Stock Code: 2023

# YIEH PHUI ENTERPRISE CO., LTD. AND SUBSIDIARIES
# CONSOLIDATED FINANCIAL STATEMENTS
# FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022
# AND INDEPENDENT AUDITORS' REVIEW REPORT

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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 September 30, 2023 and 2022, the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2023 and 2022, the consolidated statements of changes in equity and cash flows for the nine months ended September 30, 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 $40,601,886 thousand and $38,249,156 thousand, representing 43.72% and 39.99% of the consolidated assets, and their total liabilities amounted to $23,614,170 thousand and $22,170,325 thousand, representing 38.71% and 35.69% of the consolidated liabilities as of September 30, 2023 and 2022, respectively. And their total comprehensive income (loss) amounted to 16,585 thousand, ($36,517) thousand, $38,030 thousand, and ($130,888) thousand, representing 5.65%, 19.41%, (962.78.%), and (8.77%) of the consolidated comprehensive income (loss) for the three months and nine months ended September 30, 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 $15,310,999 thousand and $16,319,235 thousand, representing 16.49% and 17.06% of the consolidated assets as of September 30, 2023 and 2022, respectively, and share of profit (loss) of these associates accounted for using equity method amounted to ($440,498) thousand, ($476,436) thousand, ($1,031,236) thousand, and ($181,806) thousand, representing 493.95%, 97.22%, 357.67%, and (11.77%) of total consolidated income before income tax for the three months and nine months ended September 30, 2023 and 2022, respectively. In addition, share of other comprehensive income of these associates accounted for using equity method amounted to $121,577 thousand, $215,331 thousand, $216,367 thousand and $250,750 thousand, representing 29.57%, 69.95%, 51.90%, and 50.55% of total other consolidated comprehensive income for the three months and nine months ended September 30, 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 September 30, 2023 and 2022, its consolidated financial performance for the three months and nine months ended September 30, 2023 and 2022, and its consolidated cash flows for the nine months ended September 30, 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 Jen Yao Hsieh and Shu Man Tsai.

Crowe (TW) CPAs
Kaohsiung, Taiwan
Republic of China

November 6, 2023

YIEH PHUI ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

| | | September 30, 2023 | | December 31, 2022 | | September 30, 2022 | |
|---|---|---|---|---|---|---|---|
| Assets | Note | Amount | % | Amount | % | Amount | % |
| CURRENT ASSETS | | | | | | | |
| Cash and cash equivalents | 6(1) | $7,726,494 | 8 | $8,636,937 | 10 | $8,818,282 | 9 |
| Financial assets at fair value through profit or loss - current | 6(2) | 75,792 | - | 84,641 | - | 87,550 | - |
| Contract assets - current | 6(30) | 451,542 | - | 288,809 | - | 206,688 | - |
| Notes receivable, net | 6(3) | 1,368,838 | 1 | 1,173,578 | 1 | 710,499 | 1 |
| Accounts receivable, net | 6(4) | 2,507,971 | 3 | 1,813,953 | 2 | 2,105,500 | 2 |
| Accounts receivable - related parties, net | 7 | 187,031 | - | 448,952 | - | 576,416 | 1 |
| Other receivables | 6(5) | 466,158 | 1 | 142,336 | - | 205,064 | - |
| Other receivables - related parties | 7 | 17,021 | - | 23,202 | - | 32,334 | - |
| Current tax assets | | 9,232 | - | 8,682 | - | 9,584 | - |
| Inventories | 6(6) | 10,531,922 | 12 | 9,915,991 | 11 | 11,978,685 | 13 |
| Prepayments | 6(7) | 2,654,622 | 3 | 2,543,688 | 3 | 2,887,941 | 3 |
| Other financial assets - current | 6(8) | 2,249,115 | 2 | 2,529,680 | 3 | 1,988,664 | 2 |
| Total Current Assets | | 28,245,738 | 30 | 27,610,449 | 30 | 29,607,207 | 31 |
| NONCURRENT ASSETS | | | | | | | |
| Financial assets at fair value through other comprehensive income or loss - noncurrent | 6(9) | 1,017,505 | 1 | 740,987 | 1 | 727,003 | 1 |
| Investments accounted for using equity method | 6(10) | 15,310,999 | 16 | 16,112,793 | 17 | 16,319,235 | 17 |
| Property, plant and equipment | 6(11) | 45,306,286 | 50 | 45,775,712 | 49 | 46,399,791 | 48 |
| Right-of-use assets | 6(12) | 496,974 | 1 | 489,768 | 1 | 487,734 | 1 |
| Investment properties | 6(13) | 129,987 | - | 129,987 | - | 129,987 | - |
| Intangible assets | 6(14) | 291,520 | - | 314,110 | - | 338,555 | - |
| Deferred tax assets | | 1,187,968 | 1 | 1,029,282 | 1 | 916,471 | 1 |
| Other noncurrent assets | 6(15) | 853 | - | 3,411 | - | 4,353 | - |
| Refundable deposits | 6(16) | 77,757 | - | 149,671 | - | 75,780 | - |
| Net defined benefit assets - noncurrent | | 18,744 | - | 18,747 | - | 1,113 | - |
| Other financial assets - noncurrent | 8 | 790,832 | 1 | 776,472 | 1 | 632,384 | 1 |
| Total Noncurrent Assets | | 64,629,425 | 70 | 65,540,940 | 70 | 66,032,406 | 69 |
| TOTAL ASSETS | | $ 92,875,163 | 100 | $ 93,151,389 | 100 | $ 95,639,613 | 100 |

| Liabilities and Equity | Note | September 30, 2023 Amount | % | December 31, 2022 Amount | % | September 30, 2022 Amount | % |
|---|---|---|---|---|---|---|---|
| CURRENT LIABILITIES | | | | | | | |
| Short-term loans | 6(17) | $ 11,224,877 | 11 | $ 13,590,171 | 15 | $ 14,607,197 | 15 |
| Short-term notes and bills payable | 6(18) | 1,397,757 | 2 | 1,701,701 | 2 | 1,742,265 | 2 |
| Contract liabilities - current | 6(30) | 878,118 | 1 | 1,337,461 | 1 | 1,482,644 | 2 |
| Notes payable | | 575,622 | 1 | 458,293 | - | 1,290,139 | 1 |
| Accounts payable | | 1,599,865 | 2 | 1,436,570 | 2 | 1,400,104 | 1 |
| Accounts payable – related parties | 7 | 189,720 | - | 11,686 | - | 32,024 | - |
| Other payables | 6(19) | 1,648,928 | 2 | 1,887,927 | 2 | 1,831,116 | 2 |
| Current tax liabilities | | 274,361 | - | 681,455 | 1 | 638,366 | 1 |
| Provisions - current | 6(20) | 105,437 | - | 101,689 | - | 99,498 | - |
| Lease liabilities - current | 6(12) | 9,930 | - | 9,674 | - | 9,844 | - |
| Current portion of long-term loans | 6(21) | 6,974,437 | 8 | 4,212,832 | 5 | 3,589,202 | 4 |
| Total Current Liabilities | | 24,879,052 | 27 | 25,429,459 | 28 | 26,722,399 | 28 |
| NONCURRENT LIABILITIES | | | | | | | |
| Long-term loans | 6(21) | 35,674,484 | 39 | 34,464,456 | 37 | 34,822,196 | 37 |
| Deferred tax liabilities | | 63,440 | - | 29,432 | - | 32,986 | - |
| Lease liabilities - noncurrent | 6(12) | 56,899 | - | 60,060 | - | 62,226 | - |
| Long-term deferred revenue | 6(22) | 24,747 | - | 24,278 | - | 26,674 | - |
| Net defined benefit liability - noncurrent | | 289,360 | - | 333,860 | - | 429,548 | - |
| Guarantee deposits | | 20,505 | - | 17,741 | - | 18,121 | - |
| Total Noncurrent Liabilities | | 36,129,435 | 39 | 34,929,827 | 37 | 35,391,751 | 37 |
| TOTAL LIABILITIES | | 61,008,487 | 66 | 60,359,286 | 65 | 62,114,150 | 65 |
| EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT | | | | | | | |
| Share capital | 6(24) | | | | | | |
| Common stock | | 19,658,440 | 20 | 19,850,980 | 22 | 19,850,980 | 21 |
| Capital surplus | 6(25) | 4,833,879 | 5 | 4,927,302 | 5 | 4,928,849 | 5 |
| Retained earnings | 6(26) | | | | | | |
| Legal reserve | | 3,488,666 | 4 | 3,393,805 | 4 | 3,393,805 | 4 |
| Special reserve | | 822,369 | 1 | 785,047 | 1 | 785,047 | 1 |
| Unappropriated earnings | | 2,670,886 | 3 | 3,582,001 | 3 | 3,803,763 | 4 |
| Other equity | 6(27) | (423,693) | - | (822,369) | (1) | (558,924) | (1) |
| Treasury shares | 6(28) | (187,101) | - | (133,898) | - | - | - |
| Total equity attributable to owners of the parent | | 30,863,446 | 33 | 31,582,868 | 34 | 32,203,520 | 34 |
| NON-CONTROLLING INTERESTS | 6(29) | 1,003,230 | 1 | 1,209,235 | 1 | 1,321,943 | 1 |
| Total Equity | | 31,866,676 | 34 | 32,792,103 | 35 | 33,525,463 | 35 |
| TOTAL LIABILITIES AND EQUITY | | $ 92,875,163 | 100 | $ 93,151,389 | 100 | $ 95,639,613 | 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
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

| | | Three Months Ended September 30 | | | | Nine Months Ended September 30 | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | 2023 | | 2022 | | 2023 | | 2022 | |
| Item | Note | Amount | % | Amount | % | Amount | % | Amount | % |
| OPERATING REVENUE | 6(30) | $18,911,115 | 100 | $20,377,992 | 100 | $54,886,809 | 100 | $66,493,156 | 100 |
| OPERATING COST | 6(6) | (17,068,799) | (90) | (18,535,986) | (90) | (49,800,154) | (91) | (58,963,900) | (89) |
| GROSS PROFIT | | 1,842,316 | 10 | 1,842,006 | 10 | 5,086,655 | 9 | 7,529,256 | 11 |
| OPERATING EXPENSES | | | | | | | | | |
| Selling and marketing expenses | | (755,914) | (4) | (1,159,091) | (6) | (2,094,202) | (4) | (3,772,856) | (6) |
| General and administrative expenses | | (549,319) | (3) | (578,203) | (3) | (1,533,104) | (3) | (1,587,591) | (2) |
| Research and development expenses | | (34,716) | - | (31,557) | - | (97,793) | - | (90,225) | - |
| Expected credit gain (loss) | | - | - | (4) | - | - | - | 47 | - |
| Total operating expenses | | (1,339,949) | (7) | (1,768,855) | (9) | (3,725,099) | (7) | (5,450,625) | (8) |
| INCOME (LOSS) FROM OPERATIONS | | 502,367 | 3 | 73,151 | 1 | 1,361,556 | 2 | 2,078,631 | 3 |
| NON-OPERATING INCOME AND EXPENSES | | | | | | | | | |
| Interest income | 6(32) | 29,309 | - | 13,877 | - | 103,478 | - | 35,258 | - |
| Other income | 6(33) | 123,402 | 1 | 29,854 | - | 524,185 | 1 | 259,609 | - |
| Other gains and losses | 6(34) | 171,319 | 1 | 306,510 | 1 | 183,141 | - | 589,153 | 1 |
| Finance costs | 6(35) | (475,077) | (3) | (437,006) | (2) | (1,429,445) | (2) | (1,236,641) | (2) |
| Share of profit (loss) of associates and joint ventures | | (440,498) | (2) | (476,436) | (2) | (1,031,236) | (2) | (181,806) | |
| Total non-operating income and expenses | | (591,545) | (3) | (563,201) | (3) | (1,649,877) | (3) | (534,427) | (1) |
| INCOME (LOSS) BEFORE INCOME TAX | | (89,178) | - | (490,050) | (2) | (288,321) | (1) | 1,544,204 | 2 |
| INCOME TAX (EXPENSE) BENEFIT | 6(36) | (28,168) | - | (5,902) | - | (132,518) | - | (547,907) | (1) |
| NET INCOME (LOSS) | 6(38) | (117,346) | - | (495,952) | (2) | (420,839) | (1) | 996,297 | 1 |
| 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 designated as at fair value through other comprehensive income | | (41,526) | - | (2,759) | - | (13,376) | - | (58,364) | - |
| Share of other comprehensive income (loss) of associates and joint ventures | | (9,918) | - | (8,513) | - | 34,743 | - | (199,656) | - |
| Items that may be reclassified subsequently to profit or loss: | | | | | | | | | |
| Exchange differences on translating foreign operations | | 413,642 | 1 | 115,542 | 1 | 256,738 | 1 | 380,059 | 1 |
| Share of other comprehensive income (loss) of associates and joint ventures | | 131,495 | 1 | 223,844 | 1 | 181,624 | - | 450,406 | - |
| Income tax benefit (expense) related to items that may be reclassified subsequently to profit or loss | | (82,573) | - | (20,294) | - | (42,840) | - | (76,397) | - |
| Total other comprehensive income (loss), net of income tax | | 411,120 | 2 | 307,820 | 2 | 416,889 | 1 | 496,048 | 1 |
| TOTAL COMPREHENSIVE INCOME (LOSS) | | $293,774 | 2 | ($188,132) | - | ($3,950) | - | $1,492,345 | 2 |
| NET INCOME (LOSS) ATTRIBUTABLE TO: | | | | | | | | | |
| Shareholders of the parent | | ($41,893) | - | ($381,000) | (1) | ($182,442) | (1) | $1,177,089 | 1 |
| Non-controlling interests | | (75,453) | - | (114,952) | (1) | (238,397) | - | (180,792) | - |
| Total | | ($117,346) | - | ($495,952) | (2) | ($420,839) | (1) | $996,297 | 1 |
| TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO: | | | | | | | | | |
| Shareholders of the parent | | $361,754 | 2 | ($87,763) | - | $216,234 | - | $1,651,127 | 2 |
| Non-controlling interests | | (67,980) | - | (100,369) | - | (220,184) | - | (158,782) | - |
| Total | | $293,774 | 2 | ($188,132) | - | ($3,950) | - | $1,492,345 | 2 |
| EARNINGS (LOSS) PER SHARE | | | | | | | | | |
| Basic earnings (loss) per share | 6(38) | ($0.02) | | ($0.19) | | ($0.09) | | $0.59 | |
| Diluted earnings (loss) per share | 6(38) | ($0.02) | | ($0.19) | | ($0.09) | | $0.59 | |

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

# YIEH PHUI ENTERPRISE CO., LTD. AND SUBSIDIARIES
## Consolidated Statement of Changes in Equity
(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 |
| Appropriations of prior year's earnings: | | | | | | | | | | | | |
| Legal reserve | - | - | 511,379 | - | (511,379) | - | - | - | - | - | - | - |
| Special reserve | - | - | - | 78,454 | (78,454) | - | - | - | - | - | - | - |
| Cash dividends | - | - | - | - | (945,285) | - | - | - | - | (945,285) | - | (945,285) |
| Stock dividends | 945,285 | | - | - | (945,285) | - | - | - | - | - | - | - |
| Changes in equity of associates and joint ventures | - | - | - | - | 4,919 | - | - | - | - | 4,919 | 32 | 4,951 |
| Net income for the nine months ended September 30, 2022 | - | - | - | - | 1,177,089 | - | - | - | - | 1,177,089 | (180,792) | 996,297 |
| Other comprehensive income (loss), net of income tax for the nine months ended September 30, 2022 | - | - | - | - | - | 726,804 | (255,687) | 2,921 | - | 474,038 | 22,010 | 496,048 |
| Total comprehensive income (loss) for the nine months ended September 30, 2022 | - | - | - | - | 1,177,089 | 726,804 | (255,687) | 2,921 | - | 1,651,127 | (158,782) | 1,492,345 |
| Changes in ownership interests in subsidiaries | - | - | - | - | (11,629) | - | - | - | - | (11,629) | 11,629 | - |
| Adjustment of non-controlling interests | - | - | - | - | - | - | - | - | - | - | 77,827 | 77,827 |
| BALANCE AT SEPTEMBER 30, 2022 | $19,850,980 | $4,928,849 | $3,393,805 | $785,047 | $3,803,763 | ($699,229) | $130,838 | $9,467 | $ - | $32,203,520 | $1,321,943 | $33,525,463 |
| 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 |
| Appropriations of prior year's earnings: | | | | | | | | | | | | |
| Legal reserve | - | - | 94,861 | - | (94,861) | - | - | - | - | - | - | - |
| Special reserve | - | - | - | 37,322 | (37,322) | - | - | - | - | - | - | - |
| Cash dividends | - | - | - | - | (592,759) | - | - | - | - | (592,759) | - | (592,759) |
| Changes in equity of associates and joint ventures | - | - | - | - | (3,731) | - | - | - | - | (3,731) | (10) | (3,741) |
| Net loss for the nine months ended September 30, 2023 | - | - | - | - | (182,442) | - | - | - | - | (182,442) | (238,397) | (420,839) |
| Other comprehensive income (loss), net of income tax for the nine months ended September 30, 2023 | - | - | - | - | - | 375,669 | 21,503 | 1,504 | - | 398,676 | 18,213 | 416,889 |
| Total comprehensive income (loss) for the nine months ended September 30, 2023 | - | - | - | - | (182,442) | 375,669 | 21,503 | 1,504 | - | 216,234 | (220,184) | (3,950) |
| Discount on buy-back of treasury shares | - | - | - | - | - | - | - | - | 65 | 65 | - | 65 |
| Buy-back of treasury shares | - | - | - | - | - | - | - | - | (339,908) | (339,908) | - | (339,908) |
| Cancellation of treasury shares | (192,540) | (94,100) | - | - | - | - | - | - | 286,640 | - | - | - |
| Difference between consideration and carrying amount of subsidiaries acquired or disposed | - | 677 | - | - | - | - | - | - | - | 677 | (677) | - |
| Adjustment of non-controlling interests | - | - | - | - | - | - | - | - | - | - | 14,866 | 14,866 |
| BALANCE AT SEPTEMBER 30, 2023 | $19,658,440 | $ 4,833,879 | $3,488,666 | $822,369 | $2,670,886 | ($588,478) | $152,328 | $12,457 | ($187,101) | $30,863,446 | $1,003,230 | $31,866,676 |

