bank borrowings and other long-term and short-term loans. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised 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 recognised 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 draw-down 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 capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

(22) Notes and accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

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

(23) Derecognition of financial liabilities

Financial liability is derecognised when the obligation specified in the contract is either discharged or cancelled or expires.

(24) 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 recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(25) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are not recognised for future operating losses.

(26) 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 recognised as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

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

(b) Defined benefit plans

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 Group in current period or prior periods. The liability recognised 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) of a currency and term consistent with the currency and term of the employment benefit obligations.

ii. Remeasurements arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

iii. Past service costs are recognised immediately in profit or loss.

C. Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Group's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employment. The Group recognises expense as it can no longer withdraw an offer of termination benefits or it recognises relating restructuring costs, whichever is earlier. Benefits that are expected to be due more than 12 months after balance sheet date shall be discounted to their present value.

D. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognised as expense and liability, 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.

(27) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised 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 countries where the Company and its subsidiaries operate and generate 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 tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the balance sheet. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred 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 tax asset is realised or the deferred tax liability is settled.

D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred 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 recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred 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 realise the asset and settle the liability simultaneously.

(28) Share capital

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

(29) Dividends

Cash dividends are recorded as liabilities in the Company's financial statements in the period in which they are resolved by the Company's Board of Directors.

(30) Revenue recognition

A. The Group manufactures and sells food and packaging products. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

B. The products are often sold with volume discounts based on aggregate sales over a 12-month period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated 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 recognised 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 recognised for expected sales discounts and allowances payable to customers in relation to sales made until the end of the reporting period. No significant financing component is deemed present as the sales are made with a credit term of 15 to 90 days, which is consistent with market practice.

C. A receivable is recognised 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.

(31) Government grants

Government grants are recognised at their fair value only when there is reasonable assurance that the Group will comply with any conditions attached to the grants and the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises expenses for the related costs for which the grants are intended to compensate. Government grants related to property, plant and equipment are recognised as non-current liabilities and are amortised to profit or loss over the estimated useful lives of the related assets using the straight-line method.

(32) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision - Maker. The Group's Chief Operating Decision - Maker is responsible for allocating resources and assessing performance of the operating segments.

5. Critical Accounting.Judgements, Estimates and Key Sources of Assumption Uncertainty

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

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

Based on the Group's assessment, there is no significant uncertainty in the adoption of the accounting policies.

(2) Critical accounting estimates and assumptions

A. Revenue recognition

The Group estimates the incentives relating to the sales revenue based on the agreements. Provisions for such liabilities are recorded as a deduction item to sales revenues when the sales are recognised. The Group reassesses the reasonableness of estimates of incentives periodically.

B. Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Group must determine the net realisable value of inventories on balance sheet date using judgements and estimates. The Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation.

C. Realisability of deferred tax assets

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilised. Assessment of the realisability of deferred tax assets involves critical accounting judgements and estimates of the management, including the assumptions of expected future sales revenue growth rate and profit rate, available tax credits, tax planning, etc. Any variations in global economic environment, industrial environment, and laws and regulations might cause material adjustments to deferred tax assets.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	December 31, 2022	December 31, 2021
Cash on hand and revolving funds	$ 2,350	$ 2,963
Checking accounts and demand deposits	761,481	935,809
Time deposits	200,668	353,299
	$ 964,499	$ 1,292,071

A. The Group 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. As of December 31, 2022 and 2021, the Group's cash and cash equivalents amounting to $8,060 and $8,000, were restricted due to the guarantee deposit paid for the operational use and were reclassified as non-current financial assets at amortised cost. Refer to Note 8 for more details.

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

	December 31, 2022	December 31, 2021
Financial assets		
Current items:		
Listed stocks	$ 1,668	$ -
Valuation adjustment	602	-
	$ 2,270	$ -
Non-current items:		
Unlisted stocks	$ 461,413	$ 463,377
Valuation adjustment	(437,961)	(429,925)
	$ 23,452	$ 33,452

A. Amounts recognised in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

	Years ended December 31	
Items	2022	2021
Financial assets and liabilities mandatorily measured at fair value through profit or loss		
Listed stocks	($ 3,209)	$ -
Exchange Traded Fund	(12,052)	-
Unlisted stocks	10,459	-
	($ 4,802)	$ -

B. Information relating to credit risk is provided in Note 12(3).

(3) Notes and accounts receivable (including related parties)

	December 31, 2022	December 31, 2021
Notes receivable	$ 31,965	$ 42,996
Accounts receivable	$ 2,324,286	$ 2,376,650
Accounts receivable due from related parties	172,040	220,261
	2,496,326	2,596,911
Less: Allowance for uncollectible accounts	(3,140)	(10,908)
	$ 2,493,186	$ 2,586,003

A. Information relating to ageing analysis and credit risk of accounts receivable and notes receivable (including related parties) is provided in Note 12(2).

B. As of December 31, 2022 and 2021, accounts receivable and notes receivable were all from contracts with customers. Also, as of January 1, 2021, the balance of receivables from contracts with customers amounted to $ $2,560,187.

C. The Group has no accounts receivable and notes receivable pledged to others.

(4) Inventories

	December 31, 2022		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 802,192	($ 11,614)	$ 790,578
Work in progress	143,125	(2,309)	140,816
Finished goods	521,404	(14,294)	507,110
Merchandise inventory	87,510	(111)	87,399
Inventory in transit	25,872	-	25,872
	$ 1,580,103	($ 28,328)	$ 1,551,775

	December 31, 2021		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 724,974	($ 13,472)	$ 711,502
Work in progress	152,814	(2,588)	150,226
Finished goods	452,753	(14,359)	438,394
Merchandise inventory	54,956	(51)	54,905
Inventory in transit	28,582	-	28,582
	$ 1,414,079	($ 30,470)	$ 1,383,609

A. The above inventories were not pledged as collateral.

B. The cost of inventories recognised as expense for the year:

	Years ended December 31	
	2022	2021
Cost of goods sold	$ 14,155,357	$ 13,729,248
(Gain on reversal of) loss on decline in market value(Note)	(2,142)	(8,025)
Loss on scrapping inventory	203,615	203,057
Revenue from sales of scraps	(14,447)	(14,622)
Loss on excess capacity	132,403	125,353
	$ 14,474,786	$ 14,035,011

Note: Gain on reversal of decline in market value was caused by the sale of inventories previously written down which was charged to cost of goods sold.

(5) Investments accounted for using equity method

	December 31, 2022		December 31, 2021	
Associates:	Book value	Shareholding ratio	Book value	Shareholding ratio
FU TING FOODS CO., LTD.	$ 16,441	37.50%	$ 18,060	37.50%

The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarised below:

As of December 31, 2022 and 2021, the carrying amount of the Group's individually immaterial associates amounted to $16,441 and $18,060, respectively.

	Years ended December 31	
	2022	2021
Profit (loss) for the year from continuing operations	($ 1,619)	$ 374
Other comprehensive income, net of tax	-	-
Total comprehensive income (loss)	($ 1,619)	$ 374

(6) Property, plant and equipment

	2022							
	Land	Buildings and structures	Machinery and equipment	Office equipment	Transportation equipment	Unfinished construction and equipment under acceptance	Others	Total
At January 1								
Cost	$ 2,786,501	$ 3,795,959	$ 6,915,181	$ 747,288	$ 406,027	$ 1,065,926	$ 4,673,503	$ 20,390,385
Accumulated depreciation and impairment	-	(1,872,462)	(5,041,407)	(650,112)	(393,228)	-	(3,262,578)	(11,219,787)
	$ 2,786,501	$ 1,923,497	$ 1,873,774	$ 97,176	$ 12,799	$ 1,065,926	$ 1,410,925	$ 9,170,598
Opening net book amount as at January 1	$ 2,786,501	$ 1,923,497	$ 1,873,774	$ 97,176	$ 12,799	$ 1,065,926	$ 1,410,925	$ 9,170,598
Additions	-	3,452	33,811	9,013	5,463	481,192	59,181	592,112
Disposals	-	-	(584)	(13)	(679)	-	(161)	(1,437)
Reclassifications	-	358,123	342,674	10,466	2,748	(934,228)	380,304	160,087
Depreciation expense	-	(114,599)	(441,722)	(36,044)	(5,298)	-	(291,176)	(888,839)
Reversal of impairment loss	-	-	-	-	-	-	16	16
Net exchange differences	-	13,350	21,579	550	87	18,726	6,951	61,243
Closing net book amount as at December 31	$ 2,786,501	$ 2,183,823	$ 1,829,532	$ 81,148	$ 15,120	$ 631,616	$ 1,566,040	$ 9,093,780
At December 31								
Cost	$ 2,786,501	$ 4,177,626	$ 7,302,984	$ 717,594	$ 408,653	$ 631,616	$ 5,136,665	$ 21,161,639
Accumulated depreciation and impairment	-	(1,993,803)	(5,473,452)	(636,446)	(393,533)	-	(3,570,625)	(12,067,859)
	$ 2,786,501	$ 2,183,823	$ 1,829,532	$ 81,148	$ 15,120	$ 631,616	$ 1,566,040	$ 9,093,780

	2021							
	Land	Buildings and structures	Machinery and equipment	Office equipment	Transportation equipment	Unfinished construction and equipment under acceptance	Others	Total
At January 1								
Cost	$ 2,800,985	$ 3,877,962	$ 6,874,140	$ 787,201	$ 404,395	$ 743,636	$ 4,625,546	$ 20,113,865
Accumulated depreciation and impairment	(6,910)	(1,810,192)	(4,707,910)	(681,829)	(390,342)	-	(3,089,794)	(10,686,977)
	$ 2,794,075	$ 2,067,770	$ 2,166,230	$ 105,372	$ 14,053	$ 743,636	$ 1,535,752	$ 9,426,888
Opening net book amount as at January 1	$ 2,794,075	$ 2,067,770	$ 2,166,230	$ 105,372	$ 14,053	$ 743,636	$ 1,535,752	$ 9,426,888
Additions	23,960	2,494	43,907	23,826	2,975	458,206	35,715	591,083
Disposals	-	(113)	(7,134)	(572)	(30)	-	(5,025)	(12,874)
Reclassifications	(38,444)	(31,572)	125,290	8,920	1,131	(133,071)	132,433	64,687
Depreciation expense	-	(114,069)	(448,174)	(40,181)	(5,294)	-	(286,355)	(894,073)
Reversal of impairment loss	6,910	4,072	2,014	-	-	-	1,375	14,371
Net exchange differences	-	(5,085)	(8,359)	(189)	(36)	(2,845)	(2,970)	(19,484)
Closing net book amount as at December 31	$ 2,786,501	$ 1,923,497	$ 1,873,774	$ 97,176	$ 12,799	$ 1,065,926	$ 1,410,925	$ 9,170,598
At December 31								
Cost	$ 2,786,501	$ 3,795,959	$ 6,915,181	$ 747,288	$ 406,027	$ 1,065,926	$ 4,673,503	$ 20,390,385
Accumulated depreciation and impairment	-	(1,872,462)	(5,041,407)	(650,112)	(393,228)	-	(3,262,578)	(11,219,787)
	$ 2,786,501	$ 1,923,497	$ 1,873,774	$ 97,176	$ 12,799	$ 1,065,926	$ 1,410,925	$ 9,170,598

A. The Group’s property, plant and equipment are for its own use.

B. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

C. The above land items include $24,800 and $63,860 of farmland held by the natural person as of December 31, 2022 and 2021, respectively. The title to the farmland will be transferred to the Company following the change of land category. However, the land was pledged as collateral in the amounts of $45,000 and $86,300 to the Company in order to safeguard the interests of the Company.

D. The amounts of interest capitalised, which were calculated based on monthly average interest rates, for the years ended December 31, 2022 and 2021 were $19,120 and $17,320, respectively.

E. Information about the (gain on reversal of) impairment loss on property, plant and equipment is provided in Note 6(12).

(7) Leasing arrangements - lessee

A. The Group leases various assets including land, offices, warehouses, machinery and equipment and business vehicles. Rental contracts are typically made for periods of 1 to 50 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets cannot be subleased, lent, sold or granted in any different form to third parties without the consent of the lessor.

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

	December 31, 2022	December 31, 2021
	Carrying amount	Carrying amount
Land	$ 403,585	$ 366,398
Buildings and structures	323,025	339,903
Machinery and equipment	56,195	67,850
Transportation equipment	5,154	1,290
	$ 787,959	$ 775,441

	Years ended December 31	
	2022	2021
	Depreciation expense	Depreciation expense
Land	$ 10,021	$ 9,644
Buildings and structures	158,741	140,464
Machinery and equipment	11,704	13,782
Transportation equipment	1,478	1,874
	$ 181,944	$ 165,764

C. For the years ended December 31, 2022 and 2021, the additions to right-of-use assets were $185,876 and $314,695, respectively.

