Stock Code: 2023

YIEH PHUI ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022
AND INDEPENDENT AUDITORS' REVIEW REPORT

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Table of Contents

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Independent Auditors' Review Report

To the Board of Directors and Shareholders
Yieh Phui Enterprise Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Yieh Phui Enterprise Co., Ltd. and subsidiaries (the "Group") as of March 31, 2023 and 2022, the related consolidated statements of comprehensive income for ,the consolidated statements of changes in equity and cash flows for the three months ended March 31, 2023 and 2022, and notes to the consolidated financial statements, including a summary of significant accounting policies (together "the consolidated financial statements"). Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standards 34, "Interim Financial Reporting" as endorsed and became effective by Financial Supervisory Commission (FSC) of the Republic of China. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

Except as disclosed in basis for qualified conclusion paragraph, we conducted our reviews in accordance with Statement of Review Standards No. 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As disclosed in Note 4.3 to the consolidated financial statements, the financial statements of non-significant subsidiaries were consolidated based on their unreviewed financial statements as of and for the same periods. These subsidiaries' total assets amounted to $40,575,813 thousand and $38,164,357 thousand, representing 42.87% and 39.80% of the consolidated assets, and their total liabilities amounted to $23,560,276 thousand and $22,355,563 thousand, representing 38.14% and 36.43% of the consolidated liabilities as of March 31, 2023 and 2022, respectively. And their total comprehensive income (loss) amounted to $172,870 thousand, ($1,337) thousand, representing 281.26% and (0.08%) of the consolidated comprehensive income (loss) for the three months ended March 31, 2023 and 2022, respectively. In addition, as described in Note 6.10 to the consolidated financial statements, the financial statements of investments accounted for using equity method were not reviewed by independent accountants. The carrying values of these investments amounted to $16,181,392 thousand and $16,700,730 thousand, representing 17.10% and 17.42% of the consolidated assets as of March 31, 2023 and 2022, respectively, and share of profit (loss) of these associates accounted for using equity method amounted to $50,117 thousand and $294,202 thousand, representing 486.90%, and 21.13% of total consolidated income before income tax for the three months ended March 31, 2023 and 2022, respectively. In addition, share of other comprehensive income of these associates accounted for using equity method amounted to $10,643 thousand and $142,443 thousand, representing 11.40%, and 31.54% of total consolidated comprehensive income for the three months ended March 31, 2023 and 2022, respectively. These amounts were recognized solely based on these investees' unreviewed financial statements for the same periods. The information related to above subsidiaries, and investees accounted for under the equity method disclosed in Note 13 was also not reviewed by independent accountants.

Qualified Conclusion

Based on our reviews, except for the effects of any adjustments as might have been determined to be necessary had the financial statements and related information of the Company's non-significant subsidiaries and investees accounted for using equity method described in basis for qualified conclusion paragraph, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2023 and 2022, its consolidated financial performance for the three months ended March 31, 2023 and 2022, and its consolidated cash flows for the three months ended March 31, 2023 and 2022, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" as endorsed and became effective by the Financial Supervisory Commission (FSC) of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Ling Wen Huang and Shu Man Tsai.

Crowe (TW) CPAs
Kaohsiung, Taiwan
Republic of China

May 4, 2023

<u>*Notice to Readers*</u>

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' review report and consolidated financial statements shall prevail.

YIEH PHUI ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(The Consolidated Balance Sheets as of March 31, 2023 and 2022 were Reviewed Only, Not Audited in Accordance with the Generally Accepted Auditing Standards in the Republic of China)
(In Thousands of New Taiwan Dollars)

Assets	Note	March 31, 2023 Amount	%	December 31, 2022 Amount	%	March 31, 2022 Amount	%
CURRENT ASSETS							
Cash and cash equivalents	6(1)	$10,345,718	11	$8,636,937	10	$8,251,131	9
Financial assets at fair value through profit or loss - current	6(2)	37,606	-	84,641	-	59,999	-
Contract assets - current	6(30)	237,858	-	288,809	-	80,583	-
Notes receivable, net	6(3)	1,353,781	1	1,173,578	1	371,605	-
Accounts receivable, net	6(4)	1,639,127	2	1,813,953	2	2,008,532	2
Accounts receivable - related parties, net	7	221,614	-	448,952	-	549,034	1
Other receivables	6(5)	145,723	-	142,336	-	184,283	-
Other receivables - related parties	7	39,905	-	23,202	-	38,610	-
Current tax assets		6,191	-	8,682	-	116,220	-
Inventories	6(6)	10,930,453	12	9,915,991	11	12,845,284	14
Prepayments	6(7)	2,425,542	3	2,543,688	3	3,281,696	3
Other financial assets - current	6(8)	1,761,933	2	2,529,680	3	1,146,074	1
Total Current Assets		29,145,451	31	27,610,449	30	28,933,051	30
NONCURRENT ASSETS							
Financial assets at fair value through other comprehensive income or loss - noncurrent	6(9)	1,041,921	1	740,987	1	797,072	1
Investments accounted for using equity method	6(10)	16,181,392	17	16,112,793	17	16,700,730	17
Property, plant and equipment	6(11)	45,331,407	48	45,775,712	49	47,001,745	49
Right-of-use assets	6(12)	490,725	1	489,768	1	500,139	1
Investment properties	6(13)	129,987	-	129,987	-	56,959	-
Intangible assets	6(14)	302,531	-	314,110	-	348,946	-
Deferred tax assets		1,046,838	1	1,029,282	1	830,900	1
Other noncurrent assets	6(15)	2,559	-	3,411	-	6,054	-
Refundable deposits	6(16)	172,895	-	149,671	-	59,736	-
Net defined benefit assets - noncurrent		18,746	-	18,747	-	1,412	-
Other financial assets - noncurrent	8	786,027	1	776,472	1	653,562	1
Total Noncurrent Assets		65,505,028	69	65,540,940	70	66,957,255	70
TOTAL ASSETS		$94,650,479	100	$93,151,389	100	$95,890,306	100

Liabilities and Equity	Note	March 31, 2023 Amount	%	December 31, 2022 Amount	%	March 31, 2022 Amount	%
CURRENT LIABILITIES							
Short-term loans	6(17)	$15,254,202	16	$13,590,171	15	$13,590,669	14
Short-term notes and bills payable	6(18)	1,487,086	1	1,701,701	2	1,619,368	2
Financial liabilities at fair value through profit or loss- current	6(2)	4,706	-	-	-	1,326	-
Contract liabilities - current	6(30)	1,069,005	1	1,337,461	1	2,689,732	3
Notes payable		490,975	1	458,293	-	1,186,626	1
Accounts payable		1,443,685	2	1,436,570	2	1,195,857	1
Accounts payable - related parties	7	25,295	-	11,686	-	208,650	-
Other payables	6(19)	1,258,764	1	1,887,927	2	1,569,679	2
Current tax liabilities		736,320	1	681,455	1	951,529	1
Provisions - current	6(20)	108,188	-	101,689	-	101,066	-
Lease liabilities - current	6(12)	10,366	-	9,674	-	14,402	-
Current portion of long-term loans	6(21)	3,834,304	4	4,212,832	5	4,473,758	5
Total Current Liabilities		25,722,896	27	25,429,459	28	27,602,662	29
NONCURRENT LIABILITIES							
Long-term loans	6(21)	35,603,047	38	34,464,456	37	33,041,578	34
Deferred tax liabilities		34,209	-	29,432	-	138,107	-
Lease liabilities - noncurrent	6(12)	60,137	-	60,060	-	75,345	-
Long-term deferred revenue	6(22)	24,367	-	24,278	-	26,885	-
Net defined benefit liability - noncurrent		317,672	-	333,860	-	461,552	1
Guarantee deposits		17,526	-	17,741	-	22,704	-
Total Noncurrent Liabilities		36,056,958	38	34,929,827	37	33,766,171	35
TOTAL LIABILITIES		61,779,854	65	60,359,286	65	61,368,833	64
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT							
Share capital	6(24)						
Common stock		19,758,650	21	19,850,980	22	18,905,695	20
Capital surplus	6(25)	4,885,739	5	4,927,302	5	4,928,986	5
Retained earnings	6(26)						
Legal reserve		3,393,805	4	3,393,805	4	2,882,426	3
Special reserve		785,047	1	785,047	1	706,593	1
Unappropriated earnings		3,594,027	3	3,582,001	3	6,244,830	6
Other equity	6(27)	(728,014)	(1)	(822,369)	(1)	(585,724)	(1)
Treasury shares	6(28)	-	-	(133,898)	-	-	-
Total equity attributable to owners of the parent		31,689,254	33	31,582,868	34	33,082,806	34
NON-CONTROLLING INTERESTS	6(29)	1,181,371	2	1,209,235	1	1,438,667	2
Total Equity		32,870,625	35	32,792,103	35	34,521,473	36
TOTAL LIABILITIES AND EQUITY		$94,650,479	100	$93,151,389	100	$95,890,306	100

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

YIEH PHUI ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Reviewed Only, Not Audited in Accordance with the Generally Accepted Auditing Standards in the Republic of China)
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

		Three Months Ended March 31			
		2023		2022	
	Note	Amount	%	Amount	%
OPERATING REVENUE	6(30)	$17,569,137	100	$23,148,159	100
OPERATING COST	6(6)	(15,998,196)	(91)	(20,153,466)	(87)
GROSS PROFIT		1,570,941	9	2,994,693	13
OPERATING EXPENSES					
Selling and marketing expenses		(655,195)	(4)	(1,307,988)	(6)
General and administrative expenses		(505,969)	(3)	(473,410)	(2)
Research and development expenses		(30,442)	-	(28,368)	-
Expected credit loss (gain)		-	-	55	-
Total operating expenses		(1,191,606)	(7)	(1,809,711)	(8)
INCOME (LOSS) FROM OPERATIONS		379,335	2	1,184,982	5
NON-OPERATING INCOME AND EXPENSES					
Interest income	6(32)	25,718	-	1,959	-
Other income	6(33)	64,908	1	164,607	1
Other gains and losses	6(34)	(40,039)	-	136,732	1
Finance costs	6(35)	(469,746)	(3)	(390,253)	(2)
Share of profit of associates and joint ventures		50,117	-	294,202	1
Total non-operating income and expenses		(369,042)	(2)	207,247	1
INCOME (LOSS) BEFORE INCOME TAX		10,293	-	1,392,229	6
INCOME TAX (EXPENSE) BENEFIT	6(36)	(42,165)	-	(267,544)	(1)
NET INCOME (LOSS)	6(38)	(31,872)	-	1,124,685	5
OTHER COMPREHENSIVE INCOME (LOSS)	6(37)				
Items that will not be reclassified subsequently to profit or loss					
Unrealized gain (loss) on investments in equity instruments		58,734	1	(652)	-
Share of other comprehensive income (loss) of associates and joint ventures		37,700	-	19,462	-
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translating foreign operations		29,596	-	389,157	1
Share of other comprehensive income (loss) of associates and joint ventures		(27,057)	-	122,981	1
Income tax benefit related to items that may be reclassified subsequently to profit or loss		(5,638)	-	(79,386)	-
Total other comprehensive income (loss), net of income tax		93,335	1	451,562	2
TOTAL COMPREHENSIVE INCOME (LOSS)		$61,463	1	$1,576,247	7
NET INCOME (LOSS) ATTRIBUTABLE TO:					
Shareholders of the parent		$13,151	-	$1,136,169	5
Non-controlling interests		(45,023)	-	(11,484)	-
Total		($31,872)	-	$1,124,685	5
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:					
Shareholders of the parent		$107,506	1	$1,583,407	7
Non-controlling interests		(46,043)	-	(7,160)	-
Total		$61,463	1	$1,576,247	7
EARNINGS (LOSS) PER SHARE					
Basic earnings (loss) per share	6(38)	$0.01		$0.57	
Diluted earnings (loss) per share	6(38)	$0.01		$0.57	

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

YIEH PHUI ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Reviewed Only, Not Audited in Accordance with the Generally Accepted Auditing Standards in the Republic of China)
(In Thousands of New Taiwan Dollars)

			Retained Earnings			Other Equity Item						
	Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain (Loss) on Hedging Instruments	Treasury Shares	Total Equity Attributable to Shareholders of the parent	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2022	$18,905,695	$4,928,849	$2,882,426	$706,593	$5,113,787	($1,426,033)	$386,525	$6,546	$ -	$31,504,388	$1,391,237	$32,895,625
Changes in equity of associates and joint ventures	-	137	-	-	6,503	-	-	-	-	6,640	35	6,675
Net income (loss) for the three months ended March 31, 2022	-	-	-	-	1,136,169	-	-	-	-	1,136,169	(11,484)	1,124,685
Other comprehensive income (loss), net of income tax for the three months ended March 31, 2022	-	-	-	-	-	428,644	18,593	1	-	447,238	4,324	451,562
Total comprehensive income (loss) for the three months ended March 31, 2022	-	-	-	-	1,136,169	428,644	18,593	1	-	1,583,407	(7,160)	1,576,247
Changes in ownership interests in subsidiaries	-	-	-	-	(11,629)	-	-	-	-	(11,629)	11,629	-
Adjustment of non-controlling interests	-	-	-	-	-	-	-	-	-	-	42,926	42,926
BALANCE AT MARCH 31, 2022	$18,905,695	$4,928,986	$2,882,426	$706,593	$6,244,830	($997,389)	$405,118	$6,547	$ -	$33,082,806	$1,438,667	$34,521,473
BALANCE AT JANUARY 1, 2023	$19,850,980	$4,927,302	$3,393,805	$785,047	$3,582,001	($964,147)	$130,825	$10,953	($133,898)	$31,582,868	$1,209,235	$32,792,103
Changes in equity of associates and joint ventures	-	1	-	-	(1,125)	-	-	-	-	(1,124)	(91)	(1,215)
Net income (loss) for the three months ended March 31, 2023	-	-	-	-	13,151	-	-	-	-	13,151	(45,023)	(31,872)
Other comprehensive income (loss), net of income tax for the three months ended March 31, 2023	-	-	-	-	-	(1,940)	96,191	104	-	94,355	(1,020)	93,335
Total comprehensive income (loss) for the three months ended March 31, 2023	-	-	-	-	13,151	(1,940)	96,191	104	-	107,506	(46,043)	61,463
Discount on buy-back of treasury shares	-	-	-	-	-	-	-	-	4	4	-	4
Cancellation of treasury shares	(92,330)	(41,564)	-	-	-	-	-	-	133,894	-	-	-
Adjustment of non-controlling interests	-	-	-	-	-	-	-	-	-	-	18,270	18,270
BALANCE AT MARCH 31, 2023	$19,758,650	$4,885,739	$3,393,805	$785,047	$3,594,027	($966,087)	$227,016	$11,057	$ -	$31,689,254	$1,181,371	$32,870,625

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

YIEH PHUI ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Reviewed Only, Not Audited in Accordance with the Generally Accepted Auditing Standards in the Republic of China)

(In Thousands of New Taiwan Dollars)

Item	Three Months Ended March 31	
	2023	2022
1.CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	$10,293	$ 1,392,229
Adjustments to reconcile profit (loss)		
Depreciation	589,769	574,254
Amortization	11,682	11,275
Expected credit (gain) loss	-	(55)
Net loss (gain) on financial assets and liabilities at fair value through profit or loss	6,983	2,337
Interest expense	469,746	390,253
Interest income	(25,718)	(1,959)
Dividend income	(18,168)	-
Share of (gain) loss of associates and joint ventures	(50,117)	(294,202)
Loss (gain) on disposal and retirement of property, plant and equipment	4,505	2,097
Transfer of property, plant and equipment to expenses	1,298	9,467
Loss (gain) on disposal of investment properties	-	(241)
Others	(54)	(54)
Total adjustments to reconcile profit (loss)	989,926	693,172
Changes in operating assets and liabilities		
Net changes in operating assets:		
Decrease (increase) in financial assets at fair value through profit or loss	44,760	(5,252)
Decrease (increase) in contract assets	50,668	36,689
Decrease (increase) in notes receivable	(180,196)	69,730
Decrease (increase) in accounts receivables	174,561	233,156
Decrease (increase) in accounts receivables - related parties	227,884	(377,248)
Decrease (increase) in other receivables	(36,301)	143,895
Decrease (increase) in inventories	(1,014,462)	1,209,887
Decrease (increase) in prepayments	118,146	(603,286)
Decrease (increase) in other financial assets	622,617	(3,425)
Decrease (increase) in other operating assets	1	(192)
Total net changes in operating assets	7,678	703,954
Net changes in operating liabilities:		
Increase (decrease) in contract liabilities	(268,456)	(372,668)
Increase (decrease) in notes payable	32,682	(321,943)
Increase (decrease) in accounts payable	20,724	(294,362)
Increase (decrease) in other payables	(625,033)	(588,949)
Increase (decrease) in provisions	6,499	(33,973)
Increase (decrease) in net defined benefit liability	(16,188)	(15,889)
Total net changes in operating liabilities	(849,772)	(1,627,784)
Total net changes in operating assets and liabilities	(842,094)	(923,830)

Item	Three Months Ended March 31 2023	2022
Total adjustments	147,832	(230,658)
Cash generated from (used in) operations	158,125	1,161,571
Interest received	25,342	1,959
Dividends received	34,755	6,162
Interest paid	(477,676)	(375,874)
Income tax paid	(2,968)	(6,521)
Net cash generated from (used in) operating activities	(262,422)	787,297
2.CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income and loss	(242,200)	-
Acquisition of investments accounted for using equity method	(9,000)	(10,252)
Proceeds from disposal of investments accounted for using equity method	-	7,600
Proceeds from capital reduction of investees accounted for using equity method	-	92
Acquisition of property, plant and equipment	(108,113)	(416,411)
Increase of refundable deposit	(23,224)	-
Decrease in refundable deposits	-	98
Acquisition of intangible assets	(103)	(970)
Increase in other financial assets	-	(31,697)
Decrease in other financial assets	135,575	-
Decrease in other non-current assets	852	767
Net cash generated from (used in) investing activities	(246,213)	(450,773)
3.CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	1,664,031	-
Decrease in short-term loans	-	(314,799)
Increase in short-term bills payable	-	265,000
Decrease in short-term bills payable	(215,000)	-
Increase in long-term loans	3,072,730	3,987,896
Repayment of long-term loans	(2,297,242)	(3,116,628)
Increase in guarantee deposits received	-	3,591
Decrease in guarantee deposits received	(215)	-
Repayments of principal of lease liabilities	(3,792)	(3,054)
Increase in other noncurrent liabilities	89	989
Discount on treasury shares buy-back cost	4	-
Increase (decrease) in non-controlling interests	18,270	42,926
Net cash generated from (used in) financing activities	2,238,875	865,921
4.EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(21,459)	(160,843)
5.NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,708,781	1,041,602
6.CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	8,636,937	7,209,529
7.CASH AND CASH EQUIVALENTS AT END OF PERIOD	$10,345,718	$8,251,131

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

1. GENERAL INFORMATION

1.1 Yieh Phui Enterprise Co., Ltd. (hereinafter referred to as the Company) was established in April 1978, currently a listed company in Taiwan Stock Exchange. The Company engages mainly in the processing, manufacturing marketing and import/export trading of rolled steel coils, refined steel, molded steel, steel/iron wires, galvanized/pre-painted/surface-treated metals.

1.2 The Company's Board of Directors resolved on May 23, 2005 to merge (simplified merger) with Lien Kang Heavy Industrial Co., Ltd, with the Company as the surviving company. The record date of the merger was set on August 30, 2005. Every 2.5 common shares of Lien Kang Heavy Industrial Co., Ltd. were converted into 1 common share of the Company. The Company issued additional 4,859 thousand common shares for this merger. Rights and obligations of holders of the newly issued shares were the same as those of the Company's original shareholders.

1.3 Lien Kang Heavy Industrial Co., Ltd., incorporated on November 23, 1989, mainly engages in manufacturing, processing, and trading of the various mechanical spare parts, as well as pipe installation and engineering design/manufacture/installation.

1.4 The Company's steel pipe department, due to its business expansion, was separated from the Company, and was named as Shin Yang Steel Co., Ltd. Relevant investment on this was approved by the Board of Directors on January 18th, 2011, and a total of 191 employees were transferred to Shin Yang Steel Co., Ltd.

1.5 For main operation activities of the Company and its subsidiaries (hereinafter referred to as "the Group"), please refer to Note 4.3.(2).

1.6 These consolidated financial statements are presented in the Company's functional currency, New Taiwan Dollars.

2. THE AUTHORIZATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements were reported to the Board of Directors and approved for issue on May 4, 2023.

3. APPLICATION OF NEW AND AMENDED STANDARDS AND INTERPRETATIONS

(1) Effect of adoption of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

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

New IFRSs	Effective Date Announced by IASB
Amendments to IAS 1 “Disclosure of Accounting Policies”	January 1, 2023 (Note 1)
Amendments to IAS 8 “Definition of Accounting Estimates”	January 1, 2023 (Note 2)
Amendment to IAS 12 “Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction”	January 1, 2023 (Note 3)

Note 1: The amendments will be applied prospectively for annual reporting periods beginning on or after January 1, 2023.

Note 2: The amendments are applicable to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the annual reporting period beginning on or after January 1, 2023.

Note 3: Except for otherwise specified with for temporary differences associated with leases and decommissioning obligations, the amendments will be applied prospectively to transactions that occur on or after January 1, 2022.

A. Amendments to IAS 1 “Disclosure of Accounting Policies”

This amendment clarifies that when the scale or nature of a transaction, other event or situation is material, and the relevant accounting policy information is also material to the financial report, the relevant material accounting policy information should be disclosed. Conversely, if the enterprise determines that the scale or nature of a transaction, other event or situation is not significant or the relevant accounting policy information is not significant although it is significant, it does not need to disclose non-significant accounting policy information, but the enterprise prepares accounting the conclusion that the policy information is insignificant does not affect the relevant disclosures required by other IFRS standards.

B. Amendments to IAS 8 “Definition of Accounting Estimates”

This amendment defines accounting estimates as the monetary amount of financial statements subject to measurement uncertainty, and provides further explanations, except for corrections due to errors in the previous period, the impact of changes in input values or measurement techniques on accounting estimates is a change in accounting estimates.