YIEH PHUI ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

| Item | Nine Months Ended September 30 2023 | Nine Months Ended September 30 2022 |
|---|---|---|
| 1.CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Income (loss) before income tax | ($288,321) | $1,544,204 |
| Adjustments to reconcile profit (loss) | | |
| Depreciation | 1,707,546 | 1,732,076 |
| Amortization | 35,776 | 33,918 |
| Expected credit (gain) loss | - | (47) |
| Net loss (gain) on financial assets and liabilities at fair value through profit or loss | 2,394 | (13,088) |
| Interest expense | 1,429,445 | 1,236,641 |
| Interest income | (103,478) | (35,258) |
| Dividend income | (44,923) | (6,761) |
| Share of (gain) loss of associates and joint ventures | 1,031,236 | 181,806 |
| Loss (gain) on disposal and retirement of property, plant and equipment | 12,820 | 8,006 |
| Transfer of property, plant and equipment to expenses | 2,730 | 14,606 |
| Loss (gain) on disposal of investment accounted for using equity method | - | (241) |
| Others | (163) | (243) |
| Total adjustments to reconcile profit (loss) | 4,073,383 | 3,151,415 |
| Changes in operating assets and liabilities | | |
| Net changes in operating assets: | | |
| Decrease (increase) in financial assets at fair value through profit or loss | 6,455 | (30,588) |
| Decrease (increase) in contract assets | (163,008) | (89,847) |
| Decrease (increase) in notes receivable | (195,252) | (269,125) |
| Decrease (increase) in accounts receivables | (694,130) | 138,629 |
| Decrease (increase) in accounts receivables - related parties | 262,275 | (406,727) |
| Decrease (increase) in other receivables | (333,941) | 161,954 |
| Decrease (increase) in inventories | (615,931) | 2,076,486 |
| Decrease (increase) in prepayments | (110,934) | (209,531) |
| Decrease (increase) in other financial assets | 484,827 | (656,661) |
| Decrease (increase) in other operating assets | 3 | 107 |
| Total net changes in operating assets | (1,359,636) | 714,697 |
| Net changes in operating liabilities: | | |
| Increase (decrease) in contract liabilities | (459,343) | (1,579,756) |
| Increase (decrease) in notes payable | 117,329 | (218,430) |
| Increase (decrease) in accounts payable | 341,329 | (266,741) |
| Increase (decrease) in other payables | (202,648) | (159,076) |
| Increase (decrease) in provisions | 3,748 | (35,541) |
| Increase (decrease) in net defined benefit liability | (44,500) | (47,893) |
| Total net changes in operating liabilities | (244,085) | (2,307,437) |
| Total net changes in operating assets and liabilities | (1,603,721) | (1,592,740) |

| Item | Nine Months Ended September 30 | |
|---|---|---|
| | 2023 | 2022 |
| Total adjustments | 2,469,662 | 1,558,675 |
| Cash generated from (used in) operations | 2,181,341 | 3,102,879 |
| Interest received | 103,191 | 31,413 |
| Dividends received | 64,110 | 12,923 |
| Interest paid | (1,442,902) | (1,199,179) |
| Income tax paid | (706,073) | (681,841) |
| Net cash generated from (used in) operating activities | 199,667 | 1,266,195 |
| 2.CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Acquisition of financial assets at fair value through other comprehensive income and loss | (294,635) | (4,826) |
| Proceeds from capital reduction of financial assets at fair value through other comprehensive income | 4,741 | 17,183 |
| Acquisition of investments accounted for using equity method | (19,253) | (14,752) |
| Proceeds from disposal of investments accounted for using equity method | - | 7,600 |
| Proceeds from capital reduction of investees accounted for using equity method | - | 184 |
| Acquisition of property, plant and equipment | (1,012,730) | (1,342,850) |
| Proceeds from disposal of property, plant and equipment | - | 3,748 |
| Increase in refundable deposit | - | (15,946) |
| Decrease in refundable deposits | 71,914 | - |
| Acquisition of intangible assets | (1,909) | (1,434) |
| Increase in other financial assets | (218,622) | (199,873) |
| Decrease in other non-current assets | 2,558 | 2,468 |
| Net cash generated from (used in) investing activities | (1,467,936) | (1,548,498) |
| 3.CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Increase in short-term loans | - | 701,729 |
| Decrease in short-term loans | (2,365,294) | - |
| Increase in short-term bills payable | - | 386,100 |
| Decrease in short-term bills payable | (305,000) | - |
| Increase in long-term loans | 7,125,856 | 13,653,420 |
| Repayment of long-term loans | (3,139,454) | (11,894,794) |
| Increase in guarantee deposits received | 2,764 | - |
| Decrease in guarantee deposits received | - | (992) |
| Repayments of principal of lease liabilities | (9,347) | (8,225) |
| Increase in other noncurrent liabilities | 469 | 778 |
| Cash dividends paid | (592,759) | (945,285) |
| Payments for buy-back of treasury shares | (339,908) | - |
| Discount on buy-back of treasury shares | 65 | - |
| Increase (decrease) in non-controlling interests | 14,866 | 77,827 |
| Net cash generated from (used in) financing activities | 392,258 | 1,970,558 |
| 4.EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS | (34,432) | (79,502) |
| 5.NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | (910,443) | 1,608,753 |
| 6.CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD | 8,636,937 | 7,209,529 |
| 7.CASH AND CASH EQUIVALENTS AT END OF PERIOD | $7,726,494 | $8,818,282 |

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 November 6, 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) |
| Amendments to IAS 12 "International Tax Reform － Pillar Two Model Rules" | (Note 4) |

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.

Note 4: As a temporary exception under IAS 12, the group shall not recognize deferred income tax assets and liabilities related to Pillar Two income tax, nor shall it disclose their related information. However, the group shall disclose in its financial report that it has already applied this exception. The group shall apply this part of the amendment retrospectively in accordance with IAS 8 since its issuance date (i.e. May 23, 2023). The group shall apply the remaining disclosure requirements for the annual reporting periods beginning on or after January 1, 2023 and needs not to disclose such information in its interim reports with a reporting dates ending before or on December 31, 2023.

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 applying the amendments 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 presented period for all deductible and taxable temporary differences associated with leases and decommissioning, and will prospectively apply the amendments for other transactions occurred on or after January 1, 2022.

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.

D. Amendments to IAS 12 “International Tax Reform － Pillar Two Model Rules”

The amendments stipulates that, as a temporary exception to IAS 12, Group shall neither recognize nor disclose information about deferred income tax assets and liabilities for Pillar Two income tax relating to international tax reform; however, Group shall disclose in its financial reports that it has applied this exception. In addition, Group shall separately disclose its current income tax expenses (benefits) relating to Pillar Two income tax. If the Pillar Two bill has been enacted or has been substantively enacted but has not yet taken effect, Group should disclose qualitative and quantitative information on its exposure to Pillar Two income tax that is known or can be reasonably estimated.

The Group has evaluated the aforementioned standards and interpretations, and there is no significant effect on 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:

| New IFRSs | Effective Date Announced by IASB |
|---|---|
| Amendments to IFRS 16 "Lease liabilities in sale and leaseback" | January 1, 2024 (Note 1) |
| 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 |
| Amendments to IAS 7 and IFRS 7 “Supplier finance arrangements " | January 1, 2024(Note 2) |

Note 1: The seller-lessee shall apply the amendments retroactively in accordance with IAS 8 for the sale and leaseback transactions made after the initial application of IFRS 16.

Note 2: This amendment provides certain transitional reliefs. When initially applying the amendment, Group are not required to disclose comparative information and interim period information, as well as opening information required by paragraph 44H(b)(ii)-(iii).

A. Amendments to IFRS 16 "Lease liability in a sale and leaseback"

This amendment clarifies that for a sale and leaseback transaction, if the transfer of the asset is treated as a sale in accordance with IFRS 15, the liabilities incurred by the seller and lessee due to the leaseback should be treated in accordance with IFRS 16 regarding lease liabilities; however, if variable lease payments that do not depend on an index or rate are involved, the seller-lessee should still determine and recognize the lease liability arising from such variable payments in a manner that does not recognize gains and losses related to the retained right of use. The difference between the subsequent actual lease payment amount and the reduced carrying amount of the lease liability is recognized in profit or loss.

B. Amendments to IAS 1 “Classification of Liabilities as Current or Noncurrent "

The amendments clarify that when the Group determines whether a liability is classified as noncurrent, the Group should assess whether the Group has the right to defer the settlement for at least twelve months after the reporting period. If the Group has that right on the end of reporting period, that liability must be classified as non-current regardless whether the Group expects whether to exercise the right or not. If the Group must follow certain conditions to have the right to defer the settlement of a liability, the Group must have followed those conditions on the end of reporting period in order to have that right even if the lender tests the Group’s compliance on a later date.

The aforementioned settlement means transferring cash, other economic resources or the Group’s equity instruments to the counter-party to extinguish the liability. If the terms of the liability give the counterparty an option to extinguish the liability by the Group’s equity instruments, and this option is recognized separately in equity in accordance with IAS 32 “Financial Instruments: Presentation” then the classification of the liability will not be affected.

C. Amendment to IAS 1 “Non-current Liabilities with Covenants "

This amendment further clarifies that only contractual terms that are required to be complied with before the end of the reporting period will affect the classification of the liability at that date. The contractual terms that required to be complied with within 12 months after the reporting period do not affect the classification of liabilities at the reporting date. However, for liabilities classified as non-current and must be repaid within 12 months after the reporting period due to potential non-compliance, the relevant facts and circumstances should be disclosed in the notes.

D. Amendments to IAS 7 and IFRS 7 “Supplier finance arrangements "

Supplier financing arrangements involve one or more financing providers making payments to suppliers on behalf of Group, and Group agrees to repay the financing providers on the payment date agreed with the suppliers or a later date. The amendments to IAS 7 require Group to disclose information on its supplier financing arrangements to enable users of financial statements to assess the impact of these arrangements on Group's liabilities, cash flows and exposure to liquidity. The amendments to IFRS 7 include into its application guidance that when disclosing how Group manages the liquidity risk of its financial liabilities, it may also consider whether it has obtained or can obtain financing facilities through supplier financing arrangements, and whether these arrangements may cause concentration of liquidity risk.

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

(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 21 " Lack of Exchangeability " | January 1, 2025 |

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 consolidated entities were as follows:

| | | Percentage of Ownership | | |
|---|---|---|---|---|
| Investee / Subsidiary | Main Businesses | September 30, 2023 | December 31, 2022 | September 30, 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% |

| Investee / Subsidiary | Main Businesses | Percentage of Ownership September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|---|
| 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 | 90.12% | 86.99% | 86.99% |
| | | (Please refer to Note 4.3. (2) (A) (b) for details) | | |
| 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% |
| 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% |

| Investee / Subsidiary | Main Businesses | Percentage of Ownership September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|---|
| 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 | 88.93% | 88.69% | 88.69% |
| | | (Please refer to Note 4.3. (2) (A) (b) for details) | | |
| Groupco Technology Inc. | Radio | 49.97% | 49.97% | 49.97% |
| 7. Applied Wireless Identifications Group, Inc. | | | | |
| AWID Asia Co., Ltd. | Telecommunications equipment wholesale | - | - | - |
| | | (Please refer to Note 4.3. (2) (A) (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 September 30, 2023 | December 31, 2022 | September 30, 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:
   (a) AWID Asia Co., Ltd., had been liquidated in July 2022.
   (b) The Group had purchased additional 0.24% and 3.13% of the issued shares of Applied Wireless Identifications Group, Inc. and Gen-wan Technology Corp., in May and June 2023, resulting in the changes in its shareholding percentage from 88.69% to 88.93% and 86.99% to 90.12%, respectively.

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 September 30, 2023, December 31, 2022, and September 30, 2022, cash and bank deposits of $3,263,864 thousand, $3,437,081 thousand, and $4,582,414 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:

September 30, 2023：

| Name of Subsidiary | Shareholding % | Non-controlling interests | Net income (loss) attributable to Non-controlling interests |
|---|---|---|---|
| Yieh Hsing Enterprise Co., Ltd. | 42.59% | $414,942 | ($294,796) |
| Others | | 588,288 | 56,399 |
| Total | | $1,003,230 | ($238,397) |

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) |

September 30, 2022：

| Name of Subsidiary | Shareholding % | Non-controlling interests | Net income (loss) attributable to Non-controlling interests |
|---|---|---|---|
| Yieh Hsing Enterprise Co., Ltd. | 42.59% | $808,641 | ($190,608) |
| Others | | 513,302 | 9,816 |
| Total | | $1,321,943 | ($180,792) |

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. | | |
|---|---|---|---|
| | September 30, 2023 | December 31, 2022 | September 30, 2022 |
| Current assets | $2,292,724 | $2,044,792 | $2,,901,037 |
| Non-current assets | 9,944,972 | 9,711,320 | 9,791,989 |
| Current liabilities | 2,434,397 | 2,631,382 | 3,330,516 |
| Non-current liabilities | 3,699,250 | 2,334,292 | 2,334,038 |
| Equity | 6,104,049 | 6,790,438 | 7,028,472 |
| Offsetting unrealized gains resulting from disposal of land | (5,129,745) | (5,129,745) | (5,129,745) |
| Adjusted Equity | $974,304 | $1,660,693 | $1,898,727 |

b. Statements of Comprehensive Income：

| | Yieh Hsing Enterprise Co., Ltd. | |
|---|---|---|
| | Three Months Ended September 30 | |
| | 2023 | 2022 |
| Operating revenue | $1,090,486 | $1,433,426 |
| Net income (loss) | ($243,023) | ($274,624) |
| Other comprehensive income (loss) (net after tax) | 4,798 | 6,476 |
| Total comprehensive income (loss) | ($238,225) | ($268,148) |
| Total comprehensive income (loss) attributable to non-controlling interests | ($103,932) | ($114,201) |
| Dividends paid to non-controlling interests | $- | $- |

| | Yieh Hsing Enterprise Co., Ltd. | |
|---|---|---|
| | Nine Months Ended September 30 | |
| | 2023 | 2022 |
| Operating revenue | $3,796,049 | $5,525,845 |
| Net income (loss) | ($692,193) | (447,556) |
| Other comprehensive income (loss) (net after tax) | 5,810 | 10,305 |
| Total comprehensive income (loss) | ($686,383) | ($437,251) |
| Total comprehensive income (loss) attributable to non-controlling interests | ($294,796) | ($186,219) |
| Dividends paid to non-controlling interests | $- | $- |

c. Statements of Cash Flows：

| | Yieh Hsing Enterprise Co., Ltd. | |
|---|---|---|
| | Nine Months Ended September 30 | |
| | 2023 | 2022 |
| Net cash provided by (used in) operating activities | ($472,272) | $604,906 |
| Net cash provided by (used in) investing activities | (634,216) | (199,383) |
| Net cash provided by (used in) financing activities | 995,047 | (150,954) |
| Net increase (decrease) in cash and cash equivalents | ($111,441) | $254,569 |
| Cash and cash equivalents, beginning of the period | 406,306 | 251,318 |
| Cash and cash equivalents, end of the period | $294,865 | $505,887 |

**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 | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Cash on hand | $11,932 | $15,389 | $10,681 |
| Checking account | 833,221 | 872,640 | 945,028 |
| Demand deposits | 5,485,187 | 6,108,263 | 54,879,342 |
| Time deposits (with original maturities within three months) | 904,754 | 1,400,433 | 2,873,272 |
| Commercial paper (with original maturities within three months) | 491,400 | 240,212 | 109,959 |
| Total | $7,726,494 | $8,636,937 | $8,818,282 |

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 at fair value through profit or loss

| Item | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Financial assets - current: | | | |
| Non-derivative financial assets mandatorily measured at FVTPL | | | |
| Mutual funds | $75,792 | $80,459 | $66,442 |
| Derivatives | | | |
| Forward exchange contracts | - | 3,791 | 18,834 |
| Exchange interest rate swap contracts | - | 391 | 2,274 |
| Total | $75,792 | $84,641 | $87,550 |

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:

September 30, 2023：None.

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 |

September 30, 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 |

B. Exchange interest rate swap contracts:

September 30, 2023：None

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% |

September 30, 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% |

**6.3 Notes receivable, net**

| Item | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| At amortized cost | | | |
| Notes receivable | $1,368,838 | $1,173,586 | $710,499 |
| Less: Loss allowance | - | (8) | - |
| Net | $1,368,838 | $1,173,578 | $710,499 |

1. As of September 30, 2023, December 31, 2022, and September 30, 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.

**6.4 Accounts receivable, net**

| Item | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| At amortized cost | | | |
| Accounts receivable | $2,512,092 | $1,817,962 | $2,108,839 |
| Less: Loss allowance | (4,121) | (4,009) | (3,339) |
| Net | $2,507,971 | $1,813,953 | $2,105,500 |

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)：

| September 30, 2023 | Expected credit loss rate | Gross carrying amount | Allowance for doubtful accounts (ECL) | Amortized cost |
|---|---|---|---|---|
| Not past due | 0%-0.5% | $4,069,667 | ($5,827) | $4,063,840 |

| 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 |

| September 30, 2022 | Expected credit loss rate | Gross carrying amount | Allowance for doubtful accounts (ECL) | Amortized cost |
|---|---|---|---|---|
| Not past due | 0%-0.5% | $3,398,696 | ($6,281) | $3,392,415 |

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

| | Nine Months Ended September 30 | |
|---|---|---|
| | 2023 | 2022 |
| Beginning balance | $6,077 | $6,709 |
| Less: Reversal of Impairment Loss | (275) | (478) |
| Impact of foreign exchange differences | 25 | 50 |
| Ending balance | $5,827 | $6,281 |

As of September 30, 2023, December 31, 2022, and September 30, 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 $3,044,138 thousand, $2,409,072 thousand, and $2,149,290 thousand, respectively.

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

**6.5 Other receivables**

| Item | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Business tax refundable | $100,375 | $98,001 | $165,719 |
| Purchase allowance receivable | 9,436 | 24,193 | 5,395 |
| Proceeds receivable arising from sale of funds | - | - | 12,130 |
| Interest receivable | 8,175 | 7,888 | 8,148 |
| Dumping margins refundable | 335,060 | - | - |
| Others | 13,112 | 12,254 | 13,672 |
| Total | 466,158 | 142,336 | 205,064 |
| Less: Loss allowance | - | - | - |
| Net | $466,158 | $142,336 | $205,064 |

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”.

Regarding the results of the aforementioned investigations, the Group believed that there were disputes, so it filed an appeal to the court in August 2016. After years of litigation, on February 14, 2022, the Department of Commerce (DOC) followed the court's judgment and re-reported the results of the retrial to the Court of International Trade (CIT). The results of the retrial stated that the anti-dumping tax rate of the Group was 1.2% and less than deminimis (less than 2%, which was seen as small amount and regarded as 0%).In addition, the results of the retrial clearly stated that if the court upheld the results, the Group should be excluded from the application of the anti-dumping order. On June 23, 2023, the final judgment of the Court of International Trade (CIT) was released. DOC has issued an announcement in August 2023 based on the aforementioned CIT's final judgment, modification of the final determination of the original investigation, and revoke the anti-dumping duty order for the Group, notify the U.S. Customs and Border Protection (CBP) that CBP will no longer impose anti-dumping duties on the Group's anti-corrosion products sold in the U.S in September 2023, and will refund unliquidated taxes from previous years.

Accordingly, the Group reversed the estimated anti-dumping tax difference of $70,411 thousand (including recognized as refundable deposits and other payables) and the prepaid anti-dumping tax of $335,060 thousand calculated by the original anti-dumping tax rate during the unliquidated period, starting from the fourth adjustment period and ending on September 30, 2023. The total amount of $405,471 thousand was reversed, $46,450 thousand recognized as the deduction of sales and marketing expenses, $348,312 thousand recognized as other income, and $10,709 thousand recognized as foreign exchange gain.