D. Information on profit or loss in relation to lease contracts is as follows:

	Years ended December 31	
	2022	2021
Items affecting profit or loss		
Interest expense on lease liabilities	$ 13,553	$ 13,173
Expense on short-term lease contracts	$ 21,343	$ 24,122

E. Apart from the cash outflow for the interest expense on lease liabilities and expenses on short-term lease contracts as aforementioned in Note 6(7)D, the cash outflow resulting from payments of the principal portion of the lease liability is provided in Note 6(31).

(8) Investment property, net

	2022		
	Land	Buildings and structures	Total
At January 1			
Cost	$ 144,336	$ 169,970	$ 314,306
Accumulated depreciation	-	(91,853)	(91,853)
	$ 144,336	$ 78,117	$ 222,453
Opening net book amount as at January 1	$ 144,336	$ 78,117	$ 222,453
Depreciation expense	-	(5,587)	(5,587)
Closing net book amount as at December 31	$ 144,336	$ 72,530	$ 216,866
At December 31			
Cost	$ 144,336	$ 169,970	$ 314,306
Accumulated depreciation	-	(97,440)	(97,440)
	$ 144,336	$ 72,530	$ 216,866

	2021		
	Land	Buildings and structures	Total
At January 1			
Cost	$ 105,892	$ 95,733	$ 201,625
Accumulated depreciation	-	(51,924)	(51,924)
Accumulated impairment	(8,013)	(9,887)	(17,900)
	$ 97,879	$ 33,922	$ 131,801
Opening net book amount as at January 1	$ 97,879	$ 33,922	$ 131,801
Reclassifications	38,444	39,652	78,096
Depreciation expense	-	(5,344)	(5,344)
Reversal of impairment loss	8,013	9,887	17,900
Closing net book amount as at December 31	$ 144,336	$ 78,117	$ 222,453
At December 31			
Cost	$ 144,336	$ 169,970	$ 314,306
Accumulated depreciation	-	(91,853)	(91,853)
	$ 144,336	$ 78,117	$ 222,453

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

	Years ended December 31	
	2022	2021
Rental income from investment property	$ 26,562	$ 19,947
Direct operating expenses arising from the investment property that generated rental income during the year	$ 5,587	$ 5,344

B. The fair value of the investment property held by the Group as at December 31, 2022 and 2021 was $1,064,502 and $1,074,594, respectively, which was valued based on the transaction prices of similar property in the neighbouring areas.

C. Information about the investment property that was pledged to others as collateral is provided in Note 8.

D. Gain on reversal of impairment information about the investment property is provided in Note 6(12).

(9) Intangible assets

	2022		
	Computer software	Goodwill	Total
At January 1			
Cost	$ 210,600	$ 49,655	$ 260,255
Accumulated amortisation and impairment	(95,799)	-	(95,799)
	$ 114,801	$ 49,655	$ 164,456
Opening net book amount as at January 1	$ 114,801	$ 49,655	$ 164,456
Additions－acquired separately	47,064	-	47,064
Amortisation expense	(28,365)	-	(28,365)
Net exchange differences	1,575	5,436	7,011
Closing net book amount as at December 31	$ 135,075	$ 55,091	$ 190,166
At December 31			
Cost	$ 250,628	$ 55,091	$ 305,719
Accumulated amortisation and impairment	(115,553)	-	(115,553)
	$ 135,075	$ 55,091	$ 190,166

	2021		
	Computer software	Goodwill	Total
At January 1			
Cost	$ 194,237	$ 51,090	$ 245,327
Accumulated amortisation and impairment	(70,416)	-	(70,416)
	$ 123,821	$ 51,090	$ 174,911
Opening net book amount as at January 1	$ 123,821	$ 51,090	$ 174,911
Additions－acquired separately	17,243	-	17,243
Amortisation expense	(25,682)	-	(25,682)
Net exchange differences	(581)	(1,435)	(2,016)
Closing net book amount as at December 31	$ 114,801	$ 49,655	$ 164,456
At December 31			
Cost	$ 210,600	$ 49,655	$ 260,255
Accumulated amortisation and impairment	(95,799)	-	(95,799)
	$ 114,801	$ 49,655	$ 164,456

A. Details of amortisation on intangible assets are as follows:

	Years ended December 31	
	2022	2021
General and administrative expenses	$ 28,365	$ 25,682

B. Goodwill is allocated as follows to the food segment and the value in use is used as recoverable amount:

	Years ended December 31	
	2022	2021
Goodwill	$ 55,091	$ 49,655
Accumulated impairment	-	-
	$ 55,091	$ 49,655

The excess of the consideration transferred over the fair value of the identifiable assets acquired and the liabilities assumed was recorded as goodwill at the acquisition date.

(10) Non-current biological assets

	2022		
	Biological assets	Immature biological assets	Total
At January 1			
Cost	$ 86,818	$ 65,403	$ 152,221
Accumulated depreciation	(16,461)	-	(16,461)
	$ 70,357	$ 65,403	$ 135,760
Opening net book amount as at January 1	$ 70,357	$ 65,403	$ 135,760
Additions	-	64,609	64,609
Disposals	(35,641)	(8,455)	(44,096)
Reclassifications	42,716	(42,716)	-
Depreciation expense	(14,187)	-	(14,187)
Closing net book amount as at December 31	$ 63,245	$ 78,841	$ 142,086
At December 31			
Cost	$ 83,267	$ 78,841	$ 162,108
Accumulated depreciation	(20,022)	-	(20,022)
	$ 63,245	$ 78,841	$ 142,086

	2021		
	Biological assets	Immature biological assets	Total
At January 1			
Cost	$ 58,517	$ 73,841	$ 132,358
Accumulated depreciation	(10,614)	-	(10,614)
	$ 47,903	$ 73,841	$ 121,744
Opening net book amount as at January 1	$ 47,903	$ 73,841	$ 121,744
Additions	-	57,163	57,163
Disposals	(23,634)	(8,143)	(31,777)
Reclassifications	57,458	(57,458)	-
Depreciation expense	(11,370)	-	(11,370)
Closing net book amount as at December 31	$ 70,357	$ 65,403	$ 135,760
At December 31			
Cost	$ 86,818	$ 65,403	$ 152,221
Accumulated depreciation	(16,461)	-	(16,461)
	$ 70,357	$ 65,403	$ 135,760

(11) Other non-current assets

	December 31, 2022	December 31, 2021
Long-term notes and accounts receivable	$ 179,558	$ 166,786
Prepayments for business facilities	38,259	99,171
Restricted bank deposits	51,103	56,186
Accrued pension asset	2,322	-
Others	184	199
	$ 271,426	$ 322,342

(12) Impairment of non-financial assets

A. The Group assessed the carrying amount of certain real estate based on the market trading prices of similar real estate for the year ended December 31, 2022 and based on the results of appraisal reports issued by certified real estate appraisers for the year ended December 31, 2021, both taking into consideration the utilisation of assets and reversing the impairment loss at the balance sheet date. Details of the gain on reversal of impairment are as follows:

	Years ended December 31			
	2022		2021	
	Recognised in profit or loss	Recognised in other comprehensive income	Recognised in profit or loss	Recognised in other comprehensive income
Impairment (loss)/gain on reversal of impairment loss-lands	$ -	$ -	$ 14,923	$ -
Impairment (loss)/gain on reversal of impairment loss-buildings and structures	-	-	13,959	-
Impairment (loss)/gain on reversal of impairment loss-machinery and equipment	-	-	2,014	-
Impairment (loss)/gain on reversal of impairment loss-others	16	-	1,375	-
	$ 16	$ -	$ 32,271	$ -

B. The impairment loss reported by operating segments is as follows:

	Years ended December 31			
	2022		2021	
	Recognised in profit or loss	Recognised in other comprehensive income	Recognised in profit or loss	Recognised in other comprehensive income
Food segment	$ 16	$ -	$ 12,716	$ -
Packaging segment	-	-	5,298	-
Others	-	-	14,257	-
	$ 16	$ -	$ 32,271	$ -

(13) Short-term borrowings

Type of borrowings	December 31, 2022	December 31, 2021	Collateral
Short-term borrowings			
Unsecured borrowings	$ 1,795,678	$ 1,191,826	None
Secured borrowings	246,000	255,000	Note 8
	$ 2,041,678	$ 1,446,826	
Interest rate range	1.45%~4.35%	1.00%~5.00%	

Information on the interest expense recognised in profit or loss is provided in Note 6(25).

(14) Short-term notes and bills payable

	December 31, 2022	December 31, 2021	
	Amount	Amount	Collateral
Short-term notes and bills payable	$ 155,500	$ 170,000	Note 8
Less: Unamortised discount	(269)	-	
	$ 155,231	$ 170,000	
Interest rate range	1.803%~2.02%	0.998%~1.00%	

(15) Other payables

	December 31, 2022	December 31, 2021
Sales commission payable	$ 703,909	$ 859,249
Salary, wages and bonus payable	321,395	352,714
Freight payable	270,853	281,495
Advertisement expense payable	142,298	132,252
Business tax payable	99,974	155,883
Machinery and equipment payable	58,105	75,342
Accrued interest payable	11,409	5,432
Others	288,091	321,164
	$ 1,896,034	$ 2,183,531

(16) Long-term borrowings

	December 31, 2022	December 31, 2021	Collateral
Unsecured borrowings	$ 1,233,270	$ 955,757	None
Secured borrowings	1,962,000	2,726,750	Note 8
	3,195,270	3,682,507	
Less: Current portion (shown as Long-term liabilities, current portion)	(220,919)	(175,461)	
	$ 2,974,351	$ 3,507,046	
Expiration date range	2024.1~2025.2	2023.1~2025.2	
Interest rate range	1.69%~4.50%	1.04%~4.70%	

A. The above agreements were entered into with United Overseas Bank and Far Eastern International Bank contain default clauses, which are examined on a semi-annual and annual basis. The banks have the right to terminate the facility, cancel the undrawn facility or require the Company to make immediate repayment of the principal amount of loan facility withdrawn and outstanding and the relevant expenses if any events of default occur.
The events of default mainly include: Breach of commitments (including financial covenants) and restrictions or special agreements, etc. As of December 31, 2022, the Company has no event of default.

B. Information on the interest expense recognised in profit or loss is provided in Note 6(25).

(17) Other non-current liabilities

	December 31, 2022	December 31, 2021
Accrued pension liabilities	$ 80,016	$ 237,619
Long-term deferred revenue	146,069	150,493
Guarantee deposits received	62,509	77,625
Others	4,633	4,632
	$ 293,227	$ 470,369

(18) Pensions

A. Defined benefit pension plans

(a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to 2% ~ 15% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by the end of December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contributions for the deficit by next March.

(b) The amounts recognised in the balance sheet are as follows:

Other non-current assets	December 31, 2022	December 31, 2021
Present value of defined benefit obligations	($ 70,729)	$ -
Fair value of plan assets	73,051	-
Net defined benefit assets	$ 2,322	$ -

Other non-current liability	December 31, 2022	December 31, 2021
Present value of defined benefit obligations	($ 822,412)	($ 1,022,040)
Fair value of plan assets	742,396	784,421
Net defined benefit liability	($ 80,016)	($ 237,619)

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

	Present value of defined benefit obligations	Fair value of Plan assets	Net defined benefit liability
2022			
Balance at January 1	($ 1,022,040)	$ 784,421	($ 237,619)
Current service cost	(4,742)	-	(4,742)
Interest (expense) income	(5,791)	4,547	(1,244)
	(1,032,573)	788,968	(243,605)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	62,436	62,436
Change in demographic assumptions	3,112	-	3,112
Change in financial assumptions	53,741	-	53,741
Experience adjustments	(6,156)	-	(6,156)
	50,697	62,436	113,133
Pension fund contribution	-	52,778	52,778
Paid pension	88,735	(88,735)	-
Balance at December 31	($ 893,141)	$ 815,447	($ 77,694)

	Present value of defined benefit obligations	Fair value of Plan assets	Net defined benefit liability
2021			
Balance at January 1	($ 1,060,974)	$ 779,325	($ 281,649)
Current service cost	(4,687)	-	(4,687)
Interest (expense) income	(4,041)	3,071	(970)
	(1,069,702)	782,396	(287,306)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	10,939	10,939
Change in demographic assumptions	(14,481)	-	(14,481)
Change in financial assumptions	13,225	-	13,225
Experience adjustments	(19,100)	-	(19,100)
	(20,356)	10,939	(9,417)
Pension fund contribution	-	59,104	59,104
Paid pension	68,018	(68,018)	-
Balance at December 31	($ 1,022,040)	$ 784,421	($ 237,619)

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's and domestic subsidiaries' defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitisation products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorised by the Regulator. The Company and domestic subsidiaries have no right to participate in managing and operating that fund and hence the Company and domestic subsidiaries are 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, 2022 and 2021 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

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

	Years ended December 31	
	2022	2021
Discount rate	1.25%~1.8%	0.5%~0.6%
Future salary increases	1.0%~2.5%	1.0%~2.5%

Future mortality rate was estimated based on the 6th Taiwan Standard Ordinary Experience Mortality Table and the Annuity 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 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
December 31, 2022				
Effect on present value of defined benefit obligation	($ 28,593)	$ 30,283	$ 30,317	($ 28,901)
December 31, 2021				
Effect on present value of defined benefit obligation	($ 31,714)	$ 33,523	$ 33,298	($ 31,812)

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.