C. Amendment to IAS 12 “Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction”

The amendments narrow the scope of the recognition exemption in paragraphs 15 and 24 of IAS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. When the Group initially applies the amendments, it will recognize the cumulative effect of the amendments applied initially as an adjustment to the opening balance of the retained earnings (or other components of equity, as appropriate) at the beginning of the earliest expression period, and re-edit the information during the comparison period.

The Group has evaluated the aforementioned standards and interpretations, and there’s no significant effect to the Group’s financial position and performance.

(2) Effect of new issuances or amendments to IFRSs as endorsed by the FSC but not yet adopted: None.

(3) Effect of the IFRSs issued by IASB but not yet endorsed and issued into effect by FSC:

New IFRSs	Effective Date Announced by IASB
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial application IFRS 17 and IFRS 9 – Compare Information”	January 1, 2023
Amendments to IFRS 16 "Lease liabilities in sale and leaseback"	January 1, 2024
Amendments to IAS 1 “Classification of Liabilities as Current or Noncurrent”	January 1, 2024
Amendments to IAS 1 “Non-current Liabilities with Covenants "	January 1, 2024

As of the date the accompany consolidated financial statements are authorized for issue, the Group is still evaluating the impact on its financial position and financial performance as a result of the initial adoption of the aforementioned standards or interpretations. The related impact will be disclosed when the Group completes the evaluation.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Except for the following, the accounting policies applied in these consolidated financial statements are consistent with those applied in the consolidated financial statements for the year ended December 31, 2022. These policies have been consistently applied to all the periods presented, unless otherwise stated.

4.1 Statement of Compliance

The accompanying consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34, “Interim Financial Reporting,” endorsed and issued into effect by the FSC. The consolidated financial statements should be read with the consolidated financial statements for the year ended December 31, 2022.

4.2 Basis of Preparation

(1) Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:

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

B. Financial assets measured at fair value through other comprehensive income.

C. Liabilities on cash-settled share-based payment arrangements measured at fair value.

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

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

4.3 Basis of Consolidation

(1) The basis for the 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 unrealized 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 recognized 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 recognized in profit or loss. All amounts previously recognized in other comprehensive income in relation to the subsidiary are reclassified to profit or loss or transferred directly to retained earnings as appropriate, 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 recognized 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.

(2) The subsidiaries in the consolidated financial statements:

Investee / Subsidiary	Main Businesses	Percentage of Ownership March 31, 2023	December 31, 2022	March 31, 2022
1. Yieh Phui Enterprise Co., Ltd. (the Company)				
Good Honor Holdings Ltd.	Investment	100.00%	100.00%	100.00%
Shin Yang Steel Co., Ltd.	Steel products related businesses	100.00%	100.00%	100.00%
Yieh Phui (Hong Kong) Holdings Limited	Investment	100.00%	100.00%	100.00%
Yieh Hsing Enterprise Co., Ltd	Wire roads trading	57.41%	57.41%	57.41%
Great Emperor Hotel Co., Ltd.	Hotel industry	60.15%	60.15%	60.15%
Kings Garden International Co., Ltd.	Leasing, sales, and development of residential and commercial buildings, department stores	54.89%	54.89%	54.89%
Shin Phui Steel Corporation	Trading of steel products	100.00%	100.00%	100.00%
Worthing Honor Holdings Ltd.	Investment	100.00%	100.00%	100.00%
Sin Bang Investment & Development Co., Ltd.	Investment	100.00%	100.00%	100.00%
Gen-Wan Technology Corp	Telecommunication	86.99%	86.99%	86.99%
EMMT Systems Corporation	Manufacturing and marketing of military specification printed circuit boards	78.51%	78.51%	78.51%
Kuo Chang Enterprise Co., Ltd.	Wholesale of hardware	99.04%	99.04%	99.04%
United Brightening Development Corp.	Technical consultation for steel products	95.56%	95.56%	95.56%
Hong Yuh Assets Management Co., Ltd.	Management service	80.00%	80.00%	80.00%
Lian So (H.K) Co., Limited	Investment	80.00%	80.00%	80.00%
Yieh Phui America Inc.	Steel trading	100.00%	100.00%	100.00%
2. Hong Yuh Assets Management Co., Ltd.				
Lien-Hsin Steel Co., Ltd.	Metal manufacturing industry	61.74%	61.74%	49.36%
Lien-Sheng steel Co., Ltd.	Metal manufacturing industry	10.00%	10.00%	10.00%
Lien-Heng Mining Co., Ltd.	Nickle mining	75.00%	75.00%	75.00%
Lien-Hung Mining Co., Ltd.	Nickle mining	19.00%	19.00%	19.00%
Asiamax Mining Indonesia	Nickle mining	100.00%	100.00%	100.00%
3. Gen-Wan Technology Corp.				
EMMT Systems Corporation	Manufacturing and marketing of military specification printed circuit boards	7.48%	7.48%	7.48%

Investee / Subsidiary	Main Businesses	Percentage of Ownership March 31, 2023	December 31, 2022	March 31, 2022
4. Yieh Phui (Hong Kong) Holdings Limited				
Yieh Phui (China) Technomaterial Co., Ltd.	Manufacturing and marketing of pickled, cold rolled, galvanized and prepainted steel coils	100.00%	100.00%	100.00%
5. Yieh Phui (China) Technomaterial Co., Ltd.				
Tianjin Lianfa Precision Steel Corporation	Manufacturing and marketing of special high grade alloy	100.00%	100.00%	100.00%
Changshou ChangHuei Trading Co.	Trading of steel products	100.00%	100.00%	100.00%
6. EMMT Systems Corporation				
Applied Wireless Identifications Group, Inc.	RFID	88.69%	88.69%	88.69%
Groupco Technology Inc.	Radio	49.97%	49.97%	49.97%
7. Applied Wireless Identifications Group, Inc.				
AWID Asia Co., Ltd.	Telecommunications equipment wholesale	-	-	100.00%
		(Please refer to Note 4.3. (2) (A) for details)		
8. Shin Phui Steel Corporation				
Groupco Technology	Radio	42.53%	42.53%	42.53%
Great Emperor Hotel Co., Ltd.	Hotel industry	0.01%	0.01%	0.01%
Kings Garden International Co., Ltd.	Leasing, sales, and development of residential and commercial buildings, and department stores	0.01%	0.01%	0.01%
9. Yieh Hsing Enterprise Co., Ltd.				
Great Emperor Hotel Co., Ltd.	Hotel industry	39.84%	39.84%	39.84%
Kings Garden International Co., Ltd.	Leasing, sales, and development of residential and commercial buildings, department stores	45.10%	45.10%	45.10%
10. Kings Garden International Co., Ltd.				
Hua Li International Co., Ltd.	Wholesale of daily necessities and cosmetics	100.00%	100.00%	100.00%
11. United Brightening Development Corp.				
Chao Ying Investment Development Co., Ltd.	Investment	100.00%	100.00%	100.00%
12. Lian So (H.K) Co., Limited				
Lien-Hsin Steel Co., Ltd.	Metal manufacturing industry	38.26%	38.26%	50.64%
Lien-Sheng Steel Co., Ltd.	Metal manufacturing industry	90.00%	90.00%	90.00%
Lian Yang (Hong Kong) Trading Limited	Trading business	100.00%	100.00%	100.00%

Investee / Subsidiary	Main Businesses	Percentage of Ownership March 31, 2023	December 31, 2022	March 31, 2022
13. Lien-Hsin Steel Co., Ltd.				
Lien-Heng Mining Co., Ltd. (Note)	Nickle mining	25.00%	25.00%	25.00%
Lien-Hung Mining Co., Ltd. (Note)	Nickle mining	81.00%	81.00%	81.00%

(Note): Due to legal restriction within the local jurisdiction, 25% shareholding of Lien-Heng Mining Co., Ltd. and 51% shareholding of Lien-Hung Mining Co., Ltd. are registered temporarily under the name of a third-party; in order that the rights be secured, the third-party has pledged all shares under his/her name to the Group through a contract agreement.

A. Increase and decrease in consolidated subsidiaries:
AWID Asia Co., Ltd., had been liquidated in July 2022.

B. Except for Yieh Hsing Enterprise Co., Ltd., Yieh Phui (Hong Kong) Holdings Limited, and Yieh Phui (China) Technomaterial Co., Ltd., the financial statements of subsidiaries consolidated above were not reviewed.

(3) Subsidiaries not consolidated in the consolidated financial statements: None.

(4) Adjustments for subsidiaries with different accounting periods: None.

(5) Major restrictions:
As of March 31, 2023, December 31, 2022, and March 31, 2022, cash and bank deposits of $5,312,975 thousand, $3,437,081 thousand, and $4,167,216 thousand, respectively are deposited in China and subject to the local foreign exchange control. Such foreign exchange control restricts fund remitting out from China (except for regular dividends).

(6) Securities issued by the parent company and held by subsidiaries: None.

(7) Information about subsidiaries with significant non-controlling interests:

March 31, 2023：

Name of Subsidiary	Shareholding %	Non-controlling interests	Net income (loss) attributable to Non-controlling interests
Yieh Hsing Enterprise Co., Ltd.	42.59%	$645,267	($61,832)
Others		536,104	16,809
Total		$1,181,371	($45,023)

December 31, 2022：

Name of Subsidiary	Shareholding %	Non-controlling interests	Net income (loss) attributable to Non-controlling interests
Yieh Hsing Enterprise Co., Ltd.	42.59%	$707,266	($295,843)
Others		501,969	8,441
Total		$1,209,235	($287,402)

March 31, 2022：

Name of Subsidiary	Shareholding %	Non-controlling interests	Net income (loss) attributable to Non-controlling interests
Yieh Hsing Enterprise Co., Ltd.	42.59%	$979,360	($17,146)
Others		459,307	5,662
Total		$1,438,667	($11,484)

Please refer to Table 8 and Table 9 in Note 13 for the main operation location and countries of registration of the subsidiaries listed above.

A. Summary of the financial information are as follows:

a. Balance Sheets:

	Yieh Hsing Enterprise Co., Ltd.		
	March 31, 2023	December 31, 2022	March 31, 2022
Current assets	$2,280,411	$2,044,792	$2,801,387
Non-current assets	9,612,940	9,711,320	9,993,486
Current liabilities	2,973,358	2,631,382	3,499,028
Non-current liabilities	2,275,132	2,334,292	1,866,517
Equity	$6,644,861	$6,790,438	$7,429,328

b. Statements of Comprehensive Income：

	Yieh Hsing Enterprise Co., Ltd. Three Months Ended March 31	
	2023	2022
Operating revenue	$1,371,641	$1,862,597
Net income (loss)	($145,183)	($40,259)
Other comprehensive income (loss) (net after tax)	(390)	3,862
Total comprehensive income (loss)	($145,573)	($36,397)
Total comprehensive income (loss) attributable to non-controlling interests	($61,997)	($15,501)
Dividends paid to non-controlling interests	$ -	$ -

c. Statements of Cash Flows：

	Yieh Hsing Enterprise Co., Ltd. Three Months Ended March 31	
	2023	2022
Net cash provided by (used in) operating activities	($246,214)	$751,443
Net cash provided by (used in) investing activities	(60,817)	(31,081)
Net cash provided by (used in) financing activities	286,282	(512,039)
Net increase (decrease) in cash and cash equivalents	($20,749)	$208,323
Cash and cash equivalents, beginning of the period	406,306	251,318
Cash and cash equivalents, end of the period	$385,557	$459,641

4.4 Retirement benefits

The pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

4.5 Income taxes

Income tax expense represents the sum of current tax and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings. The effect of a change in tax rate resulting from a change in tax law is recognized consistently with the accounting for the transaction itself which gives rise to the tax consequence, and this is recognized in profit or loss, other comprehensive income or directly in equity in full in the period in which the change in tax rate occurs.

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

The same critical accounting judgments and key sources of estimates and uncertainty have been followed Note 5 in these consolidated financial statements as those applied in the preparation of the consolidated financial statements for the year ended December 31, 2022

6. DETAILS OF SIGNIFICANT ACCOUNTS

Except for the following, please refer to Note 6 to the consolidated financial statements for the year ended December 31, 2022.

6.1 Cash and cash equivalents

Item	March 31, 2023	December 31, 2022	March 31, 2022
Cash on hand	$10,742	$15,389	$10,387
Checking account	785,114	872,640	1,071,175
Demand deposits	6,589,861	6,108,263	5,943,423
Time deposits (with original maturities within three months)	2,719,483	1,400,433	1,221,151
Commercial paper (with original maturities within three months)	240,518	240,212	-
NT$5000 stimulus vouchers and Kaohsiung stimulus vouchers	-	-	4,995
Total	$10,345,718	$8,636,937	$8,251,131

1. The financial institutions dealing with the Group are credit worthy, and the Group's transactions with a number of financial institutions to diversify credit risk are unlikely to be expected to default.
2. The Group had no cash and cash equivalents pledged to others.

6.2 Financial assets and liabilities at fair value through profit

Item	March 31, 2023	December 31, 2022	March 31, 2022
Financial assets - current:			
Non-derivative financial assets mandatorily measured at FVTPL			
Mutual funds	$37,606	$80,459	$59,999
Derivatives			
Forward exchange contracts	-	3,791	-
Exchange interest rate swap contracts	-	391	-
Total	$37,606	$84,641	$59,999
Financial liabilities - current:			
Derivatives			
Forward exchange contracts	$1,369	$ -	$ -
Exchange interest rate swap contracts	3,337	-	1,326
Total	$4,706	$ -	$1,326

1. The Group had no financial assets at fair value through profit or loss pledged to others.
2. Please refer to Note 12(3) for credit risk management and evaluation method.
3. The Group enters derivatives to hedge exchange rate risk of assets denominated in foreign currencies. However, as the Group does not plan on adopting hedge accounting, those contracts are accounted for as financial instruments at fair value through profit or loss upon initial recognition. Outstanding contracts are as follows:

A. Forward exchange contracts:

March 31, 2023：

Currency	Contract Period	Execution Rate	Contract Amount (in thousands)
USD(BUY) RMB(SELL)	September 9, 2022 to September 14, 2023	6.847	USD 5,000

December 31, 2022：

Currency	Contract Period	Execution Rate	Contract Amount (in thousands)
USD(BUY) RMB(SELL)	August 22, 2022 to August 24, 2023	6.748	USD 10,000
USD(BUY) RMB(SELL)	September 9, 2022 to September 14, 2023	6.847	USD 5,000

March 31, 2022：None.

B. Exchange interest rate swap contracts:

March 31, 2023：

Currency	Contract period	Contract Amount (in thousands)	Interest rate paid	Charge interest rate range
USD(BUY) RMB(SELL)	January 4, 2023 to January 8, 2024	USD 10,000	0.7%	0%

December 31, 2022：

Currency	Contract period	Contract Amount (in thousands)	Interest rate paid	Charge interest rate range
USD(BUY) RMB(SELL)	August 22, 2022 to August 24, 2023	USD 5,000	1%	0%

March 31, 2022：

Currency	Contract period	Contract Amount (in thousands)	Interest rate paid	Charge interest rate range
USD(BUY) RMB(SELL)	January 25, 2022 to October 19, 2022	USD 15,000	1.5%-1.6%	0%

6.3 Notes receivable, net

Item	March 31, 2023	December 31, 2022	March 31, 2022
At amortized cost			
Notes receivable	$1,353,782	$1,173,586	$371,644
Less: Loss allowance	(1)	(8)	(39)
Net	$1,353,781	$1,173,578	$371,605

1. As of March 31, 2023, December 31, 2022, and March 31, 2022, the Group pledged part of its notes receivable as collateral for its borrowings. Please refer to Note 8.
2. Please refer to Note 7.3.5 for accounts receivable with related parties.
3. Please refer to Note 6.4 for the relevant disclosure of loss allowance for notes receivable.
4. The Group has transferred the endorsement of the bank acceptance bills to the suppliers to pay the accounts payable and the endorsement was transferred to the bank for discounting. As the risks and rewards of the notes have been transferred, the Group has derecognized the bank acceptance bills and the corresponding accounts payable. The suppliers and the bank still have the right to request the Group to settle the payment if the outstanding bank acceptance notes are not fulfilled at the end of the period. Therefore, the Group continues to participate in the notes. The Group’s maximum loss of the continued involvement in the derecognized bank acceptance bills is the amount of bank acceptance bills that have been transferred but not yet matured. As of March 31, 2023, December 31, 2022, and March 31, 2022, the balances were RMB 200,861 thousand, RMB 171,895 thousand, and RMB 170,092 thousand, respectively. These notes will expire within 1~12 months after the balance sheet date. In consideration of the credit risk of the bank acceptance bills, the Group’s assessment of the fair value of its continuing involvement is not significant. The Group did not recognize any gains and losses on the transfer of the bank’s acceptance for the three months ended March 31, 2023 and 2022.

6.4 Accounts receivable, net

Item	March 31, 2023	December 31, 2022	March 31, 2022
At amortized cost			
Accounts receivable	$1,643,401	$1,817,962	$2,014,312
Less: Loss allowance	(4,274)	(4,009)	(5,780)
Net	$1,639,127	$1,813,953	$2,008,532

A. The Group's accounts receivables of sales of goods. The average credit period varies: 30~60 days for Carbon Steel Department, and interest-bearing deferred payment is allowed upon mutual agreement; 7~26 days for the sale of steel products; agreed days for the Engineering Department based on the contractual terms; and 60~90 days for other departments based on encounter parties' industry characteristics, operation scale and profit status.

B. For the information about the Group's accounts receivable pledged as collateral, please refer to Note 8 for details.

C. The Group factored part of its accounts receivables to banks without recourse. The Group had already transferred substantially all risks and rewards upon factoring the accounts receivables, which were thereby derecognized from the balance sheet. Please refer to Note 12(5) for related information.

D. The Group applies the simplified approach to provisions for expected credit losses prescribed by IFRS 9, which permits the use of a lifetime expected credit losses provision for trade receivables. The expected credit losses on trade receivables are estimated by reference to past account aging records of the debtor, an analysis of the debtor's current financial position, industrial trend, which receivables are past due. As the Group's historical credit losses experience does not show significantly different loss patterns for different customer segments, the provision for losses based on past due status of receivables is not further distinguished between the Group's different customer base.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery of the receivable. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables which are due. Where recoveries are made, these are recognized in profit or loss.

The Group measured the allowance for notes receivable and accounts receivable according to the preparation matrix (including related parties)：

March 31, 2023	Expected credit loss rate	Gross carrying amount	Allowance for doubtful accounts (ECL)	Amortized cost
Not past due	0%-0.5%	$3,220,311	($5,789)	$3,214,522

December 31, 2022	Expected credit loss rate	Gross carrying amount	Allowance for doubtful accounts (ECL)	Amortized cost
Not past due	0%-0.5%	$3,442,560	($6,077)	$3,436,483

March 31, 2022	Expected credit loss rate	Gross carrying amount	Allowance for doubtful accounts (ECL)	Amortized cost
Not past due	0%-0.5%	$2,935,835	($6,664)	$2,929,171

Movements of the loss allowance for notes receivable and accounts receivable (including related parties) were as follows:

	Three Months Ended March 31	
	2023	2022
Beginning balance	$6,077	$6,709
Less: Reversal of Impairment Loss	(283)	(55)
Impact of foreign exchange differences	(5)	10
Ending balance	$5,789	$6,664

As of March 31, 2023, December 31, 2022, and March 31, 2022, the above provision had already taken into consideration of collateral or other credit enhancement. The other credit enhancement (e.g., banker's acceptance and L/C) possessed by above receivables were $2,278,677 thousand, $2,409,072 thousand, and $1,722,819 thousand, respectively.

Please refer to Note 12(3) for the relevant credit risk management and assessment.

6.5 Other receivables

Item	March 31, 2023	December 31, 2022	March 31, 2022
Business tax refundable	$116,929	$98,001	$157,580
Purchase allowance receivable	10,754	24,193	8,011
Interest receivable	8,264	7,888	4,303
Others	9,776	12,254	14,389
Total	145,723	142,336	184,283
Less: Loss allowance	-	-	-
Net	$145,723	$142,336	$184,283

6.6 Inventories and operating cost

Item	March 31, 2023	December 31, 2022	March 31, 2022
Steel Department and other Non-heavy Industry Department:			
Raw materials	$4,970,407	$4,185,040	$4,502,418
Supplies	500,710	487,462	476,800
Work in progress	1,351,648	1,118,924	1,469,263
Finished goods	3,665,664	3,673,509	6,053,040
Process product	16,249	17,225	21,131
By-products and scraps	224,521	218,514	241,814
Subtotal	10,729,199	9,700,674	12,764,466
Heavy Industry Department:			
Raw materials	198,061	208,089	73,580
Supplies	3,193	7,228	7,238
Subtotal	201,254	215,317	80,818
Total	$10,930,453	$9,915,991	$12,845,284

1.Inventory gains (losses) recognized as cost of sales were as follows:

Item	Three Months Ended March 31 2023	Three Months Ended March 31 2022
Cost of inventories sold	$15,922,212	$20,356,867
Construction cost	156,807	105,014
Loss on retirement of Inventory	-	2,937
Unallocated manufacturing overhead	124,596	83,150
Purchase and construction contract loss (recovery gain)	5,512	(38,821)
Inventory valuation loss and obsolescence loss (recovery gain)	(210,616)	(348,776)
Impact of foreign exchange difference	(315)	(6,905)
Total operating expenses	$15,998,196	$20,153,466

2.The Group recognized inventory valuation loss (recovery gain) of ($210,616) thousand and ($348,776) thousand for the three months ended March 31, 2023 and 2022, respectively, due to inventories write-down to net realizable value, or the net realizable value of inventories recovered as a result of market stabilization that enabled the Group to raise prices on certain products.

3.The Group has no inventories pledged to others.

6.7 Prepayments

Item	March 31, 2023	December 31, 2022	March 31, 2022
Prepaid material purchase	$1,993,151	$2,139,187	$2,705,107
Prepaid (overpaid) business tax	264,453	192,134	335,051
Prepaid insurance	57,156	98,889	54,649
Prepaid sea freight	41,428	23,898	113,890
Other prepayments	69,354	89,580	72,999
Total	$2,425,542	$2,543,688	$3,281,696

Please refer to Note 7.3.7. for prepayments with related parties.