**6.6 Inventories and operating cost**

| Item | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Steel Department and other Non-heavy Industry Department: | | | |
| Raw materials | $4,586,118 | $4,185,040 | $5,762,318 |
| Supplies | 528,897 | 487,462 | 491,655 |
| Work in progress | 11,373,845 | 1,118,924 | 1,166,077 |
| Finished goods | 3,611,439 | 3,673,509 | 4,078,585 |
| Process product | 14,065 | 17,225 | 18,389 |
| By-products and scraps | 248,315 | 218,514 | 238,721 |
| Subtotal | 10,362,679 | 9,700,674 | 11,755,745 |
| Heavy Industry Department: | | | |
| Raw materials | 166,612 | 208,089 | 213,711 |
| Supplies | 2,631 | 7,228 | 9,229 |
| Subtotal | 169,243 | 215,317 | 222,940 |
| Total | $10,531,922 | $9,915,991 | $11,978,685 |

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

| Item | Three Months Ended September 30 2023 | Three Months Ended September 30 2022 |
|---|---|---|
| Cost of inventories sold | $16,766,415 | $18,405,902 |
| Construction cost | 156,767 | 121,528 |
| Loss on retirement of Inventory | - | - |
| Unallocated manufacturing overhead | 100,421 | 125,665 |
| Purchase and construction contract loss (recovery gain) | (3,859) | (11,519) |
| Inventory valuation loss and obsolescence loss (recovery gain) | 54,519 | (103,619) |
| Impact of foreign exchange difference | (5,464) | (1,971) |
| Total operating expenses | $17,068,799 | $18,535,986 |

| Item | Nine Months Ended September 30 2023 | Nine Months Ended September 30 2022 |
|---|---|---|
| Cost of inventories sold | $49,018,804 | $58,478,810 |
| Construction cost | 534,323 | 315,378 |
| Loss on retirement of Inventory | 214 | 2,937 |
| Unallocated manufacturing overhead | 356,003 | 299,312 |
| Purchase and construction contract loss (recovery gain) | 2,152 | (40,263) |
| Inventory valuation loss and obsolescence loss (recovery gain) | (108,126) | (85,173) |
| Impact of foreign exchange difference | (3,216) | (7,101) |
| Total operating expenses | $32,731,355 | $58,963,900 |

2. As of September 30, 2023, December 31, 2022, and September 30, 2022, the provision for inventory valuation loss and obsolescence loss were $294,882 thousand, $403,008 thousand, and $472,446 thousand, respectively.
3.The Group recognized inventory valuation loss (recovery gain) of $54,519 thousand, ($103,619) thousand, ($108,126) thousand, and ($85,173) thousand for the three months and nine months ended September 30, 2023 and 2022, respectively, due to inventory’s 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.
4. The Group has no inventories pledged to others.

### 6.7 Prepayments

| Item | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Prepaid material purchase | $2,182,362 | $2,139,187 | $2,398,711 |
| Prepaid (overpaid) business tax | 226,356 | 192,134 | 246,436 |
| Prepaid insurance | 121,582 | 98,889 | 116,992 |
| Supplies Inventory | 14,751 | 13,604 | 13,677 |
| Prepaid export | 47,901 | 23,898 | 69,961 |
| Other prepayments | 61,670 | 75,976 | 42,164 |
| Total | $2,654,622 | $2,543,688 | $2,887,941 |

Please refer to Note 7.3.6. for prepayments with related parties.

### 6.8 Other financial assets - current

| Item | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Time deposits over three months | $1,367,020 | $1,851,847 | $753,522 |
| Pledged demand deposits | 335,446 | 493,423 | 481,497 |
| Pledged time deposits | 546,649 | 184,410 | 753,645 |
| Total | $2,249,115 | $2,529,680 | $1,988,664 |

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

| Item | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Equity instruments： | | | |
| Domestic listed stocks | $45,000 | $45,000 | $45,000 |
| Domestic unlisted stocks | 891,502 | 601,608 | 555,891 |
| Subtotal | 936,502 | 646,608 | 600,891 |
| Valuation adjustment | 81,003 | 94,379 | 126,112 |
| Total | $1,017,505 | $740,987 | $727,003 |

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 September 30, 2023, December 31, 2022, and September 30, 2022, the Group had no financial assets at FVTOCI pledged as collateral.

### 6.10 Investments accounted for using equity method

| Investee | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Associates: | | | |
| Associates with significance: | | | |
| Eliter International Corp. | $3,962,850 | $3,977,292 | $3,987,115 |
| E-Da Development Corp. | 970,450 | 1,079,042 | 1,102,355 |
| Tangeng Iron Works Co., Ltd. | 4,165,149 | 4,376,491 | 4,373,227 |
| Yieh United Steel Corp. | 4,003,901 | 4,559,176 | 4,761,455 |
| Associates without significance | 2,208,649 | 2,120,792 | 2,095,083 |
| Total | $15,310,999 | $16,112,793 | $16,319,235 |

1.Associates:

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

| | Shareholding Percentage | | |
|---|---|---|---|
| Company Name | September 30, 2023 | December 31, 2022 | September 30, 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

| | Eliter International Corp. | | |
|---|---|---|---|
| Item | September 30, 2023 | December 31, 2022 | September 30, 2022 |
| Current assets | $6,893,967 | $6,904,181 | $6,951,450 |
| Noncurrent assets | 5,111,835 | 5,111,114 | 5,152,864 |
| Current liabilities | 1,829,923 | 1,438,125 | 1,974,982 |
| Noncurrent liabilities | 933,898 | 1,301,991 | 831,587 |
| Equity | $9,241,981 | $9,275,179 | $9,297,745 |
| Share of net assets of associates | $4,025,466 | $4,039,926 | $4,049,755 |
| Unrealized gain (loss) from transactions with associates | (62,616) | (62,634) | (62,640) |
| Carrying amount of associate | $3,962,850 | $3,977,292 | $3,987,115 |

| Item | E-Da Development Corp. September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Current assets | $368,920 | $415,062 | $366,672 |
| Noncurrent assets | 7,358,080 | 7,615,363 | 7,543,965 |
| Current liabilities | 600,361 | 1,268,260 | 704,534 |
| Noncurrent liabilities | 4,283,534 | 3,602,817 | 3,978,814 |
| Equity | $2,843,105 | $3,159,348 | $3,227,289 |
| Share of net assets of associates | $977,576 | $1,086,314 | $1,109,675 |
| Unrealized gain (loss) from transactions with associates | (7,126) | (7,272) | (7,320) |
| Carrying amount of associate | $970,450 | $1,079,042 | $1,102,355 |

| Item | Tangeng Iron Works Co., Ltd. September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Current assets | $3,013,748 | $3,383,886 | $3,328,013 |
| Noncurrent assets | 23,238,191 | 23,281,565 | 23,276,614 |
| Current liabilities | 2,492,457 | 2,510,042 | 2,346,494 |
| Noncurrent liabilities | 10,391,648 | 10,109,287 | 10,222,488 |
| Equity | $13,367,834 | $14,046,122 | $14,035,645 |
| Share of net assets of associates | $4,165,149 | $4,376,491 | $4,373,227 |
| Unrealized gain (loss) from transactions with associates | - | - | - |
| Carrying amount of associate | $4,165,149 | $4,376,491 | $4,373,227 |

| Item | Yieh United Steel Corp. September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Current assets | $11.031,980 | $11,412,844 | $10,483,754 |
| Noncurrent assets | 34,188,864 | 33,044,982 | 33,401,953 |
| Current liabilities | 20,084,519 | 16,696,478 | 20,089,184 |
| Noncurrent liabilities | 11,469,588 | 12,394,087 | 7,766,428 |
| Equity | $13,666,737 | $15,367,261 | $16,030,095 |
| Share of net assets of associates | $4,170,010 | $4,688,362 | $4,890,641 |
| Unrealized gain (loss) from transactions with associates | (166,109) | (129,186) | (129,186) |
| Carrying amount of associate | $4,003,901 | $4,559,176 | $4,761,455 |

B. Statements of Comprehensive Income

| | Eliter International Corp. Three Months Ended September 30 | |
|---|---|---|
| | 2023 | 2022 |
| Operating revenue | $32,439 | $32,156 |
| Net income (loss) | (15,766) | 2,139 |
| Other comprehensive income (loss) (net after tax) | - | - |
| Total comprehensive income (loss) | (15,766) | 2,139 |
| Dividends received from associate | $ - | $ - |

| | Eliter International Corp. | |
|---|---|---|
| | Nine Months Ended September 30 | |
| | 2023 | 2022 |
| Operating revenue | $128,071 | $96,180 |
| Net income (loss) | (33,198) | (139,182) |
| Other comprehensive income (loss) (net after tax) | - | - |
| Total comprehensive income (loss) | (33,198) | (139,182) |
| Dividends received from associate | $ - | $ - |

| | E-Da Development Corp. | |
|---|---|---|
| | Three Months Ended September 30 | |
| | 2023 | 2022 |
| Operating revenue | $161,734 | $193,180 |
| Net income (loss) | (112,913) | (69,964) |
| Other comprehensive income (loss) (net after tax) | (4,602) | (2,799) |
| Total comprehensive income (loss) | ($117,515) | ($72,763) |
| Dividends received from associate | $ - | $ - |

| | E-Da Development Corp. | |
|---|---|---|
| | Nine Months Ended September 30 | |
| | 2023 | 2022 |
| Operating revenue | $496,334 | $420,719 |
| Net income (loss) | (306,563) | (346,588) |
| Other comprehensive income (loss) (net after tax) | (9,679) | (53,897) |
| Total comprehensive income (loss) | ($316,242) | ($400,485) |
| Dividends received from associate | $ - | $ - |

| | Tangeng Iron Works Co., Ltd. | |
|---|---|---|
| | Three Months Ended September 30 | |
| | 2023 | 2022 |
| Operating revenue | $2,534,388 | $2,844,682 |
| Net income (loss) | (191,550) | (444,109) |
| Other comprehensive income (loss) (net after tax) | (10,158) | (4,075) |
| Total comprehensive income (loss) | ($201,708) | ($448,184) |
| Dividends received from associate | $ - | $ - |

| | Tangeng Iron Works Co., Ltd. | |
|---|---|---|
| | Nine Months Ended September 30 | |
| | 2023 | 2022 |
| Operating revenue | $8,575,525 | $10,625,200 |
| Net income (loss) | (670,244) | (114,137) |
| Other comprehensive income (loss) (net after tax) | (8,044) | (17,132) |
| Total comprehensive income (loss) | ($678,288) | ($131,269) |
| Dividends received from associate | $ - | $ - |

| | Yieh United Steel Corp. | |
|---|---|---|
| | Three Months Ended September 30 | |
| | 2023 | 2022 |
| Operating revenue | $8,082,924 | $8,674,330 |
| Net income (loss) | (968,545) | (1,020,449) |
| Other comprehensive income (loss) (net after tax) | 330,110 | 547,183 |
| Total comprehensive income (loss) | ($638,435) | ($473,266) |
| Dividends received from associate | $ - | $ - |

| | Yieh United Steel Corp. | |
|---|---|---|
| | Nine Months Ended September 30 | |
| | 2023 | 2022 |
| Operating revenue | $28,862,373 | $34,963,218 |
| Net income (loss) | (2,184,118) | 86,576 |
| Other comprehensive income (loss) (net after tax) | 490,078 | 930,266 |
| Total comprehensive income (loss) | ($1,694,040) | $1,016,842 |
| Dividends received from associate | $ - | $ - |

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

| | Three Months Ended September 30 | |
|---|---|---|
| | 2023 | 2022 |
| Share of: | | |
| Net income(loss) | ($3,428) | $7,770 |
| Other comprehensive income (loss) (net after tax) | 25,578 | 50,791 |
| Total comprehensive income (loss) | $22,150 | $58,561 |

| | Nine Months Ended September 30 | |
|---|---|---|
| | 2023 | 2022 |
| Share of: | | |
| Net income(loss) | $298 | $64,260 |
| Other comprehensive income (loss) (net after tax) | 72,668 | (10,868) |
| Total comprehensive income (loss) | $72,966 | $53,392 |

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

| | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Yieh United Steel Corp. (Note) | $4,365,100 | $5,027,222 | $4,781,991 |
| Tangeng Iron Works Co., Ltd. | 3,489,696 | 3,462,433 | 3,397,001 |
| Total | $7,854,796 | $8,489,655 | $8,178,992 |

(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 September 30, 2023, December 31, 2022, and September 30, 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 | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Land | $6,035,452 | $6,035,452 | $6,033,890 |
| Buildings and structures | 17,544,327 | 17,482,024 | 17,518,008 |
| Machinery | 41,541,267 | 41,153,023 | 41,344,956 |
| Other equipment | 11,119,080 | 10,978,501 | 10,933,828 |
| Equipment to be inspected and construction in progress | 1,226,364 | 537,554 | 601,601 |
| Total cost | $77,466,490 | $76,186,554 | $76,432,283 |
| Less: Accumulated depreciation | (31,824,935) | (30,077,317) | (29,697,469) |
| Accumulated impairment | (335,269) | (333,525) | (335,023) |
| Total | $45,306,286 | $45,775,712 | $46,399,791 |

| 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 | - | 9,010 | 62,301 | 140,685 | 764,127 | 976,123 |
| Transferred to expenses | - | - | - | - | (2,730) | (2,730) |
| Disposals | - | (6,450) | (41,289) | (96,283) | - | (144,022) |
| Reclassification | - | 8,620 | 11,203 | 61,255 | (81,078) | - |
| Impact of foreign exchange differences | - | 51,123 | 356,029 | 34,922 | 8,491 | 450,565 |
| Balance, September 30, 2023 | $6,035,452 | $17,544,327 | $41,541,267 | $11,119,080 | $1,226,364 | $77,466,490 |
| **Accumulated depreciation and impairment** | | | | | | |
| Balance, January 1, 2023 | $ - | $4,660,965 | $22,659,992 | $2,911,692 | $178,193 | $30,410,842 |
| Depreciation | - | 279,354 | 935,604 | 479,381 | - | 1,694,339 |
| Disposals | - | (4,869) | (31,155) | (95,178) | - | (131,202) |
| Impact of foreign exchange differences | - | (20,857) | 137,899 | 27,469 | - | 186,225 |
| Balance, September 30, 2023 | $ - | $4,956,307 | $23,702,340 | $3,323,364 | $178,193 | $32,160,204 |

| 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 | 98,709 | 40,722 | 47,961 | 304,527 | 452,556 | 944,475 |
| Transferred to expenses | - | - | - | - | (14,606) | (14,606) |
| Disposals | - | (3,991) | (63,264) | (156,005) | - | (223,260) |
| Transferred to Investment properties | (73,028) | - | - | - | - | (73,028) |
| Reclassification | - | 3,235 | 112,301 | 176,264 | (291,800) | - |
| Impact of foreign exchange differences | - | 78,200 | 542,647 | 53,216 | 7,887 | 681,950 |
| Balance, September 30, 2022 | $6,033,890 | $17,518,008 | $41,344,956 | $10,933,828 | $601,601 | $76,432,283 |
| **Accumulated depreciation and impairment** | | | | | | |
| Balance, January 1, 2022 | $ - | $4,275,703 | $21,405,217 | $2,413,626 | $178,193 | $28,272,739 |
| Depreciation | - | 276,974 | 925,681 | 516,500 | - | 1,719,155 |
| Disposals | - | (3,421) | (55,796) | (152,289) | - | (211,506) |
| Impact of foreign exchange differences | - | 34,147 | 177,273 | 40,684 | - | 252,104 |
| Balance, September 30, 2022 | $ - | $4,583,403 | $22,452,375 | $2,818,521 | $178,193 | $30,032,492 |

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

| Item | Nine Months Ended September 30 | |
| --- | --- | --- |
| | 2023 | 2022 |
| Increase in property, plant and equipment | $976,123 | $944,475 |
| Decrease (increase) in payables for purchase of equipment | 36,607 | 398,375 |
| Cash paid for acquisition of property, plant and equipment | $1,012,730 | $1,342,850 |

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 and nine months ended September 30, 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 September 30, 2023, December 31, 2022, and September 30, 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 | September 30, 2023 | December 31, 2022 | September 30, 2022 |
| --- | --- | --- | --- |
| Land | $525,893 | $508,366 | $502,540 |
| Building | 44,584 | 41,580 | 42,259 |
| Transportation equipment | 1,042 | - | - |
| Total cost | $571,519 | $549,946 | $544,799 |
| Less: Accumulated depreciation | (74,545) | (60,178) | (57,065) |
| Accumulated impairment | - | - | - |
| Total | $496,974 | $489,768 | $487,734 |

| Cost | Land | Building | Transportation equipment | Total |
| --- | --- | --- | --- | --- |
| Balance, January 1,2023 | $508,366 | $41,580 | $- | $549,946 |
| Additions | 3,782 | 928 | 1,022 | 5,732 |
| Decreases | (776) | - | - | (776) |
| Impact of foreign exchange differences | 14,521 | 2,076 | 20 | 16,617 |
| Balance, September 30, 2023 | $525,893 | $44,584 | $1,042 | $571,519 |
| Accumulated depreciation and impairment | | | | |
| Balance, January 1, 2023 | $35,892 | $24,286 | $ - | $60,178 |
| Depreciation | 7,888 | 5,234 | 85 | 13,207 |
| Decreases | (776) | - | - | (776) |
| Impact of foreign exchange differences | 520 | 1,415 | 1 | 1,936 |
| Balance, September 30, 2023 | $43,524 | $30,935 | $86 | $74,545 |

| Cost | Land | Building | Total |
|---|---|---|---|
| Balance, January 1, 2022 | $504,457 | $36,842 | $541,299 |
| Additions | 3,088 | - | 3,088 |
| Decreases | (20,899) | - | (20,899) |
| Impact of foreign exchange differences | 15,894 | 5,417 | 21,311 |
| Balance, September 30, 2022 | $502,540 | $42,259 | $544,799 |
| Accumulated depreciation and impairment | | | |
| Balance, January 1, 2022 | $27,974 | $16,200 | $44,174 |
| Depreciation | 8,559 | 4,362 | 12,921 |
| Decreases | (3,329) | - | (3,329) |
| Impact of foreign exchange differences | 544 | 2,755 | 3,299 |
| Balance, September 30, 2022 | $33,748 | $23,317 | $57,065 |

B. Lease liabilities

| Item | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Carrying amount of lease liabilities | | | |
| - current | $9,930 | $9,674 | $9,844 |
| - noncurrent | $56,899 | $60,060 | $62,226 |

The discount rate interval for lease liabilities was 1.9661%-4.3%.

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 September 30, 2023, December 31, 2022, and September 30, 2022.