(f) Expected contributions to the defined benefit pension plans of the Group for the following year amount to $51,691.

(g) As of December 31, 2022, the Group's weighted average duration of the retirement plan is 6.8~9.21 years. The analysis of timing of the future pension payment was as follows:

	Amount
Within 1 year	$ 111,500
1-2 year(s)	82,801
2-5 years	247,926
5-10 years	285,150
	$ 727,377

B. Defined contribution pension plans

(a) Effective July 1, 2005, the Company and its domestic subsidiaries have 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 and its domestic subsidiaries contribute monthly an amount no lower than 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 defined contribution pension plans of the Company and its domestic subsidiaries for the years ended December 31, 2022 and 2021, were $49,900 and $46,349, respectively.

(b) The Group's mainland China subsidiaries, HANGZHOU CONCOURSE TRADING CO., LTD., Hangzhou Weichuan Biotechnology Foods Co., Ltd., HANGZHOU WEI-CHUAN FOOD CO., LTD., KUNSHAN KING CAN MOLD INDUSTRIAL CO., LTD., SUZHOU WEI-CHUAN FOODS CO., LTD. and LANGFANG WEI-CHUAN FOODS CO., LTD., have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on certain percentage of employees' monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations. The pension costs recognised for the years ended December 31, 2022 and 2021 were $103,210 and $95,291, respectively.

(19) Share capital

As of December 31, 2022, the Company's authorised capital was $8,000,000 and the paid-in capital was $5,060,629 with a par value of $10 (in dollars) per share. All the shares issued by the company are ordinary shares. The number of shares issued and outstanding was 506,063 thousand shares. All proceeds from shares issued have been collected.

Additionally, the changes in share capital for the years ended December 31, 2022 and 2021 are provided in the consolidated statement of changes in equity.

(20) Capital surplus

A. Pursuant to the R.O.C. 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 R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. However, capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

Additionally, the changes in capital surplus for the years ended December 31, 2022 and 2021 are provided in the consolidated statement of changes in equity.

B. The dividends unclaimed by shareholders for over 5 years shall be recognised as capital surplus in accordance with Order No. Jing-Shang-10602420200 issued in September 2017 by the Ministry of Economic Affairs, R.O.C.

(21) Retained earnings / Events after the balance sheet date

A. Under the Company's Articles of Incorporation, every year's earnings, if any, shall first be used to pay business income tax and offset prior years' deficits and then 10% of the remaining amount shall be set aside as legal reserve, and setting aside or reversal for special reserve in accordance with related laws, if any, the Board of Directors should propose the distribution or to retain the remaining earnings along with prior accumulated undistributed earnings for the approval of the shareholders. The dividends shall be distributed in proportion to the number of shares held by each shareholder accordingly, and the dividends to shareholders every year shall account for at least 50% of net profit of the year. However, dividends are not distributed if the net profit of the year is lower than 5% of paid-in capital. Dividends can be distributed to shareholders in the form of cash or stocks, provided the cash dividends shall not be less than 50% of the total dividends distributed.

The Company may, by a resolution adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, have the earnings in whole or in part distributed in the form of cash; and in addition thereto a report of such distribution shall be submitted to the shareholders at the shareholders' meeting.

B. 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.

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. The appropriation of earnings by the Company

(a) The appropriation of 2020 earnings approved by the shareholders of the Company on August 31, 2021 is as follows:

	Year ended December 31, 2020	
	Amount	Earnings per share (in dollars)
Legal reserve	$ 53,666	
Reversal of special reserve	($ 50,205)	
Cash dividends	$ 268,213	0.53

(b) The appropriation of 2021 earnings approved by the shareholders of the Company on June 29, 2022 is as follows:

	Year ended December 31, 2021	
	Amount	Earnings per share (in dollars)
Legal reserve	$ 49,754	
Special reserve	$ 33,046	
Cash dividends	$ 253,538	0.501

(c) The appropriation of 2022 earnings proposed by the Board of Directors on March 15, 2023 but not yet resolved by the shareholders of the Company is as follows:

	Year ended December 31, 2022	
	Amount	Earnings per share (in dollars)
Legal reserve	$ 35,333	
Reversal of special reserve	($ 80,649)	
Cash dividends	$ 120,443	0.238

(22) Operating revenue

A. Disaggregation of revenue from contracts with customers

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

	Years ended December 31	
	2022	2021
	Revenue from contracts with customers	Revenue from contracts with customers
Food segment	$ 18,990,627	$ 18,973,581
Packaging segment	517,834	500,447
Others	464,371	343,834
	$ 19,972,832	$ 19,817,862

B. Contract liabilities

(a) The Group has recognised the revenue-related contract liabilities as a result of advance sales receipts for the sale of goods, which were recorded as current contract liabilities in the amounts of $94,300, $86,480 and $90,909 as of December 31, 2022 and 2021, and January 1, 2021, respectively.

(b) Revenue recognised for the years ended December 31, 2022 and 2021 that was included in the contract liability balance at the beginning of the period amounted to $84,288 and $87,825, respectively.

(23) Other income

	Years ended December 31	
	2022	2021
Rent income	$ 50,761	$ 41,812
Royalty income	18,381	20,110
Government grant income (Note)	78,880	90,807
Dividend income	2,081	-
Compensation revenue from litigation	123,800	-
Others	39,311	50,384
	$ 313,214	$ 203,113

Note: This pertains to the recognition of government subsidies during the year related to enterprise development and investments of property, plant and equipment.

(24) Other gains and losses

	Years ended December 31	
	2022	2021
Net loss on financial assets or liabilities at fair value through profit or loss	($ 4,802)	$ -
Losses on disposal of property, plant and equipment and biological assets	(26,231)	(22,675)
Losses on sales of non-finished goods	(183,899)	(78,413)
Reversal of impairment loss on non-financial assets	16	32,271
Net foreign exchange (losses) gains	9,974	9,447
Depreciation expense of Investment property	(5,587)	(5,344)
Others	(56,903)	(37,543)
	($ 267,432)	($ 102,257)

(25) Finance costs

	Years ended December 31	
	2022	2021
Interest expense on bank borrowings	$ 106,844	$ 102,764
Interest expense on lease liabilities	13,553	13,173
	$ 120,397	$ 115,937

(26) Expenses by nature

	Years ended December 31	
	2022	2021
Employee benefit expense	$ 2,689,289	$ 2,730,944
Property, plant and equipment, right-of-use assets, investment property and depreciation expense of biological assets	$ 1,090,557	$ 1,076,551
Amortisation expense on intangible assets	$ 28,365	$ 25,682

(27) Employee benefit expense

	Years ended December 31	
	2022	2021
Wages and salaries	$ 2,136,028	$ 2,113,512
Labour and health insurance fees	190,800	182,432
Pension costs	159,096	147,297
Directors' remuneration	20,680	22,490
Other personnel expenses (Note)	182,685	265,213
	$ 2,689,289	$ 2,730,944

Note: It included meal expenses, employee benefits/welfare, education training, severance pay, housing fund and work uniforms, etc.

A. In accordance with the Articles of Incorporation of the Company, distributable profit of the current year, shall be distributed as employees' compensation and directors' remuneration in the form of cash. The ratio shall not be lower than 1% for employees' compensation and shall not be higher than 5% for directors' remuneration. The employees include the employees of the Company's subsidiaries who meet certain specific requirements. If the Company incurs accumulated deficit, earnings should be reserved to cover losses prior to the appropriation of profit as employees' compensation and directors' remuneration according to the aforementioned ratios.

B. The employees' compensation and directors' remuneration are accrued based on the ratio of pre-tax profit of the year before deducting any employees' compensation and directors' remuneration. The accrued amounts are as follows:

	Years ended December 31	
	2022	2021
Employees' compensation	$ 2,720	$ 5,558
Directors' remuneration	$ 2,665	$ 5,447

The aforementioned employees' compensation and directors' remuneration were recorded under wages and salaries and directors' remuneration.

Employees' compensation and directors' remuneration for 2021 as resolved by the Board of Directors of the Company amounting to $5,558 and $5,447, were in agreement with those amounts recognised in the 2021 parent company only financial statements. As of December 31, 2022, the aforementioned employees' compensation and directors' remuneration for the year ended December 31, 2021 are fully and actually distributed.

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

(28) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Years ended December 31	
	2022	2021
Current tax on profits for the year	$ 42,374	$ 127,603
Prior year income tax overestimation	(17,745)	(9,249)
Offshore income tax expense	29,211	45,750
Total current tax	53,840	164,104
Deferred tax:		
Origination and reversal of temporary differences	4,877	46,366
Total deferred tax	4,877	46,366
Income tax expense	$ 58,717	$ 210,470

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

	Years ended December 31	
	2022	2021
Currency translation differences	$ 828	($ 255)

(c) For the years ended December 31, 2022 and 2021, the Company had no income tax charged/(credited) relating to equity during the year.

B. Reconciliation between income tax expense and accounting profit

	Years ended December 31	
	2022	2021
Tax calculated based on profit before tax and statutory tax rate (Note)	$ 97,055	$ 215,258
Effects from items disallowed by tax regulation	(33,180)	(13,964)
Change in assessment of realisation of deferred tax assets and liabilities	(16,624)	(27,325)
Prior year income tax under (over) estimation	(17,745)	(9,249)
Offshore income tax expense	29,211	45,750
Income tax expense	$ 58,717	$ 210,470

Note: The basis for computing the applicable tax rate are the rates applicable in the respective countries where the Group entities operate.

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

	2022				
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Translation differences	December 31
Deferred tax assets:					
- Temporary differences:					
Unrealised losses on overseas investments	$ 89,048	$ 42	$ -	$ -	$ 89,090
Unrealised accrued expenses	109,108	6,114	-	1,417	116,639
Unrealised loss for market value decline and obsolete and slow-moving inventories	5,539	(187)	-	-	5,352
Impairment loss on fixed assets	15,678	2,337	-	(13)	18,002
Accrued unused compensated absences	7,220	(273)	-	-	6,947
Unrealised loss on doubtful debts	2,087	(413)	-	10	1,684
Pensions	152	-	-	-	152
Unrealised foreign exchange loss	3,571	(3,476)	-	-	95
Others	37,668	(2,356)	-	571	35,883
- Tax losses	911,890	(50,799)	-	26	861,117
	$ 1,181,961	($ 49,011)	$ -	$ 2,011	$ 1,134,961
Deferred tax liabilities:					
- Temporary differences:					
Reserve for land value increment tax	($ 561,900)	$ -	$ -	$ -	($ 561,900)
Unrealised gains on overseas investments	(144,720)	44,134	-	-	(100,586)
Currency translation differences	(4,261)	-	-	-	(4,261)
Unrealised exchange gain	(97)	-	(828)	-	(925)
	($ 710,978)	$ 44,134	($ 828)	$ -	($ 667,672)
	$ 470,983	($ 4,877)	($ 828)	$ 2,011	$ 467,289

	2021				
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Translation differences	December 31
Deferred tax assets:					
- Temporary differences:					
Unrealised losses on overseas investments	$ 88,972	$ 76	$ -	$ -	$ 89,048
Unrealised accrued expenses	106,529	3,017	-	(438)	109,108
Unrealised loss for market value decline and obsolete and slow-moving inventories	7,700	(2,161)	-	-	5,539
Impairment loss on fixed assets	16,938	(1,260)	-	-	15,678
Accrued unused compensated absences	7,220	-	-	-	7,220
Unrealised loss on doubtful debts	6,659	(4,543)	-	(29)	2,087
Pensions	152	-	-	-	152
Unrealised foreign exchange loss	3,541	30	-	-	3,571
Others	42,042	(4,175)	-	(199)	37,668
- Tax losses	1,069,241	(157,341)	-	(10)	911,890
	$ 1,348,994	($ 166,357)	$ -	($ 676)	$ 1,181,961
Deferred tax liabilities:					
- Temporary differences:					
Reserve for land value increment tax	($ 561,900)	$ -	$ -	$ -	($ 561,900)
Unrealised gains on overseas investments	(264,711)	119,991	-	-	(144,720)
Currency translation differences	(4,516)	-	255	-	(4,261)
Unrealised exchange gain	(97)	-	-	-	(97)
	($ 831,224)	$ 119,991	$ 255	$ -	($ 710,978)
	$ 517,770	($ 46,366)	$ 255	($ 676)	$ 470,983

D. Expiration dates of the Company's and its domestic subsidiaries' unused tax losses and amounts of unrecognised deferred tax assets are as follows:

December 31, 2022				
Year incurred	Amount filed/ assessed	Unused amount	Deferred tax assets	Expiry year
2012 ~ 2019	$ 7,572,495	$ 6,162,531	$ 1,931,084	2022 ~ 2029

December 31, 2021				
Year incurred	Amount filed/ assessed	Unused amount	Deferred tax assets	Expiry year
2011 ~ 2019	$ 7,638,003	$ 6,518,131	$ 1,986,215	2021 ~ 2029

E. The amounts of deductible temporary difference that are not recognised as deferred tax assets are as follows:

	December 31, 2022	December 31, 2021
Deductible temporary differences	$ 22,176	$ 22,176

F. The status of the Company's and its domestic subsidiaries' income tax returns assessed and approved by the Tax Authority are as follows:

	Status
CHINA YOUTH CO., LTD. (Note)	Assessed and approved to 2016
The Company	Assessed and approved to 2019
CONCOURSE INTERNATIONAL INC. ,KING CAN INDUSTRY CORPORATION and CHENG SHUEN NUNG RANCH DAIRY CO.,LTD	Assessed and approved to 2020
KANG CHUAN ENGINEERING CO., LTD.	Assessed and approved to 2021

Note: The subsidiary was dissolved as approved by its shareholders of the investee in November 2016, and the dissolution was approved by the regulatory authority in January 2017. It is currently in the process of liquidation. As of March 15, 2023, the investee is in the process of liquidation.