6.8 Other financial assets - current

Item	March 31, 2023	December 31, 2022	March 31, 2022
Time deposits over three months	$1,229,230	$1,851,847	$100,286
Pledged demand deposits	409,666	493,423	434,631
Pledged time deposits	123,037	184,410	611,157
Total	$1,761,933	$2,529,680	$1,146,074

6.9 Financial assets at fair value through other comprehensive income or loss - noncurrent

Item	March 31, 2023	December 31, 2022	March 31, 2022
Equity instruments：			
Domestic listed stocks	$45,000	$45,000	$45,000
Domestic unlisted stocks	843,808	601,608	568,248
Subtotal	888,808	646,608	613,248
Valuation adjustment	153,113	94,379	183,824
Total	$1,041,921	$740,987	$797,072

1. The Group invests in domestic listed and unlisted stocks in accordance with its medium/long-term strategies and expects to make a profit through long-term investment. Management of the Group believes that it is not consistent with the afore mentioned long-term investment planning if the short-term fair value changes of such investment are presented in profit or loss. Therefore, the Group elects to designate such investment as to be measured at FVTOCI.
2. For related credit risk management and means of assessing, please refer to Note 12(3).
3. As of March 31, 2023, December 31, 2022, and March 31, 2022, the Group had no financial assets at FVTOCI pledged as collateral.

6.10 Investments accounted for using equity method

Investee	March 31, 2023	December 31, 2022	March 31, 2022
Associates:			
Associates with significance:			
Eliter International Corp.	$3,986,497	$3,977,292	$4,035,234
E-Da Development Corp.	1,061,527	1,079,042	1,206,566
Tangeng Iron Works Co., Ltd.	4,379,605	4,376,491	4,505,877
Yieh United Steel Corp.	4,606,395	4,559,176	4,829,016
Associates without significance	2,147,368	2,120,792	2,124,037
Total	$16,181,392	$16,112,793	$16,700,730

1.Associates:

(1) Major associates of the Group were as follows:

	Shareholding Percentage		
Company Name	March 31, 2023	December 31, 2022	March 31, 2022
Eliter International Corp.	43.56%	43.56%	43.56%
E-Da Development Corp.	34.38%	34.38%	34.38%
Tangeng Iron Works Co., Ltd.	31.16%	31.16%	31.16%
Yieh United Steel Corp.	30.51%	30.51%	30.51%

Please refer to Table 8 and Table 9 in Note 13 for the nature of business, main operation location and countries of registration of the associates listed above.

(2) The summarized financial information in respect of the Group’s major associates was as follows:

A. Balance Sheets

Item	Eliter International Corp.		
	March 31, 2023	December 31, 2022	March 31, 2022
Current assets	$6,874,389	$6,904,181	$6,962,664
Noncurrent assets	5,150,380	5,111,114	5,184,860
Current liabilities	1,871,407	1,438,125	1,871,639
Noncurrent liabilities	857,061	1,301,991	867,637
Equity	$9,296,301	$9,275,179	$9,408,248
Share of net assets of associates	$4,049,125	$4,039,926	$4,098,122
Unrealized gain (loss) from transactions with associates	(62,628)	(62,634)	(62,888)
Carrying amount of associate	$3,986,497	$3,977,292	$4,035,234

Item	E-Da Development Corp.		
	March 31, 2023	December 31, 2022	March 31, 2022
Current assets	$283,660	$415,062	$325,737
Noncurrent assets	7,512,656	7,615,363	7,748,670
Current liabilities	749,207	1,268,260	567,060
Noncurrent liabilities	3,938,841	3,602,817	3,976,697
Equity	$3,108,268	$3,159,348	$3,530,650
Share of net assets of associates	$1,068,750	$1,086,314	$1,213,983
Unrealized gain (loss) from transactions with associates	(7,223)	(7,272)	(7,417)
Carrying amount of associate	$1,061,527	$1,079,042	$1,206,566

Item	Tangeng Iron Works Co., Ltd.		
	March 31, 2023	December 31, 2022	March 31, 2022
Current assets	$3,358,087	$3,383,886	$5,036,672
Noncurrent assets	23,263,979	23,281,565	23,394,664
Current liabilities	3,058,490	2,510,042	3,308,471
Noncurrent liabilities	9,507,458	10,109,287	10,661,485
Equity	$14,056,118	$14,046,122	$14,461,380
Share of net assets of associates	$4,379,605	$4,376,491	$4,505,877
Unrealized gain (loss) from transactions with associates	-	-	-
Carrying amount of associate	$4,379,605	$4,376,491	$4,505,877

Item	Yieh United Steel Corp.		
	March 31, 2023	December 31, 2022	March 31, 2022
Current assets	$11,762,302	$11,412,844	$12,634,979
Noncurrent assets	33,277,982	33,044,982	33,783,008
Current liabilities	17,696,572	16,696,478	21,347,215
Noncurrent liabilities	11,821,419	12,394,087	9,007,574
Equity	$15,522,293	$15,367,261	$16,063,198
Share of net assets of associates	$4,735,581	$4,688,362	$4,901,223
Unrealized gain (loss) from transactions with associates	(129,186)	(129,186)	(72,207)
Carrying amount of associate	$4,606,395	$4,559,176	$4,829,016

B. Statements of Comprehensive Income

	Eliter International Corp.	
	Three Months Ended March 31	
	2023	2022
Operating revenue	$32,213	$32,074
Net income (loss)	21,121	(28,679)
Other comprehensive income (loss) (net after tax)	-	-
Total comprehensive income (loss)	21,121	(28,679)
Dividends received from associate	$ -	$ -

	E-Da Development Corp.	
	Three Months Ended March 31	
	2023	2022
Operating revenue	$191,586	$146,385
Net income (loss)	(71,976)	(106,203)
Other comprehensive income (loss) (net after tax)	20,896	9,080
Total comprehensive income (loss)	($51,080)	($97,123)
Dividends received from associate	$ -	$ -

	Tangeng Iron Works Co., Ltd.	
	Three Months Ended March 31	
	2023	2022
Operating revenue	$3,150,824	$4,034,417
Net income (loss)	8,513	285,672
Other comprehensive income (loss) (net after tax)	1,481	8,794
Total comprehensive income (loss)	$9,994	$294,466
Dividends received from associate	$ -	$ -

	Yieh United Steel Corp.	
	Three Months Ended March 31	
	2023	2022
Operating revenue	$11,659,266	$12,556,566
Net income (loss)	194,607	717,353
Other comprehensive income (loss) (net after tax)	(35,871)	330,756
Total comprehensive income (loss)	$158,736	$1,048,109
Dividends received from associate	$ -	$ -

(3) Shares of individually insignificant associates of the Group were summarized as follows:

	Three Months Ended March 31	
	2023	2022
Share of:		
Net income(loss)	$3,638	$34,987
Other comprehensive income (loss) (net after tax)	13,939	34,016
Total comprehensive income (loss)	$17,577	$69,003

(4) Associates of the Group with quoted prices in active market (Level 1 fair value inputs) were as follow:

	March 31, 2023	December 31, 2022	March 31, 2022
Yieh United Steel Corp. (Note)	$5,456,375	$5,027,222	$7,865,763
Tangeng Iron Works Co., Ltd.	3,391,548	3,462,433	3,964,077
Total	$8,847,923	$8,489,655	$11,829,840

(Note): The fair value information above did not include shares acquired through private placement, which were not allowed to be transferred freely in open markets.

(5) For Skylark Hot Spring & Resort Corp., E-Da Tour Bus Corporation, E-Da Bus Transportation Co., Ltd., and E-Da Entertainment Co., the Group has significant influence over which as a result of being a director in such entities. Consequently, those entities are accounted for using equity method.

(6) After considering the amount and distribution of other shareholders which are not extremely dispersed, the Group is not able to lead the company's activities. Thus, the Group has no control even though it holds 45%, 43.56%, 34.38% and 30.51% of Zheng Xin Security Co., Ltd., Eliter International Corp., E-Da Development Corp., and Yieh United Steel Corp. and is the single largest shareholder. The management believes the Group only had significant impact to these companies, so classified them as the associates.

(7) The Group participated in the private placement of Yieh United Steel Corp. in February, 2017, and December, 2015, and subscribed at $7 per share, with the total subscription amount of $204,876 thousand and $1,100,400 thousand, totaling $1,305,276 thousand. Pursuant to the Securities and Exchange Act, securities from private placement can only be traded freely in the open markets when they are held for three years from the delivery date and the issuer has to complete the supplementary procedures of public offering.

(8) Due to cross ownership and the adoption of equity method between the Group and Yieh United Steel Corp., an investee accounted for using equity method, investment gain (loss) is recognized using the treasury stock approach.

(9) All investments accounted for using equity method and the Group's share of profit or loss and other comprehensive income in the investees are calculated based on the financial statements not reviewed by auditors.

(10) As of March 31, 2023, December 31, 2022, and March 31, 2022, the Group pledged part of its investments accounted for using equity method as collateral for its borrowings. Please refer to Note 8.

6.11 Property, Plant and Equipment

Item	March 31, 2023	December 31, 2022	March 31, 2022
Land	$6,035,452	$ 6,035,452	$6,008,209
Buildings and structures	17,493,692	17,482,024	17,505,348
Machinery	41,232,107	41,153,023	41,454,524
Other equipment	10,978,165	10,978,501	10,732,232
Equipment to be inspected and construction in progress	572,701	537,554	367,157
Total cost	$76,312,117	$76,186,554	$76,067,470
Less: Accumulated depreciation	(30,647,012)	(30,077,317)	(28,731,148)
Accumulated impairment	(333,698)	(333,525)	(334,577)
Total	$45,331,407	$45,775,712	$47,001,745

Cost	Land	Buildings and structures	Machinery	Other equipment	Equipment to be inspected and construction in progress	Total
Balance, January 1, 2023	$6,035,452	$17,482,024	$41,153,023	$10,978,501	$537,554	$76,186,554
Additions	-	3,074	20,647	16,498	56,654	96,873
Transferred to expenses	-	-	-	-	(1,298)	(1,298)
Disposals	-	(1,511)	(11,478)	(38,074)	-	(51,063)
Reclassification	-	490	3,783	15,996	(20,269)	-
Impact of foreign exchange differences	-	9,615	66,132	5,244	60	81,051
Balance, March 31, 2023	$6,035,452	$17,493,692	$41,232,107	$10,978,165	$572,701	$76,312,117
Accumulated depreciation and impairment						
Balance, January 1, 2023	$ -	$4,660,965	$22,659,992	$2,911,692	$178,193	$30,410,842
Depreciation	-	92,720	311,493	181,207	-	585,420
Disposals	-	(1,136)	(7,843)	(37,579)	-	(46,558)
Impact of foreign exchange differences	-	3,765	23,723	3,518	-	31,006
Balance, March 31, 2023	$ -	$4,756,314	$22,987,365	$3,058,838	$178,193	$30,980,710

Cost	Land	Buildings and structures	Machinery	Other equipment	Equipment to be inspected and construction in progress	Total
Balance, January 1, 2022	$6,008,209	$17,399,842	$40,705,311	$10,555,826	$447,564	$75,116,752
Additions	-	5,975	9,397	111,405	72,277	199,054
Transferred to expenses	-	-	-	-	(9,467)	(9,467)
Disposals	-	(549)	(7,114)	(70,419)	-	(78,082)
Reclassification	-	1,140	66,158	77,496	(144,794)	-
Impact of foreign exchange differences	-	98,940	680,772	57,924	1,577	839,213
Balance, March 31, 2022	$6,008,209	$17,505,348	$41,454,524	$10,732,232	$367,157	$76,067,470
Accumulated depreciation and impairment						
Balance, January 1, 2022	$ -	$4,275,703	$21,405,217	$2,413,626	$178,193	$28,272,739
Depreciation	-	92,119	307,068	169,588	-	568,775
Disposals	-	(481)	(5,260)	(70,244)	-	(75,985)
Impact of foreign exchange differences	-	41,000	217,522	41,674	-	300,196
Balance, March 31, 2022	$ -	$4,408,341	$21,924,547	$2,554,644	$178,193	$29,065,725

1. Reconciliations of current additions and the acquisition of property, plant and equipment in statement of cash flows were as follows:

Item	Three Months Ended March 31 2023	2022
Increase in property, plant and equipment	$96,873	$199,054
Decrease (increase) in payables for purchase of equipment	11,240	217,357
Cash paid for acquisition of property, plant and equipment	$108,113	$416,411

2. Please refer to Note 6.35 for details on the amount of capitalized borrowing costs.
3. Impairment of property, plant and equipment amounted to both $0 thousand for the three months ended March 31, 2023 and 2022.
4. For the information about property, plant and equipment pledged as collateral, please see Note 8 for details.
5. The Group's land amounting to all $78,568 thousand as of March 31, 2023, December 31, 2022, and March 31, 2022 was unable to be registered under the name of the Group due to regulation restriction. Accordingly, the ownership was registered under the name of an individual with a mortgage registration as safeguard measures.

6.12 Lease Agreement

A. Right-of-use asset

Item	March 31, 2023	December 31, 2022	March 31, 2022
Land	$512,196	$508,366	$512,938
Building	42,162	41,580	38,100
Total cost	$554,358	$549,946	$551,038
Less: Accumulated depreciation	(63,633)	(60,178)	(50,899)
Accumulated impairment	-	-	-
Total	$490,725	$489,768	$500,139

Cost	Land	Building	Total
Balance, January 1, 2023	$508,366	$41,580	$549,946
Additions	3,782	928	4,710
Decreases	(776)	-	(776)
Impact of foreign exchange differences	824	(346)	478
Balance, March 31, 2023	$512,196	$42,162	$554,358
Accumulated depreciation and impairment			
Balance, January 1, 2023	$35,892	$24,286	$60,178
Depreciation	2,633	1,716	4,349
Decreases	(776)	-	(776)
Impact of foreign exchange differences	84	(202)	(118)
Balance, March 31, 2023	$37,833	$25,800	$63,633

Cost	Land	Building	Total
Balance, January 1, 2022	$504,457	$36,842	$541,299
Impact of foreign exchange differences	8,481	1,258	9,739
Balance, March 31, 2022	$512,938	$38,100	$551,038
Accumulated depreciation and impairment			
Balance, January 1, 2022	$27,974	$16,200	$44,174
Depreciation	4,085	1,394	5,479
Impact of foreign exchange differences	664	582	1,246
Balance, March 31, 2022	$32,723	$18,176	$50,899

B. Lease liabilities

Item	March 31, 2023	December 31, 2022	March 31, 2022
Carrying amount of lease liabilities			
- current	$10,366	$9,674	$14,402
- noncurrent	$60,137	$60,060	$75,345

The discount rate interval for lease liabilities was 1.9661%-2.4%.
Please refer to Note 12(3) for lease liabilities with repayment periods.

C. Significant rent operating and clause

The Group rented land and buildings for operation. The lease terms range from 1 to 28 years. Part of the lease may be extended with its duration and is calculated based on the area of the land leased and the rate based on the announced land value of the current year. In accordance with the contract, without the lessor's consent, the Group is not allowed to sublet the leased object to the third party. There was no sign of impairment of right-of-use assets, hence the Group didn't assess the impairment as of March 31, 2023, December 31, 2022, and March 31, 2022.

D. Other lease information:

(1) The current lease relevant expense information was as follows:

	Three Months Ended March 31	
Item	2023	2022
Short-term lease expense	$5,902	$5,830
Gross cash outflow (Note)	$9,694	$8,884

(Note): Including principle paid for current lease liabilities.

E. For the information about right-of-use assets pledged as collateral, please see Note 8 for details.

6.13 Investment properties

Item	March 31, 2023	December 31, 2022	March 31, 2022
Land	$197,996	$197,996	$124,968
Less: Accumulated impairment	(68,009)	(68,009)	(68,009)
Total	$129,987	$129,987	$56,959

1. The movement of cost and accumulated depreciation and impairment of investment properties were as follows:

	Land	
	Three Months Ended March 31	
Cost	2023	2022
Balance, January 1, 2023	$197,996	$124,968
Property, plant and equipment transferred in	-	-
Balance, March 31, 2023	$197,996	$124,968
Accumulated depreciation and impairment		
Balance, January 1, 2023	$68,009	$68,009
Depreciation	-	-
Balance, March 31, 2023	$68,009	$68,009

2. Rental revenue and direct operating expenses of investment properties:

Item	Three Months Ended March 31 2023	2022
Rental revenue from investment properties	$ -	$ -
Direct operating expenses incurred by the investment properties with rental revenue generating in current period	$ -	$ -
Direct operating expenses incurred by the investment properties with no rental revenue generating in current period	$48	$36

3. As of March 31, 2023, December 31, 2022, and March 31, 2022, the fair values of investment properties held by the Group were $546,480 thousand, $546,480 thousand, and $119,492 thousand, respectively, which were based on evaluation appraised by independent appraisers as of December 2021. Such evaluation adopted the comparative approach by reference to the market evidence similar to the real estate transaction prices. Those are Level 3 fair value inputs. Please refer to Note 12(4). The Group believes that there would not be any material fluctuation in the fair value of such investment properties after their appraisal. Appraisal will be taken place every two years on the investment properties.
4. For the information about investment properties pledged as collateral, please see Note 8 for details.
5. The Group's land amounting to all $8,987 thousand as of March 31, 2023, December 31, 2022, and March 31, 2022 was unable to be registered under the name of the Group due to regulation restriction. Accordingly, the ownership was registered under the name of an individual with a mortgage registration as safeguard measures.

6.14 Intangible assets

Item	March 31, 2023	December 31, 2022	March 31, 2022
Mineral right	$464,202	$464,202	$464,202
Trademarks	8,207	8,207	8,207
Others	52,872	52,769	47,848
Total cost	$525,281	$525,178	$520,257
Less: Accumulated amortization	(222,750)	(211,068)	(171,311)
Accumulated impairment	-	-	-
Net	$302,531	$314,110	$348,946

	Mineral right	Trademarks	Others	Total
Cost				
Balance, January 1, 2023	$464,202	$8,207	$52,769	$525,178
Additions	-	-	103	103
Balance, March 31, 2023	$464,202	$8,207	$52,872	$525,281
Accumulated amortization and impairment				
Balance, January 1, 2023	$192,250	$718	$18,100	$211,068
Amortization	8,198	103	3,381	11,682
Balance, March 31, 2023	$200,448	$821	$21,481	$222,750

	Mineral right	Trademarks	Others	Total
Cost				
Balance, January 1, 2022	$464,202	$8,207	$46,878	$519,287
Additions	-	-	970	970
Balance, March 31, 2022	$464,202	$8,207	$47,848	$520,257
Accumulated amortization and impairment				
Balance, January 1, 2022	$153,800	$308	$5,928	$160,036
Amortization	8,198	102	2,975	11,275
Balance, March 31, 2022	$161,998	$410	$8,903	$171,311

6.15 Other noncurrent assets

Item	March 31, 2023	December 31, 2022	March 31, 2022
Intangible exploration and evaluation assets	$12,497	$12,497	$12,412
Other	2,559	3,411	6,054
Total	15,056	15,908	18,466
Less: Accumulated impairment	(12,497)	(12,497)	(12,412)
Net	$2,559	$3,411	$6,054

The above-mentioned intangible exploration and evaluation assets are mainly the rights to explore nickel laterite ores, which will be reclassified as “Intangible assets - drilling rights to minerals” when the technical feasibility and commercial viability of extracting a mineral resource are demonstrable in the future. However, due to external environmental factors, the construction progress of the smelter was delayed, and the mineral resources have been unable to be exploited and used. After assessing the future recoverable value, the Group recognized impairment losses which amounted to $12,497 thousand and $12,412 thousand, respectively.

6.16 Refundable deposits

Item	March 31, 2023	December 31, 2022	March 31, 2022
Performance deposits	$129,192	$92,274	$662
Deposits	32,379	32,416	33,629
Deposit for dumping margins	2,333	2,333	2,170
Others	8,991	22,648	23,275
Total	$172,895	$149,671	$59,736

An antidumping investigation into the corrosion-resistant steel sold from Taiwan, conducted by the Department of Commerce of the U.S. in June 2015, had completed in July 2016, with an official announcement that all corrosion resistant products manufactured in or sold from Taiwan must temporarily bear a dumping margin duty. The custom was also instructed to impose a temporary dumping margin on all entries of merchandise sold by the Group to the U.S. that had been covered by the investigation. The antidumping duty is imposed by the U.S. using the retrospective system. If the provisional tax rate paid was higher than the final survey result. The difference between the tax rate paid and the final survey result is presented as “refundable deposit”, otherwise, presented as “other payables”.

However, the Group believed that there was dispute over the results of the aforementioned investigation, so it filed an appeal to the court in August 2015. After years of litigation, On February 14, 2011, the Department of Commerce (DOC) followed the court's judgment and re-reported to the International Trade Court (CIT) that the dumping rate of the group was 1.2% and was less than a small amount (that is, less than 2%). The anti-dumping case investigation should be terminated. If the court upholds the retrial result, the Group should be excluded from the aforementioned anti-dumping order, but the final judgment of the Court of International Trade (CIT) is still pending. Accordingly, the Group applied to the Court of International Trade (CIT) for freeze liquidation of anti-dumping duties during the fourth year of adjustment (2019/7/1-2020/6/30). The Court of International Trade (CIT) also issued an order to freeze liquidation on March 9, 2022. Based on the above judgment, the Group should eventually be excluded from the anti-dumping case, so the subsequent dumping margin duty has not been re-assessed and recorded, and the previous dumping margin duty will be reversed after the final judgment of the Court of International Trade (CIT).

6.17 Short-term Loans

	March 31, 2023	
Type of Loan	Amount	Interest Rate
Credit loans	$9,418,369	2.07%-7.90%
Credit for material purchase	5,835,833	1.91%-3.23%
Total	$15,254,202	

	December 31, 2022	
Type of Loan	Amount	Interest Rate
Credit loans	$8,930,121	1.56%-6.96%
Credit for material purchase	4,388,050	1.91%-3.13%
Mortgage loans	272,000	2.70%-3.15%
Total	$13,590,171	

	March 31, 2022	
Type of Loan	Amount	Interest Rate
Credit loans	$7,317,042	1.39%-5.25%
Credit for material purchase	5,711,827	1.39%-2.38%
Mortgage loans	561,800	1.95%-2.84%
Total	$13,590,669	

Some financial assets, and property, plant, and equipment, investment properties, notes receivable and accounts receivable were pledged as collateral for short-term loans. Please refer to Note 8 for details.

