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TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS WITH REPORT OF INDEPENDENT AUDITORS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

Address: No. 6, Xinggong Rd., Tianzhong Township, Changhua County 520, Taiwan (R.O.C.)
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The reader is advised that these consolidated financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

REPRESENTATION LETTER

For the year ended 31 December 2023 (from 1 January 2023 to 31 December 2023), pursuant to "Criteria Governing Preparation of Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises and Affiliation Reports," the entities that are required to be included in the consolidated financial statements of affiliates, are the same as the entities required to be included in the consolidated financial statements under International Financial Reporting Standards 10. In addition, information required to be disclosed in the consolidated financial statements of affiliates is included in the aforementioned consolidated financial statements. Accordingly, it is not required to prepare a separate set of consolidated financial statements of affiliates.

Hereby declare,

Taisun Enterprise Co., Ltd.

Chairman: Wei-Lung Liu

March 12, 2024

Independent Auditors' Report

To Taisun Enterprise Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Taisun Enterprise Co., Ltd. (the "Company") and its subsidiaries as of December 31, 2023, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2023, and notes to the consolidated financial statements, including the summary of material accounting policies (together "the consolidated financial statements").

In our opinion, based on our audits and the report(s) of the other auditors (please refer to the *Other Matter – Making Reference to the Audit(s) of Other Auditors* section of our report), the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of December 31, 2023, and their consolidated financial performance and cash flows for the years ended December 31, 2023, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

For the consolidated financial statements of the Company for the year ended December 31, 2023, we conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the report(s) of the other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Correctness of timing of revenue recognition

The operating revenue of the Company is mainly generated from the manufacturing and sales of oil, food, beverage, feed and other products. Due to different transaction conditions (such as consignment and outright sales, etc.), we believe that the correctness of the point at which the controlling right of goods has been transferred to the customer and performance obligations have been met is material to the parent company only financial statements and is therefore determined to be a key audit matter. Our audit procedures include, but are not limited to, evaluating and testing the effectiveness of the design and implementation of internal controls related to the sales cycle, selecting samples to perform transaction tests of details, reviewing their transaction records and checking material terms and conditions in orders or contracts to confirm when the performance obligations are met, performing cutoff tests for a period before and after the balance sheet date, selecting samples to review transaction conditions and checking relevant transaction vouchers to confirm that performance obligations have been indeed met. We also considered the appropriateness in disclosures of operating revenues in Note 6 to the parent company only financial statements.

Inventory valuation

As of December 31, 2023, the amount of inventories of the Company was NT$1,363,136 thousand, which is considered material to the parent company only financial statements. As the main raw materials for products such as oils and feeds are imported from abroad and are affected by international market fluctuations, and the market for food and beverages is highly competitive and subject to expiry, the Company management must assess possible losses for market price decline and obsolete and slow-moving inventories. As the assessment involves judgment from management, we therefore considered this a key audit matter. Our audit procedures include (but are not limited to) understanding the policies and management's evaluation procedures for the allowance for inventories valuation losses, testing the effectiveness of relevant internal control implementation;, selecting samples to test the ranges of inventory aging and recalculating the correctness of the amount accrued. In addition, we select inventory samples to check transaction vouchers to verify the correctness of the net realizable value used by management, analyze and evaluate the inventory provision policies to confirm the reasonableness of inventory valuation. We also considered the appropriateness of disclosures of inventory accounting policies in Notes 4, 5 and 6 to the parent company only financial statements.

Emphasis of Matter – Contingency

As explained in Note 9 to the financial statements, on January 11, 2023, the Company received a civil complaint from Everwin Investment Co., Ltd. and Long Bon International Co., Ltd. requesting to invalidate the board resolution of the Company in 2022 regarding the disposal of shares in Taiwan FamilyMart Co., Ltd. The case is currently under trial in the Intellectual Property and Commercial Court. We have not revised the review conclusion as a result of this matter.

Emphasis of Matter – Non-current Prepayments for Investments

As explained in Note 6 (9), the Company paid a transaction price of NT$3.6 billion (including the withholding and unpaid securities transaction tax in the amount of NT$4.2 million) for the equity investment in JKO FinTech Co., Ltd in May 2023. However, the Intellectual Property and Commercial Court ruled on this case and granted the shareholders of the Company preliminary injunction maintaining a temporary status quo, prohibiting the Company from executing this equity investment until the final ruling of the litigation. Subsequently, the Company filed a lawsuit against JKO FinTech Co., Ltd and Dorian Innovation Limited in the Taipei District Court of Taiwan in August 2023 for the return of investment funds. The case is currently under trial in the Taipei District Court of Taiwan. We have not revised the audit opinion as a result of this matter.