(29) Earnings per share

	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Year ended December 31, 2022			
Basic/Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 240,283	506,063	0.47

	Amount after tax		Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)	
Year ended December 31, 2021					
Basic/Diluted earnings per share					
Profit attributable to ordinary shareholders of the parent	$	507,002	506,063	$	1.00

(30) Supplemental cash flow information

Investing activities with partial cash payments:

	Years ended December 31			
	2022		2021	
Purchase of property, plant and equipment and biological assts	$	656,721	$	648,246
Add: Opening balance of payable on equipment		75,342		80,245
Less: Ending balance of payable on equipment	(	58,105)	(	75,342)
Cash paid during the year	$	673,958	$	653,149

	Years ended December 31			
	2022		2021	
Disposal of property, plant and equipment and biological assts	$	45,533	$	44,651
Loss on disposal of property, plant and equipment and biological assts	(	26,231)	(	22,675)
Add: Opening balance of receivable on sale of equipment		-		-
Less: Ending balance of receivable on sale of equipment	(	869)		-
Cash received during the year	$	18,433	$	21,976

(31) Changes in liabilities from financing activities

	2022			
	Short-term borrowings	Short-term notes and bills payable	Lease liability	Long-term borrowings (including current portion)
At January 1	$ 1,446,826	$ 170,000	$ 391,412	$ 3,682,507
Changes in cash flow from financing activities	594,852	(14,769)	(166,470)	(492,510)
Impact of changes in foreign exchange rate	-	-	673	5,077
Changes in other non-cash items	-	-	143,849	196
At December 31	$ 2,041,678	$ 155,231	$ 369,464	$ 3,195,270

	2021			
	Short-term borrowings	Short-term notes and bills payable	Lease liability	Long-term borrowings (including current portion)
At January 1	$ 1,770,429	$ 349,939	$ 239,371	$ 3,668,754
Changes in cash flow from financing activities	(323,603)	(180,000)	(152,631)	15,254
Impact of changes in foreign exchange rate	-	-	(1,911)	(1,330)
Changes in other non-cash items	-	61	306,583	(171)
At December 31	$ 1,446,826	$ 170,000	$ 391,412	$ 3,682,507

7. Related Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
THE BREAD CO., LTD.	An entity controlled by the investor with significant influence over the Company
SHANGHAI DINGSHI WAREHOUSE CO.,LTD (SHANGHAI DINGSHI)	An entity controlled by the investor with significant influence over the Company
HANGZHOU TINGZHENG PACKING MATERIAL CO.,LTD.	An entity controlled by the investor with significant influence over the Company
TAIWAN TING QIAO RESTAURANT MANAGEMENT CO. LTD.	An entity controlled by the investor with significant influence over the Company
Hangzhou Kenko&Ting Foods Co., Ltd.	An entity controlled by the investor with significant influence over the Company
Hangzhou Bingxin Green Packaging Co., Ltd.	An entity controlled by the investor with significant influence over the Company
Tianjin Bingxin Packaging Co., Ltd.	An entity controlled by the investor with significant influence over the Company
Shanghai Epurus Information Technologies Co., Ltd.	An entity controlled by the investor with significant influence over the Company
FU TING FOODS CO., LTD.	An investee accounted for using the equity method by the Company

Names of related parties	Relationship with the Company
RIKKEI TRADING CORP.	A director of the Company is also the chairman of the entity
CHAMPION LINKER CORP.	A director of the Company is also the chairman of the entity
TAIWAN STAR TELECOM CORPORATION LIMITED	A director of the Company is also the chairman of the entity
HEALTH CAN DEVELOPMENT LIMITED	A subsidiary of the Company not included as a consolidated entity
All directors, general managers and main management personnel	Key management personnel and governing bodies of the Company

(2) Significant related party transaction

A. Sales transactions

(a) Operating revenue

Details of operating revenue arising from goods sold by the Group to related parties are as follows:

	Years ended December 31	
	2022	2021
Other related parties	$ 909,621	$ 1,064,907

The Group's sales price, conditions and credit terms to related parties were approximately the same as those for third party customers. The credit terms for third party customers approximately ranged from 10 to 90 days after monthly billings.

(b) Accounts receivable

Details of accounts receivable arising from the aforementioned sales to related parties are as follows:

	December 31, 2022	December 31, 2021
SHANGHAI DINGSHI	$ 165,325	$ 214,137
Others	6,715	6,124
	$ 172,040	$ 220,261

B. Purchase transactions

(a) Costs of goods purchased

Details of goods purchased by the Group from related parties are as follows:

	Years ended December 31	
	2022	2021
Associates	$ -	$ 33,254
Other related parties	456,450	454,171
	$ 456,450	$ 487,425

Goods purchased from related parties are based on the price lists in force and terms agreed upon by both parties. Payment terms have no major difference between related parties and third parties, which are 30 ~ 90 days end of month for general suppliers.

(b) Accounts payable

Details of accounts payable arising from the aforementioned goods purchased from related parties are as follows:

	December 31, 2022	December 31, 2021
Associates	$ -	$ 3,280
Hangzhou Bingxin Green Packaging Co., Ltd.	32,105	34,047
Other related parties	22,570	20,593
	$ 54,675	$ 57,920

(c) Prepayments

Prepayments arsing from goods purchased by the Group from related parties are as follows:

	December 31, 2022	December 31, 2021
CHAMPION LINKER CORP.	$ 85,562	$ 28,449

C. Lease transactions

(a) Rent income

The Group leased some offices and plants (shown as ‘investment property’) to related parties, the details of rental revenue were as follows:

		Rent calculation	Years ended December 31	
Lessee	Leased object	and payment	2022	2021
- Other related parties	Offices, plant and others	Quarterly prepayment/ Monthly payment	$ 5,830	$ 5,422

Other receivables arising from the aforementioned transactions as of December 31, 2022 and 2021 amounted to $0, respectively.

D. Other transactions

The Group's receivables due from subsidiaries (shown as other receivables), the details of transactions were as follows:

	December 31, 2022		December 31, 2021	
Subsidiaries -				
HEILONGJIANG WEI CHUAN FOOD and 2 others	$	5,110	$	4,514
Less: Allowance for receivables due from subsidiaries	(	324)	(	292)
	$	4,786	$	4,222

E. In addition to the above transactions with subsidiaries, the Group's other transactions with related parties for the years ended December 31, 2022 and 2021 were immaterial and the details are not intended to be disclosed.

(3) Key management compensation

	Years ended December 31			
	2022		2021	
Salaries and other short-term employee benefits	$	72,383	$	86,617
Post-employment benefits		201		197
	$	72,584	$	86,814

8. Pledged Assets

As of December 31, 2022 and 2021, the Group's assets pledged as collateral are as follows:

	Book value				
Pledged asset	December 31, 2022		December 31, 2021		Purpose
Restricted bank deposits (shown as non-current financial assets at amortised cost)	$	8,060	$	8,000	Collateral for business use
Land (shown as property, plant and equipment and investment property)		2,665,013		2,665,013	Collateral for short-term notes and bills as well as long-term and short-term borrowings
Buildings and structures (shown as property, plant and equipment and investment property)		840,680		899,919	Collateral for short-term notes and bills as well as long-term and short-term borrowings
	$	3,513,753	$	3,572,932	

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

(1) Significant Contingencies

None.

(2) Significant Unrecognised Commitments

A. As of December 31, 2022 and 2021, the Group's total unused letters of credit issued for the import of material and merchandise were $324,757 and $376,942, respectively.

B. As of December 31, 2022 and 2021, the total contract consideration, excluding the settled payment, arising from the contracts that the Group entered into for commissioning each construction project or purchasing of equipment, that it shall pay for the construction and equipment in future years amounted to $287,148 and $265,416, respectively.

C. As of December 31, 2022 and 2021, the Group has drawn from the endorsements and guarantees for the entities in the Group in the amounts of $ 2,798,805 and $2,390,962, respectively, and the amount used is $963,585 and $1,080,554, respectively.

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

Information on the appropriation of 2022 earnings proposed by the Board of Directors on March 15, 2023 but not yet resolved by the shareholders of the Company is provided in Note 6(21).

12. Other

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust to the optimal capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, or issue new shares. The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total liabilities divided by total capital. Total liabilities are the total amount of liabilities as shown in the consolidated balance sheet. Total capital is calculated as 'equity' as shown in the consolidated balance sheet plus total liabilities.

During the year ended December 31, 2022, the Group's strategy was unchanged from 2021. As of December 31, 2022 and 2021, the Group's gearing ratios were provided in consolidated balance sheet.

(2) Financial instruments

A. Financial instruments by category

The information of the Group's financial assets (including cash and cash equivalents, Financial assets at fair value through profit or loss (current and non-current), notes receivable, accounts receivable (including related parties), other receivables, non-current financial assets at amortised cost, other non-current assets – long-term notes and accounts receivable, other non-current assets - guarantee deposits paid) and financial liabilities (including short-term borrowings, short-term notes and bills payable, notes payable, accounts payable (including related parties), other payables, lease liabilities (current and non-current), long-term borrowings (including current portion) and other non-current liabilities - guarantee deposits received) are provided in consolidated balance sheet and Note 6.

B. Financial risk management policies

(a) The Group adopts a comprehensive risk management and control system to identify, evaluate and control all risks, including market risk (including exchange rate risk, interest rate risk and price risk), credit risk, liquidity risk, in order for the management to control these risks effectively.

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

C. Significant financial risks and degrees of financial risks

(a) Market risk

i. Foreign exchange risk

(i) Some of the Group's sales and purchases are denominated in USD. The fair value changes according to the fluctuations in market exchange rates. As the Company offsets these market risks by matching the foreign currency assets and liabilities positions and their payment periods, it does not expect significant market risk.

(ii) The Group's businesses involve some non-functional currency operations. 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, 2022		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 11,270	30.71	$ 346,111
USD:RMB	86	6.96	2,645
RMB:NTD	30,781	4.41	135,745
Financial liabilities			
Monetary items			
USD:NTD	4,171	30.71	$ 128,083
USD:RMB	4,642	6.96	142,542
RMB:NTD	2,883	4.41	12,715

	December 31, 2021		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 6,223	27.68	$ 172,253
USD:RMB	86	6.37	2,380
RMB:NTD	49,143	4.35	213,772
Financial liabilities			
Monetary items			
USD:NTD	577	27.68	$ 15,971
USD:RMB	4,000	6.37	110,720
RMB:NTD	1,451	4.35	6,312

The total exchange gain (loss), including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the years is provided in Note 6(24).

Analysis of foreign currency market risk arising from significant foreign exchange variation:

	Year ended December 31, 2022		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income or loss
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 3,461	$ -
USD:RMB	1%	26	-
RMB:NTD	1%	1,357	-
Financial liabilities			
Monetary items			
USD:NTD	1%	($ 1,281)	$ -
USD:RMB	1%	(1,425)	-
RMB:NTD	1%	(127)	-

	Year ended December 31, 2021		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income or loss
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 1,723	$ -
USD:RMB	1%	24	-
RMB:NTD	1%	2,138	-
Financial liabilities			
Monetary items			
USD:NTD	1%	($ 160)	$ -
USD:RMB	1%	(1,107)	-
RMB:NTD	1%	(63)	-

ii. Price risk

(i) The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss.

(ii) The Group has investments in equity securities. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, pre-tax profit for the years ended December 31, 2022 and 2021 would have increased/decreased by $257 and $335, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss.

iii. Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from long-term and short-term borrowings as well as short-term notes and bills payable. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group's long-term and short-term borrowings as well as short-term notes and bills payable are with floating rates. During the years ended December 31, 2022 and 2021, the Group's borrowings at variable rates were denominated in NTD， USD and RMB.