D. Other lease information:

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

| | Three Months Ended September 30 | |
|---|---|---|
| Item | 2023 | 2022 |
| Short-term lease expense | $5,821 | $6,370 |
| Gross cash outflow (Note) | $8,456 | $8,819 |

| | Nine Months Ended September 30 | |
|---|---|---|
| Item | 2023 | 2022 |
| Short-term lease expense | $17,791 | $18,144 |
| Gross cash outflow (Note) | $27,138 | $26,369 |

(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 | September 30, 2023 | December 31, 2022 | September 30, 2022 |
| --- | --- | --- | --- |
| Land | $197,996 | $197,996 | $197,996 |
| Less: Accumulated impairment | (68,009) | (68,009) | (68,009) |
| Total | $129,987 | $129,987 | $129,987 |

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

| | Land | |
| --- | --- | --- |
| | Nine Months Ended September 30 | |
| Cost | 2023 | 2022 |
| Balance, January 1, 2023 | $197,996 | $124,968 |
| Property, plant and equipment transferred in | - | 73,028 |
| Balance, September 30, 2023 | $197,996 | $197,996 |
| Accumulated depreciation and impairment | | |
| Balance, January 1, 2023 | $68,009 | $68,009 |
| Depreciation | - | - |
| Balance, September 30, 2023 | $68,009 | $68,009 |

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

| | Three Months Ended September 30 | |
| --- | --- | --- |
| Item | 2023 | 2022 |
| Rental revenue from investment properties | $453 | $453 |
| Direct operating expenses incurred by the investment properties with rental revenue generating in current period | $80 | $75 |
| Direct operating expenses incurred by the investment properties with no rental revenue generating in current period | $48 | $44 |

| | Nine Months Ended September 30 | |
| --- | --- | --- |
| Item | 2023 | 2022 |
| Rental revenue from investment properties | $1,359 | $1,428 |
| Direct operating expenses incurred by the investment properties with rental revenue generating in current period | $242 | $237 |
| Direct operating expenses incurred by the investment properties with no rental revenue generating in current period | $144 | $122 |

3. As of September 30, 2023, December 31, 2022, and September 30, 2022, the fair values of investment properties held by the Group were all $546,480 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 September 30, 2023, December 31, 2022, and September 30, 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 | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Mineral right | $485,091 | $464,202 | $484,468 |
| Trademarks | 8,207 | 8,207 | 8,207 |
| Others | 54,678 | 52,769 | 48,312 |
| Total cost | $547,976 | $525,178 | $540,987 |
| Less: Accumulated amortization | (256,456) | (211,068) | (202,432) |
| Accumulated impairment | - | - | - |
| Net | $291,520 | $314,110 | $338,555 |

| | Mineral right | Trademarks | Others | Total |
|---|---|---|---|---|
| Cost | | | | |
| Balance, January 1, 2023 | $464,202 | $8,207 | $52,769 | $525,178 |
| Additions | - | - | 1,909 | 1,909 |
| Impact of foreign exchange differences | 20,889 | - | - | 20,889 |
| Balance, September 30, 2023 | $485,091 | $8,207 | $54,678 | $547,976 |
| Accumulated amortization and impairment | | | | |
| Balance, January 1, 2023 | $192,250 | $718 | $18,100 | $211,068 |
| Amortization | 25,824 | 308 | 9,644 | 35,776 |
| Impact of foreign exchange differences | 9,612 | - | - | 9,612 |
| Balance, September 30, 2023 | $227,686 | $1,026 | $27,744 | $256,456 |

| | Mineral right | Trademarks | Others | Total |
|---|---|---|---|---|
| Cost | | | | |
| Balance, January 1, 2022 | $464,202 | $8,207 | $46,878 | $519,287 |
| Additions | - | - | 1,434 | 1,434 |
| Effect of foreign currency exchange differences | 20,266 | - | - | 20,266 |
| Balance, September 30, 2022 | $484,468 | $8,207 | $48,312 | $540,987 |
| Accumulated amortization and impairment | | | | |
| Balance, January 1, 2022 | $153,800 | $308 | $5,928 | $160,036 |
| Amortization | 24,595 | 308 | 9,015 | 33,918 |
| Effect of foreign currency exchange differences | 8,478 | - | - | 8,478 |
| Balance, September 30, 2022 | $186,873 | $616 | $14,943 | $202,432 |

### 6.15 Other noncurrent assets

| Item | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Intangible exploration and evaluation assets | $12,497 | $12,497 | $12,412 |
| Other | 853 | 3,411 | 4,353 |
| Total | 13,350 | 15,908 | 16,765 |
| Less: Accumulated impairment | (12,497) | (12,497) | (12,412) |
| Net | $853 | $3,411 | $4,353 |

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, $12,497 thousand, and $12,412 thousand as of September 30, 2023, December 31, 2022, and September 30, 2022, respectively.

### 6.16 Refundable deposits

| Item | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Performance deposits | $26,590 | $92,274 | $18,781 |
| Deposits | 36,698 | 32,416 | 33,105 |
| Deposit for dumping margins | - | 2,333 | 2,333 |
| Others | 14,469 | 22,648 | 21,561 |
| Total | $77,757 | $149,671 | $75,780 |

Please refer to Note 6.5. for Deposit for dumping margins.

### 6.17 Short-term Loans

| Type of Loan | September 30, 2023 Amount | September 30, 2023 Interest Rate |
|---|---|---|
| Credit loans | $6,953,660 | 2.21%-4.70% |
| Credit for material purchase | 4,141,217 | 2.22%-3.01% |
| Mortgage loans | 130,000 | 2.63% |
| Total | $11,224,877 | |

| Type of Loan | December 31, 2022 Amount | December 31, 2022 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 | |

| Type of Loan | September 30, 2022 Amount | September 30, 2022 Interest Rate |
|---|---|---|
| Credit loans | $9,521,085 | 1.40%-6.24% |
| Credit for material purchase | 4,822,112 | 1.88%-6.03% |
| Mortgage loans | 264,000 | 2.70%-3.04% |
| Total | $14,607,197 | |

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 | September 30, 2023 | December 31, 2022 | September30, 2022 |
|---|---|---|---|
| Commercial notes payable | $1,400,000 | $1,705,000 | $1,745,000 |
| Less: Unamortized discount | (2,243) | (3,299) | (2,735) |
| Net | $1,397,757 | $1,701,701 | $1,742,265 |
| Interest rate range | 2.29%-3.42% | 1.86%-3.30% | 1.86%-2.98% |

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 | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Compensations | $508,895 | $762,728 | $611,791 |
| Equipment | 40,025 | 76,632 | 91,393 |
| Export and transportation expenses | 139,497 | 100,527 | 158,998 |
| Accrued taxes | 173,666 | 251,304 | 261,797 |
| Interest | 77,871 | 77,615 | 69,710 |
| Utility expenses | 89,044 | 64,013 | 76,457 |
| Dumping margins | - | 72,744 | 76,697 |
| Marketing | 9,327 | 11,218 | 36,457 |
| Consumables | 57,530 | 15,036 | 18,585 |
| Business tax | 46,003 | 92,332 | 41,368 |
| Cash dividends payable - current period | - | - | - |
| Cash dividends - from previous period | 23,409 | 22,879 | 22,909 |
| Repairing charges | 23,592 | 22,296 | 22,697 |
| Compensation and remuneration to employees and directors - current period | - | 3,378 | 4,873 |
| Others | 460,069 | 315,225 | 337,384 |
| Total | $1,648,928 | $1,887,927 | $1,831,116 |

1.Please refer to Note 7.3.6. for related party transactions.
2.Please refer to Note 6.5. for Dumping duties payable.

**6.20 Provisions - current**

| Item | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Employee benefits | $98,002 | $96,406 | $95,415 |
| Onerous contract | 4,504 | 2,352 | 912 |
| Warranty | 2,931 | 2,931 | 3,171 |
| Total | $105,437 | $101,689 | $99,498 |

| Item | Employee benefits | Onerous contract | Warranty | Total |
|---|---|---|---|---|
| January 1, 2023 | $96,406 | $2,352 | $2,931 | $101,689 |
| Recognized in current period | 74,066 | 20,093 | - | 94,159 |
| Write-off in current period | (72,470) | (17,941) | - | (90,411) |
| September 30, 2023 | $98,002 | $4,504 | $2,931 | $105,437 |

| Item | Employee benefits | Onerous contract | Warranty | Total |
|---|---|---|---|---|
| January 1, 2022 | $90,693 | $41,175 | $3,171 | $135,039 |
| Recognized in current period | 73,078 | 11,801 | - | 84,879 |
| Write-off in current period | (68,356) | (52,064) | - | (120,420) |
| September 30, 2022 | $95,415 | $912 | $3,171 | $99,498 |

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 Group 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 | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Bank syndicated loans: | | | |
| The Company | $8,648,000 | $9,340,000 | $9,340,000 |
| Subsidiaries | 32,672,016 | 28,105,434 | 28,196,963 |
| Subtotal | 41,320,016 | 37,445,434 | 37,536,963 |
| Secured loans from banks | 370,874 | 371,540 | 371,540 |
| Unsecured loans from banks | 1,088,989 | 976,503 | 631,598 |
| Others | - | - | 478 |
| Total | 42,779,879 | 38,793,477 | 38,540,579 |
| Less: Unamortized discount | (130,958) | (116,189) | (129,181) |
| Less: Current portion | (6,974,437) | (4,212,832) | (3,589,202) |
| Long-term loans | $35,674,484 | $34,464,456 | $34,822,196 |
| Interest rate range | 2.33%-7.91% | 1.62%-6.85% | 1.62%-5.80% |

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 the first half of 2023, it needed to pay to the managing bank a compensation at 0.125% of the loan balance within agreed time. 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 | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Deferred revenue from government grants: | | | |
| Subsidy for engineering construction | $51,553 | $50,576 | $51,293 |
| Less: Accumulated revenue recognized | (26,806) | (26,298) | (24,619) |
| Ending balance | $24,747 | $24,278 | $26,674 |

### 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 and nine months ended September 30, 2023 and 2022, the Group recognized pension expense of $43,805 thousand, $41,594 thousand, $130,347 thousand and $127,668 thousand, respectively.
2. Defined benefit plan
   (1) Pension expense under the defined benefit plan were $1,381 thousand, $1,476 thousand, $4,142 thousand and $4,567 thousand for the three months and nine months ended September 30, 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 | Nine Months Ended September 30, 2023<br>Shares (thousand shares) | Amount |
|---|---|---|
| January 1 | 1,985,098 | $19,850,980 |
| Cancellation of treasury shares | (19,254) | (192,540) |
| September 30 | 1,965,844 | $19,658,440 |

| Item | Nine Months Ended September 30, 2022 Shares (thousand shares) | Amount |
|---|---|---|
| January 1 | 1,890,569 | $18,905,695 |
| Capitalization of earnings | 94,529 | 945,285 |
| September 30 | 1,985,098 | $19,850,980 |

1. As of September 30, 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 Board of Directors resolved on August 14, 2023 to cancel its treasury stocks. The amount of capital reduction was $100,210 thousand, with 10,021 thousand shares eliminated, and the capital reduction ratio was 0.51%. The record date for capital reduction was set on August 16, 2023.
4. 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 | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Share premium | $3,973,155 | $4,012,070 | $4,060,366 |
| Treasury stock transaction | 593,223 | 648,408 | 600,112 |
| Difference between consideration and carrying amount of subsidiaries acquired or disposed | 219,251 | 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 | 39,585 | 39,585 | 41,132 |
| Total | $4,833,879 | $4,927,302 | $4,928,849 |

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. Assess capital needs in accordance with the expansion planning and profitability. In general, stock dividend is distributed in order to retain the necessary funds. Cash dividend, depending on the profitability, amounts to 20-100% of the total dividends distributed while stock dividend amounts to 0-80%.

   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 | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Provision for debit balance of other equity | $494,611 | $457,289 | $457,290 |
| Provision upon initial application of IAS | 327,758 | 327,758 | 327,757 |
| Total | $822,369 | $785,047 | $785,047 |

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

| | Earnings appropriation proposal | | Dividends per share (NTD) | |
|---|---|---|---|---|
| Item | 2022 | 2021 | 2022 | 2021 |
| Legal reserve | $94,861 | $511,379 | | |
| Special reserve | 37,322 | 78,454 | | |
| Cash dividends | 592,759 | 945,285 | 0.3 | 0.5 |
| Stock dividends | - | 945,285 | - | 0.5 |
| Total | $724,942 | $2,480,403 | | |

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 | 205,889 | - | - | 205,889 |
| Unrealized gain (loss) on financial assets at fair value through other comprehensive income | - | (13,497) | - | (13,497) |
| Share of associates and joint ventures accounted for using equity method | 169,780 | 35,000 | 1,504 | 206,284 |
| Balance, September 30, 2023 | ($588,478) | $152,328 | $12,457 | ($423,693) |

| 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 | 305,788 | - | - | 305,778 |
| Unrealized gain (loss) on financial assets at fair value through other comprehensive income | - | (57,800) | - | (57,800) |
| Share of associates and joint ventures accounted for using equity method | 421,026 | (197,887) | 2,921 | 226,060 |
| Balance, September 30, 2022 | ($699,229) | $130,838 | $9,467 | ($558,924) |

### 6.28 Treasury stock

1.Purpose of treasury stock and changes in quantity:

September 30, 2023：

Unit: Thousand Shares

| Nine Months Ended September 30, 2023 | | | |
|---|---|---|---|
| January 1 | Addition | Reduction | September 30 |
| 9,233 | 22,377 | (19,254) | 12,356 |

December 31, 2022：

Unit: Thousand Shares

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

September 30, 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. In order to protect the Group’s credit and shareholders’ equity, the Board of Directors resolved on May 4, 2023 to repurchase 20,000 thousand shares from May 5 to July 4, 2023. The number of shares repurchased by the Group as of July 4, 2023 was 10,021 thousand shares, with the amount of $152,788 thousand; the Company’s Board of Directors resolved on August 14, 2023 to cancel its treasury stocks. The amount of capital reduction was $100,210 thousand, with 10,021 thousand shares eliminated, and the capital reduction ratio was 0.51%. The record date for capital reduction was set on August 16, 2023.
4. In order to protect the Group’s credit and shareholders’ equity, the Board of Directors resolved on August 14, 2023 to repurchase 20,000 thousand shares from August 15 to October 14, 2023. The number of shares repurchased by the Group as of September 30, 2023 was 12,356 thousand shares, with the amount of $187,120 thousand.
5. 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.
6. 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 | Nine Months Ended September 30 | |
|---|---|---|
| | 2023 | 2022 |
| Beginning balance | $1,209,235 | $1,391,237 |
| Share attributable to non-controlling interests: | | |
| Net income (loss) for the current period | (238,397) | (180,792) |
| Other comprehensive income of the period | | |
| Exchange differences on translation of foreign financial statements | 15,201 | 16,603 |
| Unrealized gain (loss) on financial asset at fair value through other comprehensive income | 121 | (564) |
| Share of associates and joint ventures accounted for using equity method | | |
| Exchange differences on translation of foreign financial statements | 3,120 | 7,685 |
| Unrealized gain (loss) on financial asset at fair value through other comprehensive income | (257) | (1,769) |
| Gain (loss) on hedging instruments | 28 | 55 |
| Changes in associates and joint ventures recognized under equity method | (10) | 32 |
| Increase in non-controlling interest - capital increase by cash | 18,270 | 86,544 |
| Decrease in non-controlling interest - disposal | (3,404) | (1) |
| Decrease in non-controlling interest-cash dividend | - | (8,716) |

| | | |
|---|---|---|
| Increase (decrease) in non-controlling interests | (677) | 11,629 |
| Ending balance | $1,003,230 | $1,321,943 |

### 6.30 Operating Revenue

| Item | Three Months Ended September 30 2023 | 2022 |
|---|---|---|
| Revenue from contracts with customers | | |
| Sales revenue | $18,767,245 | $20,259,728 |
| Construction revenue | 171,503 | 142,036 |
| Other operating income | - | 1,260 |
| Realized (unrealized) profits from sales | 54 | 54 |
| Total sales revenue from contracts with customers | 18,938,802 | 20,403,078 |
| Less: Sales return | (8,245) | (3,773) |
| Sales discount | (19,442) | (21,313) |
| Net operating revenue | $18,911,115 | $20,377,992 |

| Item | Nine Months Ended September 30 2023 | 2022 |
|---|---|---|
| Revenue from contracts with customers | | |
| Sales revenue | $54,378,316 | $66,179,683 |
| Construction revenue | 583,572 | 371,589 |
| Other operating income | - | 5,512 |
| Realized (unrealized) profits from sales | 163 | 163 |
| Total sales revenue from contracts with customers | 54,962,051 | 66,556,947 |
| Less: Sales return | (28,321) | (17,854) |
| Sales discount | (46,921) | (45,937) |
| Net operating revenue | $54,886,809 | $66,493,156 |

(Note)The Group recognizes other operating income on a net basis as an agent for the commissioned sales of goods to the European Union. Please refer to Note7(3)2.

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 September 30, 2023:

| External customer | Steel coils and steel pipes | Wire rods | Construction revenue | Others | Total |
|---|---|---|---|---|---|
| Contract revenue | $15,799,345 | $1,059,363 | $171,557 | $1,880,850 | $18,911,115 |
| Timing of revenue recognition | | | | | |
| Revenue recognized at a specific timing | $15,799,345 | $1,059,363 | $- | $1,880,850 | $18,739,558 |
| Revenue recognized over time | - | - | 171,557 | - | 171,557 |
| Total | $15,799,345 | $1,059,363 | $171,557 | $1,880,850 | $18,911,115 |

Three Months Ended September 30, 2022:

| External customer | Steel coils and steel pipes | Wire rods | Construction revenue | Others | Total |
|---|---|---|---|---|---|
| Contract revenue | $17,609,706 | $1,370,649 | $142,090 | $1,255,547 | $20,377,992 |
| Timing of revenue recognition | | | | | |
| Revenue recognized at a specific timing | $17,609,706 | $1,370,649 | $- | $1,255,547 | $20,235,902 |
| Revenue recognized over time | - | - | 142,090 | - | 142,090 |
| Total | $17,609,706 | $1,370,649 | $142,090 | $1,255,547 | $20,377,992 |

Nine Months Ended September 30, 2023:

| External customer | Steel coils and steel pipes | Wire rods | Construction revenue | Others | Total |
|---|---|---|---|---|---|
| Contract revenue | $45,789,407 | $3,693,583 | $583,735 | $4,820,084 | $54,886,809 |
| Timing of revenue recognition | | | | | |
| Revenue recognized at a specific timing | $45,789,407 | $3,693,583 | $- | $4,820,084 | $54,303,074 |
| Revenue recognized over time | - | - | 583,735 | - | 583,735 |
| Total | $45,789,407 | $3,693,583 | $ 583,735 | $4,820,084 | $54,886,809 |

Nine Months Ended September 30, 2022:

| External customer | Steel coils and steel pipes | Wire rods | Construction revenue | Others | Total |
|---|---|---|---|---|---|
| Contract revenue | $57,538,265 | $5,145,948 | $ 371,752 | $3,437,191 | $66,493,156 |
| Timing of revenue recognition | | | | | |
| Revenue recognized at a specific timing | $57,538,265 | $5,145,948 | $- | $3,437,191 | $66,121,404 |
| Revenue recognized over time | - | - | 371,752 | - | 371,752 |
| Total | $57,538,265 | $5,145,948 | $ 371,752 | $3,437,191 | $66,493,156 |

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

2.Contract Balance

| Item | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Notes receivable and accounts receivable | $4,063,840 | $3,436,483 | $3,392,415 |
| Contract assets - current | | | |
| Steel structure construction and overhead cranes | $451,542 | $288,809 | $206,688 |
| Contract liabilities - current | | | |
| Unearned sales revenue | $778,160 | $1,207,313 | $1,350,033 |
| Advance construction receipts | 99,958 | 130,148 | 132,611 |
| Total | $878,118 | $1,337,461 | $1,482,644 |

(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:

| | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Expected credit loss rate | 0%-0.5% | 0%-0.5% | 0%-0.5% |
| Gross carrying amount | $452,868 | $289,860 | $207,524 |
| Loss allowance (Lifetime ECL) | (1,326) | (1,051) | (836) |
| Net | $451,542 | $288,809 | $206,688 |

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:

| | Nine Months Ended September 30 | |
|---|---|---|
| | 2023 | 2022 |
| Beginning balance | $1,051 | $405 |
| Less: Provision for impairment | 275 | 431 |
| Add: Reversal for impairment | - | - |
| Ending balance | $1,326 | $836 |

(3) Contract liabilities recognized for the nine months ended September 30, 2023 and 2022 under operating revenue amounted to $1,207,313 thousand and $2,913,934 thousand, respectively.

(4) As of September 30, 2023 and 2022, the transaction prices allocated to the performance obligations that were not fully satisfied amounted to $1,065,830 thousand and $1,202,909 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 June 2025.