6.18 Short-term notes and bills payable

Item	March 31, 2023	December 31, 2022	March 31, 2022
Commercial notes payable	$1,490,000	$1,705,000	$1,623,900
Less: Unamortized discount	(2,914)	(3,299)	(4,532)
Net	$1,487,086	$1,701,701	$1,619,368
Interest rate range	2.19%-3.42%	1.86%-3.30%	1.71%-2.79%

The Group pledged some property, plant, and equipment, and investment properties as collateral for short-term notes and bills payable. Please refer to Note 8 for details.

6.19 Other Payables

Item	March 31, 2023	December 31, 2022	March 31, 2022
Compensations	$159,913	$762,728	$258,600
Equipment	65,392	76,632	272,411
Export and transportation expenses	150,324	100,527	221,152
Accrued taxes	154,608	251,304	141,043
Interest	84,725	77,615	57,128
Utility expenses	69,626	64,013	73,829
Dumping margins	73,557	72,744	69,148
Marketing	10,122	11,218	6,240
Consumables	22,200	15,036	21,311
Business tax	49,544	92,332	39,921
Cash dividends - from previous period	22,879	22,879	22,979
Repairing charges	23,060	22,296	26,120
Compensation and remuneration to employees and directors - current period	5	3,378	4,158
Others	372,809	315,225	355,639
Total	$1,258,764	$1,887,927	$1,569,679

1.Please refer to Note 7.3.6. for related party transactions.
2.Please refer to Note 6.16. for Dumping duties payable.

6.20 Provisions - current

Item	March 31, 2023	December 31, 2022	March 31, 2022
Employee benefits	$97,393	$96,406	$95,541
Onerous contract	7,864	2,352	2,354
Warranty	2,931	2,931	3,171
Total	$108,188	$101,689	$101,066

Item	Employee benefits	Onerous contract	Warranty	Total
January 1, 2023	$96,406	$2,352	$2,931	$101,689
Recognized in current period	71,517	7,864	-	79,381
Write-off in current period	(70,530)	(2,352)	-	(72,882)
March 31, 2023	$97,393	$7,864	$2,931	$108,188

Item	Employee benefits	Onerous contract	Warranty	Total
January 1, 2022	$90,693	$41,175	$3,171	$135,039
Recognized in current period	66,924	2,354	-	69,278
Write-off in current period	(62,076)	(41,175)	-	(103,251)
March 31, 2022	$95,541	$ 2,354	$3,171	$101,066

1. Provision for employee benefits is an estimate of the short-term service leave vested to employees.
2. The liability provision for a loss-making purchase contract is the estimated cost incurred by the Company in the performance of its contractual obligations in respect of an irrevocable raw material purchase contract that is expected to exceed the difference in the economic benefits expected to be obtained from the contract and the expected loss of the construction contract
3. The Group's "provision for warranty" is the warranty for the sales of electronic products, and is estimated based upon the historical warranty data of such products.

6.21 Long-term Loans

Item	March 31, 2023	December 31, 2022	March 31, 2022
Bank syndicated loans:			
The Company	$9,115,000	$9,340,000	$8,900,000
Subsidiaries	29,429,230	28,105,434	27,705,464
Subtotal	38,544,230	37,445,434	36,605,464
Secured loans from banks	262,350	371,540	380,730
Unsecured loans from banks	762,385	976,503	660,904
Others	-	-	6,123
Total	39,568,965	38,793,477	37,653,221
Less: Unamortized discount	(131,614)	(116,189)	(137,885)
Less: Current portion	(3,834,304)	(4,212,832)	(4,473,758)
Long-term loans	$35,603,047	$34,464,456	$33,041,578
Interest rate range	2.3%-7.28%	1.62%-6.85%	1.15%-5.38%

1. Please refer to Note 8 for the collateral of the above bank loans.
2. According to syndicated loan agreements with banks, the Group needs to maintain several financial ratios, including current ratio, liability ratio and interest coverage ratio, at a certain level, calculated based on the audited annual consolidated financial statements and the reviewed semi-annual consolidated financial statements or the audited annual financial statements of subsidiaries for the duration of the contracts. Since the Group failed to meet certain financial ratios in 2022, it needed to pay to the managing bank a compensation at 0.125% of the loan balance within agreed time, or was subject to 0.15% incremental on its interest rate. However, this is not seen as a breach of contract.

6.22 Long-term Deferred Revenue

The subsidiary, Tianjin Lianfa Precision Steel Corporation, had received a subsidy for engineering construction from the Tianjin Economic Technological Development Area of RMB 11,470 thousand in 2006. As it was a government grant associated with assets, donation income was recognized based on percentage used for the recognition of depreciation expense. Details were set out below:

Item	March 31, 2023	December 31, 2022	March 31, 2022
Deferred revenue from government grants:			
Subsidy for engineering construction	$50,761	$50,576	$51,698
Less: Accumulated revenue recognized	(26,394)	(26,298)	(24,813)
Ending balance	$24,367	$24,278	$26,885

6.23 Benefit Plan After Retirement

1. Defined contribution plan
   (1) The pension system based on the Labor Pension Act which is applicable to the Group's domestic entities resided in the R.O.C. It is a defined contribution plan managed by government. Companies would make monthly contribution equal to 6% of each employee's monthly salary to the employees' individual pension accounts at the Bureau of Labor Insurance. Subsidiaries outside the R.O.C. also participate in the local defined contribution plan and makes contribution to the local government accordingly.
   (2) For the three months ended March 31, 2023 and 2022, the Group recognized pension expense of $43,279 thousand, and $42,025 thousand, respectively.

2. Defined benefit plan
   (1) Pension expense under the defined benefit plan were $1,408 thousand, and $1,542 thousand for the three months ended March 31, 2023 and 2022. The pensions were calculated using the actuarially determined pension cost discount rates as of December 31, 2022 and 2021.
   (2) The Group estimated the balance in the designated pension accounts before the end of each year. Where the amount is deemed not sufficient to cover all the payment next year to employees who reach retirement in accordance with Article 53 or Article 54. 1. (1) of the same Act, a lump-sum deposit will be made before March-end of the following year to cover the difference.

6.24 Common Stock

Quantities and values of the Company's outstanding common shares at the beginning and ending of periods were as follows:

Item	Three Months Ended March 31, 2023 Shares (thousand shares)	Three Months Ended March 31, 2023 Amount
January 1	1,985,098	$19,850,980
Cancellation of treasury shares	(9,233)	(92,330)
March 31	1,975,865	$19,758,650

Item	Three Months Ended March 31, 2022 Shares (thousand shares)	Amount
January 1	1,890,569	$18,905,695
Capital increase in cash	-	-
March 31	1,890,569	$18,905,695

1. As of March 31, 2023, the Company had an authorized capital of $30,000,000 thousand with 3,000,000 thousand shares.
2. The Company's Board of Directors resolved on March 9, 2023 to cancel its treasury stocks. The amount of capital reduction was $92,330 thousand, with 9,233 thousand shares eliminated, and the capital reduction ratio was 0.47%. The record date for capital reduction was set on March 15, 2023.
3. The Company's shareholders' meeting held on June 23, 2022 resolved to capitalize earnings of $945,285 thousand. The plan was approved by FSC on July 15, 2022 and 94,529 thousand shares of common share at the par value of $10 were issued. The record date for capital increase was set on September 5, 2022.

6.25 Capital Surplus

Item	March 31, 2023	December 31, 2022	March 31, 2022
Share premium	$3,993,409	$4,012,070	$4,012,070
Treasury stock transaction	625,505	648,408	648,408
Difference between consideration and carrying amount of subsidiaries acquired or disposed	218,574	218,574	218,574
Change in ownership interests in subsidiaries accounted for using equity method	8,665	8,665	8,665
Changes in associates and joint ventures accounted for using equity method	39,586	39,585	41,269
Total	$4,885,739	$4,927,302	$4,928,986

Under the Company Act, capital surplus arising from shares issued at premium or from donation may be used for offsetting deficit. Furthermore, if the Company has no accumulated loss, capital surplus may be used for issuing new shares or distributing cash in proportion to shareholders' original holdings. In accordance with regulations in the Securities and Exchange Act, when the above-mentioned capital surplus is used for capitalization, the total amount every year shall not exceed 10% of the paid-in capital. The Company may use capital surplus to offset loss only when the amount of earnings and reserves are insufficient to offset the loss. The capital surplus generated from investment under equity method shall not be used for any purposes.

6.26 Retained Earnings

1. The industry the Company is engaged in is in a mature stage of its life cycle. The dividend policy is in support of the current and future development plans, taking into consideration the investment environment, capital requirements, domestic and international competition, and the interests of the shareholders. An amount not less than 20% of the distributable earnings is appropriated annually as the shareholder dividend and bonus. However, the accumulated distributable earnings that are less than 20% of the paid-in capital may not be distributed.
   The Company's final accounts of each year, after paying tax and making up prior losses and the net of the 10% legal reserve, and with the special reserve appropriated or reserved according to the operational needs or ordinances, plus the cumulative total unallocated surplus are available for distribution. when the board of the directors decides to distribute retained earnings, if it is to be done by issuing new shares, it has to be approved by the stockholders' meeting.
   When the company has to allocate special reserve by law, for the cumulative amount of net increase in fair value and the cumulative net amounts of other deductions from equity, before distributing earnings, the company has to allocate an amount of special reserve equal to the amount allocated to undistributed earnings for the preceding period. If there remains any insufficiency, allocate it from the amount of the after-tax net profit for the period, plus items other than after-tax net profit for the period, that are included in the undistributed earnings of the period.
2. Legal reserves may only be used for offsetting deficits and issuing new shares or distributing cash in proportion to shareholders' original holdings. However, when new shares are issued or cash is distributed, the amount shall be limited to 25% of the reserves in excess of the paid-in capital.
3. Special reserve

Item	March 31, 2023	December 31, 2022	March 31, 2022
Provision for debit balance of other equity	$457,289	$457,289	$378,835
Provision upon initial application of IAS	327,758	327,758	327,758
Total	$785,047	$785,047	$706,593

(1)The Company may allocate earnings only after providing special reserve for debt balance in other equity on the date of balance sheet, and the reversal of debit balance in other equity, if any, may be stated into allocable earnings.

(2)On March 9, 2022, the Board of Directors of the Company proposed to amend the Articles of Incorporation of the Company to expressly stipulate that when the special surplus reserve is set aside to the net debit balance of other equity items accumulated in the previous period, if the undistributed earnings in the previous period is insufficient, the net income after tax for the current period plus item other than the net income after tax will be set aside in the undistributed earnings for the current period. Prior to the amendment, the Company shall set aside earning in accordance with the provisions of Order No. 1010012865 of the Financial Management Certificate and Order no. 1030006415 of the Financial Management Certificate.

4.The Company's appropriation of earnings for 2022 and 2021 had been proposed by the shareholders' meeting on May 2023 and June 2022. Details were summarized below:

Item	Earnings appropriation proposal		Dividends per share (NTD)	
	2022	2021	2022	2021
Legal reserve	$94,862	$511,379		
special reserve	37,322	78,454		
Common cash dividends	592,759	945,285	0.3	0.5
Common stock dividends	-	945,285	-	0.5
Total	$724,943	$2,480,403		

The appropriations of earnings for 2022 will be presented for approval in the Company's annual shareholders' meeting to be held in June 2023.

5.Information about earnings distribution approved by the shareholders' meeting is available at the Taiwan Stock Exchange Market Observation Post System website.

6.27 Other Equity Item

Item	Exchange differences on translation of foreign financial statements	Unrealized gain (loss) on financial asset at fair value through other comprehensive income	Gain (loss) on hedging instruments	Total
Balance, January 1, 2023	($964,147)	$130,825	$10,953	($822,369)
Exchange differences on translation of foreign financial statements	23,586	-	-	23,586
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	-	59,021	-	59,021
Share of associates and joint ventures accounted for using equity method	(25,526)	37,170	104	11,748
Balance, March 31, 2023	($966,087)	$227,016	$11,057	($728,014)

Item	Exchange differences on translation of foreign financial statements	Unrealized gain (loss) on financial asset at fair value through other comprehensive income	Gain (loss) on hedging instruments	Total
Balance, January 1, 2022	($1,426,033)	$386,525	$6,546	($1,032,962)
Exchange differences on translation of foreign financial statements	311,906	-	-	311,906
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	-	(565)	-	(565)
Share of associates and joint ventures accounted for using equity method	116,738	19,158	1	135,897
Balance, March 31, 2022	($997,389)	$405,118	$6,547	($585,724)

6.28 Treasury stock

1.Purpose of treasury stock and changes in quantity:

March 31, 2023：

Unit: Thousand Shares

Three Months Ended March 31, 2023			
January 1	Addition	Reduction	March 31
9,233	-	(9,233)	-

December 31, 2022：

Unit: Thousand Shares

Year Ended December 31, 2022			
January 1	Addition	Reduction	December 31
-	9,233	-	9,233

March 31, 2022：None.

2. In order to protect the Group's credit and shareholders' equity, the Board of Directors resolved on October 17, 2022 to repurchase 30,000 thousand shares from October 18 to December 17, 2022. The number of shares repurchased by the Group as of December 17, 2022 was 9,233 thousand shares, with the amount of $133,898 thousand; the Company's Board of Directors resolved on March 9, 2023 to cancel its treasury stocks. The amount of capital reduction was $92,330 thousand, with 9,233 thousand shares eliminated, and the capital reduction ratio was 0.47%. The record date for capital reduction was set on March 15, 2023.
3. Pursuant to the Securities and Exchange Act, the number of shares bought back as treasury share should not exceed 10% of the number of the Group's issued and outstanding shares and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realized capital surplus.
4. Pursuant to the Securities and Exchange Act, treasury shares should not be pledged as collateral and is not entitled to shareholder's rights before it is reissued.

6.29 Non-controlling interests

Item	Three Months Ended March 31 2023	Three Months Ended March 31 2022
Beginning balance	$1,209,235	$1,391,237
Share attributable to non-controlling interests:		
Net income (loss) for the current period	(45,023)	(11,484)
Other comprehensive income of the period		
Exchange differences on translation of foreign financial statements	(822)	2,228
Unrealized gain (loss) on financial asset at fair value through other comprehensive income	(287)	(87)
Share of associates and joint ventures accounted for using equity method		
Exchange differences on translation of foreign financial statements	(444)	1,879
Unrealized gain (loss) on financial asset at fair value through other comprehensive income	530	304
Gain (loss) on hedging instruments	3	-
Changes in associates and joint ventures recognized under equity method	(91)	35
Increase in non-controlling interest - capital increase by cash	18,270	42,926
Increase (decrease) in non-controlling interests	-	11,629
Ending balance	$1,181,371	$1,438,667

6.30 Operating Revenue

Item	Three Months Ended March 31 2023	2022
Revenue from contracts with customers		
Sales revenue	$17,413,122	$23,044,342
Construction revenue	171,885	122,860
Realized (unrealized) profits from sales	54	54
Total sales revenue from contracts with customers	17,585,061	23,167,256
Less: Sales return	(3,115)	(9,386)
Sales discount	(12,809)	(9,711)
Net operating revenue	$17,569,137	$23,148,159

1.Segments of revenue from contracts with customers
The Group's source of revenue comes from providing goods and services that are transferred either over time or at a specific timing. Revenue can be split into the following segments:

(1) Segmented by revenue from different types of goods and services:

Three Months Ended March 31, 2023:

	Steel coils and steel pipes	Wire rods	Construction revenue	Others	Total
External customer					
Contract revenue	$14,569,352	$1,341,045	$171,939	$1,486,801	$17,569,137
Timing of revenue recognition					
Revenue recognized at a specific timing	$14,569,352	$1,341,045	$ -	$1,486,801	$17,397,198
Revenue recognized over time	-	-	171,939	-	171,939
Total	$14,569,352	$1,341,045	$171,939	$1,486,801	$17,569,137

Three Months Ended March 31, 2022:

	Steel coils and steel pipes	Wire rods	Construction revenue	Others	Total
External customer					
Contract revenue	$20,197,527	$1,742,483	$122,914	$1,085,235	$23,148,159
Timing of revenue recognition					
Revenue recognized at a specific timing	$20,197,527	$1,742,483	$ -	$1,085,235	$23,025,245
Revenue recognized over time	-	-	122,914	-	122,914
Total	$20,197,527	$1,742,483	$122,914	$1,085,235	$23,148,159

(2) For detailed revenue information by business segments, please refer to Note 14.

2.Contract Balance

Item	March 31, 2023	December 31, 2022	March 31, 2022
Notes receivable and accounts receivable	$3,214,522	$3,436,483	$2,929,171
Contract assets - current			
Steel structure construction and overhead cranes	$237,858	$288,809	$80,583
Contract liabilities - current			
Unearned sales revenue	$907,638	$1,207,313	$2,550,004
Advance construction receipts	161,367	130,148	139,728
Total	$1,069,005	$1,337,461	$2,689,732

(1)Changes in contract assets and contract liabilities were caused mainly by the difference of timing between when performance obligations were fulfilled and when customers make payments.

(2)Loss allowance for contract assets:

	March 31, 2023	December 31, 2022	March 31, 2022
Expected credit loss rate	0%-0.5%	0%-0.5%	0%-0.5%
Gross carrying amount	$239,192	$289,860	$80,988
Loss allowance (Lifetime ECL)	(1,334)	(1,051)	(405)
Net	$237,858	$288,809	$80,583

The Group recognized loss allowance on contract assets based on expected credit losses during existence. Contract assets were transferred to accounts receivable at the time of billing. Its credit risk characteristics were the same as accounts receivable generated from similar contracts. Therefore, the Group believes that the expected credit loss rate of accounts receivable can also be applied to contracts. Changes in loss allowance on contract assets were as follows:

	Three Months Ended March 31	
	2023	2022
Beginning balance	$1,051	$405
Less: Provision for impairment	283	-
Ending balance	$1,334	$405

(3) Contract liabilities recognized for the three months ended March 31, 2023 and 2022 under operating revenue amounted to $1,207,313 thousand and $2,913,934 thousand, respectively.

(4) As of March 31, 2023 and 2022, the transaction prices allocated to the performance obligations that were not fully satisfied amounted to $1,364,409 thousand and $501,820 thousand, respectively. The Group will recognize revenue as the construction is being completed and the expected timing for recognition of revenue is on various dates through December 2024.

6.31 Employee benefits, depreciation and amortization expense

	Three Months Ended March 31, 2023		
Nature	Operating Cost	Operating Expense	Total
Employee benefits			
Salary	$524,007	$232,233	$756,240
Insurance	56,903	25,559	82,462
Pension	32,779	11,908	44,687
Other employee benefits	104,635	30,815	135,450
Depreciation	403,641	186,128	589,769
Amortization	8,198	3,484	11,682
Total	$1,130,163	$490,127	$1,620,290

	Three Months Ended March 31, 2022		
Nature	Operating Cost	Operating Expense	Total
Employee benefits			
Salary	$560,219	$264,557	$824,776
Insurance	51,630	25,666	77,296
Pension(Note 1)	31,323	12,242	43,565
Other employee benefits	107,624	31,246	138,870
Depreciation	400,472	173,782	574,254
Amortization	8,198	3,077	11,275
Total	$1,159,466	$510,570	$1,670,036

(Note 1):Excluding pension of $2 thousand under construction in progress.

1. According to Articles of Incorporation, compensation to employees and remuneration to directors shall neither be less than 0.2 % nor greater than 0.1% of the net income before tax and before which the compensation to employees and remuneration to directors are deducted from. For the three months ended March 31, 2023 and 2022, employees' compensation was accrued at $3 thousand and $2,772 thousand, respectively. The directors' remuneration was accrued at $2 thousand and $1,386 thousand, respectively. The remuneration of employees is estimated at 0.2% of the aforementioned pre-tax profit and the remuneration of directors is estimated at 0.1%.
2. Compensation to employees and remuneration to directors for the years ended December 31, 2022 and 2021 has been resolved and approved by the Board of Directors in March 2022 and 2021. Relevant amounts recognized in the financial statements are as follows:

	Year Ended December 31			
	2022		2021	
	Employees' Compensation	Directors' Remuneration	Employees' Compensation	Directors' Remuneration
Resolved distributed amount	$2,252	$563	$12,637	$2,159
Recognized amount in the annual financial report	2,252	1,126	12,637	6,318
Difference amount	$ -	($563)	$ -	($3,159)

(1) The above-mentioned employee compensation was distributed in cash.
(2) The differences between the amount resolved for 2022 and the amount recognized in financial statements are mainly estimate difference and has been adjusted in profit or loss for 2023.

3.Information about employee compensation and remuneration to directors approved by the Board of Directors is available at the Taiwan Stock Exchange Market Observation Post System website.

6.32 Interest income

	Three Months Ended March 31	
Item	2023	2022
Bank deposits	$25,718	$1,959

6.33 Other Income

	Three Months Ended March 31	
Item	2023	2022
Rent revenue	$5,254	$2,910
Dividend income	18,168	-
Other revenue		
Insurance claims income	-	122,032
Income from sales of scraps	15,813	10,839
Others	25,673	28,826
Subtotal	41,486	161,697
Total	$64,908	$164,607

The Group's Rolling Plant No. 3 was caught on fire in April 2018, resulting in damage of part of the equipment therein. The carrying amount of the damaged equipment was $85,048 thousand. Aside from recognizing deductible for fire loss of $7,000 thousand, an insurance claim receivable for the damaged part in the amount of $78,048 thousand was also recognized on December 31, 2018. In March-April 2022, the Group received the last phase of insurance claims amounting to $125,155 thousand, the accumulated insurance claims amounted to $566,315 thousand.