As of December 31, 2022 and 2021, if the borrowing interest rate had increased/decreased by 0.1% with all other variables held constant, pre-tax profit for the years ended December 31, 2022 and 2021 would have decreased/increased by $5,392 and $5,299, respectively. The main factor is that floating-rate borrowings result in increase/decrease in interest expense.

(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 note and accounts receivable based on the agreed terms.

ii. The Group manages their credit risk taking into consideration the entire group's concern. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the managements. The utilisation of credit limits is regularly monitored.

iii. The Group adopts assumptions 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 Group adopts the assumptions under IFRS 9, the default occurs when the contract payments are past due over 90 days.

v. The Group classifies customers' notes and accounts receivable in accordance with credit rating of customer, credit on trade and customer types. The Group applies the modified approach using a provision matrix based on the loss rate methodology to estimate the expected credit loss.

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

vii. After the Group identifies customer risks on an individual basis, and it classifies them into groups according to different credit risk characteristics, assesses the historical default rates, and uses the forecastability to adjust historical and timely information to assess the default possibility. The Group considers that in the financial industry, the default rate should not be lower than 0.03% for numerous and unidentifiable individual investors. However, in accordance with the policy, the Group traces the credit risk of customers at any time, the Group refers to the reference rate set by the financial industry as a basis of forecast adjustment, and adjusts the expected loss rate referring to monitoring indicator and the nature of risk. The loss rate methodology is as follows:

December 31, 2022	Not past due	1~30 days past due	31~90 days past due	Over 90 days past due	Total
Expected loss rate	0.015%~0.28%	0.017%~0.34%	0.019%~0.46%	100.00%	
Total book value	$ 2,443,032	$ 76,520	$ 1,313	$ 7,426	$ 2,528,291
Loss allowance	($ 308)	$ -	$ -	($ 2,832)	($ 3,140)

December 31, 2021	Not past due	1~30 days past due	31~90 days past due	Over 90 days past due	Total
Expected loss rate	0.025%~0.62%	0.03%~0.76%	0.035%~1.03%	100.00%	
Total book value	$ 2,559,551	$ 63,509	$ 6,849	$ 9,998	$ 2,639,907
Loss allowance	($ 6,924)	$ -	($ 320)	($ 3,664)	($ 10,908)

The above ageing analysis was based on past due date.

viii. Movements in relation to the Group's loss allowance for accounts receivable, other receivables and other non-current assets - long-term notes and accounts receivable are as follows:

	2022			
	Accounts receivable	Other receivables	Overdue receivables	Total
At January 1	$ 10,908	$ 13,184	$ 36,823	$ 60,915
Expected credit loss (gain)	(62)	56	(20,833)	(20,839)
Write-offs	(7,748)	(324)	-	(8,072)
Effect of exchange rate changes	42	32	1,485	1,559
At December 31	$ 3,140	$ 12,948	$ 17,475	$ 33,563

	2021			
	Accounts receivable	Other receivables	Overdue receivables	Total
At January 1	$ 46,736	$ 97,271	$ -	$ 144,007
Expected credit loss (gain)	2,878	(55,298)	(8,104)	(60,524)
Write-offs	(21,816)	-	-	(21,816)
Reclassifications	(16,775)	(28,382)	45,157	-
Effect of exchange rate changes	(115)	(407)	(230)	(752)
At December 31	$ 10,908	$ 13,184	$ 36,823	$ 60,915

(c) Liquidity risk

i. The Group chooses the equity instruments with sufficient liquidity when investing in the equity financial instruments. Group management monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs, so it does not expect significant liquidity risk.

ii. Surplus cash held by the units over and above balance required for working capital management are transferred to the Group treasury. Group treasury invests surplus cash in interest bearing current accounts and time deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts.

iii. As of December 31, 2022 and 2021, the amounts of undrawn available borrowing facilities were $9,749,486 and $11,143,237, respectively.

iv. The Group has no derivative financial liabilities. Except for the items disclosed in the following table, the Group's non-derivative financial liabilities, which were classified by its maturity date, were due within one year and approximates the amounts which were shown in the balance sheets. The amounts disclosed in the table are the contractual undiscounted cash flows.

December 31, 2022	Less than 1 year	Between 1 and 2 year(s)	Between 2 and 5 years	Over 5 years	Total
Non-derivative financial liabilities:					
Lease liability	$156,104	$ 111,671	$ 83,302	$ 50,763	$ 401,840
Long-term borrowings (including current portion)	397,775	1,967,465	1,052,149	-	3,417,389

December 31, 2021	Less than 1 year	Between 1 and 2 year(s)	Between 2 and 5 years	Over 5 years	Total
Non-derivative financial liabilities:					
Lease liability	$113,260	$ 97,412	$ 133,249	$ 69,301	$ 413,222
Long-term borrowings (including current portion)	233,711	3,293,094	242,645	-	3,769,450

(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.

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

B. Fair value information of investment property at cost is provided in Note 6(8).

C. The carrying amounts of the Group's financial instruments not measured at fair value, including cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables, non-current financial assets at amortised cost, other non-current assets - long-term notes and accounts receivable, other non-current assets - guarantee deposits paid, short-term borrowings, short-term notes and bills payable, notes payable, accounts payable (including related parties), other payables, lease liabilities(current and non-current), long-term borrowings (including current portion) and other non-current liabilities - guarantee deposits received, are approximate to their fair values.

D. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2022 and 2021 are as follows:

(a) The related information of natures of the assets and liabilities is as follows:

December 31, 2022	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ 2,270	$ -	$ 23,452	$ 25,722

December 31, 2021	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ -	$ -	$ 33,452	$ 33,452

(b) The methods and assumptions the Group used to measure fair value are as follows:

i. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the balance sheet date.

ii. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

iii. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

E. For the years ended December 31, 2022 and 2021, there was no transfer between Level 1 and Level 2.

F. The following chart is the movement of Level 3 for the years ended December 31, 2022 and 2021:

	2022	2021
	Non-derivative equity instrument	Non-derivative equity instrument
At January 1	$ 33,452	$ 33,452
Gains and losses recognised in profit or (loss)	10,459	-
Disposed in the period	(20,459)	-
At December 31	$ 23,452	$ 33,452

G. Treasury segment is in charge of valuation procedures for fair value measurements being categorised 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.

H. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares-LI JIA CONSTRUCTION	$ 5,617	Market approach-price-book ratio	Discount for lack of marketability	25%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares CONNECTION INVESTMENT,	17,835	Net asset value	N/A	-	N/A

	Fair value at December 31, 2021		Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:						
Unlisted shares LI JIA CONSTRUCTION	$	5,617	Market approach-price-book ratio	Discount for lack of marketability	25%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares CONNECTION INVESTMENT,		27,835	Net asset value	N/A	-	N/A

J. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. If net asset value from financial assets and liabilities categorised within Level 3 had increased or decreased by 1%, profit or loss would not have been significantly impacted as of December 31, 2022 and 2021.

(4) Others

A. The impact of oil incidents caused by the upstream suppliers on the Company since the fourth quarter of 2013 is as follows:

(a) For the incident of the oil adulterated with copper chlorophyllin caused by Chang Chi Foodstuff Factory Co., Ltd. in the fourth quarter of 2013, the Company was sued for violating the Act Governing Food Safety and Sanitation. On April 27, 2017, the Intellectual Property Court rendered a decision in favour of the Company. However, certain related representatives were still charged with fraud for mislabeling oil, the court confiscated $32,929 in revenue gained from the sales of these products and the Company accrued related losses for the year in the year of 2017. The Company deemed that the relevant regulation of confiscation recorded in the Criminal Code of the Republic of China are unconstitutional. On September 20, 2017, the Company petitioned to the Council of Grand Justices (transformed into a constitutional court) for a review. On December 2, 2022, the constitutional court denied the preceding motion. The decision was deemed final..

(b) Due to more problematic oil was announced by the government organisations between September 2014 and October 2014, resulting in a loss recognition amounting to $226,017 as of and for the year ended December 31, 2015. To safeguard the interests of the Company, the Company continually filed lawsuits for compensation against a number of suppliers and upstream suppliers. Among them, the lawsuits against Ting Hsin Oil & Fat Industrial Co., Ltd. and its upstream companies, Cheng-I Food Co., Ltd. and its upstream companies, Chang Guann Co., Ltd. and its upstream suppliers, Flavor Full Foods Inc., and Lihao Co., Ltd. were all confirmed won, mediation established or withdrawn the lawsuits without economic benefits. As of December 31, 2022, there are compensations actually received amounting to $125,250 (shown as other income), compensations pending to be received amounting to $3,000, and certificate of the obligatory claim received amounting to $121,361. The lawsuit against Chang Guann Co., Ltd. is pending with the courts as of March 15, 2023.

B. In January 2016, the Company transferred all its held 51% of the shares in investee company, Wang De Xing Tea Company. Before transferring, the funds that the Company’s subsidiary, WEI-CHUN(BVI) loaned to Wang De Xing Tea Company and its subsidiaries (“WANG DE XING Group”) amounted to USD 6.35 million. WANG DE XING Group provided collaterals and gradually paid the payments and interest based on the repayment plan. As of December 31, 2022, the principal amounting to USD 1.877 million (shown as other receivables and other non-current assets – long-term notes and accounts receivable) is expected to be subsequently repaid based on the repayment plan before June 30, 2024.

C. The Company’s subsidiary, Kang Chuan Engineering Co., Ltd. (“Kang Chuan”) undertook the Kaohsiung plant project of CPC Corporation, Taiwan (“CPC”). Due to unpredictable factors such as public resistance, Kang Chuan and CPC agreed to change the performance location, and signed a supplemental contract and extended the construction period. In June 2013, Kang Chuan filed a lawsuit against CPC for the construction payment of $254,055 due to the dispute of contract performance. On December 9, 2014, Taiwan Kaohsiung District Court rendered a judgment that CPC should pay $182,526 and interests to Kang Chuan. Kang Chuan and CPC both filed appeals. As of March 15, 2023, the case is still under review of the Taiwan High Court Kaohsiung Branch Court. Kang Chuan has unreceived construction payment amounting to $156,516, which was recorded as other non-current assets - long-term notes and accounts receivable.

D. The Company’s subsidiary, King Can Industry Corporation (King Can) caught fire on February 23, 2023, resulting in damage on certain buildings, equipment, inventories and neighboring houses at the Taichung plant. King Can insured property insurance and public liability insurance on the aforementioned buildings, equipment and inventories. As of March 15, 2023, King Can expected that the loss due to the fire can be claimed adequately from the insurance companies and there is no significant loss under the initial estimation.

E. Due to Covid-19 outbreak and the government’s epidemic prevention measures, the Group has implemented staggered work schedules, work from home and digital tools in accordance with preventive measures imposed by the government.

The pandemic had no significant impact on the Group’s financial position and financial performance for the year ended December 31, 2022.

13. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: Please refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.

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

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

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

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 4.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 5.

I. Trading in derivative instruments undertaken during the reporting periods: None.

J. Significant inter-company transactions during the reporting periods: Please refer to table 6.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 7.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 8.

B. Significant transactions conducted with investees in Mainland China directly or indirectly through other companies in the third areas: For the year ended December 31, 2022, significant transactions, either directly or indirectly with investee companies in the Mainland Area and the significant transactions of endorsements and guarantees, sales/purchase and receivables and payables conducted with investees in Mainland China, please refer to table 6.

(4) Major shareholders information

Major shareholders information: Please refer to table 9.

14. Segment Information

(1) General information

Management has determined the reportable operating segments based on the reports reviewed by the Chief Operating Decision-Maker that are used to make strategic decisions. Food segment is primarily engaged in the research and development, manufacturing and sales of food and other related products, while packaging segment are primarily engaged in the manufacturing and sales of packaging products, and others are primarily engaged in import and export trade, etc.

There is no material change in the basis for formation of entities and division of segments in the Group or in the measurement basis for segment information during this period. The accounting policies of the operating segments are in agreement with the significant accounting policies summarised in Note 4.

(2) Measurement of segment information

The post-tax net income is used to measure the Group's operating segment profit (loss) and performance of the operating segments.