### 6.31 Employee benefits, depreciation and amortization expense

| | Three Months Ended September 30, 2023 | | |
|---|---|---|---|
| Nature | Operating Cost | Operating Expense | Total |
| Employee benefits | | | |
| Salary | $530,902 | $234,830 | $765,732 |
| Insurance | 56,101 | 24,091 | 80,192 |
| Pension | 33,060 | 12,126 | 45,186 |
| Other employee benefits | 96,278 | 32,269 | 128,547 |
| Depreciation | 404,062 | 168,623 | 572,685 |
| Amortization | 9,428 | 3,761 | 13,189 |
| Total | $1,129,831 | $475,700 | $1,605,531 |

| | Three Months Ended September 30, 2022 | | |
|---|---|---|---|
| Nature | Operating Cost | Operating Expense | Total |
| Employee benefits | | | |
| Salary | $546,005 | $248,281 | $794,286 |
| Insurance | 53,578 | 28,334 | 81,912 |
| Pension | 33,741 | 9,329 | 43,070 |
| Other employee benefits | 96,452 | 22,151 | 118,603 |
| Depreciation | 399,550 | 178,953 | 578,503 |
| Amortization | 8,199 | 2,933 | 11,132 |
| Total | $1,137,525 | $489,981 | $1,627,506 |

| | Nine Months Ended September 30, 2023 | | |
|---|---|---|---|
| Nature | Operating Cost | Operating Expense | Total |
| Employee benefits | | | |
| Salary | $1,600,427 | $712,116 | $2,312,543 |
| Insurance | 168,263 | 74,095 | 242,358 |
| Pension | 98,402 | 36,087 | 134,489 |
| Other employee benefits | 305,061 | 90,826 | 395,887 |
| Depreciation | 1,209,035 | 498,511 | 1,707,546 |
| Amortization | 25,825 | 9,951 | 35,776 |
| Total | $3,407,013 | $1,421,586 | $4,828,599 |

| | Nine Months Ended September 30, 2022 | | |
|---|---|---|---|
| Nature | Operating Cost | Operating Expense | Total |
| Employee benefits | | | |
| Salary | $1,647,520 | $772,892 | $2,420,412 |
| Insurance | 157,463 | 77,907 | 235,370 |
| Pension(Note) | 98,358 | 33,875 | 132,233 |
| Other employee benefits | 315,535 | 86,138 | 401,673 |
| Depreciation | 1,201,599 | 530,477 | 1,732,076 |
| Amortization | 24,595 | 9,323 | 33,918 |
| Total | $3,445,070 | $1,510,612 | $4,955,682 |

(Note):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. Due to the accumulated loss of the Company for the three months and nine months ended September 30, 2023,the estimated amount of the above compensation and remuneration were all $0 thousand. the compensation to employees and remuneration to directors are deducted from. For the three months and nine months ended September 30, 2022, employees' compensation was accrued at ($914) thousand and $3,249 thousand, respectively. The directors' remuneration was accrued at ($457) thousand and $1,624 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 2023 and 2022. 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 | $3,159 |
| 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**

| Item | Three Months Ended September 30 | |
|---|---|---|
| | 2023 | 2022 |
| Bank deposits | $29,309 | $13,083 |
| Other interest income | - | 794 |
| Total | $29,309 | $13,877 |

| Item | Nine Months Ended September 30 | |
|---|---|---|
| | 2023 | 2022 |
| Bank deposits | $103,478 | $32,356 |
| Other interest income | - | 2,902 |
| Total | $103,478 | $35,258 |

**6.33 Other Income**

| Item | Three Months Ended September 30 | |
|---|---|---|
| | 2023 | 2022 |
| Rent revenue | $23,980 | $1,845 |
| Dividend income | 25,509 | 2,200 |
| Other revenue | | |
| Anti-dumping tax rebate income | 42,972 | - |
| Insurance claims income | - | - |
| Income from sales of scraps | 11,481 | 16,485 |
| Others | 19,460 | 9,324 |
| Subtotal | 73,913 | 25,809 |
| Total | $123,402 | $29,854 |

| Item | Nine Months Ended September 30 | |
|---|---|---|
| | 2023 | 2022 |
| Rent revenue | $30,585 | $6,236 |
| Dividend income | 44,923 | 6,761 |
| Other revenue | | |
| Anti-dumping tax rebate income | 348,312 | - |
| Insurance claims income | - | 131,872 |
| Income from sales of scraps | 38,822 | 61,878 |
| Others | 61,543 | 52,862 |
| Subtotal | 448,677 | 246,612 |
| Total | $524,185 | $259,609 |

1.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.

2.For tax rebate income from dumping, please refer to Note 6(5) for explanation.

### 6.34 Other gains and losses

| Item | Three Months Ended September 30 | |
|---|---|---|
| | 2023 | 2022 |
| Valuation gain (loss) on financial assets mandatorily measured at FVTPL | ($1,392) | $21,633 |
| Foreign exchange gain (loss) | 179,730 | 290,690 |
| Gain (loss) from disposal of property, plant, and equipment | (4,193) | (4,388) |
| Others | (2,826) | (1,425) |
| Total | $171,319 | $306,510 |

| Item | Nine Months Ended September 30 | |
|---|---|---|
| | 2023 | 2022 |
| Gain (loss) on disposal of investments under equity method | $ - | $241 |
| Valuation gain (loss) on financial assets mandatorily measured at FVTPL | (2,392) | 13,088 |
| Foreign exchange gain (loss) | 206,424 | 592,756 |
| Gain (loss) from disposal of property, plant, and equipment | (12,820) | (8,006) |
| Dumping margins | - | (4,872) |
| Others | (8,069) | (4,054) |
| Total | $183,141 | $589,153 |

For information on dumping margins, please refer to Note 6.16.

### 6.35 Finance Costs

| Item | Three Months Ended September 30 | |
|---|---|---|
| | 2023 | 2022 |
| Interest expense: | | |
| Interest on loans | $486,541 | $436,905 |
| Interest on lease liabilities | 601 | 632 |
| Subtotal | 487,142 | 437,537 |
| Less: Amount qualified for capitalization | (12,065) | (531) |
| Finance costs | $475,077 | $437,006 |

| Item | Nine Months Ended September 30 | |
|---|---|---|
| | 2023 | 2022 |
| Interest expense: | | |
| Interest on loans | $1,441,032 | $1,236,592 |
| Interest on lease liabilities | 822 | 1,437 |
| Subtotal | 1,441,854 | 1,238,029 |
| Less: Amount qualified for capitalization | (12,409) | (1,388) |
| Finance costs | $1,429,445 | $1,236,641 |

### 6.36 Income Tax

1. Income tax expense

(1)Components of income tax expense (benefit)

| Item | Three Months Ended September 30 2023 | Three Months Ended September 30 2022 |
|---|---|---|
| Current income tax expense | $94,619 | $97,049 |
| Adjustment to prior year income taxes | - | (254) |
| Tax on undistributed retained earnings | - | (3,469) |
| Tax on repatriation of offshore funds | - | (6,120) |
| Deferred income tax of originated and reversed temporary differences | (66,451) | (81,304) |
| Income tax expense (benefit) | $28,168 | $5,902 |

| Item | Nine Months Ended September 30 2023 | Nine Months Ended September 30 2022 |
|---|---|---|
| Current income tax expense | $281,920 | $528,487 |
| Adjustment to prior year income taxes | 2,787 | 1,812 |
| Tax on undistributed retained earnings | 13,722 | 124,890 |
| Tax on repatriation of offshore funds | - | (6,120) |
| Deferred income tax of originated and reversed temporary differences | (165,911) | (101,162) |
| Income tax expense (benefit) | $132,518 | $547,907 |

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

| Item | Three Months Ended September 30 2023 | Three Months Ended September 30 2022 |
|---|---|---|
| Exchange differences on translation of foreign financial statements | $82,573 | $20,294 |

| Item | Nine Months Ended September 30 | |
| --- | --- | --- |
| | 2023 | 2022 |
| Exchange differences on translation of foreign financial statements | $42,840 | $76,397 |

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 September 30, 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 | ($41,526) | $- | ($41,526) |
| 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 | (9,918) | - | (9,918) |
| Subtotal | (51,444) | - | (51,444) |
| Items that may be reclassified subsequently to profit or loss: | | | |
| Exchange differences on translation of foreign financial statements | 413,642 | (77,356) | 336,286 |
| Share of associates and joint ventures accounted for using equity method: | | | |
| Exchange differences on translation of foreign financial statements | 131,451 | (5,217) | 126,234 |
| Gain (loss) on hedging instruments | 44 | - | 44 |
| Subtotal | 545,137 | (82,573) | 462,564 |
| Recognized in other comprehensive income | $493,693 | ($82,573) | $411,120 |

| Item | Three Months Ended September 30, 2022 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 | ($2,759) | $- | ($2,759) |
| 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 | (8,513) | - | (8,513) |
| Subtotal | (11,272) | - | (11,272) |
| Items that may be reclassified subsequently to profit or loss: | | | |
| Exchange differences on translation of foreign financial statements | 115,542 | (10,975) | 104,567 |
| Share of associates and joint ventures accounted for using equity method: | | | |
| Exchange differences on translation of foreign financial statements | 221,721 | (9,319) | 212,402 |
| Gain (loss) on hedging instruments | 2,123 | - | 2,123 |
| Subtotal | 339,386 | (20,294) | 319,092 |
| Recognized in other comprehensive income | $328,114 | (20,294) | $307,820 |

| Item | Nine Months Ended September 30, 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 | ($13,376) | $- | ($13,376) |
| 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 | 34,743 | - | 34,743 |
| Subtotal | 21,367 | - | 21,367 |
| Items that may be reclassified subsequently to profit or loss: | | | |
| Exchange differences on translation of foreign financial statements | 256,738 | (35,648) | 221,090 |
| Share of associates and joint ventures accounted for using equity method: | | | |
| Exchange differences on translation of foreign financial statements | 180,092 | (7,192) | 172,900 |
| Gain (loss) on hedging instruments | 1,532 | - | 1,532 |
| Subtotal | 438,362 | (42,840) | 395,522 |
| Recognized in other comprehensive income | $459,729 | ($42,840) | $416,889 |

| Item | Nine Months Ended September 30, 2022 | | |
|---|---|---|---|
| | 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 | ($58,364) | $- | ($58,364) |
| 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 | (199,656) | - | (199,656) |
| Subtotal | (258,020) | - | (258,020) |
| Items that may be reclassified subsequently to profit or loss: | | | |
| Exchange differences on translation of foreign financial statements | 380,059 | (57,678) | 322,381 |
| Share of associates and joint ventures accounted for using equity method: | | | |
| Exchange differences on translation of foreign financial statements | 447,430 | (18,719) | 428,711 |
| Gain (loss) on hedging instruments | 2,976 | - | 2,976 |
| Subtotal | 830,465 | (76,397) | 754,068 |
| Recognized in other comprehensive income | $572,445 | ($76,397) | $496,048 |

**6.38 Earnings Per Share**

| Item | Three Months Ended September 30 | |
|---|---|---|
| | 2023 | 2022 |
| A.Basic earnings (loss) per share | | |
| Net income (loss) | ($41,893) | ($381,000) |
| Weighted average number of outstanding shares (thousand shares) | 1,968,499 | 1,985,098 |
| Weighted average number of shares outstanding after retrospective adjustment (thousand shares) | 1,968,499 | 1,985,098 |
| Basic earnings (loss) per share (after tax) (NT$) | ($0.02) | ($0.19) |
| B.Diluted earnings (loss) per share | | |
| Net income (loss) attributable to shareholders of parent company | ($41,893) | ($381,000) |
| Weighted average number of outstanding shares (thousand shares) | 1,968,499 | 1,985,098 |
| Impact on employees' compensation (Note) | - | 242 |
| Weighted average number of ordinary shares outstanding after dilution (thousand shares) | 1,968,499 | 1,985,340 |
| Net income (loss) attributable to shareholders of parent company | ($0.02) | ($0.19) |

| Item | Nine Months Ended September 30 2023 | 2022 |
|---|---|---|
| A.Basic earnings (loss) per share | | |
| Net income (loss) attributable to shareholders of parent company | ($182,442) | $1,177,089 |
| Weighted average number of outstanding shares (thousand shares) | 1,968,499 | 1,985,098 |
| Weighted average number of shares outstanding after retrospective adjustment (thousand shares) | 1,968,499 | 1,985,098 |
| Basic earnings (loss) per share (after tax) (NT$) | ($0.09) | $0.59 |
| B.Diluted earnings (loss) per share | | |
| Net income (loss) attributable to shareholders of parent company | ($182,442) | $1,177,089 |
| Weighted average number of outstanding shares (thousand shares) | 1,968,499 | 1,985,098 |
| Impact on employees' compensation (Note) | 32 | 375 |
| Weighted average number of ordinary shares outstanding after dilution (thousand shares) | 1,968,531 | 1,985,473 |
| Net income (loss) attributable to shareholders of parent company | ($0.09) | $0.59 |

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.

(Note)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. Acquisition of additional interests in subsidiaries

Nine months ended September 30, 2023

Between January and September 2023, the Group had purchased additional shares of 3.13% and 0.24% in cash for the subsidiaries, Gen-Wan Technology Corp., Ltd. and Applied Wireless Identifications Group, Inc. with $2,553 thousand and $850 thousand, resulting in the changes in its shareholding percentage from 86.99% to 90.12% and 88.69% to 88.93%, respectively. Since the said transaction did not change the Group's control over the said subsidiaries, it is deemed as an equity transaction.

| | Gen-Wan Technology Corp. | Applied Wireless Identifications Group, Inc. |
|---|---|---|
| Carrying amount of non-controlling interests acquired | $3,052 | $1,028 |
| Consideration paid to non-controlling interests | (2,553) | (850) |
| Capital surplus - Difference between consideration and carrying amount of subsidiaries acquired or disposed | $499 | $178 |

Nine months ended September 30, 2022:None.

2. Change in ownership interests in subsidiaries

Nine months ended September 30, 2023:None.

Nine months ended September 30, 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 | ($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 | ($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 |
| I-Shou University | Other related party |
| I-Shou University Internship Center | Other related party |
| I-Shou International School | Other related party |
| E-DA Healthcare Preschool | Other related party |
| E-DA Preschool | Other related party |
| Long Hua Travel Services Co., Ltd. | Other related party |
| Yieh Mau International Co., Ltd. | Other related party |
| Yu Hong Industrial Co., Ltd | Other related party |
| Guan Ying Enterprise Co., Ltd. | Other related party |
| Zhengzi Technology Co., Ltd | Other related party |
| E-Da Hospital | Other related party |

| | |
|---|---|
| E-Da Cancer Hospital | Other related party |
| E-Da Dachang Hospital | 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 |
| E-Da Health Biotechnology Co., Ltd. | Other related party |
| E-Da Medical Foundation Management Center | Other related party |
| Wei Hong Investment Development Co., Ltd. | Other related party |
| Lianshuo Investment Development 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 September 30 2023 | Three Months Ended September 30 2022 |
|---|---|---|---|
| Sales revenue | Associates | $535,105 | $872,841 |
| | Other related parties | 499,150 | 311,838 |
| | Total | $1,034,255 | $1,184,679 |
| Construction revenue | Associates | $25,522 | $8,539 |
| | Other related parties | 71,115 | 32,959 |
| | Subtotal | 96,637 | 41,498 |
| | Less: construction revenue that are eliminated in consolidation | - | - |
| | Total | $96,637 | $41,498 |

| Item | Related party category | Nine Months Ended September 30 2023 | Nine Months Ended September 30 2022 |
|---|---|---|---|
| Sales revenue | Associates | $1,320,569 | $2,691,253 |
| | Other related parties | 1,889,170 | 1,392,131 |
| | Total | $3,209,739 | $4,083,384 |
| Construction revenue | Associates | $48,350 | $40,758 |
| | Other related parties | 303,048 | 80,862 |
| | Subtotal | 351,398 | 121,620 |
| | Less: construction revenue that are eliminated in consolidation | (603) | (14,527) |
| | Total | $350,795 | $107,093 |

(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 and nine months ended September 30, 2023 and 2022, the eliminated construction revenue was $0 thousand, $0 thousand, $603 thousand and $14,527 thousand ,respectively.

2. Purchases

| | Three Months Ended September 30 | |
|---|---|---|
| Related party category | 2023 | 2022 |
| Associate: | | |
| Yieh United Steel Corp. | $772,186 | $1,052,886 |
| Other related party: | | |
| Yieh Hong Enterprise Co., Ltd | 1,194,817 | 782,301 |
| Others | 9,763 | 8,484 |
| Total | $1,976,766 | $1,843,671 |

| | Nine Months Ended September 30 | |
|---|---|---|
| Related party category | 2023 | 2022 |
| Associate: | | |
| Yieh United Steel Corp. | $2,451,229 | $4,035,108 |
| Other | - | 110,729 |
| Other related party: | | |
| Yieh Hong Enterprise Co., Ltd | 3,652,084 | 4,599,895 |
| Others | 29,421 | 26,262 |
| Total | $6,132,734 | $8,771,994 |

(1) 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.

(2) For the nine months ended September 30, 2023 and 2022. The amount of associated companies entrusted the Group to sell stainless steel coils to the European Union amounted to $0 thousand and $251,194 thousand, and the purchase amount of the aforementioned transaction was $0 thousand and $245,682 thousand, The Group recognizes income on a net basis for the transaction, and the above disclosed purchase amount does not include the purchase of commissioned sales.

3. Contract assets

| Related party category | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Associate: | | | |
| Yieh United Steel Corp. | $40,628 | $45,158 | $39,655 |
| Other related party: | | | |
| New Spring construction Corp. | 399,534 | 113,327 | 108,040 |
| Total | 440,162 | 158,485 | 147,695 |
| Less: Loss allowance | (1,326) | (1,051) | (836) |
| Net | $438,836 | $157,434 | $146,859 |

4. Contract liabilities (excluding contracted projects)

| Related party category | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Associates | $5,989 | $4,900 | $4,586 |
| Other related parties | 3,164 | 3,023 | 3,537 |
| Total: | $9,153 | $7,923 | $8,123 |

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

| Accounting Item | Related party category | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|---|
| Notes receivable | Associates | $1,927 | $120 | $126 |
| | Other related parties | 356 | 24 | 27 |
| | Total | 2,283 | 144 | 153 |
| | Less: Loss allowance | - | - | - |
| | Net | $2,283 | $144 | $153 |
| Accounts receivable | Associate： | | | |
| | Asiazone Co., Ltd. | $68,087 | $353,001 | $519,474 |
| | Others | 101,837 | 63,902 | 56,988 |
| | Other related parties | 18,813 | 34,109 | 2,896 |
| | Total | 188,737 | 451,012 | 579,358 |
| | Less: Loss allowance | (1,706) | (2,060) | (2,942) |
| | Net | $187,031 | $448,952 | $576,416 |
| Other receivables | Associate： | | | |
| | Yieh Mau Corp. | $15 | $16,606 | $16,600 |
| | Others | 2,759 | 2,322 | 5,274 |
| | Other related parties | 14,247 | 4,274 | 10,460 |
| | Total | 17,021 | 23,202 | 32,334 |
| | Less: Loss allowance | - | - | - |
| | Net | $17,021 | $23,202 | $32,334 |

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

| Accounting Item | Related party category | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|---|
| Notes payable | Associates | $3,259 | $5,927 | $4,519 |
| | Other related parties | 7,930 | 336 | 2,302 |
| | Total | $11,189 | $6,263 | $6,821 |
| Accounts payable | Associates | | | |
| | Yieh United Steel Corp | $182,443 | $5,343 | $22,560 |
| | Other | - | - | 556 |
| | Other related parties | 7,277 | 6,343 | 8,908 |
| | Total | $189,720 | $11,686 | $32,024 |
| Other payables | Associates | $4,619 | $8,749 | $4,690 |
| | Other related parties | 5,428 | 3,681 | 4,894 |
| | Total | $10,047 | $12,430 | $9,584 |

7. Prepayments

| Related party category | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Associates | $22 | $ - | $17 |
| Other related party: | 124,858 | 134,084 | 56,028 |
| Total | 124,880 | $134,084 | $56,045 |

8. Asset transaction

(1)Acquisition of property, plant and equipment:

Nine months ended September 30, 2023 :

| Type of related party | Transaction target | Transaction amount |
|---|---|---|
| Other related party: | Other equipment, Construction in progress | $7,944 |
| Associates | Other equipment | 3,441 |

The above-mentioned transaction price was agreed on by both parties upon negotiation. As of September 30, 2023, was fully paid.