6.34 Other gains and losses

	Three Months Ended March 31	
Item	2023	2022
Gain (loss) on disposal of investments under equity method	$ -	$241
Valuation gain (loss) on financial assets mandatorily measured at FVTPL	(6,983)	(2,337)
Foreign exchange gain (loss)	(27,503)	146,417
Gain (loss) from disposal of property, plant, and equipment	(4,505)	(2,097)
Others	(1,048)	(5,492)
Total	($40,039)	$136,732

6.35 Finance Costs

Item	Three Months Ended March 31 2023	Three Months Ended March 31 2022
Interest expense:		
Interest on loans	$469,763	$390,021
Interest on lease liabilities	129	659
Subtotal	469,892	390,680
Less: Amount qualified for capitalization	(146)	(427)
Finance costs	$469,746	$390,253

6.36 Income Tax

1. Income tax expense

(1)Components of income tax expense (benefit)

Item	Three Months Ended March 31 2023	Three Months Ended March 31 2022
Current income tax expense	$60,324	$180,276
Deferred income tax of originated and reversed temporary differences	(18,159)	87,268
Income tax expense (benefit)	$42,165	$267,544

(2) Income tax expense (benefit) associated with other comprehensive income

Item	Three Months Ended March 31 2023	Three Months Ended March 31 2022
Exchange differences on translation of foreign financial statements	5,638	$79,386

2. The Company’s income tax returns through 2021 have been ratified by the tax authorities.

6.37 Other Comprehensive Income

Item	Three Months Ended March 31, 2023		
	Before tax	Income tax expense (benefit)	After tax
Items that will not be reclassified subsequently to profit or loss:			
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	$58,734	$ -	$58,734
Share of associates and joint ventures accounted for using equity method:			
Unrealized valuation gain (loss) on financial assets at fair value through other comprehensive income	37,700	-	37,700
Subtotal	96,434	-	96,434

Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign financial statements	29,596	(6,832)	22,764
Share of associates and joint ventures accounted for using equity method:			
Exchange differences on translation of foreign financial statements	(27,164)	1,194	(25,970)
Gain (loss) on hedging instruments	107	-	107
Subtotal	2,539	(5,638)	(3,099)
Recognized in other comprehensive income	$98,973	($5,638)	$93,335

	Three Months Ended March 31, 2022		
Item	Before tax	Income tax expense (benefit)	After tax
Items that will not be reclassified subsequently to profit or loss:			
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	($652)	$ -	($652)
Share of associates and joint ventures accounted for using equity method:			
Unrealized valuation gain (loss) on financial assets at fair value through other comprehensive income	19,462	-	19,462
Subtotal	18,810	-	18,810
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign financial statements	389,157	(75,023)	314,134
Share of associates and joint ventures accounted for using equity method:			
Exchange differences on translation of foreign financial statements	122,980	(4,363)	118,617
Gain (loss) on hedging instruments	1	-	1
Subtotal	512,138	(79,386)	432,752
Recognized in other comprehensive income	$530,948	($79,386)	$451,562

6.38 Earnings Per Share

Item	Three Months Ended March 31 2023	2022
A.Basic earnings (loss) per share		
Net income (loss)	($31,872)	$1,124,685
Less: Net income (loss) attributable to non-controlling interests	(45,023)	(11,484)
Net income (loss) attributable to shareholders of parent company	13,151(Note)	1,136,169
Weighted average number of outstanding shares (thousand shares)	1,975,865	1,890,569
Weighted average number of shares outstanding after retrospective adjustment (thousand shares)	1,975,865	1,985,098
Basic earnings (loss) per share (after tax) (NT$)	$0.01	$0.57
B.Diluted earnings (loss) per share		
Net income (loss) attributable to shareholders of parent	$13,151	$1,136,169
Weighted average number of outstanding shares (thousand shares)	1,975,865	1,985,098
Impact on employees' compensation	97	529
Weighted average number of ordinary shares outstanding after dilution (thousand shares)	1,975,962	1,985,627
Diluted earnings (loss) per share (after tax) (NT$)	$0.01	$0.57

(Note)The Company recognized a net income of $13,151 thousand for the three months ended March 31, 2023 after recognizing the share of profit or loss of subsidiaries and affiliates in proportion to the Company's shareholding. The consolidation of net loss attributable to non-controlling interests of subsidiaries resulted in a consolidated net loss of $31,872 thousand.

The Company's shareholders' meeting held on June 23, 2022 had resolved to capitalize earnings and issue 94,529 thousand new shares . The record date for capital increase was set on September 5, 2022. After retrospective adjustment for the three months ended March 31, 2022, the number of shares was 1,985,098 thousand shares.

Since the Group offered to settle compensation paid to employees in cash or shares, the Group assumed the entire amount of the compensation would be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

6.39 Business combination

1. Change in ownership interests in subsidiaries

Three months ended March 31, 2023:None

Three months ended March 31, 2022:

(1)The subsidiary, Great Emperor Hotel Co., Ltd. issued common stocks in March 2022. After the subscription, the Company's shareholding increased from 58.17% to 60.15%, Yieh Hsing Enterprise Co., Ltd.'s shareholding reduced from 41.82% to 39.84%, and Shin Phui Steel Corporation's shareholding remained 0.01%. Since the said transaction did not change the Group's control over the said subsidiary, it is deemed as an equity transaction.

	Yieh Phui Enterprise Co., Ltd.	Yieh Hsing Enterprise Co., Ltd.	Shin Phui Steel Corporation
Subscription in cash	($257,500)	$ -	$ -
Share of equity of subsidiaries' net assets computed using relative equity changes	245,256	7,028	3
Recognized changes in ownership interests in subsidiaries accounted for using equity method	($12,244)	$7,028	$3

(2)The sub-subsidiary, APPLIED WIRELESS INDENTIFICATION GROUP, INC. issued common stocks in February 2022. After the subscription, EMMT System Corporation's shareholding reduced from 91.47% to 88.69%. Since the above-mentioned transaction did not change the Group's control over the said subsidiary, it was deemed as an equity transaction.

	EMMT System Corporation
Subscription in cash	$ -
Share of equity of subsidiaries' net assets computed using relative equity changes	(6,416)
Recognized changes in ownership interests in subsidiaries accounted for using equity method	($6,416)

7. RELATED PARTY TRANSACTIONS

7.1 Parent and ultimate controlling party

The Company is the ultimate controlling party of the Group.

7.2 Names of related parties and relationship categories

Name of related party	Related party category
Yieh United Steel Corp.	Associate
Yieh Mau Corp.	Associate
Asiazone Co., Ltd.	Associate
Zheng Xin Security Co., Ltd.	Associate
Eliter International Corp.	Associate
Unipattern Corporation Co., Ltd.	Associate
E-Da Bus Transportation Co., Ltd.	Associate
E-DA Tour Bus Co., Ltd.	Associate

E-Da Development Corp.	Associate
E-Da Cultural Creative Industry Co., Ltd.	Associate
E- Da Visual Effects Company Limited.	Associate
Tang Rong iron works co., ltd.	Associate
Xinzhan Engineering and Management Consultants Co., Ltd.	Associate
Skylark Hot Spring & Resort Corp.	Associate
Yieh Hong Enterprise Co., Ltd.	Other related party
Yieh Mau Corp.	Other related party
Li-Hsin Co., Ltd.	Other related party
Skylark International Hotel Co., Ltd.	Other related party
Pacific Harbor Stevedoring Corporation	Other related party
Royal Palace Hong Kong Style Restaurant Co., Ltd.	Other related party
Jinghua Commercial Asset Management Limited	Other related party
I-Hsiang-Le International Co., Ltd.	Other related party
Chiao-Ling Leisure Co., Ltd.	Other related party
New Spring Construction Corp.	Other related party
E-Da Apartment Building Management and Maintenance Co., Ltd.	Other related party
E-Da Royal Hotel Company Ltd.	Other related party
E-Da Hospital	Other related party
I-Shou University	Other related party
I-Shou University Internship Center	Other related party
I-Shou International School	Other related party
Long Hua Travel Services Co., Ltd.	Other related party
Yieh Mau International Co., Ltd.	Other related party
Shin Huo Environmental Engineering Co., Ltd	Other related party
Yu Hong Industrial Co., Ltd	Other related party
E-Da Cancer Hospital	Other related party
Guan Ying Enterprise Co., Ltd.	Other related party
E-Da Dachang Hospital	Other related party
Zhengzi Technology Co., Ltd	Other related party
E-DA Healthcare Preschool	Other related party
E-DA Preschool	Other related party
E-DA Bassinet Mother and Baby Care Center	Other related party
E-DA Home Health Care	Other related party
E-DA Nursing Care Center	Other related party
E-DA Postpartum and Baby care Center	Other related party
Wei Hong Investment Development Co., Ltd.	Other related party
Lianshuo Investment Development Co., Ltd.	Other related party
Chain-dollars Enterprise Co., Ltd.	Other related party
Lian Cheng Ready-Mixed Products Co., Ltd.	Other related party
E-DA Global International Co., Ltd.	Other related party
You, Jing-Sheng	Other related party
Chen, Yung-Shian	Other related party

7.3 Significant transactions with related parties

Balances and transactions between the Company and subsidiaries (i.e., related parties) were eliminated and not disclosed when preparing such consolidated financial statements. Disclosure of related party transactions were as follows:

1. Operating revenue

Item	Related party category	Three Months Ended March 31 2023	Three Months Ended March 31 2022
Sales revenue	Associates	$339,389	$1,143,531
	Other related parties	557,825	367,557
	Total	$897,214	$1,511,088
Construction revenue	Associates	$10,564	$15,794
	Other related parties	71,960	21,304
	Subtotal	82,524	37,098
	Less: construction revenue that are eliminated in consolidation	(496)	(10,300)
	Total	$82,028	$26,798

(a) Selling price to the Group's related parties, including hot rolled steel coils, galvanized steel coils, scraps (bars), etc. and trading terms were the same with those to other customers. Payment periods were within 1 to 2 months.
(b) Selling price of carbon steel and steel scraps to related parties were set with reference to the purchase price of a non-related party as a trading counterparty. Payment term was monthly and closes in 15 days.
(c) The construction contracts between the Group and above-mentioned related parties were established at prices negotiated by both parties. Contract proceeds were collected according to the collection clauses stated in these contracts. Unless agreed on by both parties, payments cannot be delayed.
(d) Since the Group contracted from and sub-contracted to related parties a portion of steel construction engineering at the same time, where the construction engineering belonged to the same project, the accounting treatment of which was deemed the same as such project would have been managed and supervised by other related parties. For the three months ended March 31, 2023 and 2022, the eliminated construction revenue was $496 thousand, and $10,300 thousand, respectively.

2. Purchases

Related party category	Three Months Ended March 31 2023	Three Months Ended March 31 2022
Associate:		
Yieh United Steel Corp.	$886,102	$1,208,907
Others	-	110,729
Other related party:		
Yieh Hong Enterprise Co., Ltd	1,274,442	1,529,776
Others	9,767	8,531
Total	$2,170,311	$2,857,943

Items purchased by the Group from the above related parties were mainly stainless billets and carbon steel billets. The purchase prices were similar to that offered to other suppliers. Payment term was LC at sight (not significantly different than terms to other suppliers) or T/T before shipment. Payment 120 days after B/L date.

3. Contract assets

Related party category	March 31, 2023	December 31, 2022	March 31, 2022
Associate:			
Yieh United Steel Corp.	$5,638	$45,158	$14,691
Other related party:			
New Spring construction Corp.	184,741	113,327	58,325
Total	190,379	158,485	73,016
Less: Loss allowance	-	-	-
Net	$190,379	$158,485	$73,016

4. Contract liabilities

Related party category	March 31, 2023	December 31, 2022	March 31, 2022
Associates	$12,920	$4,900	$3,384
Other related parties	2,727	3,023	1,475
Total:	$15,647	$7,923	$4,859

5. Receivables from related parties (excluding loans to related parties)

Accounting Item	Related party category	March 31, 2023	December 31, 2022	March 31, 2022
Notes receivable	Associates	$42	$120	$40
	Other related parties	422	24	484
	Total	464	144	524
	Less: Loss allowance	-	-	-
	Net	$464	$144	$524
Accounts receivable	Associate：			
	Asiazone Co., Ltd.	$149,831	$ 353,001	$ 488,960
	Others	69,616	63,902	38,360
	Other related parties	3,681	34,109	22,559
	Total	223,128	451,012	549,879
	Less: Loss allowance	(1,514)	(2,060)	(845)
	Net	$221,614	$448,952	$549,034
Other receivables	Associate：			
	Yieh Mau Corp.	$14	$16,606	$13
	Others	4,380	2,322	2,127
	Other related party：			
	Yieh Hong Enterprise Co., Ltd	35,083	4,273	36,407
	Others	428	1	63
	Total	39,905	23,202	38,610
	Less: Loss allowance	-	-	-
	Net	$39,905	$23,202	$38,610

6. Payables to related parties (excluded loans from related parties)

Accounting Item	Related party category	March 31, 2023	December 31, 2022	March 31, 2022
Notes payable	Associates	$4,552	$5,927	$2,909
	Other related parties	71	336	3,572
	Total	$4,623	$6,263	$6,481
Accounts payable	Associates	$14,662	$5,343	$202,491
	Other related parties	10,633	6,343	6,159
	Total	$25,295	$11,686	$208,650
Other payables	Associates	$5,315	$8,749	$10,617
	Other related parties	42,606	3,681	9,460
	Total	$47,921	$12,430	$20,077

7. Prepayments

Related party category	March 31, 2023	December 31, 2022	March 31, 2022
Associates	$65	$ -	$52
Other related party:			
Yieh Hong Enterprise Co., Ltd.	249,065	129,000	171,041
Others	-	5,084	-
Total	$249,130	$134,084	$171,093

8. Asset transaction

(1)Acquisition of property, plant and equipment:

Three months ended March 31, 2023 :

Type of related party	Transaction target	Transaction amount
Other related party:	Other equipment	$161
Associates	Other equipment	3,099

Note: The above-mentioned transaction price was agreed on by both parties upon negotiation. As of March 31, 2023, was fully paid.

Three months ended March 31, 2022 :

Type of related party	Transaction target	Transaction amount
Associates	Network switch, etc. (Note)	$4,011

Note: The above-mentioned transaction price was agreed on by both parties upon negotiation. As of March 31, 2022, the unpaid portion was $2,492 thousand.

(2) Disposal of other assets:

Three months ended March 31, 2023 :None.

Three months ended March 31, 2022 :

Type of related party	Transaction target	Transaction amount	Gains or loss on disposal
Other related parties	E-Da Health Biotechnology Co., Ltd.' stocks	$7,600	$241

The above-mentioned transaction price of shares was agreed on by both parties upon negotiation with reference to the net worth per share of the investees. As of March 31, 2022, all the transaction amount was fully recovered.

9. Lease agreement
   (1) acquire right-of-use assets: None.
   (2) Lease Liability:

Accounting Item	Related party category	March 31, 2023	December 31, 2022	March 31, 2022
Lease Liability	Associates	$ -	$ -	$17,620

   (3) Other expenses:

Accounting Item	Related party category	Three Months Ended March 31	
		2023	2022
Interest expense	Associates	$ -	$69
Rental expense	Associates	$2,110	$2,081
	Other related parties	2,189	1,873
	Total	$4,299	$3,954

Above lease terms are based on the contract, and rent is paid monthly or annually.

10. Others
   (1)Miscellaneous income

Related party category	Three Months Ended March 31	
	2023	2022
Associates	$7,090	$5,878
Other related parties	784	751
Total	$7,874	$6,629

These were mainly technical service income, and rent income. The rent price was determined by contract and received monthly or quarterly.

   (2)Miscellaneous expenses

Related party category	Three Months Ended March 31	
	2023	2022
Associates	$19,118	$22,722
Other related parties	45,142	37,699
Total	$64,260	$60,421

These were mainly service charges and export expenses.

(3)Construction contracts

(a)Unfinished construction contracts with related parties as of March 31, 2023 were as follows:

Type of related party / Name	Name of Project	Total contract price	Contract assets / liabilities
Associates	Crane assembly, etc.	$196,922	$5,638 / $7,769
Other related party：			
New Spring Construction Corp.	Structures construction on the ground for E-Da Asia Commercial Plaza, etc.	4,275,361 (Note)	184,741 / 107

(b)Unfinished construction contracts with related parties as of December 31, 2022 were as follows:

Type of related party / Name	Name of Project	Total contract price	Contract assets / liabilities
Associates	Precision steel belt factory crane assembly engineering, etc.	$83,136	$45,158 / $188
Other related party：			
New Spring Construction Corp.	Structures construction on the ground for E-Da Asia Commercial Plaza, etc.	4,119,005 (Note)	113,327 / 653

(c)Unfinished construction contracts with related parties as of March 31, 2022 were as follows:

Type of related party / Name	Name of Project	Total contract price	Contract assets / liabilities
Associates	Precision steel belt factory crane assembly engineering, etc.	$81,276	$14,691/$ -
Other related party：			
New Spring Construction Corp.	Structures construction on the ground for E-Da Asia Commercial Plaza, etc.	3,417,132 (Note)	58,325/ -

(Note) As stated in Note 7.3.1.(d), If the project of the related party contracted by the Group is the same project as the project contracted to the related party, the accounting treatment has been deemed to be handled by the related party only for project management and supervision.

11. Part of the land of the Group are unable to be registered under the name of the Group.

Type of related party	Major transaction
Other related parties	Some of the Group's land recognized as property, plant, and equipment as well as investment properties, are unable to be registered under the name of the Group temporarily and registered under the executive specialist of the Company and the financial president of subsidiary-Yieh Hsing due to regulation restriction. Accordingly, the land is mortgage registered to the Group as safeguard measures.

12. Where the Group participated in the cash offering by related parties and consequently increased its investment are disclosed as follows:

Three months ended March 31 , 2023:

Investee	Investment Increment		Shareholding Percentage	
	Shares (thousand shares)	Amount	Before Offering	After Offering
Associate：				
Xinzhan Engineering Consultants Co., Ltd.	900	$9,000	45.00%	45.00%
Other related party：				
E-Da Health Biotechnology Co., Ltd.	3,420	$34,200	0.00%	19.00%

Three months ended March 31 , 2022:

Investee	Investment Increment		Shareholding Percentage	
	Shares (thousand shares)	Amount	Before Offering	After Offering
Associate：				
E-Da Bus Transportation Co., Ltd.	1,025	$10,252	17.09%	17.09%

7.4 Information about remunerations to the major management:

Item	Three Months Ended March 31	
	2023	2022
Salary and other short-term employee benefits	$30,605	$37,434
Benefits after retirement	592	581
Other long-term employee benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
Total	$31,197	$38,015

8. PLEDGED ASSETS

The following assets have been pledged as collateral for long-term and short-term loans:

Item	March 31, 2023	December 31, 2022	March 31, 2022
Pledged demand deposits	$409,666	$493,423	$434,631
Pledged time deposits	123,037	184,410	611,157
Subtotal of other financial assets - current	532,703	677,833	1,045,788
Pledged demand deposits	29,194	13,180	91,106
Pledged time deposits	756,833	763,292	562,456
Subtotal of other financial assets - noncurrent	786,027	776,472	653,562
Property, plant and equipment (net)	30,773,417	31,266,542	31,526,054
Right-of-use asset	157,341	157,875	164,773
Investment properties	95,383	95,383	22,355
Investments accounted for using equity method	-	2,016,408	2,087,889
Notes receivable and accounts receivable	357,465	295,067	2,464
Total	$32,702,336	$35,285,580	$35,502,885

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

(1) Guarantee notes issued by the Group to banks for loans and purchases performance totaled $50,011,576 thousand, $50,137,434 thousand, and $49,938,332 thousand as of March 31, 2023, December 31, 2022, and March 31, 2022, respectively.

(2) Guarantee notes received by the Group for its contract performance and creditor's right totaled $1,770,239 thousand, $1,804,539 thousand, and $1,819,291 thousand as of March 31, 2023, December 31, 2022, and March 31, 2022, respectively.

(3) The unused letters of credit as of March 31, 2023, December 31, 2022, and March 31, 2022 were as follows:

Item	March 31, 2023	December 31, 2022	March 31, 2022
L/C Amount	USD 31,119	USD 20,425	USD 43,268
	NTD 762,369	NTD 564,531	NTD 600,792
	JPY 95,962	JPY 86,373	JPY 1,859
	HKD 44,467	HKD 23,924	EUR 36

(4) As of March 31, 2023, December 31, 2022, and March 31, 2022, guarantees provided to banks by the Group for vouchers sales, performance and warranty amounted to $241,851 thousand, $230,141 thousand, and $221,948 thousand, respectively.

(5) As of March 31, 2023, December 31, 2022, and March 31, 2022, guarantee letters of credit issued by the Group for export business totaled USD24,800 thousand, USD24,800 thousand, and USD19,600 thousand, respectively.

(6) The Group entered into raw material purchase agreements with suppliers of Zinc Ingot, Aluminum alloy and billets, including INTELORG, CHIU ENTERPRISE and DAO FORTUNE. The price was agreed on by both parties upon negotiation. As of March 31, 2023, the unperformed portion totaled 16,598 tons, amounting to $341,707 thousand.

(7) Capital expenditures committed but not yet incurred are as follows:

Item	March 31, 2023	December 31, 2022	March 31, 2022
Property, plant and equipment	$544,511	$549,026	$123,752

(8) Two subsidiaries, Great Emperor Hotel Co., Ltd. and Kings Garden International Co., Ltd., entered into the syndicated loan agreements with Land Bank of Taiwan and First Commercial Bank in August 2014. Yieh United Steel Corp., Yieh Phui Enterprise Co., Ltd., and Yieh Hsing Enterprise Co., Ltd. issued a commitment letter before the first use that the Company and its related parties shall jointly hold more than 50% of Kings Garden International Co., Ltd. and Great Emperor Hotel Co., Ltd.'s issued shares and gain the majority of directors' seats at all times. The Group held 100% shareholding of Kings Garden International Co., Ltd. and Great Emperor Hotel Co., Ltd. and acquired all directors' seats of both companies as of March 31, 2023.

10. SIGNIFICANT DISASTER LOSS: NONE.

11. SIGNIFICANT SUBSEQUENT EVENTS

The Company's Board of Directors resolved on May 4, 2023 to repurchase 20,000 thousand shares from open market from May 5 to July 4, 2023 at a price range of $13.8 to $15.3 per share.

12. OTHERS

(1) Seasonality or periodicity of operations

The operation of the Group's is not influenced by seasonality and periodicity.

(2) Capital risk management

There were no significant changes in the Group's policies for capital risk management for the three months ended March 31, 2023 as compared with the consolidated financial statements for the year ended December 31, 2022. Please refer to Note 12(1) of the consolidated financial statements for the year ended December 31, 2022 for the related information.