(3) Segment Information

The segment information provided to the Chief Operating Decision-Maker for the reportable segments is as follows:

	Year ended December 31, 2022				
	Food segment	Packaging segment	Others	Adjustments and eliminations	Total
Revenue from external customers	$ 18,990,627	$ 517,834	$ 464,371	$ -	$ 19,972,832
Inter-segment revenue	1,314,956	473,892	546,413	(2,335,261)	-
Total segment revenue	$ 20,305,583	$ 991,726	$ 1,010,784	($ 2,335,261)	$ 19,972,832
Segment income (loss)	$ 263,537	$ 66,541	$ 204,905	($ 293,900)	$ 241,083
Segment income (loss), including:					
Depreciation expense	($ 1,038,549)	($ 50,919)	($ 1,089)	$ -	($ 1,090,557)
Interest income	26,547	8,726	3,498	(17,747)	21,024
Interest expense	(130,705)	(4,106)	(4,322)	18,736	(120,397)
Share of profit or loss of investments accounted for using the equity method	128,889	5,430	165,347	(301,285)	(1,619)
Segment assets	16,006,964	696,857	904,405	-	17,608,226

	Year ended December 31, 2021				
	Food segment	Packaging segment	Others	Adjustments and eliminations	Total
Revenue from external customers	$ 18,973,581	$ 500,447	$ 343,834	$ -	$ 19,817,862
Inter-segment revenue	1,373,766	454,740	552,430	(2,380,936)	-
Total segment revenue	$ 20,347,347	$ 955,187	$ 896,264	($ 2,380,936)	$ 19,817,862
Segment income (loss)	$ 653,998	$ 68,166	$ 373,312	($ 587,650)	$ 507,826
Segment income (loss), including:					
Depreciation expense	($ 1,022,490)	($ 52,969)	($ 1,092)	$ -	($ 1,076,551)
Interest income	37,962	9,265	2,910	(24,484)	25,653
Interest expense	(134,364)	(2,942)	(3,115)	24,484	(115,937)
Share of profit or loss of investments accounted for using the equity method	307,294	7,460	275,183	(589,563)	374
Segment assets	16,476,182	687,877	795,035	-	17,959,094

(4) Reconciliation for segment income (loss)

A. Sales between segments are carried out at arm's length. The revenue from external customers reported to the Chief Operating Decision-Maker is measured in a manner consistent with that in the statement of comprehensive income.

The Company's Chief Operating Decision-Maker assesses performance of operating segments and allocates resources based on post-tax net income, thus, reconciliation is not needed.

B. The amounts provided to the Chief Operating Decision - Maker with respect to total assets are measured in a manner consistent with that of the financial statements.

(5) Information on products and services

Details of revenue are as follows:

	Years ended December 31	
	2022	2021
Revenue from food manufacturing sales	$ 18,990,627	$ 18,973,581
Revenue from trade of molds and other packaging	517,834	500,447
Others	464,371	343,834
	$ 19,972,832	$ 19,817,862

(6) Geographical information

Information of the Group's revenue from external customers distinguished based on the location where the products are produced, and non-current assets classified based on the location of assets are as follows:

	Years ended December 31			
	2022		2021	
	Revenue	Non-current assets	Revenue	Non-current assets
Taiwan	$ 8,732,221	$ 5,415,431	$ 8,755,197	$ 5,731,931
Mainland China and others	11,240,611	5,053,869	11,062,665	5,002,933
	$ 19,972,832	$ 10,469,300	$ 19,817,862	$ 10,734,864

Note: Non-current assets excluded financial instruments and deferred income tax assets.

(7) Major customer information

The Group's major customers with which the sales revenues from a single customer accounting for more than 10% of total net operating revenue in the consolidated statement of comprehensive income. Details are as follows:

	Years ended December 31			
	2022		2021	
	Revenue	Segment	Revenue	Segment
Customer A	$ 3,172,231	Food Segment	$ 3,178,599	Food Segment

Wei Chuan Foods Corporation and subsidiaries

Loans to others

Year ended December 31, 2022

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2022	Balance at December 31, 2022	Actual amount drawn down	Interest rate	Nature of loan (Note 2)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
0	Wei Chuan Foods Corporation	WEI-CHUAN FOODs INVESTMENT CO.	Other receivables	Y	$ 673,320	$ 661,410	$ -	-	2	$ -	Working capital needs	$ -	None	$ -	$ 1,444,885	$ 2,889,770	Notes 3
1	WEI-CHUAN(BVI) CO., LTD.	WANG DE XING TEA COMPANY	Other receivables	N	60,457	$ 57,632	$ 57,632	2.5%	2	-	Loan repayment and working capital needs	-	Property and tea leaf	57,632	663,285	1,326,570	Notes 4 and 7
2	HANGZHOU WEI-CHUAN FOOD CO., LTD.	LANGFANG WEI-CHUAN FOODS CO., LTD.	Other receivables	Y	676,380	220,472	207,244	3.3%~3.85%	2	-	Working capital needs	-	None	-	2,325,682	2,325,682	Note 5
2	HANGZHOU WEI-CHUAN FOOD CO., LTD.	Hangzhou Weichuan Biotechnology Foods Co., Ltd.	Other receivables	Y	314,214	308,661	264,567	3.3%~3.85%	2	-	Working capital needs	-	None	-	2,325,682	2,325,682	Note 5
2	HANGZHOU WEI-CHUAN FOOD CO., LTD.	SUZHOU WEI-CHUAN FOODS CO., LTD.	Other receivables	Y	359,102	352,755	176,378	3.3%	2	-	Working capital needs	-	None	-	2,325,682	2,325,682	Note 5
2	HANGZHOU WEI-CHUAN FOOD CO., LTD.	WEI-CHUAN FOODs INVESTMENT CO.	Other receivables	Y	721,472	705,511	-	3.3%~3.8%	2	-	Working capital needs	-	None	-	2,325,682	2,325,682	Note 5
3	KUNSHAN KING CAN MOLD INDUSTRIAL CO., LTD.	LANGFANG WEI-CHUAN FOODS CO., LTD.	Other receivables	Y	130,174	127,874	127,874	3.3%~3.85%	2	-	Loan repayment and working capital needs	-	None	-	290,947	290,947	Note 6
3	KUNSHAN KING CAN MOLD INDUSTRIAL CO., LTD.	HANGZHOU WEI-CHUAN FOOD CO., LTD.	Other receivables	Y	110,603	-	-	3.85%	2	-	Loan repayment and working capital needs	-	None	-	290,947	290,947	Note 6
3	KUNSHAN KING CAN MOLD INDUSTRIAL CO., LTD.	Hangzhou Weichuan Biotechnology Foods Co., Ltd.	Other receivables	Y	45,092	44,094	44,094	3.3%~3.85%	2	-	Loan repayment and working capital needs	-	None	-	290,947	290,947	Note 6
3	KUNSHAN KING CAN MOLD INDUSTRIAL CO., LTD.	SUZHOU WEI-CHUAN FOODS CO., LTD.	Other receivables	Y	112,219	110,236	110,236	3.3%~3.7%	2	-	Working capital needs	-	None	-	290,947	290,947	Note 6

Note1: The Company is ‘0’; the subsidiaries are numbered in order starting from ‘1’. The same company shall have the same number.

Note 2: The numbers filled in for the nature of loans are as follows:

(1) Business transaction: 1.
(2) Short-term financing: 2.

Note 3: Ceiling on total loans granted and limit on loans granted to a single party as prescribed in Wei Chuan Foods Corporation’ s “Procedures for Provision of Loans” are as follows:

(1) Ceiling on total loans granted by Wei Chuan Foods Corporation is 40% of net asset value based on the latest consolidated financial statements audited (reviewed) by independent auditors.
(2) For short-term financing, limit on loans granted to a single party by Wei Chuan Foods Corporation is 20% of net asset value based on the latest consolidated financial statements audited (reviewed) by independent auditors.

Note 4: Ceiling on total loans granted and limit on loans granted to a single party as prescribed in WEI-CHUAN(BVI) CO., LTD.’s “Procedures for Provision of Loans” are as follows:

(1) Ceiling on total loans granted by WEI-CHUAN(BVI) CO., LTD. is 40% of net asset value based on the latest consolidated financial statements audited (reviewed) by independent auditors.
(2) For short-term financing, limit on loans granted to a single party by WEI-CHUAN(BVI) CO., LTD. is 20% of net asset value based on the latest consolidated financial statements audited (reviewed) by independent auditors.
(3) For loans granted between overseas companies in which WEI-CHUAN(BVI) CO., LTD. or Wei Chuan Foods Corporation holds100% of the voting shares directly or indirectly, WEI-CHUAN(BVI) CO., LTD.’s ceiling on total loans granted is100% of WEI-CHUAN(BVI) CO., LTD.'s net asset value based on the latest consolidated financial statements audited (reviewed) by independent auditors.
Limit on loans granted to a single party is 100% of WEI-CHUAN(BVI) CO., LTD.’s net asset value based on the latest consolidated financial statements audited (reviewed) by independent auditors.

Note5: Ceiling on total loans granted and limit on loans granted to a single party as prescribed in HANGZHOU WEI-CHUAN FOOD CO., LTD.’s “Procedures for Provision of Loans” are as follows:

(1) Ceiling on total loans granted by HANGZHOU WEI-CHUAN FOOD CO., LTD. is 40% of net asset value based on the latest consolidated financial statements audited (reviewed) by independent auditors.
(2) For short-term financing, limit on loans granted to a single party by HANGZHOU WEI-CHUAN FOOD CO., LTD. is 20% of net asset value based on the latest consolidated financial statements audited (reviewed) by independent auditors.
(3) For loans granted between overseas companies in which HANGZHOU WEI-CHUAN FOOD CO., LTD. or Wei Chuan Foods Corporation holds100% of the voting shares directly or indirectly, HANGZHOU WEI-CHUAN FOOD CO., LTD.’s ceiling on total loans granted is 100% of HANGZHOU WEI-CHUAN FOOD CO., LTD.’s net asset value based on the latest consolidated financial statements audited (reviewed) by independent auditors.
Limit on loans granted to a single party is 100% of HANGZHOU WEI-CHUAN FOOD CO., LTD.’s net asset value based on the latest consolidated financial statements audited (reviewed) by independent auditors.

Note 6: Ceiling on total loans granted and limit on loans granted to a single party as prescribed in KUNSHAN KING CAN MOLD INDUSTRIAL CO., LTD.’s“Procedures for Provision of Loans” are as follows:

(1) Ceiling on total loans granted by KUNSHAN KING CAN MOLD INDUSTRIAL CO., LTD. is 40% of net asset value based on its latest financial statements.
(2) For short-term financing, limit on loans granted to a single party by KUNSHAN KING CAN MOLD INDUSTRIAL CO., LTD. is 20% of net asset value based on its latest financial statements.
(3) For loans granted between overseas companies in which KUNSHAN KING CAN MOLD INDUSTRIAL CO., LTD. or Wei Chuan Foods Corporation holds100% of the voting shares directly or indirectly, ceiling on total loans granted is 100% of KUNSHAN KING CAN MOLD INDUSTRIAL CO., LTD.’s net asset value based on its latest financial statements.
Limit on loans granted to a single party is 100% of KUNSHAN KING CAN MOLD INDUSTRIAL CO., LTD.’s net asset value based on the latest consolidated financial statements audited (reviewed) by independent auditors.

Note 7: The Group transferred its entire equity interest of 51% in WANG DE XING TEA COMPANY in January 2016.

Wei Chuan Foods Corporation and subsidiaries

Provision of endorsements and guarantees to others

Year ended December 31, 2022

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

Number	Endorser/ guarantor	Party being endorsed/guaranteed: Company name	Party being endorsed/guaranteed: Relationship with the endorser/ guarantor (Note 1)	Limit on endorsements/ guarantees provided for a single party (Note 2)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2022 (Note 3)	Outstanding endorsement/ guarantee amount at December 31, 2022 (Note 4)	Actual amount drawn down (Note 5)	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company (Note 6)	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
0	Wei Chuan Foods Corporation	Cheng Shuen Nung Ranch Dairy Co., Ltd.	(2)	$ 2,408,142	$ 515,000	$ 515,000	$ 465,500	$ -	7.13	$ 7,224,426	Y	N	N	
0	Wei Chuan Foods Corporation	Hangzhou Weichuan Biotechnology Foods Co., Ltd.	(2)	2,408,142	225,460	220,470	-	-	3.05	7,224,426	Y	N	Y	
0	Wei Chuan Foods Corporation	CONCOURSE INTERNATIONAL INC.	(2)	2,408,142	966,450	921,300	145,024	-	12.75	7,224,426	Y	N	N	
1	HANGZHOU WEI-CHUAN FOOD CO., LTD.	Hangzhou Weichuan Biotechnology Foods Co., Ltd.	(4)	2,325,682	260,155	260,155	39,685	-	11.19	2,325,682	N	N	Y	
1	HANGZHOU WEI-CHUAN FOOD CO., LTD.	SUZHOU WEI-CHUAN FOODS CO., LTD.	(4)	2,325,682	901,840	881,880	313,376	-	37.92	2,325,682	N	N	Y	

Note 1: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories; fill in the number of category each case belongs to:

(1) Having business relationship.

(2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.

(3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.

(4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.

(5) Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.

(6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

(7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Note 2: 1. Provision of endorsements and guarantees by Wei Chuan Foods Corporation:

(1) Ceiling on total amount of endorsements/guarantees provided is Wei Chuan Foods Corporation’s net asset value.

(2) Limit on endorsements/guarantees provided for a single party is a third of total amount of endorsements/guarantees provided by Wei Chuan Foods Corporation.