Other Matters

The investments accounted for using the equity method recorded in the consolidated financial statements of the Company and its subsidiaries for the year ended December 31, 2023 audited by other auditors. Therefore, our opinions expressed herein regarding the amounts recorded in the financial statements of certain investee companies are based solely on the reports of the other auditors. The investment accounted for using the equity method in these investee companies as of December 31, 2023 amounted to NT$314,127 thousand, representing 2% of the total consolidated assets. The relevant share of profit or loss from associates and joint ventures accounted for using the equity method amounted to NT$53,548 thousand, representing 44% of the consolidated net income before tax for the year ended December 31, 2023. The share of other comprehensive income from associates and joint ventures accounted for using the equity method amounted to NT$252 thousand, representing (0.2)% of the consolidated other comprehensive income for the year ended December 31, 2023.

The consolidated financial statements of the Company and its subsidiaries for the year ended December 31, 2022 were audited by other auditors, and an audit report with unqualified opinions including other matters was issued on March 31, 2023.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2023 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Others

We have audited and expressed an unqualified opinion including Emphasis of Matter and Other Matter Paragraphs on the parent company only financial statements of the Company as of and for the year ended December 31, 2023.

Lin, Su-Wen

Yang, Chih-Huei

Ernst & Young, Taiwan
March 12, 2024

Notice to Readers

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

Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

As of December 31, 2023 and December 31, 2022

(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	As of December 31, 2023	As of December 31, 2022
Current assets			
Cash and cash equivalents	4, 6	$1,821,582	$8,504,412
Financial assets at fair value through profit or loss, current	4, 6	104,049	95,366
Note receivables, net	4, 5, 6	137,362	164,053
Trade receivables, net	4, 5, 6	806,511	831,258
Trade receivables - related parties, net	4, 5, 6, 7	464,963	487,544
Other receivables		16,984	10,123
Inventories, net	4, 5, 6	1,363,136	1,570,255
Biological assets, current	4	24,634	21,260
Prepayments to supplier		628,316	367,369
Other prepayments		34,899	37,236
Other financial assets, current	6	91,500	5,506
Other current assets		4,417	6,348
Total current assets		5,498,353	12,100,730
Non-current assets			
Financial assets at fair value through other comprehensive income, non-current	4, 6, 7, 8	1,413,304	1,522,815
Financial assets measured at amortized cost, non-current	4	130,013	-
Investments accounted for using the equity method	4, 6	314,127	304,201
Property, plant and equipment	4, 6	1,954,801	1,988,740
Right-of-use assets	4, 6	15,506	13,010
Investment properties, net	4, 6	611,404	613,160
Intangible assets	4	154	612
Biological assets, non-current	4	7,033	7,065
Deferred tax assets	4, 5, 6	40,278	33,490
Prepayments for business facilities		-	3,510
Prepayments for investments	4, 6, 9	3,600,000	-
Net defined benefit assets	6	52,239	51,783
Other financial assets, non-current	6	41,952	15,488
Total non-current assets		8,180,811	4,553,874
Total assets		$13,679,164	$16,654,604

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (CONTINUED)

As of December 31, 2023 and December 31, 2022

(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	As of December 31, 2023	As of December 31, 2022
Current liabilities			
Short-term borrowings	4, 6	$-	$769,490
Short-term notes payable	4, 6	-	370,000
Contract liabilities - current	4, 6	5,711	53,777
Notes payable	4	2,069	659
Accounts payable	4, 6, 7	561,750	615,996
Other payables		355,324	949,854
Current tax liabilities	4, 5, 6	254,570	339,284
Lease liabilities, current	4, 6	1,929	1,718
Long-term borrowings (current portion)	4, 6	-	570,000
Other current liabilities	6, 7	180,670	185,800
Total current liabilities		1,362,023	3,856,578
Non-current liabilities			
Deferred tax liabilities	4, 5, 6	222,926	223,071
Leases liabilities - non-current	4, 6	3,517	566
Deposits received		6,630	6,530
Total non-current liabilities		233,073	230,167
Total liabilities		1,595,096	4,086,745
Equity	4, 6		
Common stock		4,999,990	4,999,990
Additional paid-in capital	6	1,014,497	1,006,742
Retained earnings			
Legal reserve		869,876	276,984
Special reserve		240,776	240,776
Unappropriated earnings		5,249,096	6,213,851
Total retained earnings		6,359,748	6,731,611
Other equity	4, 6	(91,700)	28,205
Treasury stock	4, 6	(203,876)	(203,876)
Total equity attributable to owners of the parent		12,078,659	12,562,672
Non-controlling interests	6	5,409	5,187
Total equity		12,084,068	12,567,859
Total liabilities and equity		$13,679,164	$16,654,604