(3) Financial Instruments

(1) Financial risk of financial instruments

i. There were no significant changes in the Group's Financial risk management policies and objectives for the three months ended March 31, 2023 as compared with the consolidated financial statements for the year ended December 31, 2022. Please refer to Note 12(2) of the consolidated financial statements for the year ended December 31, 2022 for the related information.

ii.The nature and degree of significant financial risks

A. Market risks

(A)Foreign exchange rate risk

a. There were no significant changes in the nature and degree of material financial risk for the three months ended March 31, 2023 as compared with the consolidated financial statements for the year ended December 31, 2022. Please refer to Note 12(2) of the consolidated financial statements for the year ended December 31, 2022 for the related information.

b. Exchange rate exposure and sensitivity analysis

	March 31, 2023					
				Sensitivity Analysis		
	Amount in Foreign Currency	Exchange rate	Presented amount (New Taiwan Dollars)	Range of change	Effects on profit or loss	Effects on Equity
(Foreign currency / Functional currency)						
Financial assets						
Monetary items						
USD:NTD	127,263	30.45	3,876,266	Up 1%	38,763	-
USD:RMB	44,893	6.8805	1,366,984	Up 1%	13,670	-
EUR:RMB	9,300	7.4381	306,123	Up 1%	3,061	-
RMB:USD	275,779	0.1453	1,220,472	Up 1%	12,205	-
Investments accounted for using equity method						
USD:NTD	26,625	30.45	810,732	Up1%	-	8,107
Financial liabilities						
Monetary items						
USD:RMB	68,823	6.8805	2,095,650	Up1%	(20,957)	-
EUR:RMB	9,302	7.4381	306,205	Up1%	(3,062)	-
RMB:USD	368,163	0.1453	1,627,944	Up1%	(16,279)	-

	December 31, 2022					
				Sensitivity Analysis		
	Amount in Foreign Currency	Exchange rate	Presented amount (New Taiwan Dollars)	Range of change	Effects on profit or loss	Effects on Equity
(Foreign currency / Functional currency)						
Financial assets						
Monetary items						
USD:NTD	139,906	30.71	4,296,520	Up 1%	42,965	-
USD:RMB	40,621	6.9646	1,247,477	Up 1%	12,475	-
RMB:USD	295,091	0.1436	1,301,187	Up 1%	13,012	-
Investments accounted for using equity method						
USD:NTD	26,500	30.71	813,822	Up 1%	-	8,138
Financial liabilities						
Monetary items						
USD:NTD	4,671	30.71	143,597	Up 1%	(1,436)	-
USD:RMB	68,795	6.9646	2,112,690	Up 1%	(21,127)	-
RMB:USD	385,736	0.1436	1,699,108	Up 1%	(16,991)	-

	Amount in Foreign Currency	Exchange rate	Presented amount (New Taiwan Dollars)	Range of change	Effects on profit or loss	Effects on Equity
	March 31, 2022					
				Sensitivity Analysis		
(Foreign currency / Functional currency)						
Financial assets						
Monetary items						
USD:NTD	113,271	28.625	3,239,170	Up 1%	32,392	-
USD:RMB	80,733	6.3509	2,310,984	Up 1%	23,110	-
RMB:USD	133,390	0.1575	601,222	Up 1%	6,012	-
Investments accounted for using equity method						
USD:NTD	26,543	28.625	759,807	Up 1%	-	7,598
Financial liabilities						
Monetary items						
JPY:NTD	803,278	0.2353	189,011	Up 1%	(1,890)	-
USD:NTD	29,146	28.625	834,288	Up 1%	(8,343)	-
USD:RMB	91,631	6.3509	2,622,248	Up 1%	(26,222)	-
RMB:USD	190,307	0.1575	855,045	Up 1%	(8,550)	-

If NTD appreciates against the above-mentioned currencies, held all other variables constant, the impact generated as of March 31, 2023, December 31, 2022, and March 31, 2022 would stay the same with the reverse result.

c. Due to the exchange rate volatility, total exchange gains and losses (including realized and unrealized) from the Group's monetary items amounted to ($27,503) thousand, and $146,417 thousand for the three months ended March 31, 2023 and 2022, respectively.

(B) Price risk

Since the Group's investment in securities is classified as financial assets at FVTPL or financial assets at FVTOCI on the consolidated balance sheet, the Group does not expose to price risks of securities.

The Group mainly invests in domestic listed and unlisted stocks and beneficiary certificates. The price of such securities can be affected by changes in future value of those investment targets.

If the security price goes up or down by 1%, the post-tax profit or loss for the three months ended March 31, 2023 and 2022 will increase or decrease by $376 thousand and $600 thousand due to the increase or decrease of the fair value of financial assets measured at FVTPL. The post-tax other comprehensive income for the three months ended March 31, 2023 and 2022 will increase or decrease by $10,419 thousand and $7,971 thousand due to the increase or decrease of the fair value of financial assets measured at FVTOCI.

(C)Interest rate risk

The carrying amount of the Group’s financial assets and financial liabilities that are exposed to interest rate risk at the reporting date is stated as follows:

Item	Carrying Amount		
	March 31, 2023	December 31, 2022	March 31, 2022
With fair value interest rate risk			
Financial assets	$5,071,354	$4,444,725	$2,497,195
Financial liabilities	(1,557,589)	(1,771,435)	(1,709,115)
Net	$3,513,765	$2,673,290	$788,080
With cash flow interest rate risk			
Financial assets	$7,046,719	$6,632,864	$6,486,301
Financial liabilities	(54,691,553)	(52,267,459)	(51,106,005)
Net	($47,644,834)	($45,634,595)	($44,619,704)

a. Sensitivity analysis of those with fair value interest rate risk:

The Group does not classify any fixed-rate instruments as financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. In addition, the Group does not designate derivatives (interest rate swap) as hedge instruments under hedge accounting. Therefore, the change of interest rate at reporting date does not have influence on net income and other comprehensive income.

b. Sensitivity analysis of those with cash flow interest rate risk:

The interest-fluctuate instruments possessed by the Group were floating-interest assets (liabilities). Therefore, the effective interest rate, as well as the future cash flows, changes along with the market movement. Every one percent increase (decrease) in the market interest will decrease (increase) the net profit by ($119,112) thousand and ($111,549) thousand for the three months ended March 31, 2023 and 2022, respectively.

B. Credit risk

Credit risk refers to the risk of financial loss to the Group arising from default by counter-parties of financial instruments on the contract obligations. Credit risk of the Group mainly comes from receivables under operating activities and bank deposits and other financial instruments under investing activities. Credit risks related to operation and finance risks are managed separately.

Credit risk related to operations

To maintain the quality of accounts receivable, the Group has established the procedures for credit risk management with regards to its operations.

Risk assessment on individual customer includes factors that could affect the customer's ability to pay, such as the customer's financial status, the Group’s internal credit ratings, historical transactions and current economic conditions.

Financial credit risk

The credit risks of bank deposits and other Financial instruments are measured and monitored by the Group’s financial departments. The Group does not expect significant credit risk because the counterparties are creditworthy and investment-graded financial institutions, companies and government agencies without any significant default concerns. In addition, the Group does not have any debt instrument investments that are either measured at amortized cost, or at FVTOCI.

(A) Credit concentration risk

As of March 31, 2023, December 31, 2022, and March 31, 2022 the top ten clients accounted for 57.38%, 58.96%, and 41.29% of the Group's accounts receivable, indicating a credit concentration risk. However, no significant credit concentration risk was shown from the remaining accounts receivables.

(B) Measurement of expected credit impairment loss

a. Accounts receivables and contract assets apply the simplified approach. Please refer to Note 6.4 and Note 6.30 for details.

b. Indications for determining whether the credit risk is increased significantly: None (the Group does not have any debt instrument investments that are either measured at amortized cost, or at FVTOCI).

c. Collaterals and other credit enhancement held to avoid credit risks from financial assets:

The following table shows the maximum exposure to credit risk regarding financial assets recognized in the consolidated balance sheets, pledged collateral, master netting arrangements and other credit enhancement held by the Group:

		Decreased amount of maximum exposure to credit risks			
March 31, 2023	Carrying Amount	Collateral	Net Settlement Agreement	Other Credit Enhancement	Total
Credit-impaired financial instruments to which impairment requirements of IFRS 9 are applicable	$ -	$ -	$ -	$ -	$ -
Financial instruments to which the impairment requirements of IFRS 9 are not applicable:					
Financial assets at fair value through profit and loss	37,606	-	-	-	-
Financial assets measured at FVTOCI	1,041,921	-	-	-	-
Total	$1,079,527	$ -	$ -	$ -	$ -

		Decreased amount of maximum exposure to credit risks			
December 31, 2022	Carrying Amount	Collateral	Net Settlement Agreement	Other Credit Enhancement	Total
Credit-impaired financial instruments to which impairment requirements of IFRS 9 are applicable	$ -	$ -	$ -	$ -	$ -
Financial instruments to which the impairment requirements of IFRS 9 are not applicable:					
Financial assets at fair value through profit and loss	84,641	-	-	-	-
Financial assets measured at FVTOCI	740,987	-	-	-	-
Total	$825,628	$ -	$ -	$ -	$ -

March 31, 2022	Carrying Amount	Decreased amount of maximum exposure to credit risks: Collateral	Net Settlement Agreement	Other Credit Enhancement	Total
Credit-impaired financial instruments to which impairment requirements of IFRS 9 are applicable	$ -	$ -	$ -	$ -	$ -
Financial instruments to which the impairment requirements of IFRS 9 are not applicable:					
Financial assets at fair value through profit and loss	59,999	-	-	-	-
Financial assets measured at FVTOCI	797,072	-	-	-	-
Total	$857,071	$ -	$ -	$ -	$ -

C. Liquidity risk

(A)Liquidity risk management

There were no significant changes in the Group's objects and policies for liquidity risk management for the three months ended March 31, 2023. Please refer to Note 12(2) of the consolidated financial statements for the year ended December 31, 2022 for the related information.

(B)Analysis of financial liabilities

Non-derivative financial Liabilities	March 31, 2023: Within 6 months	7-12 months	1-2 years	2-5 years	Over 5 years	Contractual cash flows	Carrying amount
Short-term loans	$13,162,211	$2,091,991	$ -	$ -	$ -	$15,254,202	$15,254,202
Short-term notes and bills payable	1,490,000	-	-	-	-	1,490,000	1,487,086
Notes payable	490,975	-	-	-	-	490,975	490,975
Accounts payable	1,468,980	-	-	-	-	1,468,980	1,468,980
Other payables	1,258,759	-	5	-	-	1,258,764	1,258,764
Lease liabilities (including current)	4,912	6,927	9,858	12,893	50,639	85,229	70,503
Long-term loans (including current portion)	1,204,625	2,637,874	7,502,005	17,215,061	11,009,400	39,568,965	39,437,351
Guarantee deposits received	4,265	390	248	929	11,694	17,526	17,526
Subtotal	$19,084,727	$4,737,182	$7,512,116	$17,228,883	$11,071,733	$59,634,641	$59,485,387
Derivative financial Liabilities	$4,706	$ -	$ -	$ -	$ -	$4,706	$4,706

Further information on lease liability maturity analysis was as follows:

	Less than 1 year	1-5 years	5-10 years	10-15 years	15-20 years	Over 20 years	Total undiscounted lease payments
Lease liabilities	$11,839	$22,751	$12,956	$12,734	$12,735	$12,214	$85,229

Non-derivative financial Liabilities	December 31, 2022 Within 6 months	7-12 months	1-2 years	2-5 years	Over 5 years	Contractual cash flows	Carrying amount
Short-term loans	$10,559,526	$3,030,645	$ -	$ -	$ -	$13,590,171	$13,590,171
Short-term notes and bills payable	1,705,000	-	-	-	-	1,705,000	1,701,701
Notes payable	458,293	-	-	-	-	458,293	458,293
Accounts payable	1,448,256	-	-	-	-	1,448,256	1,448,256
Other payables	1,884,549	3,378	-	-	-	1,887,927	1,887,927
Lease liabilities (including current)	4,977	5,998	9,460	13,253	49,168	82,856	69,734
Long-term loans (including current portion)	2,723,547	1,625,088	4,985,862	18,045,790	11,413,190	38,793,477	38,677,288
Guarantee deposits received	4,609	80	291	1,102	11,659	17,741	17,741
Subtotal	$18,788,757	$4,665,189	$4,995,613	$18,060,145	$11,474,017	$57,983,721	$57,851,111

Further information on lease liability maturity analysis was as follows:

	Less than 1 year	1-5 years	5-10 years	10-15 years	15-20 years	Over 20 years	Total undiscounted lease payments
Lease liabilities	$10,975	$22,713	$12,582	$12,278	$12,277	$12,031	$82,856

Non-derivative financial Liabilities	March 31, 2022 Within 6 months	7-12 months	1-2 years	2-5 years	Over 5 years	Contractual cash flows	Carrying amount
Short-term loans	$12,036,625	$1,554,044	$ -	$ -	$ -	$13,590,669	$13,590,669
Short-term notes and bills payable	1,623,900	-	-	-	-	1,623,900	1,619,368
Notes payable	1,186,626	-	-	-	-	1,186,626	1,186,626
Accounts payable	1,404,507	-	-	-	-	1,404,507	1,404,507
Other payables	1,565,521	-	4,158	-	-	1,569,679	1,569,679
Lease liabilities (including current)	6,546	8,354	15,353	25,435	50,570	106,258	89,747
Long-term loans (including current portion)	1,016,223	3,471,057	4,560,755	16,805,880	11,799,306	37,653,221	37,515,336
Guarantee deposits received	9,389	-	135	2,840	10,340	22,704	22,704
Subtotal	$18,849,337	$5,033,455	$4,580,401	$16,834,155	$11,860,216	$57,157,564	$56,998,636
Derivative financial Liabilities	$ -	$1,326	$ -	$ -	$ -	$1,326	$1,326

Further information on lease liability maturity analysis was as follows:

	Less than 1 year	1-5 years	5-10 years	10-15 years	15-20 years	Over 20 years	Total undiscounted lease payments
Lease liabilities	$14,900	$40,788	$12,796	$12,278	$12,278	$13,218	$106,258

The Group does not expect a maturity analysis of which the cash flows timing would be significantly earlier, or the actual amount would be significantly different.

(2) Types of Financial instruments

Financial assets	March 31, 2023	December 31, 2022	March 31, 2022
Financial assets measured at amortized cost			
Cash and cash equivalents	$10,345,718	$8,636,937	$8,251,131
Notes receivables and accounts receivables (including related parties)	3,214,522	3,436,483	2,929,171
Other receivables(including related parties)	185,628	165,538	222,893
Other financial assets - current	1,761,933	2,529,680	1,146,074
Refundable deposits	172,895	149,671	59,736
Other financial assets - noncurrent	786,027	776,472	653,562
Financial assets at fair value through profit or loss - current	37,606	84,641	59,999
Financial assets at fair value through other comprehensive income or loss - noncurrent	1,041,921	740,987	797,072
Financial liabilities			
Financial liabilities measured at amortized costs			
Short-term loans	15,254,202	13,590,171	13,590,669
Short-term notes and bills payable	1,487,086	1,701,701	1,619,368
Notes receivables and accounts payable (including related parties)	1,959,955	1,906,549	2,591,133
Other payables (including related parties)	1,258,764	1,887,927	1,569,679
Long-term loans (including current portion)	39,437,351	38,677,288	37,515,336
Guarantee deposits	17,526	17,741	22,704
Lease liabilities (including due within one year)	70,503	69,734	89,747
Financial liabilities at fair value through profit or loss - current	4,706	-	1,326

(4) Fair Value Information:

1. For information on fair value of financial assets and financial liabilities not measured at fair value, please refer to Note 12(4)3. For fair value of investment property measured at cost, please refer to Note 6.13 For fair value of investments in associates with quoted prices in an open market, please refer to Note 6.10 for details.
2. Definition of the three levels in fair value

   Level 1

   Quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group’s investment in listed stocks, beneficiary certificates, on-the-run Taiwan central government bonds and derivative instruments with quoted market prices is included in Level 1.

Level 2

Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in off-the-run government bonds, corporate bonds, bank debentures, convertible bonds and most derivative instruments is included in Level 2.

Level 3

Unobservable inputs for the asset or liability. The fair value of the Group's investment in certain derivative instruments, equity investment without active market and investment properties is included in Level 3.

3. Financial instruments not measured at fair value

Management of the Group thinks that the carrying amount of financial instruments not measured at fair value, including cash and cash equivalents, accounts receivables, other financial assets, refundable deposits, short term loans, short-term bills payable, accounts payable, lease liabilities (including current and noncurrent), long-term loans (including current portion), and deposits received, is the reasonable approximation of their fair value.

4. Fair value hierarchy

The fair value hierarchy of financial instrument is measured at fair value on a recurring basis. Information about the Group's fair value hierarchy is disclosed in the following table:

	March 31, 2023			
Item	Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value				
Financial assets at fair value through profit or loss				
Non-derivative financial assets held for trading	$37,606	$ -	$ -	$37,606
Financial assets measured at FVTOCI				
Domestic unlisted stocks	-	-	1,022,838	1,022,838
Domestic listed stocks	19,083	-	-	19,083
Total	$56,689	$ -	$1,022,838	$1,079,527
Liabilities				
Recurring fair value				
Financial liabilities at fair value through profit or loss				
Derivatives	$ -	$4,706	$ -	$4,706

Item	December 31, 2022 Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value				
Financial assets at fair value through profit or loss				
Non-derivative financial assets held for trading	$80,459	$ -	-	$80,459
Derivatives	-	4,182	-	4,182
Financial assets measured at FVTOCI				
Domestic unlisted stocks	-	-	722,995	722,995
Domestic listed stocks	17,992	-	-	17,992
Total	$98,451	$4,182	$722,995	$825,628

Item	March 31, 2022 Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value				
Financial assets at fair value through profit or loss				
Non-derivative financial assets held for trading	$59,999	$ -	$ -	$59,999
Financial assets measured at FVTOCI				
Domestic unlisted stocks	-	-	777,311	777,311
Domestic listed stocks	19,761	-	-	19,761
Total	$79,760	$ -	$777,311	$857,071
Liabilities				
Recurring fair value				
Financial liabilities at fair value through profit or loss				
Derivatives	$ -	$1,326	$ -	$1,326

5. Fair value valuation technique for instruments measured at fair value:
   (1) The fair value of financial instruments with quoted prices in active markets is the quoted market prices. Market prices published by major trading centers and exchanges for on-the-run government bonds are the basis for the fair value of listed equity instruments and debt instruments with quoted prices in active markets. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. If one of the conditions fails, the market is not deemed active. In general, indications of an inactive market include a wide bid-ask spread, a significant increase in the bid-ask spread and low level of trading volume.
   The fair value of financial instruments with active markets held by the Group are stated by their natures and types as follows:
   a. Listed stocks: closing prices.
   b. Open-end funds: net asset value.

(2) Except for financial assets with an active market, the fair value of other financial assets is obtained either based on the valuation technique or by reference to the quotes from counter-parties. Fair value can be obtained by using a valuation technique that refers to the fair value of financial instruments having substantially the same terms and characteristics, the discounted cash flow method, or other valuation technique e.g. the one that applies market information available on the balance sheet date to a pricing model for calculation.

(3) When evaluating financial instruments that are non-standard and with lower complexity, e.g. debt instruments with no active markets, interest rate swaps, foreign exchange swaps and options, the Group adopts valuation techniques that are commonly used by market participants. The parameters used in the valuation models for those financial instruments are normally observable data in the market.

(4) Valuation of derivative financial instruments adopts valuation models that are commonly used by market participants, e.g. discounted cash flows method and option pricing model.

(5) Outputs from the valuation models are estimates and valuation techniques may not be able to reflect all relevant factors of the financial and non-financial instruments held by the Group. Therefore, when needed, estimates from the valuation model would be adjusted based on additional parameters, e.g. model risk or liquidity risk. According to the Group's policies of fair value valuation management and relevant control procedures, the Group's management considers that valuation adjustments as being necessary and appropriate for a fair and just presentation of financial and non-financial instruments on the consolidated balance sheet. Every price data and parameters used in the valuation is reviewed thoroughly and adjusted for current market conditions.

(6) The Group incorporates the adjustment of credit risk assessment into the fair value measurement of financial and non-financial instruments to reflect the credit risk of counter-party and the credit quality of the Group.

6. Transfers between Level 1 and Level 2 fair value hierarchy: None.
7. Statement of changes in Level 3 fair value hierarchy:

	Investment in unquoted financial instruments	
	Three Months Ended March 31	
Item	2023	2022
Beginning balance	$722,995	$1,034,482
Purchase	242,200	-
Transferred to Investments accounted for using equity method	-	(261,002)
Recognized in other comprehensive income	57,643	3,831
Ending balance	$1,022,838	$777,311

8. Valuation process for Level 3 fair value measurement:

Valuation process regarding fair value Level 3 is conducted by the Group’s finance department, by which the independence of fair value of financial instruments is verified though use of independent data source in order to make the valuation results close to market conditions. Such valuation results are regularly reviewed so as to ensure their reasonableness.

The unlisted company stocks held by the Group in an inactive market are mainly based on the market method and net asset value method to estimate the fair value. The market method is judgment is based on the same type of company evaluation, third party quotation, company net value and operating status assessment. The net assets method is based on the assets on the balance sheet of the enterprise as the main basis for evaluating the value of the enterprise.

9.Quantified information on value fair measured on the basis of major unobservable input value (Level 3):

Part of unlisted stocks are mainly based on market method and net asset value method, in which significant unobservable inputs include liquidity discounts and control premiums. When liquidity discounts decrease or control discount increase, the fair value of these investments will increase.

10.The sensitivity analysis of the fair value on assumption that could possibly and reasonable be substituted for measurement of Level 3 fair value:

The assets measured by the fair value of the third level of the fair value hierarchy of the Group are used to measure the significant unobservable inputs of fair value.