(3) Ceiling on total amount of endorsements/guarantees provided by Wei Chuan Foods Corporation and its subsidiaries is 1.2 times of Wei Chuan Foods Corporation’s net asset value. Limit on endorsements/guarantees provided by Wei Chuan Foods Corporation and its subsidiaries for a single party is a third of total amount of endorsements/guarantees provided.

2. Provision of endorsements and guarantees by HANGZHOU WEI-CHUAN FOOD CO., LTD.:

(1) Ceiling on total amount of endorsements/guarantees provided is the net asset value based on its latest consolidated financial statements audited (reviewed) by independent auditors.

(2) Limit on endorsements/guarantees provided for a single party is the total amount of endorsements/guarantees provided by HANGZHOU WEI-CHUAN FOOD CO., LTD.

(3) Ceiling on total amount of endorsements/guarantees provided by HANGZHOU WEI-CHUAN FOOD CO., LTD. and its subsidiaries is 1.2 times of HANGZHOU WEI-CHUAN FOOD CO., LTD.’s net asset value based on its latest consolidated financial statements audited (reviewed) by independent auditors. Limit on endorsements/guarantees provided by HANGZHOU WEI-CHUAN FOOD CO., LTD. and its subsidiaries for a single party is the total amount of endorsements/guarantees provided.

Note 3: Fill in the year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period.

Note 4: Fill in the amount approved by the Board of Directors or the chariman if the chairman has been authorised by the Board of Directors based on subparagraph 8, Article 12 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies.

Note 5: The actual amount of endorsements/guarantees used by the endorsed/guaranteed company.

Note 6: For endorsements/guarantees provided by the Company, the net asset value is based on the Company’s latest financial statements.

For endorsements/guarantees provided by HANGZHOU WEI-CHUAN FOOD CO., LTD., the net asset value is based on the entity’s consolidated financial statements audited (reviewed) by independent auditors.

Wei Chuan Foods Corporation and subsidiaries

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

Year ended December 31, 2022

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

				As of December 31, 2022				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares	Book value	Ownership (%)	Fair value	Footnote
Wei Chuan Foods Corporation	BAFANG YUNJI INTERNATIONAL CO., LTD	None	Current financial assets at fair value through profit or loss	10,000	$ 2,270	0.00	$ 2,270	
					$ 2,270		$ 2,270	
Wei Chuan Foods Corporation	Stock of CONNECTION INVESTMENT CO., LTD.	None	Non-current financial assets at fair value through profit or loss	1,380,000	17,500	16.67	17,500	
Wei Chuan Foods Corporation	Stock of COCORD BUILDERS ENTERPRISE CO., LTD.	None	Non-current financial assets at fair value through profit or loss	22,340,197	-	10.75	-	
Wei Chuan Foods Corporation	Stock of AN LI INVESTMENT CO., LTD.	None	Non-current financial assets at fair value through profit or loss	3,329,500	-	18.50	-	
Wei Chuan Foods Corporation	Stock of RAINIER INVESTMENT CO., LTD.	None	Non-current financial assets at fair value through profit or loss	3,329,500	-	18.50	-	
Wei Chuan Foods Corporation	Stock certificate of LI JIA CONSTRUCTION LTD.	None	Non-current financial assets at fair value through profit or loss	Note	5,617	18.36	5,617	
					$ 23,117		$ 23,117	
KANG CHUAN ENGINEERING CO., LTD.	Stock of COCORD BUILDERS ENTERPRISE CO., LTD.	None	Non-current financial assets at fair value through profit or loss	545,431	$ -	0.26	$ -	
KANG CHUAN ENGINEERING CO., LTD.	Stock of CONNECTION INVESTMENT CO., LTD.	None	Non-current financial assets at fair value through profit or loss	41,400	335	0.50	335	
KANG CHUAN ENGINEERING CO., LTD.	Stock of RAINIER INVESTMENT CO., LTD.	None	Non-current financial assets at fair value through profit or loss	82,650	-	0.46	-	
KANG CHUAN ENGINEERING CO., LTD.	Stock of AN LI INVESTMENT CO., LTD.	None	Non-current financial assets at fair value through profit or loss	82,650	-	0.46	-	
WEI-CHUAN INTERNATIONAL LIMITED	Stock certificate of Shanghai Wei Chuan Foods Industrial Co., Ltd.	None	Non-current financial assets at fair value through profit or loss	Note	-	19.00	-	
WEI-CHUAN INTERNATIONAL LIMITED	Stock certificate of Kuiling Wei-Chuan Food Ltd.	None	Non-current financial assets at fair value through profit or loss	Note	-	10.77	-	
WEI-CHUAN ASIAN INVESTMENT LIMITED	Stock certificate of Kuiling Wei-Chuan Food Ltd.	None	Non-current financial assets at fair value through profit or loss	Note	-	5.10	-	
					$ 335		$ 335	

Note: The investee is a limited company without shares.

Wei Chuan Foods Corporation and subsidiaries

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

Year ended December 31, 2022

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	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)	Footnote
Wei Chuan Foods Corporation	KING CAN INDUSTRY CORPORATION	Parent company to subsidiary	Purchases	$ 471,337	0.09	60-90 days	In accordance with agreement	No significant difference from general transactions	($ 91,399)	0.14	
KING CAN INDUSTRY CORPORATION	Wei Chuan Foods Corporation	Subsidiary to parent company	Sales	(471,337)	0.47	60-90 days	In accordance with agreement	No significant difference from general transactions	91,399	0.42	
Wei Chuan Foods Corporation	CONCOURSE INTERNATIONAL INC.	Parent company to subsidiary	Purchases	305,004	0.06	60-90 days	No significant difference from general transactions	No significant difference from general transactions	(49,730)	0.08	
CONCOURSE INTERNATIONAL INC.	Wei Chuan Foods Corporation	Subsidiary to parent company	Sales	(305,004)	0.51	60-90 days	No significant difference from general transactions	No significant difference from general transactions	49,730	0.24	
Wei Chuan Foods Corporation	Cheng Shuen Nung Ranch Dairy Co., Ltd.	Parent company to subsidiary	Purchases	147,263	0.03	30 days	No significant difference from general transactions	No significant difference from general transactions	(10,868)	0.02	
Cheng Shuen Nung Ranch Dairy Co., Ltd.	Wei Chuan Foods Corporation	Subsidiary to parent company	Sales	(147,263)	1.00	30 days	No significant difference from general transactions	No significant difference from general transactions	10,868	1.00	
KING CAN INDUSTRY CORPORATION	CONCOURSE INTERNATIONAL INC.	The Company's subsidiary	Purchases	130,562	0.20	120 days	In accordance with agreement	No significant difference from general transactions	(51,738)	0.39	
CONCOURSE INTERNATIONAL INC.	KING CAN INDUSTRY CORPORATION	The Company's subsidiary	Sales	(130,562)	0.22	120 days	In accordance with agreement	No significant difference from general transactions	51,738	0.25	
HANGZHOU WEI-CHUAN FOOD CO., LTD.	LANGFANG WEI-CHUAN FOODS CO., LTD.	Second-tier subsidiary to second-tier subsidiary	Purchases	1,063,228	0.18	30 days	No significant difference from general transactions	No significant difference from general transactions	(70,192)	0.08	
LANGFANG WEI-CHUAN FOODS CO., LTD.	HANGZHOU WEI-CHUAN FOOD CO., LTD.	Second-tier subsidiary to second-tier subsidiary	Sales	(1,063,228)	1.00	30 days	No significant difference from general transactions	No significant difference from general transactions	70,192	1.00	

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	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)	Footnote
HANGZHOU WEI-CHUAN FOOD CO., LTD.	CONCOURSE INTERNATIONAL INC.	Second-tier subsidiary to subsidiary	Purchases	112,264	0.02	30 days	In accordance with agreement	No significant difference from general transactions	(22,544)	0.03	
HANGZHOU WEI-CHUAN FOOD CO., LTD.	CHAMPION LINKER CORP.	Second-tier subsidiary to other related party	Purchases	209,607	0.04	30 days	No significant difference from general transactions	No significant difference from general transactions	(4,969)	0.01	
HANGZHOU WEI-CHUAN FOOD CO., LTD.	SHANGHAI DINGSHI WAREHOUSE CO.,LTD	Second-tier subsidiary to other related party	Sales	(868,383)	0.08	30-45 days	No significant difference from general transactions	No significant difference from general transactions	165,325	0.13	
HANGZHOU CONCOURSE TRADING CO., LTD.	CONCOURSE INTERNATIONAL INC.	Second-tier subsidiary to subsidiary	Purchases	253,390	0.70	60 days	No significant difference from general transactions	No significant difference from general transactions	(63,201)	0.88	

Wei Chuan Foods Corporation and subsidiaries

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

Year ended December 31, 2022

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2022	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for uncollectible
					Amount	Action taken		
HANGZHOU WEI-CHUAN FOOD CO., LTD.	SHANGHAI DINGSHI WAREHOUSE CO.,LTD	Second-tier subsidiary to other related party	$ 165,325	4.58	$ -	None	$ 117,903	$ -
HANGZHOU WEI-CHUAN FOOD CO., LTD.	WEI-CHUAN FOODs INVESTMENT CO.	Second-tier subsidiary to second-tier subsidiary	462,991	N/A	-	None	-	-
HANGZHOU WEI-CHUAN FOOD CO., LTD.	Hangzhou Weichuan Biotechnology Foods Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	264,567	N/A	-	None	-	-
HANGZHOU WEI-CHUAN FOOD CO., LTD.	LANGFANG WEI-CHUAN FOODS CO., LTD.	Second-tier subsidiary to second-tier subsidiary	207,244	N/A	-	None	-	-
HANGZHOU WEI-CHUAN FOOD CO., LTD.	SUZHOU WEI-CHUAN FOODS CO., LTD.	Second-tier subsidiary to second-tier subsidiary	176,378	N/A	-	None	-	-
KUNSHAN KING CAN MOLD INDUSTRIAL CO., LTD.	LANGFANG WEI-CHUAN FOODS CO., LTD.	Second-tier subsidiary to second-tier subsidiary	127,874	N/A	-	None	-	-
KUNSHAN KING CAN MOLD INDUSTRIAL CO., LTD.	SUZHOU WEI-CHUAN FOODS CO., LTD.	Second-tier subsidiary to second-tier subsidiary	110,236	N/A	-	None	-	-

Wei Chuan Foods Corporation and subsidiaries

Significant inter-company transactions during the reporting periods

Year ended December 31, 2022

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Number	Company name	Counterparty	Relationship	Transaction: General ledger account	Transaction: Amount	Transaction: Transaction terms	Transaction: Percentage of consolidated total operating revenues or total assets (Note 3)
0	Wei Chuan Foods Corporation	Hangzhou Weichuan Biotechnology Foods Co., Ltd.	Parent company to second-tier subsidiary	Provision of endorsements and guarantees	$ 220,470	Note 1	N/A
0	Wei Chuan Foods Corporation	Cheng Shuen Nung Ranch Dairy Co., Ltd.	Parent company to subsidiary	Provision of endorsements and guarantees	515,000	Note 1	N/A
0	Wei Chuan Foods Corporation	CONCOURSE INTERNATIONAL INC.	Parent company to subsidiary	Provision of endorsements and guarantees	921,300	Note 1	N/A
1	HANGZHOU WEI-CHUAN FOOD CO., LTD.	SUZHOU WEI-CHUAN FOODS CO., LTD.	Second-tier subsidiary to second-tier subsidiary	Provision of endorsements and guarantees	881,880	Note 1	N/A
1	HANGZHOU WEI-CHUAN FOOD CO., LTD.	Hangzhou Weichuan Biotechnology Foods Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	Provision of endorsements and guarantees	260,155	Note 1	N/A
0	Wei Chuan Foods Corporation	KING CAN INDUSTRY CORPORATION	Parent company to subsidiary	Purchases	471,337	In accordance with agreement	2.36%
0	Wei Chuan Foods Corporation	CONCOURSE INTERNATIONAL INC.	Parent company to subsidiary	Purchases	305,004	Same as third parties	1.53%
0	Wei Chuan Foods Corporation	Cheng Shuen Nung Ranch Dairy Co., Ltd.	Parent company to subsidiary	Purchases	147,263	Same as third parties	0.74%
4	KING CAN INDUSTRY CORPORATION	CONCOURSE INTERNATIONAL INC.	subsidiary to subsidiary	Purchases	130,562	Same as third parties	0.65%
1	HANGZHOU WEI-CHUAN FOOD CO., LTD.	LANGFANG WEI-CHUAN FOODS CO., LTD.	Second-tier subsidiary to second-tier subsidiary	Purchases	1,063,228	Same as third parties	5.32%
1	HANGZHOU WEI-CHUAN FOOD CO., LTD.	CONCOURSE INTERNATIONAL INC.	Second-tier subsidiary to second-tier subsidiary	Purchases	112,264	Same as third parties	0.56%
3	HANGZHOU CONCOURSE TRADING CO., LTD.	CONCOURSE INTERNATIONAL INC.	Second-tier subsidiary to subsidiary	Purchases	253,390	Same as third parties	1.27%
1	HANGZHOU WEI-CHUAN FOOD CO., LTD.	WEI CHUAN FOODS INVESTMENT CO., LTD.	Second-tier subsidiary to second-tier subsidiary	Other receivables	462,991	Note 5	2.64%
1	HANGZHOU WEI-CHUAN FOOD CO., LTD.	LANGFANG WEI-CHUAN FOODS CO., LTD.	Second-tier subsidiary to second-tier subsidiary	Other receivables	207,244	Note 3	1.18%
1	HANGZHOU WEI-CHUAN FOOD CO., LTD.	Hangzhou Weichuan Biotechnology Foods Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	Other receivables	264,567	Note 3	1.51%
1	HANGZHOU WEI-CHUAN FOOD CO.,	SUZHOU WEI-CHUAN FOODS CO., LTD.	Second-tier subsidiary to second-tier subsidiary	Other receivables	176,378	Note 3	1.00%
2	KUNSHAN KING CAN MOLD INDUSTRIAL CO., LTD.	LANGFANG WEI-CHUAN FOODS CO., LTD.	Second-tier subsidiary to second-tier subsidiary	Other receivables	127,874	Note 3	0.73%
2	KUNSHAN KING CAN MOLD INDUSTRIAL CO., LTD.	SUZHOU WEI-CHUAN FOODS CO., LTD.	Second-tier subsidiary to second-tier subsidiary	Other receivables	110,236	Note 3	0.63%