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the three-month and the nine-month periods ended September 30, 2023 and 2022

(Expressed in Thousands of New Tauwan Dollars, Except for Earnings per Share)

		Year ended December 31	
	Notes	2023	2022
Operating revenues, net	4, 6, 7	$11,228,425	$11,069,440
Operating costs	6, 7	(9,678,785)	(9,623,679)
Gross profit		1,549,640	1,445,761
Unrealized profit from sales		5,491	(403)
Realized profit from sales		403	231
Gross profit, net		1,555,534	1,445,589
Operating expenses	4, 6		
Selling expenses		(1,180,874)	(1,121,980)
General and administrative expenses		(436,519)	(709,044)
Expected credit loss	6	(707)	(6,947)
Subtotal		(1,618,100)	(1,837,971)
Net operating income (loss)		(62,566)	(392,382)
Non-operating income and expenses	4, 6, 7		
Interest income		25,606	7,613
Other gains and losses		127,281	73,951
Finance costs		(20,977)	(27,012)
Share of profit or loss of associates and joint ventures accounted for using the equity method		53,548	337,908
Gains on disposals of investments		-	6,211,072
Subtotal		185,458	6,603,532
Profit before tax		122,892	6,211,150
Income tax expense	4, 5, 6	(203,527)	(292,578)
Net income (loss)		(80,635)	5,918,572
Other comprehensive income (loss)	6		
Items that may not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit plans		(6,317)	32,781
Unrealized gains (losses) on equity insreuments measured at fair value through other comprehensive income		(114,826)	91,321
Share of other comprehensive income of associates and joint ventures		252	(4,733)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		(5,092)	10,683
Total other comprehensive income (loss), net of tax		(125,983)	130,052
Total comprehensive income		$(206,618)	$6,048,624
Net income (loss) attributable to:			
Owners of the parent		$(80,870)	$5,918,495
Non-controlling interests		235	77
		$(80,635)	$5,918,572
Total comprehensive income attributable to:			
Owners of the parent		$(206,840)	$6,048,582
Non-controlling interests		222	42
		$(206,618)	$6,048,624
Earnings (losses) per share:	6		
Basic earnings (losses) per share (NT$)		$(0.17)	$12.17
Diluted earnings (losses) per share (NT$)		$(0.17)	$11.96

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of the parent										
	Capital		Retained earnings			Other components of equity					
	Common stock	Additional Paid-In Capital	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized (Losses) Gains From Financial Assets at Fair Value Through Other Comprehensive Income	Treasury Stock	Total	Non-controlling Interests	Total Equity
Balance as of January 1, 2022	$4,999,990	$993,134	$209,930	$240,776	$851,981	$(34,553)	$(71,400)	$(203,876)	$6,985,982	$5,145	$6,991,127
Appropriation and distribution of 2021 retained earnings:											
Legal reserve	-	-	67,054	-	(67,054)	-	-	-	-	-	-
Cash dividend of common stock	-	-	-	-	(499,999)	-	-	-	(499,999)	-	(499,999)
Adjustments of additional paid-in capital for the Company's cash dividends received by subsidiaries	-	13,608	-	-	-	-	-	-	13,608	-	13,608
Changes in associates and joint ventures accounted for using the equity method	-	-	-	-	-	-	-	-	-	-	-
Net income for the year ended December 31, 2022	-	-	-	-	5,918,495	-	-	-	5,918,495	77	5,918,572
Other comprehensive income for the year ended December 31, 2022	-	-	-	-	33,285	10,683	86,119	-	130,087	(35)	130,052
Total comprehensive income	-	-	-	-	5,951,780	10,683	86,119	-	6,048,582	42	6,048,624
Proceeds from disposals of investments accounted for using equity method					(13,287)	14,499	13,287		14,499		14,499
Proceeds from disposals of equity instruments measured at fair value through other comprehensive income by the associates accounted for using the equity method					(9,570)		9,570				
Balance as of December 31, 2022	$4,999,990	$1,006,742	$276,984	$240,776	$6,213,851	$(9,371)	$37,576	$(203,876)	$12,562,672	$5,187	$12,567,859
Balance as of January 1, 2023	$4,999,990	$1,006,742	$276,984	$240,776	$6,213,851	$(9,371)	$37,576	$(203,876)	$12,562,672	$5,187	$12,567,859
Appropriation and distribution of 2022 retained earnings:											
Legal reserve	-	-	592,892	-	(592,892)	-	-	-	-	-	-
Cash dividend of common stock	-	-	-	-	(284,928)	-	-	-	(284,928)	-	(284,928)
Adjustments of additional paid-in capital for the Company's cash dividends received by subsidiaries	-	7,755	-	-	-	-	-	-	7,755	-	7,755
Net income (losses) for the year ended December 31, 2023	-	-	-	-	(80,870)	-	-	-	(80,870)	235	(80,635)
Other comprehensive income for the year ended December 31, 2023	-	-	-	-	(6,065)	(5,092)	(114,813)	-	(125,970)	(13)	(125,983)
Total comprehensive income	-	-	-	-	(86,935)	(5,092)	(114,813)	-	(206,840)	222	(206,618)
Balance as of December 31, 2023	$4,999,990	$1,014,497	$869,876	$240,776	$5,249,096	$(14,463)	$(77,237)	$(203,876)	$12,078,659	$5,409	$12,084,068