Nine months ended September 30, 2022 :

| Type of related party | Transaction target | Transaction amount |
|---|---|---|
| Associates | Network switch, etc. | $14,292 |

The above-mentioned transaction price was agreed on by both parties upon negotiation. As of September 30, 2022, the unpaid portion was $316 thousand.

(2)Disposal of property,plant and equipment :

Nine months ended September 30, 2023 :None.

Nine months ended September 30, 2022:

| Type of related party | Transaction target | Transaction amount | Gains or loss on disposal |
|---|---|---|---|
| Associates | Other equipment | $95 | $25 |

The above-mentioned transaction price was agreed on by both parties upon negotiation. As of September 30, 2022, all the transaction amount was fully recovered.

(3)Disposal of other assets:

Nine months ended September 30, 2023 :None.

Nine months ended September 30, 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 September 30, 2022, all the transaction amount was fully recovered.

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

| Accounting Item | Related party category | Three Months Ended September 30 | |
|---|---|---|---|
| | | 2023 | 2022 |
| Interest expense | Associates | $2,137 | $2,235 |
| | Other related parties | 2,894 | 4,034 |
| | Total | $5,031 | $6,269 |

| Accounting Item | Related party category | Nine Months Ended September 30 | |
|---|---|---|---|
| | | 2023 | 2022 |
| Interest expense | Associates | $ - | $99 |
| Rental expense | Associates | $6,355 | $6,658 |
| | Other related parties | 7,880 | 7,344 |
| | Total | $14,235 | $14,002 |

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 September 30 2023 | Three Months Ended September 30 2022 |
|---|---|---|
| Associates | $3,261 | $8,258 |
| Other related parties | 580 | 9,766 |
| Total | $3,841 | $18,024 |

| Related party category | Nine Months Ended September 30 2023 | Nine Months Ended September 30 2022 |
|---|---|---|
| Associates | $16,027 | $32,611 |
| Other related parties | 1,949 | 11,053 |
| Total | $17,976 | $43,664 |

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 September 30 2023 | Three Months Ended September 30 2022 |
|---|---|---|
| Associates | $20,706 | $18,066 |
| Other related parties | 37,355 | 31,924 |
| Total | $58,061 | $49,990 |

| Related party category | Nine Months Ended September 30 2023 | Nine Months Ended September 30 2022 |
|---|---|---|
| Associates | $59,606 | $57,512 |
| Other related parties | 111,965 | 108,253 |
| Total | $171,571 | $165,765 |

These were mainly service charges and export expenses.

(3) Construction contracts

(a) Unfinished construction contracts with related parties as of September 30, 2023 were as follows:

| Type of related party / Name | Name of Project | Total contract price | Total costs incurred and Recognized profits and losses/ Amount of money requested | Contract assets / liabilities |
|---|---|---|---|---|
| Associates | Crane assembly, etc. | $231,023 | $106,403/ $76,904 | $40,628 / $11,129 |
| Other related party： | | | | |
| New Spring Construction Corp. | Structures construction on the ground for E-Da Asia Commercial Plaza, etc. | 2,323,477 | 1,668,407/ 1,268,952 | 399,534/ 79 |

(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 | Total costs incurred and Recognized profits and losses/ Amount of money requested | Contract assets / liabilities |
|---|---|---|---|---|
| Associates | Precision steel belt factory crane assembly engineering, etc. | $83,136 | $62,270/ $17,300 | $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) | 3,321,507/ 3,208,833 | 113,327 / 653 |

(c)Unfinished construction contracts with related parties as of September 30, 2022 were as follows:

| Type of related party / Name | Name of Project | Total contract price | Total costs incurred and Recognized profits and losses/ Amount of money requested | Contract assets / liabilities |
|---|---|---|---|---|
| Associates | Precision steel belt factory crane assembly engineering, etc. | $81,276 | $55,645/ $15,990 | $39,655/ $ - |
| Other related party： | | | | |
| New Spring Construction Corp. | Structures construction on the ground for E-Da Asia Commercial Plaza, etc. | 4,233,594 (Note) | 3,412,924/ 3,306,076 | 108,040/1,192 |

(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 | The amount | Major transaction |
|---|---|---|
| Other related parties | 87,555 | 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:

Nine months ended September 30, 2023:

| | Investment Increment | | Shareholding Percentage | |
|---|---|---|---|---|
| Investee | Shares (thousand shares) | Amount | Before Offering | After Offering |
| Associate： | | | | |
| E-Da Bus Transportation Co., Ltd. | 1,025 | $10,252 | 17.09% | 17.09% |
| Xinzhan Engineering Consultants Co., Ltd. | 900 | 9,000 | 45.00% | 45.00% |
| Other related party： | | | | |
| E-Da Health Biotechnology Co., Ltd. | 8,550 | 85,500 | 0.00% | 19.00% |

Nine months ended September 30, 2022:

| | Investment Increment | | Shareholding Percentage | |
|---|---|---|---|---|
| Investee | Shares (thousand shares) | Amount | Before Offering | After Offering |
| Associate： | | | | |
| E-Da Bus Transportation Co., Ltd. | 1,025 | $10,252 | 17.09% | 17.09% |
| Xinzhan Engineering Consultants Co., Ltd. | 450 | 4,500 | 0.00% | 45.00% |
| Other related party： | | | | |
| Zhengzi Technology Co., Ltd | 293 | 4,826 | 0.00% | 19.50% |

### 7.4 Information about remunerations to the major management:

| Item | Three Months Ended September 30 2023 | Three Months Ended September 30 2022 |
|---|---|---|
| Salary and other short-term employee benefits | $22,332 | $26,551 |
| Benefits after retirement | 521 | 609 |
| Other long-term employee benefits | - | - |
| Termination benefits | - | - |
| Share-based payments | - | - |
| Total | $22,853 | $27,160 |

| Item | Nine Months Ended September 30 2023 | Nine Months Ended September 30 2022 |
|---|---|---|
| Salary and other short-term employee benefits | $77,102 | $91,652 |
| Benefits after retirement | 1,702 | 1,849 |
| Other long-term employee benefits | - | - |
| Termination benefits | - | - |
| Share-based payments | - | - |
| Total | $78,804 | $93,501 |

## 8. PLEDGED ASSETS

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

| Item | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Pledged demand deposits | $335,446 | $493,423 | $481,497 |
| Pledged time deposits | 546,649 | 184,410 | 753,645 |
| Subtotal of other financial assets - current | 882,095 | 677,833 | 1,235,142 |
| Pledged demand deposits | 16,048 | 13,180 | 8,508 |
| Pledged time deposits | 774,784 | 763,292 | 623,876 |
| Subtotal of other financial assets - noncurrent | 790,832 | 776,472 | 632,384 |
| Property, plant and equipment (net) | 32,023,357 | 31,266,542 | 29,348,491 |
| Right-of-use asset | 157,537 | 157,875 | 161,237 |
| Investment properties | 95,383 | 95,383 | 95,383 |
| Investments accounted for using equity method | - | 2,016,408 | 2,014,604 |
| Notes receivable and accounts receivable | 290,271 | 295,067 | 117,220 |
| Total | $34,239,475 | $35,285,580 | $33,604,461 |

## 9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

(1) Guarantee notes issued by the Group to banks for loans and purchases performance totaled $53,102,469 thousand, $50,137,434 thousand, and $52,091,636 thousand as of September 30, 2023, December 31, 2022, and September 30, 2022, respectively.

(2) Guarantee notes received by the Group for its contract performance and creditor's right totaled $1,556,665 thousand, $1,804,539 thousand, and $1,799,848 thousand as of September 30, 2023, December 31, 2022, and September 30, 2022, respectively.

(3) The unused letters of credit as of September 30, 2023, December 31, 2022, and September 30, 2022 were as follows:

| Item | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| L/C Amount | USD 20,091 | USD 20,425 | USD 9,820 |
| | NTD 658,607 | NTD 564,531 | NTD 402,242 |
| | JPY 83,032 | JPY 86,373 | JPY 6,876 |
| | CNY 2,739 | HKD 23,924 | |

(4) As of September 30, 2023, December 31, 2022, and September 30, 2022, guarantees provided to banks by the Group for vouchers sales, performance and warranty amounted to $173,937 thousand, $230,141 thousand, and $171,376 thousand, respectively.

(5) As of September 30, 2023, December 31, 2022, and September 30, 2022, guarantee letters of credit issued by the Group for export business totaled USD24,000 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 Korea Zinc、LIANFENG and Xiamen International Trade. The price was agreed on by both parties upon negotiation. As of September 30, 2023, the unperformed portion totaled 24,552 tons, amounting to $473,998 thousand.

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

| Item | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Property, plant and equipment | $159,265 | $549,026 | $648,739 |

(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 September 30, 2023.

## 10. SIGNIFICANT DISASTER LOSS: NONE.

## 11. SIGNIFICANT SUBSEQUENT EVENTS

(1) The Company's Board of Directors resolved on August 14, 2023 to repurchase 20,000 thousand shares from open market from August 15 to October 14, 2023 at a price range of $13.8 to $15.3 per share. As of September 30, 2023, the number of shares repurchased by the Company was 12,356 thousand shares,and as of October 14, 2023, the number of shares repurchased by the Company was 4,317 thousand shares, the Group has repurchased a total of 16,673 thousand shares.

(2) The Company's Board of Directors resolved on October 16, 2023 to repurchase 20,000 thousand from open market from October 17 to December 16, 2023 at a price range of $13.8 to $15.3 per share. As of November 6, 2023, the number of shares repurchased by the Company was 2,441 thousand shares.

## 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 nine months ended September 30, 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 nine months ended September 30, 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 nine months ended September 30, 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

| | September 30, 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 | 122,269 | 32.27 | 3,945,221 | Up 1% | 39,452 | - |
| USD:RMB | 26,353 | 7.1798 | 850,423 | Up 1% | 8,504 | - |
| RMB:USD | 249,355 | 0.1393 | 1,120,738 | Up 1% | 11,207 | - |
| Investments accounted for using equity method | | | | | | |
| USD:NTD | 26,756 | 32.27 | 863,422 | Up 1% | - | 8,634 |
| Financial liabilities | | | | | | |
| Monetary items | | | | | | |
| USD:RMB | 61,894 | 7.1798 | 1,997,313 | Up 1% | (19,973) | - |
| EUR:RMB | 9,311 | 7.5849 | 317,418 | Up 1% | (3,174) | - |
| RMB:USD | 342,660 | 0.1393 | 1,539,439 | Up 1% | (15,394) | - |

| (Foreign currency / Functional currency) | Amount in Foreign Currency | Exchange rate | December 31, 2022 | | | |
|---|---|---|---|---|---|---|
| | | | | Sensitivity Analysis | | |
| | | | Presented amount (New Taiwan Dollars) | Range of change | Effects on profit or loss | Effects on Equity |
| 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) | - |

| (Foreign currency / Functional currency) | Amount in Foreign Currency | Exchange rate | September 30, 2022 | | | |
|---|---|---|---|---|---|---|
| | | | | Sensitivity Analysis | | |
| | | | Presented amount (New Taiwan Dollars) | Range of change | Effects on profit or loss | Effects on Equity |
| Financial assets | | | | | | |
| Monetary items | | | | | | |
| USD:NTD | 132,550 | 31.75 | 4,207,580 | Up 1% | 42,076 | - |
| USD:RMB | 37,344 | 7.0998 | 1,185,661 | Up 1% | 11,857 | - |
| RMB:USD | 295,898 | 0.1408 | 1,323,245 | Up 1% | 13,232 | - |
| USD:IDR | 5,276 | 15,277 | 165,320 | Up 1% | 1,653 | |
| Investments accounted for using equity method | | | | | | |
| USD:NTD | 26,471 | 31.75 | 840,447 | Up 1% | - | 8,404 |
| Financial liabilities | | | | | | |
| Monetary items | | | | | | |
| USD:NTD | 4,673 | 31.75 | 148,346 | Up 1% | (1,483) | - |
| USD:RMB | 78,794 | 7.0998 | 2,501,707 | Up 1% | (25,017) | - |
| RMB:USD | 385,700 | 0.1408 | 1,722,607 | Up 1% | (17,226) | - |

If NTD appreciates against the above-mentioned currencies, held all other variables constant, the impact generated as of September 30, 2023, December 31, 2022, and September 30, 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 $179,730 thousand, $290,690 thousand, $206,424 thousand and $592,756 thousand for the three months and nine months ended September30, 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 nine months ended September 30, 2023 and 2022 will increase or decrease by $758 thousand and $664 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 nine months ended September 30, 2023 and 2022 will increase or decrease by $10,175 thousand and $7,270 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:

| | Carrying Amount | | |
|---|---|---|---|
| Item | September 30, 2023 | December 31, 2022 | September 30, 2022 |
| With fair value interest rate risk | | | |
| Financial assets | $4,093,617 | $4,444,725 | $5,116,527 |
| Financial liabilities | (1,464,586) | (1,771,435) | (1,814,335) |
| Net | $2,629,031 | $2,673,290 | $3,302,192 |
| With cash flow interest rate risk | | | |
| Financial assets | $5,854,679 | $6,632,864 | $5,387,345 |
| Financial liabilities | (53,873,798) | (52,267,459) | (53,018,595) |
| Net | ($48,019,119) | ($45,634,595) | ($47,631,250) |

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 ($360,143) thousand and ($357,234) thousand for the nine months ended September 30, 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 September 30, 2023, December 31, 2022, and June 30, 2022 the top ten clients accounted for 46.04%, 58.96%, and 57.23% 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:

| September 30, 2023 | 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 | 75,792 | - | - | - | - |
| Financial assets measured at FVTOCI | 1,017,505 | - | - | - | - |
| Total | $1,093,297 | $ - | $ - | $ - | $ - |

| December 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 | 84,641 | - | - | - | - |
| Financial assets measured at FVTOCI | 740,987 | - | - | - | - |
| Total | $825,628 | $ - | $ - | $ - | $ - |

| September 30, 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 | 87,550 | - | - | - | - |
| Financial assets measured at FVTOCI | 727,003 | - | - | - | - |
| Total | $814,553 | $ - | $ - | $ - | $ - |

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 nine months ended September 30, 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

| | September 30, 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| Non-derivative financial Liabilities | Within 6 months | 7-12 months | 1-2 years | 2-5 years | Over 5 years | Contractual cash flows | Carrying amount |
| Short-term loans | $9,966,402 | $1,258,475 | $ - | $ - | $ - | $11,224,877 | $11,224,877 |
| Short-term notes and bills payable | 1,400,000 | - | - | - | - | 1,400,000 | 1,397,757 |
| Notes payable | 575,622 | - | - | - | - | 575,622 | 575,622 |
| Accounts payable | 1,789,585 | - | - | - | - | 1,789,585 | 1,789,585 |
| Other payables | 1,648,928 | - | - | - | - | 1,648,928 | 1,648,928 |
| Lease liabilities (including current) | 6,096 | 5,131 | 10,509 | 9,796 | 49,286 | 80,818 | 66,829 |
| Long-term loans (including current portion) | 2,558,055 | 4,439,588 | 7,893,097 | 19,648,429 | 8,240,710 | 42,779,879 | 42,648,921 |
| Guarantee deposits received | 7,186 | 288 | 332 | 854 | 11,845 | 20,505 | 20,505 |
| Subtotal | $17,951,874 | $5,703,482 | $7,903,938 | $19,659,079 | $8,301,841 | $ 59,520,214 | $ 59,373,024 |

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 | $11,227 | $20,305 | $12,790 | $12,734 | $12,735 | $11,027 | $80,818 |

| | December 31, 2022 | | | | | | |
|---|---|---|---|---|---|---|---|
| Non-derivative financial Liabilities | 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 | 1,501,624 | 5,109,326 | 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 | $4,541,725 | $5,119,077 | $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 |

September 30, 2022

| Non-derivative financial Liabilities | Within 6 months | 7-12 months | 1-2 years | 2-5 years | Over 5 years | Contractual cash flows | Carrying amount |
|---|---|---|---|---|---|---|---|
| Short-term loans | $12,348,886 | $ 2,258,311 | $ - | $ - | $ - | $14,607,197 | $14,607,197 |
| Short-term notes and bills payable | 1,745,000 | - | - | - | - | 1,745,000 | 1,742,265 |
| Notes payable | 1,290,139 | - | - | - | - | 1,290,139 | 1,290,139 |
| Accounts payable | 1,432,128 | - | - | - | - | 1,432,128 | 1,432,128 |
| Other payables | 1,826,243 | 4,873 | - | - | - | 1,831,116 | 1,831,116 |
| Lease liabilities (including current) | 5,060 | 6,081 | 9,723 | 15,005 | 49,217 | 85,086 | 72,070 |
| Long-term loans (including current portion) | 2,392,614 | 1,208,454 | 5,088,062 | 18,342,659 | 11,508,790 | 38,540,579 | 38,411,398 |
| Guarantee deposits received | 4,563 | 331 | 45 | 1,565 | 11,617 | 18,121 | 18,121 |
| Subtotal | $21,044,633 | $3,478,050 | $5,097,830 | $18,359,229 | $11,569,624 | $ 59,549,366 | $ 59,404,434 |

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 | $11,141 | $24,728 | $12,630 | $12,278 | $12,278 | $12,031 | $85,086 |

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 | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Financial assets measured at amortized cost | | | |
| Cash and cash equivalents | $7,726,494 | $8,636,937 | $8,818,282 |
| Notes receivables and accounts receivables (including related parties) | 4,063,840 | 3,436,483 | 3,392,415 |
| Other receivables(including related parties) | 483,179 | 165,538 | 237,398 |
| Other financial assets - current | 2,249,115 | 2,529,680 | 1,988,664 |
| Refundable deposits | 77,757 | 149,671 | 75,780 |
| Other financial assets - noncurrent | 790,832 | 776,472 | 632,384 |
| Financial assets at fair value through profit or loss - current | 75,792 | 84,641 | 87,550 |
| Financial assets at fair value through other comprehensive income or loss - noncurrent | 1,017,505 | 740,987 | 727,003 |
| Financial liabilities | | | |
| Financial liabilities measured at amortized costs | | | |
| Short-term loans | 11,224,877 | 13,590,171 | 14,607,197 |
| Short-term notes and bills payable | 1,397,757 | 1,701,701 | 1,742,265 |
| Notes receivables and accounts payable (including related parties) | 2,365,207 | 1,906,549 | 2,722,267 |
| Other payables (including related parties) | 1,648,928 | 1,887,927 | 1,831,116 |
| Long-term loans (including current | 42,648,921 | 38,677,288 | 38,411,398 |

| Financial assets | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| portion) | | | |
| Guarantee deposits | 20,505 | 17,741 | 18,121 |
| Lease liabilities (including due within one year) | 66,829 | 69,734 | 72,070 |

**(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:

| Item | September 30, 2023 | | | |
|---|---|---|---|---|
| | 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 | $75,792 | $ - | $ - | $75,792 |
| Financial assets measured at FVTOCI | | | | |
| Domestic unlisted stocks | - | - | 998,629 | 998,629 |
| Domestic listed stocks | 18,876 | - | - | 18,876 |
| Total | $94,668 | $ - | $998,629 | $1,093,297 |

| 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 | September 30, 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 | $66,442 | $ - | $ - | $66,442 |
| Derivatives | - | 21,108 | - | 21,108 |
| Financial assets measured at FVTOCI | | | | |
| Domestic unlisted stocks | - | - | 707,832 | 707,832 |
| Domestic listed stocks | 19,171 | - | - | 19,171 |
| Total | $85,613 | $21,108 | $707,832 | $814,553 |

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.