Item	Evaluation technology	Check the input value	interval	Input value and fair value relationship
Financial assets at fair value through profit or loss	Market Approach	Lack of liquidity discount rate	10%~33%	The higher the degree of lack of liquidity, the lower the fair value estimate
	Net Asset Value Method	Lack of liquidity discount rate	5%~15%	The higher the degree of lack of liquidity, the lower the fair value estimate
		Control discount	5%~20%	The higher the control discount, the lower the fair value estimate

(5) Transfer of financial assets:

1. Transferred financial assets fully derecognized

The Group entered accounts receivable factoring agreement with Chang Hwa Bank. According to the contract, the Group does not bear the risk of default over the transferred accounts receivables but only the loss from trade disputes. As the Group did not have any continued participation over those transferred accounts receivables, they were derecognized from the accounts. Information on outstanding receivables was as follows:

Three Months Ended March 31, 2023:

Counter-party	Advance Amount - Beginning of the Period	Factoring Amount	Amount Collected in Cash	Advance Amount - End of the Period	Annual Interest Rate for the Advance Amount	Line of Credit
Chang Hwa Bank	13,145	-	13,145	-	2%-2.07%	EUR 500
	(EUR 413)	(EUR 0)	(EUR 413)	(EUR 0)		
	-	8,088	8,088	-		
	(EUR 0)	(EUR 248)	(EUR 248)	(EUR 0)		

Three Months Ended March 31, 2022:

Counter-party	Advance Amount - Beginning of the Period	Factoring Amount	Amount Collected in Cash	Advance Amount - End of the Period	Annual Interest Rate for the Advance Amount	Line of Credit
Chang Hwa Bank	-	7,204	7,204	-	1.16464%	EUR 2,300
	(EUR 0)	(EUR 228)	(EUR 228)	(EUR 0)		

2. Transferred financial assets not fully derecognized: None.

(6) Offsetting financial assets and financial liabilities: None.

(7) Other:

Considering the increasingly fierce competition in the stainless steel market after the rise of the steel industry in China and Indonesia, The Group intends to achieve economies of scale in integration of production and marketing operations with Yieh United Steel Corp. through a strategic alliance with Tang Rong Iron Works Co., Ltd., and jointly boost the international competitiveness of Taiwan's stainless steel industry. The Company's Board of Directors resolved on May 4, 2022 to apply to the Fair Trade Commission for the merger of Tang Rong Iron Works Co., Ltd., which will jointly operate by Yieh United Steel Corp. The Group will carry out the plan of acquiring the equity of Tang Rong Iron Works Co., Ltd. after obtaining the permission of the Fair Trade Commission. The Group and Yieh United Steel Corp. will directly or indirectly acquire more than 1/3 or more than 50% equity of Tang Rong Iron Works Co., Ltd. through public acquisition or other means. After the application for this case was filed, it was rejected by the Fair Trade Commission in August 2022 because the submitted documents were still incomplete, and the Group will make up the documents and re-apply.

13. SUPPLEMENTARY DISCLOSURES

A. Significant transactions information

(a)Financing provided to others (Table 1)

(b)Endorsements/guarantees provided (Table 2)

(c)Marketable securities held (excluding investments in subsidiaries and associates) (Table 3)

(d)Marketable securities acquired and disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital : (Table 4).

(e)Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital :None.

(f)Disposal of individual real estate at prices of at least NT$300 million or 20% of the paid-in capital : None.

(g)Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 5)

(h)Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 6)

(i)Trading in derivative instruments (Note 6.2)

(j)The business relationship between the parent and the subsidiaries and significant transactions between them (Table 7)

B. Information on investees (Table 8)

C. Information on investments in mainland China (Table 9)

D. Information of major shareholders: List all shareholders with a stake of 5 percent or greater in shareholding percentage and the number of shares. (Table 10)

TABLE 1

Yieh Phui Enterprise Co., Ltd. and Subsidiaries
Financing provided to others
March 31, 2023

Unit: Thousands of NT Dollar/ Foreign Currency

No.	Creditor	Borrower	General ledger account	Related party	Maximum outstanding balance for the period	Ending balance	Amount actually drawn	Interest rate	Nature of loan	Transaction amount	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted
													Item	Value		
0	Yieh Phui Enterprise Co., Ltd.	Kuo Chang Enterprise Co., Ltd	Other receivables - related party	Y	300,000	300,000	295,000	2.57%-3.07%	2	—	Operating capital	—	—	—	12,675,702 (Note 3)	12,675,702 (Note 3)
		United Brightening Development Corp.	Other receivables - related party	Y	700,000	700,000	700,000	2.57%-3.19%	2	—	Operating capital	—	—	—	12,675,702 (Note 3)	12,675,702 (Note 3)
1	Yieh Phui (Hong Kong) Holdings Limited	Yieh Phui (China) Technomaterial Co., Ltd.	Long-term receivable – related party and Other receivables - related party	Y	3,167,520 (RMB 290,238) (USD 61,470)	3,078,554 (RMB 272,685) (USD 61,470)	3,078,554 (RMB 272,685) (USD 61,470)	4.50%-9.43%	2	—	Operating capital	—	—	—	12,675,702 (Note 3)	12,675,702 (Note 3)
2	Yieh Phui (China) Technomaterial Co., Ltd.	Tianjin Lianfa Precision Steel Corporation	Long-term receivable – related party	Y	225,510 (RMB 50,000)	221,280 (RMB 50,000)	221,280 (RMB 50,000)	4.90%-5.20%	2	—	Operating capital	—	—	—	12,675,702 (Note 3)	12,675,702 (Note 3)

(Note 1) The maximum amount of total loans to others shall not exceed 40% of the creditor's net worth.
(Note 2) The maximum amount of loans granted to a single entity shall not exceed 40% of the creditor's net worth.
(Note 3) Total loans between foreign entities that are 100% owned directly or indirectly by the Company shall not exceed 40% of the Company’s net worth and loans to a single entity shall not exceed 40% of the Company’s net worth.
(Note 4) Nature of loans is classified as follows: Entities having business relations with the Company is ‘1’; entities with needs for short-term financing is ‘2’.
(Note 5) Transactions between the aforesaid subsidiaries and the parent company have been written off.

TABLE 2

Yieh Phui Enterprise Co., Ltd. and Subsidiaries
Endorsements/guarantees provided
March 31, 2023

Unit: Thousands of NT Dollar/ Foreign Currency

No.	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsement/ guarantees provided for a single party	Maximum balance for the period	Ending balance	Amount actually drawn	Amount of endorsement/ guarantees collateralized by properties	Ratio of accumulated endorsement/ guarantee to net equity per latest financial statement	Maximum endorsement/ guarantee allowable	Guarantee provided by parent company to subsidiary	Guarantee provided by a subsidiary to parent company	Guarantee provided to subsidiaries in Mainland China
		Company name	Relationship with the endorser/ guarantor										
0	Yieh Phui Enterprise Co., Ltd. (Note 1)	Yieh Phui (China) Technomaterial Co., Ltd.	Investee of the Company's Sub-subsidiary	31,689,254	6,230,280 (RMB 1,400,000)	6,195,840 (RMB 1,400,000)	1,732,622 (RMB 391,500)	—	19.55%	31,689,254	Y	—	Y
		Shin Yang Steel Co., Ltd.	Subsidiary of the Company	31,689,254	456,000	456,000	72,000	336,000	1.44%	31,689,254	Y	—	—
		Yieh Phui (Hong Kong) Holdings Limited	Subsidiary of the Company	31,689,254	3,500,940 (USD 114,000)	3,471,300 (USD 114,000)	3,171,412 (USD 50,750) (RMB 367,425)	—	10.95%	31,689,254	Y	—	—
1	Shin Phui Steel Corporation (Note 2)	Yieh Phui Enterprise Co., Ltd.	Parent company of the company	1,299,398	981,890	981,890	981,890	981,890	377.82%	1,299,398	—	Y	—
2	Kings Garden International Co., Ltd. (Note 3)	Great Emperor Hotel Co., Ltd.	The same ultimate parent company	29,408,020	8,175,000	8,175,000	8,175,000	8,175,000	194.59%	29,408,020	—	—	—
3	Great Emperor Hotel Co., Ltd. (Note 4)	Kings garden International Co., Ltd.	The same ultimate parent company	31,519,489	7,583,000	7,583,000	7,490,000	7,583,000	168.41%	31,519,489	—	—	—
4	Shin Yang Steel Co., Ltd. (Note 5)	Yieh Phui Enterprise Co., Ltd.	Parent company of the company	6,063,672	900,000	900,000	70,000	900,000	44.53%	6,063,672	—	Y	—
5	Sin Bang Investment & Development Co., Ltd.(Note 6)	United Brightening Development Corp.	The same ultimate parent company	484,562	200,000	200,000	—	—	82.55%	484,562	—	—	—

(Note 1):The maximum amount of endorsement/guarantee provided by the Company shall not exceed the Company's net worth. The same limit applies to the endorsement/guarantee provided by the Company to a single subsidiary.

(Note 2):The maximum amount of endorsement/guarantee provided by Shin Phui Steel Corporation shall not exceed 5 times of Shin Phui's net worth. The same limit applies to the endorsement/guarantee provided by Shin Phui Steel Corporation to a single entity.

(Note 3):The maximum amount of endorsement/guarantee provided by Kings Garden International Co., Ltd. shall not exceed 7 times of Kings Garden's net worth. The same limit applies to the endorsement/guarantee provided by Kings Garden International Co., Ltd. to a single entity.

(Note 4):The maximum amount of endorsement/guarantee provided by Great Emperor Hotel Co., Ltd. shall not exceed 7 times of Great Emperor Hotel's net worth. The same limit applies to endorsement/guarantee provided by Great Emperor Hotel Co., Ltd. to a single entity.

(Note 5):The maximum amount of endorsement/guarantee provided by Shin Yang Steel Co., Ltd. shall not exceed 3 times of Shin Yang's net worth. The same limit applies to the endorsement/guarantee provided by Shin Yang Steel Co., Ltd. to a single entity.

(Note 6):The maximum amount of endorsement/guarantee provided by Sin Bang Investment & Development Co., Ltd. shall not exceed 2 times of Sin Bang's net worth. The same limit applies to the endorsement/guarantee provided by Sin Bang Investment & Development Co., Ltd. to a single entity.

(Note 7):The net worth referred to above is based on the latest financial statements audited or reviewed by independent auditors.

TABLE 3

Yieh Phui Enterprise Co., Ltd. and Subsidiaries
Marketable securities held (excluding investments in subsidiaries and associates)
March 31, 2023

Unit: Thousand Shares；Thousands of NT Dollar/ Foreign Currency

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of March 31, 2023				Note
				Shares (in thousands)	Carrying value	Ownership (%)	Fair value	
Yieh Phui Enterprise Co., Ltd.	Fund/ JPMorgan Funds – US Technology Fund - JPM US Technology F (acc) –USD	None	Financial assets at fair value through profit or loss - current	1	3,477	—	3,477	
	Fund/ PineBridge Preferred Securities Income Fund	None	Financial assets at fair value through profit or loss - current	461	4,968	—	4,968	
	Fund/ Taishin North American Income Trust Fund	None	Financial assets at fair value through profit or loss - current	156	4,029	—	4,029	
	Fund/ Allianz Global Investors US Short Duration High Income Bond Fund	None	Financial assets at fair value through profit or loss - current	194	2,015	—	2,015	
	Fund/ HSBC Global Infrastructure Income Fund	None	Financial assets at fair value through profit or loss - current	500	5,000	—	5,000	
		Total			19,489		19,489	
	Stock/ TaiwanVes-Power Co., Ltd.	Related party in substance	Financial assets at fair value through other comprehensive income or loss - noncurrent	252	57,201	3.60%	57,201	
	Stock/ New Spring Construction Corp.	Related party in substance	Financial assets at fair value through other comprehensive income or loss - noncurrent	17,003	136,791	15.49%	136,791	
	Stock/ Taiwan Implant Technology Company, Ltd.	None	Financial assets at fair value through other comprehensive income or loss - noncurrent	701	3,351	4.20%	3,351	
	Stock/ Sunny Bank	None	Financial assets at fair value through other comprehensive income or loss - noncurrent	4,912	50,863	0.15%	50,863	
	Stock/ Universal Venture Capital Investment Co., Ltd.	None	Financial assets at fair value through other comprehensive income or loss - noncurrent	1,100	7,539	0.91%	7,539	
	Stock/ Yieh Corporation Limited	Related party in substance	Financial assets at fair value through other comprehensive income or loss - noncurrent	200	88,526	3.51%	88,526	
	Stock/ Pacific Harbor Stevedoring Corporation	Director of the entity is the Company's director	Financial assets at fair value through other comprehensive income or loss - noncurrent	150	2,892	3.00%	2,892	
	Stock/ Image DJ Software Corp.	None	Financial assets at fair value through other comprehensive income or loss - noncurrent	24	535	0.96%	535	
	Stock/ Chao-Feng Venture Capital Co., Ltd.	None	Financial assets at fair value through other comprehensive income or loss - noncurrent	830	5,955	0.79%	5,955	
	Stock/ Skylark International Hotel Co., Ltd.	Related party in substance	Financial assets at fair value through other comprehensive income or loss - noncurrent	26,000	363,543	13.68%	363,543	

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of March 31, 2023 Shares (in thousands)	Carrying value	Ownership (%)	Fair value	Note
Yieh Phui Enterprise Co., Ltd.	Stock/ Neolink Capital Corp.	None	Financial assets at fair value through other comprehensive income or loss - noncurrent	2,100	18,559	2.57%	18,559	
	Stock/ TBB VENTURE CAPITAL CO., LTD.	None	Financial assets at fair value through other comprehensive income or loss - noncurrent	—	11,782	—	11,782	
	Stock/ Asia Pacific Telecom Co., Ltd.	None	Financial assets at fair value through other comprehensive income or loss - noncurrent	2,949	19,083	0.07%	19,083	
		Total			766,620		766,620	
Worthing Honor Holdings Ltd.	Stock/ SEE Corporation	None	Financial assets at fair value through profit or loss - current	1	—	—	—	
Kings Garden International Co., Ltd.	Fund/ SinoPac ESG Global Digital Infrastructure Fund	None	Financial assets at fair value through profit or loss - current	300	2,862	—	2,862	
Shin Yang Steel Co., Ltd.	Fund/ Neuberger Berman US Short Duration Non-Investment Grade Bond Fund	None	Financial assets at fair value through profit or loss - current	500	4,960	—	4,960	
	Stock/ Zhengzi Technology Co., Ltd	Related party in substance	Financial assets at fair value through other comprehensive income or loss - noncurrent	293	4,448	19.50%	4,448	
	Stock/ E-Da Health Biotechnology Co., Ltd	Related party in substance	Financial assets at fair value through other comprehensive income or loss - noncurrent	3,420	34,200	19.00%	34,200	
	Stock/ UNICOCELL BIOMED CO., LTD	None	Financial assets at fair value through other comprehensive income or loss - noncurrent	8,000	233,760	14.42%	233,760	
		Total			272,408		272,408	
EMMT Systems Corporation	Fund/ Yuanta 2-10 Year Investment Grade Corporate Bond Fund	None	Financial assets at fair value through profit or loss - current	180	1,797	—	1,797	
	Fund/ SinoPac ESG Global Digital Infrastructure Fund	None	Financial assets at fair value through profit or loss - current	180	1,717	—	1,717	
		Total			3,514		3,514	
Yieh Hsing Enterprise Co., Ltd	Fund/ JCB Dah-Fa Fund	None	Financial assets at fair value through profit or loss - current	39	1,780	—	1,780	
	Fund/ Allianz Global Investors US Short Duration High Income Bond Fund USD0	None	Financial assets at fair value through profit or loss - current	193	2,001	—	2,001	
	Fund/ HSBC Global Infrastructure Income Fund	None	Financial assets at fair value through profit or loss - current	300	3,000	—	3,000	
		Total			6,781		6,781	
	Stock/ Pacific Harbor Stevedoring Corporation	Director of the entity is the Company’s chairman	Financial assets at fair value through other comprehensive income or loss - noncurrent	150	2,893	3.00%	2,893	

TABLE 4

Yieh Phui Enterprise Co., Ltd. and Subsidiaries
Marketable securities acquired and disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital
For The Three Months Ended March 31, 2023

Unit: Thousand Shares；Thousands of NT Dollar

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Beginning balance		Addition		Disposal				Ending balance	
					Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount
Shin Yang Steel Co., Ltd.	UNICOCELL BIOMED CO., LTD	Financial assets at fair value through other comprehensive income or loss - noncurrent	Private placement of common stock	None	—	—	8,000	233,760 (Note)	—	—	—	—	8,000	233,760

(Note): Including $208,000 thousand for private placement of common stock and unrealized gain on financial assets at FVTOCI for $25,760 thousand.

TABLE 5

Yieh Phui Enterprise Co., Ltd. and Subsidiaries
Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital
For The Three Months Ended March 31, 2023

Unit: Thousands of NT Dollars/Foreign Currency

Purchaser/ seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Note
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Yieh Phui Enterprise Co., Ltd.	Yieh Hong Enterprise Co., Ltd.	Related party in substance	Purchases	1,274,442	24.82%	T/T or Sight L/C before goods acceptance.	—	—	—	—	—
	Yieh United Steel Corporation	An investee accounted for using equity method	Sales	122,978	2.06%	Galvanized steel coils；payment periods were within 1-2 months. carbon steel: payment term is monthly, and closes in 15 days. Project is contractually agreed	—	—	54,541	5.29%	Accounts receivable
	Yieh Mau Corp	Related party in substance	Sales	526,363	8.80%	1-2 months	—	—	—	—	—
	Asiazone Co., Limited	An investee accounted for using equity method	Sales	172,732	2.89%	1-2 months	—	—	149,831	14.54%	Accounts receivable
	Shin Yang Steel Co., Ltd.	Subsidiary of the Company	Sales	239,567	4.00%	1-2 months	—	—	80,149	7.78%	Accounts receivable
Yieh Hsing Enterprise Co., Ltd.	Yieh United Steel Corporation	An investee accounted for using equity method	Purchases	852,261	60.94%	T/T or Sight L/C before goods acceptance.	—	—	14,102	10.03%	Accounts payable

(Note 2): Transactions between the aforesaid subsidiaries and the parent company are eliminated.

TABLE 6

Yieh Phui Enterprise Co., Ltd. and Subsidiaries
Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital
March 31, 2023

Unit: Thousands of NT Dollars/Foreign Currency

Creditor	Counterparty	Relationship with the counterparty	Ending balance	Turnover rate	Overdue receivables		Amount collected subsequent to the end of the reporting period (Note 3)	Allowance for doubtful accounts
					Amount	Action taken		
Yieh Phui Enterprise Co., Ltd.	Asiazone Co., Limited	Associate	149,831	2.82	–	–	111,354	–
	Kuo Chang Enterprise Co., Ltd	Subsidiaries	295,000	(Note 1)	–	–	–	–
	United Brightening Development Corp..	Subsidiaries	700,000	(Note 1)	–	–	–	–
	Shin Yang Steel Co., Ltd.	Subsidiaries	1,801,903	(Note 2)	–	–	1,914	–
Yieh Phui (Hong Kong) Holdings Limited	Yieh Phui (China) Technomaterial Co., Ltd.	Subsidiaries	3,078,554 (RMB 272,685) (USD 61,470)	(Note 1)	–	–	–	–
Yieh Phui (China) Technomaterial Co., Ltd.	Tianjin Lianfa Precision Steel Corporation	Subsidiaries	221,280 (RMB 50,000)	(Note 1)	–	–	–	–
			182,220 (RMB 41,175)	1.86	–	–	RMB 10,100	–

(Note 1): These are accounts receivable financing, on which the calculation of turnover doesn't apply.
(Note 2): Other receivables, on which the calculation of turnover doesn't apply.
(Note 3): Amounts received as of May 4, 2023.
(Note 4): Transactions between the aforesaid subsidiaries and the parent company have been written off.

TABLE 8

Yieh Phui Enterprise Co., Ltd. and Subsidiaries
Intercompany Relationship and Significant Intercompany Transactions
For The Three Months Ended March 31, 2023

Individual transactions not exceeding NT$50,000 thousand are not disclosed. Transactions disclosed in assets or revenue will not be disclosed in the opposite transaction.

Unit: Thousands of NT Dollars/Foreign Currency

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				Account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Yieh Phui Enterprise Co., Ltd.	Shin Yang Steel Co., Ltd.	1	Sales revenue	239,567	The payment period is 1-2 months after shipment	1.36%
				Accounts receivable	80,149		0.08%
				Other receivables	1,801,903	—	1.90%
		Kuo Chang Enterprise Co., Ltd.	1	Other receivables	295,000	—	0.31%
		United Brightening Development Corp.	1	Other receivables	700,000	—	0.74%
		YIEH PHUI AMERICA, INC.	1	Refundable deposits	752,115	—	0.79%
1	Lien-Hsin Steel Co., Ltd.	Lien-Hung Mining Co., Ltd	3	Other receivables	61,100	—	0.06%
2	Yieh Phui (Hong Kong) Holdings Limited	Yieh Phui (China) Technomaterial Co., Ltd.	1	Long-term receivables and other receivables	3,078,554 (RMB 272,685) (USD 61,470)	—	3.25%
3	Yieh Phui (China) Technomaterial Co., Ltd.	Tianjin Lianfa Precision Steel Corporation	1	Sales revenue	79,229 (RMB 17,929)	The payment period is 1-4 months after shipment	0.45%
				Accounts receivable	182,220 (RMB 41,175)		0.19%
				Long-term receivables	221,280 (RMB 50,000)	—	0.23%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1) Parent company is ‘0’.

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

Note 2: Relationship between transaction company and counterparty is classified into the following three categories:

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

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

Note 4: Transactions between the aforesaid subsidiaries and the parent company have been written off.