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Year ended December 31	
	2023	2022
Cash flows from operating activities:		
Net income before tax	$122,892	$6,211,150
Adjustments to reconcile net income before tax to net cash provided by operating activities:		
Income and expense adjustments:		
Depreciation	143,702	105,531
Amortization	458	1,257
Expected credit loss	707	6,947
Net losses (income) from financial asset and liabilities measured at fair value through profit or los	(8,683)	7,542
Interest expense	20,977	27,012
Interest income	(25,606)	(7,613)
Dividend income	(51,129)	(8,906)
Share of profit of associates and joint ventures accounted for using the equity method	(53,548)	(337,908)
Gains on disposals of property, plant and equipment	(2,680)	(648)
Gains on disposals of investments accounted for using the equity method	-	(6,211,072)
Reversal of impairment loss recognized in profit or loss, non-financial assets	(117)	-
Unrealized gains (losses) from sales	(5,491)	403
Realized profit from sales	(403)	(231)
Others	-	(4)
Changes in operating assets and liabilities:		
Increase in financial assets mandatorily measured at fair value through profit or loss	-	(591)
Decrease (increase) in notes receivable	26,691	(172)
Decrease (increase) in trade receivables	24,040	(69,162)
Decrease (increase) in trade receivables - related parties	22,581	(35,393)
(Increase) decrease in other receivables - related parties	(6,861)	344
Decrease (increase) in inventories, net	207,119	(858,229)
(Increase) decrease in biological assets	(6,220)	2,470
(Increase) decrease in prepayments to suppliers	(260,947)	253,163
Increase in other current assets	(81,726)	(151)
(Increase) decrease in net defined benefit assets	(456)	849
(Decrease) increase in contract liabilities	(48,066)	5,600
Increase (decrease) in notes payable	1,410	(60)
(Decrease) increase in accounts payable	(54,246)	38,294
(Decrease) increase in other payables	(594,530)	486,551
(Decrease) increase in other current liabilities	(9,330)	21,272
Decrease in net defined benefit liabilities	-	(5,119)
Cash used in operations	(639,462)	(366,874)
Interest received	25,606	7,613
Interest paid	(20,894)	(27,012)
Income tax paid	(295,174)	(44,628)
Net cash used in operating activities	(929,924)	(430,901)

	Year ended December 31	
	2023	2022
Cash flows form investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(5,068)	-
Acquisition of financial assets measured at amortized cost	(130,013)	-
Proceeds from disposals of investments accounted for using the equity method	-	7,986,979
Increase in prepayments for investments	(3,595,800)	-
Acquisition of property, plant and equipment	(108,252)	(143,649)
Proceeds from disposals of property, plant and equipment	8,473	6,242
(Increase) decrease in other financial assets	(26,464)	3,834
Increase in prepayments for business facilities	-	(2,247)
Dividends received	95,129	280,641
Net cash (used in) generated from investing activities	(3,761,995)	8,131,800
Cash flows from financing activities:		
Increase in short-term borrowings	3,263,968	10,490,216
Decrease in short-term borrowings	(4,033,458)	(10,237,038)
Increase in short-term notes payable	30,000	2,443,000
Decrease in short-term notes payable	(400,000)	(2,593,000)
Repayments of long-term borrowings	(570,000)	(480,000)
Increase (decrease) in deposits received	100	(90)
Cash payments for the principal portion of the lease liabilities	(3,197)	(2,727)
Cash dividends	(284,928)	(486,391)
Net cash used in financing activities	(1,997,515)	(866,030)
Effect of exchange rate changes on cash and cash equivalents	6,604	4,983
Net (decrease) increase in cash and cash equivalent	(6,682,830)	6,839,852
Cash and cash equivalents at the beginning of period	8,504,412	1,664,560
Cash and cash equivalents at the end of period	$1,821,582	$8,504,412