Note 1: The endorsements and guarantees were provided in accordance with Procedures for Provision of Endorsements and Guarantees to Others, and the transaction amount was the outstanding endorsement/guarantee
Note 2: Individual transaction amounts less than $100 million are not disclosed. In addition, the same transactions are not disclosed twice.
Note 3: The loans were granted in accordance with Procedures for Provision of Loans, and the transaction amount was the actual amount drawn down.
Note 4: The other receivables were arising from second-tier subsidiary distributing dividends to the subsidiary.
Note 5: The other receivables were arising from sales of equity between the second-tier subsidiaries.

Wei Chuan Foods Corporation and subsidiaries

Information on investees

Year ended December 31, 2022

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2022			Net profit (loss) of the investee for the year ended Dcember 31, 2022	Investment income(loss) recognised by the Company for the year ended December 31, 2022	Footnote
				Balance as at December 31, 2022	Balance as at December 31, 2021	Number of shares	Ownership (%)	Book value			
Wei Chuan Foods Corporation	KING CAN INDUSTRY CORPORATION	Taiwan	Process, manufacture and trade of tinplate products such as tin cans, tin boxes and bottle caps	$ -	$ -	34,539,451	98.68	$ 588,172	$ 61,108	$ 59,680	-
Wei Chuan Foods Corporation	CONCOURSE INTERNATIONAL INC.	Taiwan	General import and export trade business	1,959,112	1,959,112	14,034,753	99.99	227,839	41,391	49,402	-
Wei Chuan Foods Corporation	CHINA YOUTH CO., LTD.	Taiwan	Trade of vegetables and fruits as well as agricultural and fishery products	212,041	212,041	8,481,905	99.79	7,995	(8)	(8)	Note 1
Wei Chuan Foods Corporation	KANG CHUAN ENGINEERING CO., LTD.	Taiwan	Planning, design and implementation of construction projects	377,499	377,499	35,113,408	99.85	209,319	439	439	Note 2
Wei Chuan Foods Corporation	Cheng Shuen Nung Ranch Dairy Co., Ltd.	Taiwan	Livestock farm management	753,035	753,035	57,929,989	100.00	594,128	(88,503)	(88,503)	-
Wei Chuan Foods Corporation	WEI CHUAN BUSINESS DEVELOPMENT CORPORATION	Taiwan	General investment	100,000	-	10,000,000	100.00	102,688	2,688	2,688	Note 3
Wei Chuan Foods Corporation	WEI-CHUAN INTERNATIONAL LIMITED	British Virgin Islands	General investment	787,549	787,549	-	100.00	60,107	(201)	(201)	Note 4
Wei Chuan Foods Corporation	WEI-CHUAN (BVI) CO., LTD.	British Virgin Islands	General investment	2,967,203	2,967,203	-	100.00	3,304,206	107,012	107,012	Note 4、5
Wei Chuan Foods Corporation	WEI-CHUAN ASIAN INVESTMENT LIMITED	Hong Kong	General investment	-	-	-	1.00	(4)	(141)	(1)	Note 4
Wei Chuan Foods Corporation	THAI WEI-CHUAN CO., LTD.	Thailand	Food processing	37,919	37,919	390,000	60.00	(7,326)	-	-	-
Wei Chuan Foods Corporation	FU TING FOODS CO., LTD.	Taiwan	Livestock farm management	75,000	75,000	7,500,000	37.50	16,441	(4,458)	(1,619)	-
KING CAN INDUSTRY CORPORATION	KingCan (BVI) Corporation	British Virgin Islands	General investment	123,213	123,213	-	100.00	291,361	5,430	5,430	Note 4、5
CONCOURSE INTERNATIONAL INC.	CONCOURSE INTERNATIONAL LIMITED	Samoa	General investment	25,673	25,673	-	100.00	40,820	3,913	3,913	Note 4、5
WEI-CHUAN INTERNATIONAL LIMITED	WEI-CHUAN ASIAN INVESTMENT LIMITED	Hong Kong	General investment	255	255	-	99.00	(479)	(141)	(140)	Note 4
WEI-CHUAN ASIAN INVESTMENT LIMITED	HEALTH CAN DEVELOPMENT LIMITED	Hong Kong	General investment	4	4	-	75.00	-	-	-	Note 4

Note 1: The Company's 99.79% owned investee, CHINA YOUTH CO., LTD., was dissolved as approved by its shareholders in November 2016 and the dissolution was approved by the competent authority in January 2017. As of March 15, 2023, the investee is in the process of liquidation.

Note 2: The Company's 99.85% owned investee, KANG CHUAN ENGINEERING CO., LTD., was dissolved as resolved by its Board of Directors in December 2016. As of March 15, 2023, the investee is in the process of liquidation.

Note 3: To execute the strategic investment, the company invested $100,000 to establish a wholly-owned subsidiary, WeiChuan (BVI), in January 2022.

Note 4: The investee is a limited company without shares.

Note 5: Information relating to the Company's investment in the investees in Mainland China through investee companies, WEI-CHUAN(BVI) CO., LTD., KingCan (BVI) Corporation and CONCOURSE INTERNATIONAL LIMITED is provided in table 8.

Wei Chuan Foods Corporation and subsidiaries

Information on investments in Mainland China

Year ended December 31, 2022

Expressed in thousands of NTD

Table 8

(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2022	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2022: Remitted to Mainland China	Remitted back to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2022	Net income of investee as of December 31, 2022	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Group for the year ended December 31, 2022	Book value of investments in Mainland China as of December 31, 2022	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2022	Footnote
Fuzhou Kefu Convenient Food Co., Ltd.	Instant noodles	$ 48,440	3	$ 15,602	$ -	$ -	$ 15,602	$ -	37.50	$ -	$ -	$ -	-
Kuiling Wei-Chuan Food Ltd.	Monosodium glutamate (MSG)	284,325	3	44,349	-	-	44,349	-	15.87	-	-	-	-
HEILONGJIANG WEI CHUAN FOOD CO.	Condiments and other products	72,633	2	19,896	-	-	19,896	-	67.00	-	-	-	Note 5
HEILONGJIANG WEI CHUAN DAIRY CO.	Dairy and other products	249,163	2	121,501	-	-	121,501	-	70.00	-	-	-	Note 5
Shanghai Wei Chuan Foods Industrial Co., Ltd.	Instant noodles and other products	136,238	2	22,278	-	-	22,278	-	19.00	-	-	-	Note 5
Hangzhou Weichuan Biotechnology Foods Co., Ltd.	Manufacture and sale of food products such as solid drinks	326,435	2	326,435	-	-	326,435	(46,797)	100.00	(46,797)	(194,118)	-	Note 2、Note 6
HANGZHOU WEI-CHUAN FOOD CO., LTD.	Manufacture and brand marketing of refrigerated dairy beverages	1,268,366	2	1,268,366	-	-	1,268,366	118,278	100.00	118,278	2,380,772	1,321,136	Note 2、Note 6
WEI CHUAN FOODS INVESTMENT CO., LTD.	General investment	867,844	2	450,319	-	-	450,319	40,469	100.00	40,469	1,062,689	-	Note 2、Note 6
KUNSHAN KING CAN MOLD INDUSTRIAL CO., LTD.	Manufacture of food molds and injection molds	224,813	2	98,716	-	-	98,716	5,434	98.68	5,362	290,947	278,426	Note 2、Note 7
HANGZHOU CONCOURSE TRADING CO., LTD.	General import and export trade business	25,165	2	25,165	-	-	25,165	3,912	99.99	3,912	40,320	-	Note 2、Note 8
LANGFANG WEI-CHUAN FOODS CO., LTD.	Manufacture and brand marketing of refrigerated dairy beverages	449,250	2	-	-	-	-	68,599	100.00	68,599	680,846	-	Note 2、Note 9
SUZHOU WEI-CHUAN FOODS CO., LTD.	Manufacture and brand marketing of refrigerated dairy beverages	882,349	2	-	-	-	-	(28,321)	100.00	(28,321)	836,969	-	Note 2、Note 9

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2022	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA（Note 4）
Wei Chuan Foods Corporation	$ 3,194,141	$ 2,860,203	$ 4,339,594

Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to:

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

(2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China.

(3) Others

Note 2: Investment income (loss) recognised by the Group for the current year was valued based on each investee's self-prepared financial statements of the same reporting period that were not audited or reviewed by independent auditors.

Note 3: The amounts shown in the table are expressed in New Taiwan dollars. Additionally, paid-in capital is translated using the exchange rates at the time of initial investment.

Note 4: In accordance with the regulations, the ceiling of investment is the net assets of the parent company or 60% of consolidated net assets, whichever is higher. However, the parent company has obtained the operating headquarters certificate issued by the Industrial Development Bureau of the Ministry of Economic Affairs (MOEA) for the period from June 1, 2021 to June 1, 2024, therefore, according to the regulations of the Investment Commission of the Ministry of Economic Affairs (MOEA), there is no ceiling of the investment amount.

Note 5: The Company acquired 67%, 70% and 19% equity interest in HEILONGJIANG WEI CHUAN FOOD CO., HEILONGJIANG WEI CHUAN DAIRY CO. and Shanghai Wei Chuan Foods Industrial Co., Ltd., respectively, through its direct wholly- owned investee company, WEI-CHUAN INTERNATIONAL LIMITED.

Note 6: The Company acquired 100% equity interest in Hangzhou Weichuan Biotechnology Foods Co., Ltd., HANGZHOU WEI-CHUAN FOOD CO., LTD. and WEI CHUAN FOODS INVESTMENT CO., LTD. direct wholly-owned investee company, WEI-CHUAN(BVI) CO., LTD.

Note 7: The Company acquired 98.68% equity interest in KUNSHAN KING CAN MOLD INDUSTRIAL CO., LTD. through its indirect 98.68% owned investee company, KingCan (BVI) Corporation.

Note 8: The Company acquired 99.99% equity interest in HANGZHOU CONCOURSE TRADING CO., LTD. through its indirect 99.99% owned investee company, CONCOURSE INTERNATIONAL LIMITED.

Note 9: The Company acquired 100% equity interest in LANGFANG WEI-CHUAN FOODS CO., LTD. through its indirect wholly-owned investee company, WEI CHUAN FOODS INVESTMENT CO.

Wei Chuan Foods Corporation and subsidiaries

Major shareholders information

Year ended December 31, 2022

Table 9

Name of major shareholders	Shares		
	Number of shares held (common shares)	Number of shares held (preference shares)	Ownership (%)
KANG CHENG CO., LTD.	50,523,000	-	9.98%
KANG CHAU COMPANY LTD.	50,407,000	-	9.96%
KONG SHENG INVESTMENT CORP.	36,688,000	-	7.24%
KONG CHING CORP. LTD.	35,880,000	-	7.09%
KONG FA INVESTMENT CORP.	29,828,000	-	5.89%

Note 1: The major shareholders information was derived from the data that the Company issued common shares (including treasury shares) and preference shares in dematerialised form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by Taiwan Depository & Clearing Corporation. The share capital which was recorded in the financial statements may differ from the actual number of shares issued in dematerialised form because of a different calculation basis.

Note 2: If the aforementioned data contains shares which were held in trust by the shareholders, the data disclosed is the settlor's separate account for the fund set by the trustee. As for the shareholder who reports share equity as an insider whose shareholding ratio is greater than 10% in accordance with Securities and Exchange Act, the shares include the self-owned shares and shares held in trust, and at the same time, the shareholder has the power to decide how to allocate the trust assets. The information on the reported share equity of insider is provided in the "Market Observation Post System".