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 | |
|---|---|---|
| | Nine Months Ended September 30 | |
| Item | 2023 | 2022 |
| Beginning balance | $722,995 | $1,034,482 |
| Addition | 294,635 | 4,826 |
| Transferred to Investments accounted for using equity method | - | (261,002) |
| Proceeds from capital reduction | (4,741) | (17,183) |
| Recognized in other comprehensive income | (14,260) | (53,291) |
| Ending balance | $998,629 | $707,832 |

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 | Significant unobservable inputs | 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

(a)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:

Nine Months Ended September 30, 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 | 51,732 | 58,248 | 6,629 | 4.59%~ 4.79% | EUR 1,000 |
| | (EUR 413) | (EUR 1,542) | (EUR 1,763) | (EUR 192) | | |

Nine Months Ended September 30, 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 | - | 19,000 | 19,000 | - | 1.17% | EUR 500 |
| | (EUR 0) | (EUR 608) | (EUR 608) | (EUR 0) | | |

(b)The Group endorses and transfers part of the bank acceptance bills to suppliers to pay accounts payable and transfers the endorsement to banks to apply for discounting. The relevant information was as follows:

| | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Transferred and derecognized | $894,133 | $757,961 | $448,551 |
| | (RMB 198,937) | (RMB 171,895) | (RMB 100,303) |

Almost all the risks and rewards of these receivable bank acceptance bills have been transferred, but if the derecognized bank acceptance bills fail to cash when due, the supplier still has the right to require the company to pay off, so the Group continues to participate in such bank acceptance bills. The maximum amount of risk exposure for losses of the Group's continuous participation in these derecognized bank acceptance bills is the amount that has been transferred but not yet matured. Considering the credit risk of derecognized bank acceptance bills, the Group assessed that the amount of its continuing participation is not significant.

2. Transferred financial assets not fully derecognized:

| | September 30, 2023 | December 31, 2022 | September 30, 2022 |
|---|---|---|---|
| Transferred but not fully derecognized | $94,655 | $ - | $ - |
| | (RMB 21,060) | | |

If these acceptance bills receivable cannot be recovered when due, the supplier has the right to require the Group to pay the outstanding balance, so the Group has not transferred the significant risks and rewards of the acceptance bills receivable, and continues to recognize the above Acceptance bills receivable, and the transferred acceptance bills receivable as collateral.

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

## 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
## September 30, 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 | 460,000 | 310,000 | 303,000 | 2.57%-3.19% | 2 | – | Operating capital | – | – | – | 12,345,378 (Note 3) | 12,345,378 (Note 3) |
| | | United Brightening Development Corp. | Other receivables - related party | Y | 1,065,000 | 73,000 | 705,000 | 2.57%-3.19% | 2 | – | Operating capital | – | – | – | 12,345,378 (Note 3) | 12,345,378 (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 | 4,165,946 (RMB 371,772) (USD 78,970) | 3,094,786 (RMB247,219) (USD 61,470) | 3,094,786 (RMB 247,219) (USD 61,470) | 4.50%-9.65% | 2 | – | Operating capital | – | – | – | 12,345,378 (Note 3) | 12,345,378 (Note 3) |
| 2 | Yieh Phui (China) Technomaterial Co., Ltd. | Tianjin Lianfa Precision Steel Corporation | Long-term receivable – related party | Y | 224,730 (RMB 50,000) | 224,730 (RMB 50,000) | 224,730 (RMB 50,000) | 4.90%-5.20% | 2 | – | Operating capital | – | – | – | 12,345,378 (Note 3) | 12,345,378 (Note 3) |
| 3 | Kuo Chang Enterprise Co., Ltd | Sin Bang Investment & Development Co., Ltd. | Other receivables - related party | Y | 2,800 | 2,800 | 2,800 | 3.19% | 2 | – | Operating capital | – | – | – | 393,086 (Note 2) | 393,086 (Note 1) |

(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
## September 30, 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 | 30,863,446 | 6,230,280 (RMB 1,400,000) | 2,134,935 (RMB 475,000) | 1,564,121 (RMB 348,000) | – | 6.92% | 30,863,446 | Y | – | Y |
| | | Shin Yang Steel Co., Ltd. | Subsidiary of the Company | 30,863,446 | 456,000 | – | – | – | – | 30,863,446 | Y | – | – |
| | | Yieh Phui (Hong Kong) Holdings Limited | Subsidiary of the Company | 30,863,446 | 3,678,780 (USD 114,000) | 3,678,780 (USD 114,000) | 3,174,669 (USD 50,750) (RMB 341,959) | – | 11.92% | 30,863,446 | 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 | – | – | – | – | 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 | – | – | – | – | 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)
# September 30, 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 September 30, 2023 Shares (in thousands) | Carrying value | Ownership (%) | Fair value | Note |
|---|---|---|---|---|---|---|---|---|
| Yieh Phui Enterprise Co., Ltd. | Fund/US Technology Fund F Shares | None | Financial assets at fair value through profit or loss - current | 1 | 4,246 | — | 4,246 | |
| | Fund/ KGI Real Assets Multi-asset Fund | None | Financial assets at fair value through profit or loss - current | 300 | 2,856 | — | 2,856 | |
| | Fund/ CTBC Growth Opportunities Multi-Asset Fund | None | Financial assets at fair value through profit or loss - current | 500 | 4,959 | — | 4,959 | |
| | Fund/UPAMC Taiwan High Dividend and Growth Fund | None | Financial assets at fair value through profit or loss - current | 500 | 4,955 | — | 4,955 | |
| | Fund/ Allianz Global Investors US Short Duration High Income Bond Fund | None | Financial assets at fair value through profit or loss - current | 470 | 4,975 | — | 4,975 | |
| | Fund/ Capital Enhanced Income And Growth Multi-Asset Fund | None | Financial assets at fair value through profit or loss - current | 600 | 6,004 | — | 6,004 | |
| | Fund/ Mega Global Bond ETF Strategic Income Fund of Funds | None | Financial assets at fair value through profit or loss - current | 800 | 8,000 | | 8,000 | |
| | | Total | | | 35,995 | | 35,995 | |
| | Stock/ Taiwan Ves-Power Co., Ltd. | Related party in substance | Financial assets at fair value through other comprehensive income or loss - noncurrent | 252 | 56,881 | 3.60% | 56,881 | |
| | Stock/ New Spring Construction Corp. | Related party in substance | Financial assets at fair value through other comprehensive income or loss - noncurrent | 17,003 | 139,527 | 15.49% | 139,527 | |
| | Stock/ Taiwan Implant Technology Company, Ltd. | None | Financial assets at fair value through other comprehensive income or loss - noncurrent | 815 | 4,512 | 4.14% | 4,512 | |
| | Stock/ Sunny Bank | None | Financial assets at fair value through other comprehensive income or loss - noncurrent | 4,912 | 51,197 | 0.14% | 51,197 | |
| | Stock/ Universal Venture Capital Investment Co., Ltd. | None | Financial assets at fair value through other comprehensive income or loss - noncurrent | 1,100 | 7,988 | 0.91% | 7,988 | |
| | Stock/ Yieh Corporation Limited | Related party in substance | Financial assets at fair value through other comprehensive income or loss - noncurrent | 200 | 63,458 | 2.55% | 63,458 | |
| | 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 | 3,848 | 3.00% | 3,848 | |

| Securities held by | Marketable securities | Relationship with the securities issuer | General ledger account | As of September 30, 2023 | | | | Note |
|---|---|---|---|---|---|---|---|---|
| | | | | Shares (in thousands) | Carrying value | Ownership (%) | Fair value | |
| Yieh Phui Enterprise Co., Ltd. | 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 | 556 | 3,817 | 0.79% | 3,817 | |
| | Stock/ Skylark International Hotel Co., Ltd. | Related party in substance | Financial assets at fair value through other comprehensive income or loss - noncurrent | 26,000 | 366,195 | 13.68% | 366,195 | |
| | Stock/ Neolink Capital Corp. | None | Financial assets at fair value through other comprehensive income or loss - noncurrent | 2,100 | 18,570 | 2.57% | 18,570 | |
| | Stock/Taiwan Enterprise No.1 Venture Capital Limited Partnership | None | Financial assets at fair value through other comprehensive income or loss - noncurrent | - | 9,825 | - | 9,825 | |
| | Stock/ Asia Pacific Telecom Co., Ltd. | None | Financial assets at fair value through other comprehensive income or loss - noncurrent | 2,949 | 18,876 | 0.07% | 18,876 | |
| | | Total | | | 745,229 | | 745,229 | |
| Worthing Honor Holdings Ltd. | Stock/ SEE Corporation | None | Financial assets at fair value through profit or loss - current | 1 | — | — | — | |
| United Brightening Development Corp | Fund/ Mega Global Bond ETF Strategic Income Fund of Funds | None | Financial assets at fair value through profit or loss - current | 200 | 2,000 | — | 2,000 | |
| Kings Garden International Co., Ltd. | Fund/ SinoPac ESG Global Digital Infrastructure Fund | None | Financial assets at fair value through profit or loss - current | 300 | 2,607 | — | 2,607 | |
| | Fund/First Gold Top 100 US Corporate Bond Fund | None | Financial assets at fair value through profit or loss - current | 537 | 4,895 | — | 4,895 | |
| | | Total | | | 7,502 | | 7,502 | |
| Shin Yang Steel Co., Ltd. | Fund/ CTBC Growth Opportunities Multi-Asset Fund | None | Financial assets at fair value through profit or loss - current | 500 | 4,960 | — | 4,960 | |
| | Fund/ UPAMC Taiwan High Dividend and Growth Fund | None | Financial assets at fair value through profit or loss - curren | 300 | 2,973 | — | 2,973 | |
| | Fund/ Capital Enhanced Income And Growth Multi-Asset Fund | None | Financial assets at fair value through profit or loss - curren | 300 | 3,002 | — | 3,002 | |
| | | Total | | | 10,935 | | 10,935 | |
| | 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 | 8,550 | 85,500 | 19.00% | 85,500 | |
| | Stock/ UNICOCELL BIOMED CO., LTD | None | Financial assets at fair value through other comprehensive income or loss - noncurrent | 8,000 | 178,478 | 14.42% | 178,478 | |
| | | Total | | | 268,426 | | 268,426 | |
| EMMT Systems Corporation | Fund/ SinoPac ESG Global Digital Infrastructure Fund | None | Financial assets at fair value through profit or loss - current | 180 | 1,564 | — | 1,564 | |
| Yieh Hsing Enterprise Co., Ltd | Fund/ CTBC Growth Opportunities Multi-Asset Fund | None | Financial assets at fair value through profit or loss - current | 500 | 4,959 | — | 4,959 | |

| Securities held by | Marketable securities | Relationship with the securities issuer | General ledger account | As of September 30, 2023 Shares (in thousands) | Carrying value | Ownership (%) | Fair value | Note |
|---|---|---|---|---|---|---|---|---|
| Yieh Hsing Enterprise Co., Ltd | Fund/ ABITL Global High Yield Fund | None | Financial assets at fair value through profit or loss - current | 287 | 2,974 | － | 2,974 | |
| | Fund/ Capital Enhanced Income And Growth Multi-Asset Fund | None | Financial assets at fair value through profit or loss - current | 300 | 3,002 | － | 3,002 | |
| | Fund/ Mega Global Bond ETF Strategic Income Fund of Funds | None | Financial assets at fair value through profit or loss - current | 500 | 5,000 | － | 5,000 | |
| | Fund/ FSITC Global Utilities and Infrastructure Fund | None | Financial assets at fair value through profit or loss - current | 140 | 1,861 | － | 1,861 | |
| | | Total | | | 17,796 | | 17,796 | |
| | 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 | 3,850 | 3.00% | 3,850 | |

**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 Nine Months Ended September 30, 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 | 178,478 (Note) | — | — | — | — | 8,000 | 178,478 |

(Note): Including $208,000 thousand for private placement of common stock and unrealized loss on financial assets at FVTOCI for ($29,522) 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 Nine Months Ended September 30, 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 | 3,652,084 | 24.65% | T/T or Sight L/C before goods acceptance. | — | — | — | — | — |
| | Yieh United Steel Corporation | An investee accounted for using equity method | Sales | 396,926 | 2.08% | 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 | — | — | 91,657 | 4.94% | Accounts receivable |
| | | | Purchases | 137,229 | 0.93% | T/T or Sight L/C before goods acceptance. | — | — | 9,271 | 2.48% | Accounts payable |
| | | | | | | | | | 67 | 0.02% | Notes payable |
| | Yieh Mau Corp | Related party in substance | Sales | 1,787,326 | 9.39% | 1-2 months | — | — | 9,667 | 0.52% | Accounts receivable |
| | Asiazone Co., Limited | An investee accounted for using equity method | Sales | 732,857 | 3.85% | 1-2 months | — | — | 68,087 | 3.67% | Accounts receivable |
| | Shin Yang Steel Co., Ltd. | Subsidiary of the Company | Sales | 710,745 | 3.73% | 1-2 months | — | — | 20,401 | 1.10% | Accounts receivable |
| | New Spring Construction Corp. | Related party in substance | Sales | 303,048 | 1.59% | Contractually agreed | — | — | 2,035 | 0.11% | Accounts receivable |

| 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 (China) Technomaterial Co., Ltd | Tianjin Lianfa Precision Steel Corporation | Subsidiaries | Sales | 549,518 (RMB 124,618) | 2.07% | 1-4 months | — | — | 220,461 (RMB 49,051) | 39.28% | Accounts receivable |
| | ASIAZONE CO., LIMITED | An investee of the Parent Company under equity method. | Sales | 130,835 (USD 4,246) | 0.51% | 1-2 months | — | — | — | — | — |
| Yieh Hsing Enterprise Co., Ltd. | Yieh United Steel Corporation | An investee accounted for using equity method | Purchases | 2,272,843 | 59.87% | T/T or Sight L/C before goods acceptance. | — | — | 173,172 | 97.01% | Accounts payable |
| | | | | | | | | | 185 | 0.19% | Notes payable |

(Note ): 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
# September 30, 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 2) | Allowance for doubtful accounts |
|---|---|---|---|---|---|---|---|---|
| | | | | | Amount | Action taken | | |
| Yieh Phui Enterprise Co., Ltd. | Kuo Chang Enterprise Co., Ltd | Subsidiaries | 303,000 | (Note 1) | — | — | — | — |
| | United Brightening Development Corp.. | Subsidiaries | 705,000 | (Note 1) | — | — | — | — |
| Yieh Phui (Hong Kong) Holdings Limited | Yieh Phui (China) Technomaterial Co., Ltd. | Subsidiaries | 3,094,786 (RMB 247,219) (USD 61,470) | (Note 1) | — | — | USD 3,400 | — |
| Yieh Phui (China) Technomaterial Co., Ltd. | Tianjin Lianfa Precision Steel Corporation | Subsidiaries | 224,730 (RMB 50,000) | (Note 1) | — | — | — | — |
| | | | 220,461 (RMB 49,051) | 3.91 | — | — | RMB 22,280 | — |

(Note 1): These are accounts receivable financing, on which the calculation of turnover doesn’t apply.
(Note 2): Amounts received as of November 6, 2023.
(Note 3): Transactions between the aforesaid subsidiaries and the parent company have been written off.

**TABLE 7**

## Yieh Phui Enterprise Co., Ltd. and Subsidiaries
## Intercompany Relationship and Significant Intercompany Transactions
## For The Nine Months Ended September 30, 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 Phui Steel Corporation | 1 | Sales revenue | 82,535 | The payment period is 1-2 months after shipment | 0.15% |
| | | Shin Yang Steel Co., Ltd. | 1 | Sales revenue | 710,745 | The payment period is 1-2 months after shipment | 1.29% |
| | | Kuo Chang Enterprise Co., Ltd. | 1 | Other receivables | 303,000 | — | 0.33% |
| | | United Brightening Development Corp. | 1 | Other receivables | 705,000 | — | 0.76% |
| | | YIEH PHUI AMERICA, INC. | 1 | Refundable deposits | 771,253 | — | 0.83% |
| 1 | Lien-Hsin Steel Co., Ltd. | Lien-Hung Mining Co., Ltd | 3 | Other receivables | 91,831 | — | 0.10% |
| 2 | Yieh Phui (Hong Kong) Holdings Limited | Yieh Phui (China) Technomaterial Co., Ltd. | 1 | Long-term receivables | 3,094,786 (RMB 247,219) (USD 61,470) | — | 3.33% |
| 3 | Yieh Phui (China) Technomaterial Co., Ltd. | Tianjin Lianfa Precision Steel Corporation | 1 | Sales revenue | 549,518 (RMB 124,618) | The payment period is 1-4 months after shipment | 1.00% |
| | | | | Accounts receivable | 220,461 (RMB 49,051) | — | 0.24% |
| | | | | Long-term receivables | 224,730 (RMB 50,000) | — | 0.24% |

| 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) |
| 4 | EMMT Systems Corporation | APPLIED WIRELESS IDENTIFICATIONS GROUP,INC. | 1 | Sales revenue | 75,687 | The payment period is 1-2 months after shipment | 0.14% |