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

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Years Ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars unless Specified Otherwise)

1. History and organization

Taisun Enterprise Co., Ltd. ("the Company") was incorporated on October 21, 1960, with the approval from the Ministry of Economic Affairs and the Company's common shares were publicly listed on the Taiwan Stock Exchange (TWSE) on November 11, 1989. The main activities of the Company include manufacturing and sale of cooking oil, food, beverages and fodder. The Company's registered office is located at No.6, Xinggong Rd., Tianzhong Township, Changhua County 520, Taiwan (R.O.C.).

2. Date and procedures of authorization of financial statements for issue

The consolidated financial statements of the Company and its subsidiaries ("the Group") for the years ended December 31, 2023 and 2022 were authorized for issue by the Company's board of directors (hereinafter the "Board of Directors") on March 12, 2024.

3. Newly issued or revised standards and interpretations

(1)Changes in accounting policies resulting from applying for the first-time certain standards and amendments

The Group applied for the first time International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised or amended which are recognized by Financial Supervisory Commission ("FSC") and become effective for annual periods beginning on or after January 1, 2023. The adoption of these new standards and amendments had no material impact on the Group.

(2)Standards or interpretations issued, revised or amended, by International Accounting Standards Board ("IASB") which are endorsed by FSC, but not yet adopted by the Group as of the end of the reporting period are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
A	Classification of Liabilities as Current or Non-current – Amendments to IAS 1	January 1, 2024
B	Lease Liability in a Sale and Leaseback – Amendments to IFRS 16	January 1, 2024
C	Non-current Liabilities with Covenants – Amendments to IAS 1	January 1, 2024
D	Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7	January 1, 2024

A. Classification of Liabilities as Current or Non-current – Amendments to IAS 1

These are the amendments to paragraphs 69-76 of IAS 1 Presentation of Financial statements and the amended paragraphs related to the classification of liabilities as current or non-current.

B. Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

The amendments add seller-lessees additional requirements for the sale and leaseback transactions in IFRS 16, thereby supporting the consistent application of the standard.

C. Non-current Liabilities with Covenants – Amendments to IAS 1

The amendments improved the information companies provide about long-term debt with covenants. The amendments specify that covenants to be complied within twelve months after the reporting period do not affect the classification of debt as current or non-current at the end of the reporting period.

D. Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7

The amendments introduced additional information of supplier finance arrangements and added disclosure requirements for such arrangements.

The abovementioned standards and interpretations were issued by IASB and endorsed by FSC so that they are applicable for annual periods beginning on or after January 1, 2024. The new or amended standards and interpretations have no material impact on the Group.

(3)Standards or interpretations issued, revised or amended, by IASB which are not endorsed by FSC, but not yet adopted by the Group as of the end of the reporting period are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
A	IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
B	IFRS 17 "Insurance Contracts"	January 1, 2023
C	Lack of Exchangeability – Amendments to IAS 21	January 1, 2025

A. IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures

The amendments address the inconsistency between the requirements in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures, in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture. IAS 28 restricts gains and losses arising from contributions of non-monetary assets to an associate or a joint venture to the extent of the interest attributable to the other equity holders in the associate or joint ventures. IFRS 10 requires full profit or loss recognition on the loss of control of the subsidiary. IAS 28 was amended so that the gain or loss resulting from the sale or contribution of assets that constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized in full.

IFRS 10 was also amended so that the gains or loss resulting from the sale or contribution of a subsidiary that does not constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized only to the extent of the unrelated investors' interests in the associate or joint venture.

B. IFRS 17 "Insurance Contracts"

IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects (including recognition, measurement, presentation and disclosure requirements). The core of IFRS 17 is the General (building block) Model, under this model, on initial recognition, an entity shall measure a group of insurance contracts at the total of the fulfilment cash flows and the contractual service margin. The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of the liability for remaining coverage and the liability for incurred claims.