TABLE 8

Yieh Phui Enterprise Co., Ltd. and Subsidiaries
Information on Investees
March 31, 2023

Unit: Thousands of NT Dollar/ Foreign Currency

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as the period-end			Net Income (Loss) of the Investee	Share of Profit/Loss of Investee	Note
				March 31, 2023	December 31, 2022	Shares (in thousands)	Percentage of Ownership	Carrying Value			
Yieh Phui Enterprise Co., Ltd.	Yieh Phui (Hong Kong) Holdings Limited	Hong Kong	Investment	7,455,887	7,455,887	233,500	100.00%	9,193,053	(97,196)	(97,196)	
	Eliter International Corp.	Kaohsiung City	Construction of buildings	3,030,403	3,030,403	303,290	30.23%	2,766,079	21,121	6,384	
	Yieh Hsing Enterprise Co., Ltd.	Kaohsiung City	Wire rods trading	2,261,296	2,261,296	304,654	57.41%	546,800	(145,183)	(80,623)	
	Tangeng Iron Works Co., Ltd.	Kaohsiung City	Steel trading	1,453,572	1,453,572	39,553	11.30%	1,324,908	8,513	962	
	E-Da Development Corp.	Kaohsiung City	Leisure development	2,096,196	2,096,196	209,619	28.44%	876,838	(71,976)	(20,472)	
	United Brightening Development Corp.	Kaohsiung City	Technical consultation for steel products manufacturing	1,887,263	1,887,263	158,060	95.56%	1,694,856	616	588	
	Shin Yang Steel Co., Ltd.	Kaohsiung City	Steel products related business	870,000	870,000	98,220	100.00%	407,811	143,154	143,178	
	Yieh Mau Corp.	Kaohsiung City	Trading & manufacturing	422,605	422,605	61,925	23.00%	799,322	5,987	3,672	
	Kuo Chang Enterprise Co., Ltd.	Kaohsiung City	Wholesale of hardware	1,385,973	1,385,973	110,341	99.04%	1,256,953	2,974	2,945	
	Asiazone Co., Limited	Hong Kong	Steel trading	595,424	595,424	15,090	32.80%	701,767	6,366	2,088	
	Shin Phui Steel Corporation	Kaohsiung City	Trading of steel products	214,236	214,236	23,917	100.00%	266,356	1,802	2,052	
	Sin Bang Investment & Development Co., Ltd.	Kaohsiung City	Investment	263,709	263,709	19,103	100.00%	242,450	138	138	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as the period-end			Net Income (Loss) of the Investee	Share of Profit/Loss of Investee	Note
				March 31, 2023	December 31, 2022	Shares (in thousands)	Percentage of Ownership	Carrying Value			
Yieh Phui Enterprise Co., Ltd.	EMMT Systems Corporation	Taichung City	Manufacturing and marketing of military specification printed circuit boards	310,349	310,349	53,724	78.51%	879,018	96,653	75,883	
	Good Honor Holdings Ltd.	British Virgin Islands	Investment	14,723	14,723	46	100.00%	4,170	(7)	(7)	
	Gen-Wan Technology Corp.	Kaohsiung City	Telecommunication	148,611	148,611	4,900	86.99%	77,174	7,205	6,268	
	Cheng Shin Security Co., Ltd.	Kaohsiung City	Security	14,000	14,000	1,400	35.00%	7,258	(1,037)	(363)	
	E-Da Bus Transportation Co., Ltd.	Kaohsiung City	Bus transportation	70,259	70,259	1,845	17.09%	1,155	(10,455)	(1,786)	
	E-DA Tour Bus Co., Ltd.	Kaohsiung City	Bus transportation	20,900	20,900	1,349	19.00%	10,390	(1,424)	(271)	
	Worthing Honor Holdings Ltd.	British Virgin Islands	Investment	6,672	6,672	100	100.00%	2,821	-	-	
	E United Japan Co., Ltd.	Japan	Steel trading	8,027	8,027	-	47.00%	4,243	798	375	
	Skylark Hot Spring & Resort Corp.	Kaohsiung City	Hotel industry	11,700	11,700	1,170	14.63%	-	(409)	-	
	E-Da Entertainment Co., Ltd.	Kaohsiung City	Entertainment industry	74,100	74,100	7,410	19.00%	76,418	(143)	(27)	
	Li Hui Development Co., Ltd.	Kaohsiung City	Investment	321,216	321,216	69,681	44.56%	298,076	(284)	(126)	(Note 1)
	Ji Chang Enterprise Co., Ltd.	Kaohsiung City	Investment	5,050	5,050	1,042	45.00%	4,540	(12)	(5)	(Note 1)
	Yieh United Steel Corporation	Kaohsiung City	Steel products related businesses	5,023,625	5,023,625	676,661	25.82%	3,902,014	194,607	50,318	(Note 1)
	Hong Yuh Assets Management Co., Ltd.	Kaohsiung City	Management service	1,535,200	1,535,200	156,720	80.00%	585,350	(5,449)	(4,359)	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as the period-end			Net Income (Loss) of the Investee	Share of Profit/Loss of Investee	Note
				March 31, 2023	December 31, 2022	Shares (in thousands)	Percentage of Ownership	Carrying Value			
Yieh Phui Enterprise Co., Ltd.	E-Da Visual Effects Company Limited.	Kaohsiung City	Entertainment industry	27,543	27,543	3,185	49.00%	-	(3,149)	-	
	Lian So(H.K) Co., Limited	Hong Kong	Investment	580,422	507,342	18,960	80.00%	333,535	(1,472)	(1,177)	
	Yieh Phui America Inc.	U.S.	Trading of steel products	292	292	1	100.00%	132,679	(3,656)	(3,656)	
	Great Emperor Hotel Co., Ltd.	Kaohsiung City	Hotel industry	3,265,100	3,265,100	317,000	60.15%	2,680,420	(46,691)	(28,086)	
	Kings Garden International Co., Ltd.	Kaohsiung City	Leasing, sales, and development of residential and commercial buildings, department stores	2,657,400	2,657,400	258,000	54.89%	2,276,429	(54,163)	(29,732)	
	Xinzhan Engineering and Management Consultants Co., Ltd.	Kaohsiung City	Manpower dispatch industry	9,600	3,200	960	32.00%	7,667	(526)	(169)	
	Total			36,041,353	35,961,873			31,360,550	46,702	26,796	
Shin Phui Steel Corporation	Groupco Technology Inc.	Taichung City	RADIO	37,492	37,492	3,830	42.53%	3,772	(83)	(35)	
	Yieh United Steel Corporation	Kaohsiung City	Steel products related businesses	24,562	24,562	3,178	0.12%	18,212	194,607	234	(Note 1)
	Great Emperor Hotel Co., Ltd.	Kaohsiung City	Hotel industry	515	515	50	0.01%	423	(46,691)	(4)	
	Kings Garden International Co., Ltd.	Kaohsiung City	Leasing, sales, and development of residential and commercial buildings, department stores	515	515	50	0.01%	441	(54,163)	(6)	
Gen-Wan Technology Corp.	EMMT Systems Corporation	Taichung City	Manufacturing and marketing of military specification printed circuit boards	27,630	27,630	5,118	7.48%	83,735	96,653	7,229	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as the period-end			Net Income (Loss) of the Investee	Share of Profit/Loss of Investee	Note
				March 31, 2023	December 31, 2022	Shares (in thousands)	Percentage of Ownership	Carrying Value			
EMMT Systems Corporation	Groupco Technology Inc.	Taichung City	RADIO	45,000	45,000	4,500	49.97%	4,432	(83)	(42)	
	Applied Wireless Identifications Group, Inc.	San Francisco, US	RFID	242,545	242,545	40,488	88.69%	363,954	32,394	28,729	
	UniPattern Corporation	Kaohsiung City	Manufacturing of computer and peripherals	54,960	54,960	5,200	43.33%	67,581	(2,947)	(1,277)	
Shin Yang Steel Co., Ltd.	Yieh United Steel Corporation	Kaohsiung City	Steel products related businesses	17,385	17,385	2,195	0.08%	12,581	194,607	162	(Note 1)
	Xinzhan Engineering and Management Consultants Co., Ltd.	Kaohsiung City	Manpower dispatch industry	1,500	500	150	5.00%	1,198	(526)	(26)	
Sin Bang Investment & Development Co., Ltd.	Tangeng Iron Works Co., Ltd.	Kaohsiung City	Steel trading	265,482	265,482	7,224	2.07%	241,982	8,513	176	
Kuo Chang Enterprise Co., Ltd.	Yieh United Steel Corporation	Kaohsiung City	Steel products related businesses	439,197	439,197	56,817	2.17%	325,651	194,607	4,188	(Note 1)
	Eliter International Corp.	Kaohsiung City	Construction of buildings	256,709	256,709	25,053	2.50%	228,563	21,121	527	
	Tangeng Iron Works Co., Ltd.	Kaohsiung City	Steel trading	786,714	786,714	21,328	6.09%	1,012,794	8,513	519	
United Brightening Development Corp.	Chao Ying Investment Development Co., Ltd.	Kaohsiung City	Investment	341,992	341,992	30,400	100.00%	298,640	179	179	
	Yieh United Steel Corporation	Kaohsiung City	Steel products related businesses	449,508	449,508	58,151	2.22%	333,296	194,607	4,286	(Note 1)
United Brightening Development Corp.	Tangeng Iron Works Co., Ltd.	Kaohsiung City	Steel trading	1,177,838	1,177,838	32,050	9.16%	1,501,865	8,513	779	
	Eliter International Corp.	Kaohsiung City	Construction of buildings	368,542	368,542	34,292	3.42%	312,849	21,121	722	
Chao Ying Investment Development Co., Ltd.	Tangeng Iron Works Co., Ltd.	Kaohsiung City	Steel trading	336,957	336,957	8,898	2.54%	298,056	8,513	216	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as the period-end			Net Income (Loss) of the Investee	Share of Profit/Loss of Investee	Note
				March 31, 2023	December 31, 2022	Shares (in thousands)	Percentage of Ownership	Carrying Value			
Hong Yuh Assets Management Co., Ltd.	Lien-Hsin Steel Co., Ltd.	Indonesia	Metal manufacturing industry	891,697	891,697	2,880	61.74%	489,666	(1,294)	(799)	
	Prepayment of stock subscription- Lien-Hsin Steel Co., Ltd.	Indonesia	Metal manufacturing industry	55,440	55,440	-	-	55,440	-	-	
	Lien-Sheng Steel Co., Ltd.	Indonesia	Metal manufacturing industry	1,633	1,633	0.05	10.00%	173	(174)	(17)	
	Lien-Hung Mining Co., Ltd.	Indonesia	Nickle mining	100,303	100,303	3,787	19.00%	79,931	22,121	2,645	
	Prepayment of stock subscription - Lien-Hung Mining Co., Ltd.	Indonesia	Nickle mining	7,367	7,367	-	-	7,367	-	-	
	Lien-Heng Mining Co., Ltd.	Indonesia	Nickle mining	9,371	9,371	381	75.00%	(39,598)	(1,343)	(1,007)	
	Prepayment of stock subscription - Lien Heng Mining Co., Ltd.	Indonesia	Nickle mining	69,365	69,365	-	-	69,365	-	-	
	Asiamax Mining Indonesia	Indonesia	Nickle mining	89,386	89,386	55	100.00%	40,794	1,595	1,595	
Lian So (H.K) Co., Limited	Lien-Sheng Steel Co., Ltd.	Indonesia	Metal manufacturing industry	13,703	13,820	0.45	90.00%	1,554	(174)	(157)	
	Lian Yang (Hong Kong) Trading Limited	Hong Kong	Trading business	3,045	3,071	100	100.00%	14,154	6	6	
	Lien-Hsin Steel Co., Ltd.	Indonesia	Metal manufacturing industry	543,533	548,174	1,785	38.26%	303,491	(1,294)	(495)	
	Prepayment of stock subscription - Lien-Hsin Steel Co., Ltd.	Indonesia	Metal manufacturing industry	91,350	-	-	-	91,350	-	-	
Lien-Hsin steel Co., Ltd.	Lien-Hung Mining Co., Ltd.	Indonesia	Nickle mining	410,207	410,207	16,142	81.00%	328,804	22,121	11,278	
	Prepayment of stock subscription - Lien-Hung Mining Co., Ltd.	Indonesia	Nickle mining	72,393	72,393	-	-	72,393	-	-	
	Lien-Heng Mining Co., Ltd.	Indonesia	Nickle mining	18,586	18,586	127	25.00%	(13,199)	(1,343)	(336)	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as the period-end			Net Income (Loss) of the Investee	Share of Profit/Loss of Investee	Note
				March 31, 2023	December 31, 2022	Shares (in thousands)	Percentage of Ownership	Carrying Value			
Yieh Hsing Enterprise Co., Ltd.	Great Emperor Hotel Co., Ltd.	Kaohsiung City	Hotel industry	2,099,500	2,099,500	209,950	39.84%	1,775,250	(46,691)	(18,601)	
	Kings Garden International Co., Ltd.	Kaohsiung City	Leasing, sales, and development of residential and commercial buildings, department stores	2,119,500	2,119,500	211,950	45.10%	1,870,113	(54,163)	(24,425)	
	United Winner Metals L.P	Virginia, US	Scrap steel recycling	107,150	107,150	-	33.75%	108,965	5,087	1,717	
	Cheng Shin Security Co., Ltd.	Kaohsiung City	Security	4,000	4,000	400	10.00%	2,073	(1,037)	(104)	
	Eliter International Corp.	Kaohsiung City	Construction of buildings	748,896	748,896	74,427	7.42%	679,006	21,121	1,566	
	E-Da Development Corp.	Kaohsiung City	Leisure development	437,915	437,915	43,791	5.94%	184,689	(71,976)	(4,277)	
	Yieh United Steel Corporation	Kaohsiung City	Steel products related business	20,204	20,204	2,542	0.10%	14,641	194,607	189	(Note 1)
	Xinzhan Engineering and Management Consultants Co., Ltd.	Kaohsiung City	Manpower dispatch industry	2,400	800	240	8.00%	1,917	(526)	(42)	
Kings Garden International Co., Ltd.	Hua Li International Co., Ltd.	Kaohsiung City	Daily necessities, cosmetics wholesaler	110,000	110,000	11,000	100.00%	38,230	(8,167)	(8,167)	
	E-Mau Development Co., Ltd.	Kaohsiung City	Department stores, amusement parks, and hotel industry	27,520	27,520	2,752	12.80%	27,399	(72)	(9)	
Great Emperor Hotel Co., Ltd.	E-Mau Development Co., Ltd.	Kaohsiung City	Department stores, amusement parks, and hotel industry	27,520	27,520	2,752	12.80%	27,399	(72)	(9)	

(Note 1): Due to cross ownership and the adoption of equity method between the Company and Yieh United Steel Corporation, investment gain/loss is accounted for using the treasury stock approach. Thus, the income/loss of investee for the period excludes gain/loss accounted for using equity method by Yieh United Steel Corporation in relation to the Company.

TABLE 9

Yieh Phui Enterprise Co., Ltd. and Subsidiaries
Information on Investment in Mainland China
For The Three Months Ended March 31, 2023

Unit: Thousands of NT Dollar/ Foreign Currency

Name of Investor	Investee in Mainland China	Main business activities	Total Amount of Paid-in Capital	Investment method (Note 1)	Accumulated Outflow of Investment from Taiwan as of January 1, 2023	Investment Flows		Accumulated Outflow of Investment from Taiwan as of March 31, 2023	Net Income (Loss) of the Investee	Ownership held by the Company (direct or indirect) (%)	Share of Profit/Loss (Note 2)	Carrying Amount as of March 31, 2023	Accumulated Inward Remittance of Earnings as of March 31, 2023
						Outflow	Inflow						
Yieh Phui Enterprise Co., Ltd.	Yieh Phui (China) Techno material Co., Ltd.	Manufacturing and marketing of pickled, cold rolled, galvanized and pre-painted steel coils	7,192,290 (USD 236,200) (Note 6)	(2) a	7,110,075 (USD 233,500)	–	–	7,110,075 (USD 233,500)	(92,443)	100%	(92,443) (2) 2	9,237,655	–
	Changshou ChangHuei Trading Co.	Trading of steel products	44,256 (RMB 10,000)	(2) a (Note 4)	–	–	–	–	213	100%	213 (2) 3	48,226	–
	Tianjin Lianfa Precision Steel Corporation	Manufacturing and marketing of special high grade alloy	411,075 (USD 13,500)	(2) a (Note 5)	–	–	–	–	(11,703)	100%	(11,703) (2) 3	(198,665)	–

Investor	Investee in Mainland China	Accumulated Investment in Mainland China as of March 31, 2023	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
Yieh Phui Enterprise Co., Ltd.	Yieh Phui (China) Technomaterial Co., Ltd.	7,110,075 (USD 233,500)	7,192,290 (USD 236,200)	19,013,552

(Note 1): Investment methods are classified into the following three categories.

(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.

a. Yieh Phui (Hong Kong) Holdings Limited

(3) Others

(Note 2): Investment gain or loss recognized in the current period:

(1) Please specify if it is in the preparation stage without any investment gains or losses generated.

(2) Recognition basis of investment profit or loss is categorized into three types, which shall be identified.

1. Financial statements audited and certified by the international CPA firms that cooperates with ROC CPA firms.

2. Financial statements reviewed, or audited and certified by the CPA firm of the parent company in Taiwan.

3. Others

(Note 3): The figures in the Table shall be expressed in New Taiwan Dollars. Carrying amount at the end of the period is converted using the exchange rate on the reporting date (USD:NTD 1: 30.45; RMB: NTD 1: 4.4256). Investment gain or loss recognized in the current period is converted using the average exchange rate in from January 1 to March 31, 2023 (USD: NTD 1: 30.4188; RMB: NTD 1: 4.4193).

(Note 4): Yieh Phui (China) Technomaterial Co., Ltd. invests in Changshou ChangHuei Trading Co. with equity funds of RMB 10 million. As of March 31, 2023, accumulated investment amounted to RMB 10 million.

(Note 5): The Company originally holds 100% of Tianjin Lianfa Precision Steel Corporation Beneficiary (paid-in capital equals USD 13,500 thousand) through its holding in Hsing Jui Investments Limited. It transferred its ownership to Yieh Phui (China) Technomaterial Co., Ltd. at RMB 20,000 thousand in July 2015. The said proceed, net of tax, of RMB 19,990 thousand (equivalent to USD 3,213 thousand) has been transferred back to the Company's account in Taiwan.

(Note 6): Yieh Phui (China) Technomaterial Co., Ltd. recapitalized its retained earnings of USD 2,700 thousand in April 2016.

(Note 7): AWID Changshou Co., Ltd.. was liquidated in June 2021, AWID Sanghai Co., Ltd.. was liquidated in July 2020, Investment in Changshu Chief Leading Edge Construction Materials Co., Ltd. was completely sold in February 2013. Investment amount and earnings were received. Investment in Jiangsu J & Y Engineering Co., Ltd. was liquidated in 2012. Thus:

(1) Accumulated investment of NT$ 529,431 thousand by investees in China that were disposed of.

(2) Investment gains received from China investees that were disposed: NT$ 69,518 thousand.

(2) Significant transactions between the Company and investees in Mainland China during January 1 and March 31, 2023, directly or indirectly through the third area are as follows:

1. Significant transactions between the Company and investees in China: Table 5 attached ~ Table 6 attached in Note 13.

2. Financing between the Company and investees in China: Table 1 attached in Note 13.

3. Endorsement and guarantee provided by the Company for investees in China: Table 2 attached in Note 13.

TABLE 10

Yieh Phui Enterprise Co., Ltd. and Subsidiaries
Information of Major Shareholders
March 31, 2023

Name of major shareholder	Number of shares	Percentage of ownership (%)
Yieh United Steel Corporation	317,210,602	15.97%
Weiqiao Investment Development Co., Ltd.	216,005,528	10.88%

Note: The information of major shareholders is based on the number of ordinary shares and preferred shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (included treasury shares) by the Company as of March 31, 2023. The share capital in consolidated financial report may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

14.Segment Information

(1) General information

For the purpose of management, the Group separates its operations based on business unit and have four reportable segments as below:

- Business Unit Yieh Phui: Primarily engaging in manufacturing and marketing of coated steel and manufacturing and installation of crane.
- Business Unit Yieh Hsing: Primarily engaging in manufacturing and selling of wire rods.
- Business Unit Yieh Phui (China, including Yieh Phui Hong Kong): Primarily engaging in manufacturing and selling of coated steel.
- Business Unit Great Emperor: Primarily engaging in Hotel, Leisure development, and restaurants.
- Business Unit Kings Garden: Primarily engaging in department stores.
- Other business units: Primarily engaging in manufacturing and selling of steel, iron, and military supplies, wholesale of telecommunication equipment, and investment.

(2) Measurement basis

Management monitors the operation results of its segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss before tax and is measured consistently with profit or loss before tax in the consolidated financial statements. Furthermore, because the information of assets and liabilities is not reported to the chief operating decision maker for operation decision making, segment assets and liabilities are measured as zero. The accounting policies for reportable segments are the same as Group’s accounting policies described in Note 2.

(3) Segment information details:

For The Three Months Ended March 31, 2023	Business Unit Yieh Phui	Business Unit Yieh Hsing	Business Unit Yieh Phui (China)	Great Emperor	Kings Garden	All other business units	Elimination	Total
Sales from external customers	$6,360,319	$1,371,641	$8,378,890	$470,047	$132,531	$856,205	($496)	$17,569,137
Sales among intersegments	276,510	-	81,920	18,561	8,216	52,058	(437,265)	-
Total sales	$6,636,829	$1,371,641	$8,460,810	$488,608	$140,747	$908,263	($437,761)	$17,569,137
Operating income (loss)	$55,908	($68,784)	$103,294	$4,027	($53,316)	$338,504	($298)	$379,335
Non-operating income and expenses								(369,042)
Income (loss) before income tax								$10,293
Income tax (expense) benefit								(42,165)
Net income (loss)								($31,872)
Total assets								$94,650,479
Total liabilities								$61,779,854

For The Three Months Ended March 31, 2022	Business Unit Yieh Phui	Business Unit Yieh Hsing	Business Unit Yieh Phui (China)	Great Emperor	Kings Garden	All other business units	Elimination	Total
Sales from external customers	$11,086,159	$1,862,597	$7,942,252	$275,372	$107,063	$1,885,016	($10,300)	$23,148,159
Sales among intersegments	320,885	-	142,577	13,365	5,500	34,958	(517,285)	-
Total sales	$11,407,044	$1,862,597	$8,084,829	$288,737	$112,563	$1,919,974	($527,585)	$23,148,159
Operating income (loss)	$1,119,452	$65,214	($56,977)	($104,034)	($33,702)	$190,576	$4,453	$1,184,982
Non-operating income and expenses								207,247
Income (loss) before income tax								$1,392,229
Income tax (expense) benefit								(267,544)
Net income (loss)								$1,124,685
Total assets								$95,890,306
Total liabilities								$61,368,833

(4) Information on product and service: No disclosure requirement for Interim financial statements.
(5) Geographical information: No disclosure requirement for Interim financial statements.
(6) Major customer information: No disclosure requirement for Interim financial statements.