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
## September 30, 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 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | September 30, 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% | 9,464,226 | 29,894 | 29,894 | |
| | Eliter International Corp. | Kaohsiung City | Construction of buildings | 3,030,403 | 3,030,403 | 303,290 | 30.23% | 2,749,673 | (33,198) | (10,034) | |
| | Yieh Hsing Enterprise Co., Ltd. | Kaohsiung City | Wire rods trading | 2,261,296 | 2,261,296 | 304,654 | 57.41% | 243,031 | (692,193) | (389,213) | |
| | Tangeng Iron Works Co., Ltd. | Kaohsiung City | Steel trading | 1,453,572 | 1,453,572 | 39,553 | 11.30% | 1,247,126 | (670,244) | (75,743) | |
| | E-Da Development Corp. | Kaohsiung City | Leisure development | 2,096,196 | 2,096,196 | 209,619 | 28.44% | 801,517 | (306,563) | (87,194) | |
| | United Brightening Development Corp. | Kaohsiung City | Technical consultation for steel products manufacturing | 1,887,263 | 1,887,263 | 158,060 | 95.56% | 1,563,028 | (149,367) | (142,739) | |
| | Shin Yang Steel Co., Ltd. | Kaohsiung City | Steel products related business | 870,000 | 870,000 | 186,617 | 100.00% | 411,642 | 201,746 | 201,796 | |
| | Yieh Mau Corp. | Kaohsiung City | Trading & manufacturing | 422,605 | 422,605 | 65,641 | 23.00% | 836,589 | 5,842 | 4,774 | |
| | Kuo Chang Enterprise Co., Ltd. | Kaohsiung City | Wholesale of hardware | 1,385,973 | 1,385,973 | 110,341 | 99.04% | 1,168,426 | (98,678) | (97,731) | |
| | Asiazone Co., Limited | Hong Kong | Steel trading | 595,424 | 595,424 | 15,090 | 32.80% | 744,328 | 8,288 | 2,719 | |
| | Shin Phui Steel Corporation | Kaohsiung City | Trading of steel products | 214,236 | 214,236 | 24,228 | 100.00% | 266,964 | 1,205 | 1,942 | |
| | Sin Bang Investment & Development Co., Ltd. | Kaohsiung City | Investment | 263,709 | 263,709 | 19,103 | 100.00% | 225,155 | (16,960) | (16,960) | |

| 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 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | September 30, 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 | 310,350 | 310,349 | 72,528 | 78.51% | 1,112,775 | 370,662 | 291,010 | |
| | Good Honor Holdings Ltd. | British Virgin Islands | Investment | 14,723 | 14,723 | 46 | 100.00% | 4,446 | 17 | 17 | |
| | Gen-Wan Technology Corp. | Kaohsiung City | Telecommunication | 151,164 | 148,611 | 6,396 | 90.12% | 99,983 | 27,662 | 24,434 | |
| | Cheng Shin Security Co., Ltd. | Kaohsiung City | Security | 14,000 | 14,000 | 1,400 | 35.00% | 6,590 | (2,946) | (1,031) | |
| | E-Da Bus Transportation Co., Ltd. | Kaohsiung City | Bus transportation | 80,510 | 70,259 | 1,845 | 17.09% | 8,300 | (28,637) | (4,893) | |
| | E-DA Tour Bus Co., Ltd. | Kaohsiung City | Bus transportation | 20,900 | 20,900 | 1,349 | 19.00% | 9,551 | (5,842) | (1,110) | |
| | Worthing Honor Holdings Ltd. | British Virgin Islands | Investment | 6,672 | 6,672 | 100 | 100.00% | 3,008 | 17 | 17 | |
| | E United Japan Co., Ltd. | Japan | Steel trading | 8,027 | 8,027 | - | 47.00% | 4,779 | 2,471 | 1,161 | |
| | Skylark Hot Spring & Resort Corp. | Kaohsiung City | Hotel industry | 11,700 | 11,700 | 1,170 | 14.63% | - | (1,231) | - | |
| | E-Da Entertainment Co., Ltd. | Kaohsiung City | Entertainment industry | 74,100 | 74,100 | 7,410 | 19.00% | 49,247 | 1,199 | 228 | |
| | Li Hui Development Co., Ltd. | Kaohsiung City | Investment | 321,216 | 321,216 | 71,277 | 44.56% | 296,974 | 22,406 | (1,228) | (Note 1) |
| | Ji Chang Enterprise Co., Ltd. | Kaohsiung City | Investment | 5,050 | 5,050 | 1,042 | 45.00% | 4,534 | 408 | (12) | (Note 1) |
| | Yieh United Steel Corporation | Kaohsiung City | Steel products related businesses | 5,023,625 | 5,023,625 | 676,661 | 25.82% | 3,388,883 | (2,184,118) | (594,809) | (Note 1) |
| | Hong Yuh Assets Management Co., Ltd. | Kaohsiung City | Management service | 1,535,200 | 1,535,200 | 156,720 | 80.00% | 605,234 | (6,701) | (5,361) | |

| 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 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | September 30, 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% | - | (7,507) | - | |
| | Lian So(H.K) Co., Limited | Hong Kong | Investment | 580,422 | 507,342 | 18,960 | 80.00% | 350,919 | (1,681) | (1,345) | |
| | Yieh Phui America Inc. | U.S. | Trading of steel products | 292 | 292 | 1 | 100.00% | 112,171 | 6,563 | 6,563 | |
| | Great Emperor Hotel Co., Ltd. | Kaohsiung City | Hotel industry | 3,265,100 | 3,265,100 | 317,000 | 60.15% | 2,610,745 | (162,523) | (97,760) | |
| | 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% | 2,203,184 | (187,594) | (102,977) | |
| | Xinzhan Engineering and Management Consultants Co., Ltd. | Kaohsiung City | Manpower dispatch industry | 9,600 | 3,200 | 960 | 32.00% | 6,892 | (2,950) | (944) | |
| | Total | | | 36,054,158 | 35,961,873 | | | 30,599,920 | (3,880,553) | (1,066,529) | |
| Shin Phui Steel Corporation | Groupco Technology Inc. | Taichung City | RADIO | 37,492 | 37,492 | 3,830 | 42.53% | 3,658 | (352) | (150) | |
| | Yieh United Steel Corporation | Kaohsiung City | Steel products related businesses | 24,562 | 24,562 | 3,178 | 0.12% | 15,902 | (2,184,118) | (2,793) | (Note 1) |
| | Great Emperor Hotel Co., Ltd. | Kaohsiung City | Hotel industry | 515 | 515 | 50 | 0.01% | 412 | (162,523) | (15) | |
| | Kings Garden International Co., Ltd. | Kaohsiung City | Leasing, sales, and development of residential and commercial buildings, department stores | 515 | 515 | 50 | 0.01% | 427 | (187,594) | (19) | |
| Gen-Wan Technology Corp. | EMMT Systems Corporation | Taichung City | Manufacturing and marketing of military specification printed circuit boards | 27,630 | 27,630 | 6,909 | 7.48% | 106,003 | 370,662 | 27,722 | |

| 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 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | September 30, 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% | 4,298 | (352) | (176) | |
| | Applied Wireless Identifications Group, Inc. | San Francisco, US | RFID | 243,395 | 242,545 | 40,601 | 88.93% | 443,287 | 94,006 | 83,487 | |
| | UniPattern Corporation | Kaohsiung City | Manufacturing of computer and peripherals | 54,960 | 54,960 | 5,460 | 43.33% | 62,330 | (9,063) | (3,927) | |
| Shin Yang Steel Co., Ltd. | Yieh United Steel Corporation | Kaohsiung City | Steel products related businesses | 17,385 | 17,385 | 2,195 | 0.08% | 10,986 | (2,184,118) | (1,929) | (Note 1) |
| | Xinzhan Engineering and Management Consultants Co., Ltd. | Kaohsiung City | Manpower dispatch industry | 1,500 | 500 | 150 | 5.00% | 1,076 | (2,950) | (148) | |
| Sin Bang Investment & Development Co., Ltd. | Tangeng Iron Works Co., Ltd. | Kaohsiung City | Steel trading | 265,482 | 265,482 | 7,224 | 2.07% | 227,776 | (670,244) | (13,834) | |
| Kuo Chang Enterprise Co., Ltd. | Yieh United Steel Corporation | Kaohsiung City | Steel products related businesses | 439,197 | 439,197 | 56,817 | 2.17% | 284,365 | (2,184,118) | (49,944) | (Note 1) |
| | Eliter International Corp. | Kaohsiung City | Construction of buildings | 256,709 | 256,709 | 25,053 | 2.50% | 227,207 | (33,198) | (829) | |
| | Tangeng Iron Works Co., Ltd. | Kaohsiung City | Steel trading | 786,714 | 786,714 | 21,328 | 6.09% | 970,852 | (670,244) | (40,843) | |
| United Brightening Development Corp. | Chao Ying Investment Development Co., Ltd. | Kaohsiung City | Investment | 341,992 | 341,992 | 30,400 | 100.00% | 281,055 | (17,164) | (17,164) | |
| | Yieh United Steel Corporation | Kaohsiung City | Steel products related businesses | 449,508 | 449,508 | 58,151 | 2.22% | 291,041 | (2,184,118) | (51,117) | (Note 1) |
| | Tangeng Iron Works Co., Ltd. | Kaohsiung City | Steel trading | 1,177,838 | 1,177,838 | 32,050 | 9.16% | 1,438,837 | (670,244) | (61,375) | |
| | Eliter International Corp. | Kaohsiung City | Construction of buildings | 368,542 | 368,542 | 34,292 | 3.42% | 310,993 | (33,198) | (1,135) | |

| 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 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | September 30, 2023 | December 31, 2022 | Shares (in thousands) | Percentage of Ownership | Carrying Value | | | |
| Chao Ying Investment Development Co., Ltd. | Tangeng Iron Works Co., Ltd. | Kaohsiung City | Steel trading | 336,957 | 336,957 | 8,898 | 2.54% | 280,558 | (670,244) | (17,040) | |
| Hong Yuh Assets Management Co., Ltd. | Lien-Hsin Steel Co., Ltd. | Indonesia | Metal manufacturing industry | 891,697 | 891,697 | 2,880 | 61.74% | 515,685 | 1,129 | 697 | |
| | 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% | 183 | (161) | (16) | |
| | Lien-Hung Mining Co., Ltd. | Indonesia | Nickle mining | 100,303 | 100,303 | 3,787 | 19.00% | 86,970 | 68,672 | 8,141 | |
| | 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% | (42,656) | (2,847) | (2,135) | |
| | 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% | 52,788 | 11,629 | 11,629 | |
| Lian So (H.K) Co., Limited | Lien-Sheng Steel Co., Ltd. | Indonesia | Metal manufacturing industry | 14,522 | 13,820 | 0.45 | 90.00% | 1,651 | (161) | (145) | |
| | Lian Yang (Hong Kong) Trading Limited | Hong Kong | Trading business | 3,227 | 3,071 | 100 | 100.00% | 15,344 | 337 | 337 | |
| | Lien-Hsin Steel Co., Ltd. | Indonesia | Metal manufacturing industry | 576,020 | 548,174 | 1,785 | 38.26% | 319,617 | 1,129 | 432 | |
| | Prepayment of stock subscription - Lien-Hsin Steel Co., Ltd. | Indonesia | Metal manufacturing industry | 96,810 | - | - | - | 96,810 | - | - | |
| Lien-Hsin steel Co., Ltd. | Lien-Hung Mining Co., Ltd. | Indonesia | Nickle mining | 430,718 | 410,207 | 16,142 | 81.00% | 368,109 | 68,672 | 34,706 | |
| | Prepayment of stock subscription - Lien-Hung Mining Co., Ltd. | Indonesia | Nickle mining | 76,013 | 72,393 | - | - | 76,013 | - | - | |

| 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 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | September 30, 2023 | December 31, 2022 | Shares (in thousands) | Percentage of Ownership | Carrying Value | | | |
| Lien-Hsin steel Co., Ltd. | Lien-Heng Mining Co., Ltd. | Indonesia | Nickle mining | 19,515 | 18,586 | 127 | 25.00% | (14,219) | (2,847) | (712) | |
| Yieh Hsing Enterprise Co., Ltd. | Great Emperor Hotel Co., Ltd. | Kaohsiung City | Hotel industry | 2,099,500 | 2,099,500 | 209,950 | 39.84% | 1,729,104 | (162,523) | (64,747) | |
| | 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% | 1,809,941 | (187,594) | (84,597) | |
| | United Winner Metals L.P | Virginia, US | Scrap steel recycling | 107,150 | 107,150 | - | 33.75% | 119,095 | 15,696 | 5,298 | |
| | Cheng Shin Security Co., Ltd. | Kaohsiung City | Security | 4,000 | 4,000 | 400 | 10.00% | 1,883 | (2,946) | (295) | |
| | Eliter International Corp. | Kaohsiung City | Construction of buildings | 748,896 | 748,896 | 74,427 | 7.42% | 674,977 | (33,198) | (2,462) | |
| | E-Da Development Corp. | Kaohsiung City | Leisure development | 437,915 | 437,915 | 43,791 | 5.94% | 168,933 | (306,563) | (18,216) | |
| | Yieh United Steel Corporation | Kaohsiung City | Steel products related business | 20,204 | 20,204 | 2,542 | 0.10% | 12,724 | (2,184,118) | (2,237) | (Note 1) |
| | Xinzhan Engineering and Management Consultants Co., Ltd. | Kaohsiung City | Manpower dispatch industry | 2,400 | 800 | 240 | 8.00% | 1,723 | (2,950) | (236) | |
| Kings Garden International Co., Ltd. | Hua Li International Co., Ltd. | Kaohsiung City | Daily necessities, cosmetics wholesaler | 110,000 | 110,000 | 11,000 | 100.00% | 20,019 | (26,378) | (26,378) | |
| | E-Mau Development Co., Ltd. | Kaohsiung City | Department stores, amusement parks, and hotel industry | 27,520 | 27,520 | 2,752 | 12.80% | 27,379 | (229) | (29) | |
| 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% | 27,379 | (229) | (29) | |

(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 Nine Months Ended September 30, 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 September 30, 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 September 30, 2023 | Accumulated Inward Remittance of Earnings as of September 30, 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 | 7,622,174 (USD 236,200) (Note 6) | (2) | 7,535,045 (USD 233,500) | – | – | 7,535,045 (USD 233,500) | 17,773 | 100% | (17,773) (2) 2 | 9,493,828 | – |
| | Changshou ChangHuei Trading Co. | Trading of steel products | 44,946 (RMB 10,000) | (2) (Note 4) | – | – | – | – | 456 | 100% | 456 (2) 3 | 49,226 | – |
| | Tianjin Lianfa Precision Steel Corporation | Manufacturing and marketing of special high grade alloy | 435,645 (USD 13,500) | (2) (Note 5) | – | – | – | – | (27,597) | 100% | (27,597) (2) 3 | (217,986) | – |

| Investor | Investee in Mainland China | Accumulated Investment in Mainland China as of September 30, 2023 | Investment Amounts Authorized by Investment Commission, MOEA | Upper Limit on Investment |
|---|---|---|---|---|
| Yieh Phui Enterprise Co., Ltd. | Yieh Phui (China) Technomaterial Co., Ltd. | 7,535,045 (USD 233,500) | 7,622,174 (USD 236,200) | 18,518,068 |

(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 (China) Techno material Co., Ltd.: Reinvesting in the Mainland China through third-region companies as Yieh Phui (Hong Kong) Holdings Limited.

b. Changshou ChangHuei Trading Co.: Invested by Yieh Phui (China) Techno material Co., Ltd.

c. Tianjin Lianfa Precision Steel Corporation: Invested by Yieh Phui (China) Techno material Co., Ltd.

(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: 32.27; RMB: NTD 1: 4.4946). Investment gain or loss recognized in the current period is converted using the average exchange rate in from January 1 to September 30, 2023 (USD: NTD 1: 30.9855; RMB: NTD 1: 4.41).

(Note 4): Yieh Phui (China) Technomaterial Co., Ltd. invests in Changshou ChangHuei Trading Co. with equity funds of RMB 10 million. As of September 30, 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 September 30, 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 7 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**
**September 30, 2023**

| Name of major shareholder | Number of shares | Percentage of ownership (%) |
|---|---|---|
| Yieh United Steel Corporation | 317,210,602 | 16.13% |
| Weiqiao Investment Development Co., Ltd. | 216,005,528 | 10.98% |

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 September 30, 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 Shin Yang: Primarily engaging in manufacturing and selling of Steel Pipe and API Casing.
- Business Unit EMMT: Primarily engaging in manufacturing and selling of military supplies.
- 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 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 September 30, 2023 | Business Unit Yieh Phui | Business Unit Yieh Hsing | Business Unit Shin Yang | Business Unit EMMT | Business Unit Yieh Phui (China) | Great Emperor | Kings Garden | All other business units | Elimination | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| Sales from external customers | $6,588,742 | $1,090,486 | $550,754 | $511,197 | $9,247,078 | $420,055 | $127,797 | $375,006 | $ - | $18,911,115 |
| Sales among intersegments | 217,475 | - | 80 | 27,316 | 323,442 | 7,515 | 6,989 | 17,282 | (600,099) | - |
| Total sales | $6,806,217 | $1,090,486 | $550,834 | $538,513 | $9,570,520 | $427,570 | $134,786 | $392,288 | ($600,099) | $18,911,115 |
| Operating income (loss) | $198,605 | ($144,441) | $13,504 | $194,778 | $297,061 | $(13,278) | ($74,568) | $33,076 | ($2,370) | $502,367 |
| Non-operating income and expenses | | | | | | | | | | (591,545) |
| Income (loss) before income tax | | | | | | | | | | ($89,178) |
| Income tax (expense) benefit | | | | | | | | | | (28,168) |
| Net income (loss) | | | | | | | | | | ($117,346) |
| Total assets | | | | | | | | | | $92,875,163 |
| Total liabilities | | | | | | | | | | $61,008,487 |

| For The Three Months Ended September 30, 2022 | Business Unit Yieh Phui | Business Unit Yieh Hsing | Business Unit Shin Yang | Business Unit EMMT | Business Unit Yieh Phui (China) | Great Emperor | Kings Garden | All other business units | Elimination | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| Sales from external customers | $7,814,998 | $1,433,426 | $1,939,268 | $306,555 | $8,356,968 | $375,097 | $116,431 | $35,249 | $ - | $20,377,992 |
| Sales among intersegments | 152,840 | - | 256 | 26,649 | 64,598 | 4,420 | 8,873 | 9,067 | (266,703) | - |
| Total sales | $7,967,838 | $1,433,426 | $1,939,524 | $333,204 | $3,421,566 | $379,517 | $125,304 | $44,316 | ($266,703) | $20,377,992 |
| Operating income (loss) | $221,698 | ($168,488) | $282,110 | $92,717 | $(226,102) | $(62,894) | $(68,531) | $798 | $1,843 | $73,151 |
| Non-operating income and expenses | | | | | | | | | | (563,201) |
| Income (loss) before income tax | | | | | | | | | | ($490,050) |
| Income tax (expense) benefit | | | | | | | | | | (5,902) |
| Net income (loss) | | | | | | | | | | ($495,952) |
| Total assets | | | | | | | | | | $95,639,613 |
| Total liabilities | | | | | | | | | | $62,114,150 |

| For The Nine Months Ended September 30, 2023 | Business Unit Yieh Phui | Business Unit Yieh Hsing | Business Unit Shin Yang | Business Unit EMMT | Business Unit Yieh Phui (China) | Great Emperor | Kings Garden | All other business units | Elimination | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| Sales from external customers | $18,348,401 | $3,796,049 | $2,588,888 | $1,237,338 | $26,599,528 | $1,291,577 | $385,158 | $640,473 | ($603) | $54,886,809 |
| Sales among intersegments | 813,035 | - | 3,427 | 84,411 | 552,203 | 32,849 | 21,057 | 52,096 | (1,559,078) | - |
| Total sales | $19,161,436 | $3,796,049 | $2,592,315 | $1,321,749 | $27,151,731 | $1,324,426 | $406,215 | $692,569 | ($1,559,681) | $54,886,809 |
| Operating income (loss) | $491,960 | ($427,355) | $271,022 | $466,794 | $636,611 | $1,275 | ($192,137) | $118,358 | ($4,972) | $1,361,556 |
| Non-operating income and expenses | | | | | | | | | | (1,649,877) |
| Income (loss) before income tax | | | | | | | | | | ($288,321) |
| Income tax (expense) benefit | | | | | | | | | | (132,518) |
| Net income (loss) | | | | | | | | | | ($420,839) |
| Total assets | | | | | | | | | | $92,875,163 |
| Total liabilities | | | | | | | | | | $61,008,487 |

| For The Nine Months Ended September 30, 2022 | Business Unit Yieh Phui | Business Unit Yieh Hsing | Business Unit Shin Yang | Business Unit EMMT | Business Unit Yieh Phui (China) | Great Emperor | Kings Garden | All other business units | Elimination | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| Sales from external customers | $29,210,122 | $5,525,845 | $5,026,394 | $756,919 | $24,628,884 | $825,640 | $310,914 | $222,965 | ($14,527) | $66,493,156 |
| Sales among intersegments | 816,638 | - | 1,484 | 66,977 | 250,305 | 21,410 | 24,883 | 26,300 | (1,207,997) | - |
| Total sales | $30,026,760 | $5,525,845 | $5,027,878 | $823,896 | $24,879,189 | $847,050 | $335,797 | $249,265 | ($1,222,524) | $66,493,156 |
| Operating income (loss) | $2,044,604 | ($91,245) | $644,964 | $201,558 | ($138,969) | ($337,566) | ($244,133) | ($2,425) | $ 1,843 | $2,078,631 |
| Non-operating income and expenses | | | | | | | | | | (534,427) |
| Income (loss) before income tax | | | | | | | | | | $1,544,204 |
| Income tax (expense) benefit | | | | | | | | | | (547,907) |
| Net income (loss) | | | | | | | | | | $996,297 |
| Total assets | | | | | | | | | | $95,639,613 |
| Total liabilities | | | | | | | | | | $62,114,150 |

(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.