Other than the General Model, the standard also provides a specific adaptation for contracts with direct participation features (the Variable Fee Approach) and a simplified approach (Premium Allocation Approach) mainly for short-duration contracts.

IFRS 17 was issued in May 2017 and it was amended in 2020 and 2021. The amendments include deferral of the date of initial application of IFRS 17 by two years to annual beginning on or after 1 January 2023 (from the original effective date of 1 January 2021); provide additional transition reliefs; simplify some requirements to reduce the costs of applying IFRS 17 and revise some requirements to make the results easier to explain. IFRS 17 replaces an interim Standard – IFRS 4 Insurance Contracts – from annual reporting periods beginning on or after 1 January 2023.

C. Lack of Exchangeability – Amendments to IAS 21

These amendments specify whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide. The amendments apply for annual reporting periods beginning on or after January 1, 2025.

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when the Group's financial statements were authorized for issue, the local effective dates are to be determined by FSC. As the Group is still currently determining the potential impact of the standards and interpretations listed under (A), it is not practicable to estimate their impact on the Group at this point in time. The remaining new or amended standards and interpretations have no material impact on the Group.

4. Summary of material accounting policies

(1) Statement of compliance

The consolidated financial statements of the Group for the years ended December 31, 2023 and 2022 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers ("the Regulations") and International Financial Reporting Standards, International Accounting Standards, and Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by the FSC ("TIFRS").

(2) Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value. The consolidated financial statements are expressed in thousands of New Taiwan Dollars ("NT$") unless otherwise stated.

(3) Basis of consolidation

Preparation principle of consolidated financial statement

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

A. power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
B. exposure, or rights, to variable returns from its involvement with the investee, and
C. the ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

A. the contractual arrangement with the other vote holders of the investee
B. rights arising from other contractual arrangements
C. the Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Subsidiaries are fully consolidated from the acquisition date, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using uniform accounting policies. All intra-group balances, income and expenses, unrealized gains and losses and dividends resulting from intra-group transactions are eliminated in full.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction.

Total comprehensive income of the subsidiaries 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.
If the Group loses control of a subsidiary, it:

A. derecognizes the assets (including goodwill) and liabilities of the subsidiary;
B. derecognizes the carrying amount of any non-controlling interest;
C. recognizes the fair value of the consideration received;
D. recognizes the fair value of any investment retained;
E. reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss, or transfer directly to retained earnings if required by other IFRSs; and
F. recognizes any resulting difference in profit or loss.

The consolidated entities are listed as follows:

			Percentage of ownership (%)	
Investor	Name of subsidiaries	Nature of business	December 31, 2023	December 31, 2022
The Company	Pin-Tai Distribution Enterprise Co., Ltd. (Pin-Tai)	Wholesale and retail of cooking oils and foods	99.93%	99.93%
Merged company	Taiwan Nikomart Co., Ltd. (Taiwan Nikomart)	Operation of a chain of convenience stores	98.12%	98.12%
Merged company	Chuang Shin Traffic Co., Ltd. (Chuang Shin)	Logistics	97.42%	97.42%
The Company	Taisun Yuan Co., Ltd. (Taisun Yuan)	Investment management	100%	100%
The Company	Taisun (Cayman) Investment Ltd. (Taisun (Cayman))	Investment	100%	100%
Taisun (Cayman)	Taisun Enterprise (Zhangzhou) Foods Ltd. (Taisun Enterprise (Zhangzhou))	Production and sale of food, beverages, snacks, and products	100%	100%
Taisun (Cayman)	Taisun International Ltd.	Sale of oil products	100%	-%

(4)Foreign currency transactions

The Group's consolidated financial statements are presented in NT$, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency closing rate of exchange ruling at the reporting date. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates as of the dates of the initial transactions.

All exchange differences arising on the settlement of monetary items or on translating monetary items are taken to profit or loss in the period in which they arise except for the following:

A. Exchange differences arising from foreign currency borrowings for an acquisition of a qualifying asset to the extent that they are regarded as an adjustment to interest costs are included in the borrowing costs that are eligible for capitalization.
B. Foreign currency items within the scope of IFRS 9 Financial Instruments are accounted for based on the accounting policy for financial instruments.
C. Exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation is recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. When a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is recognized in profit or loss.

(5)Translation of financial statements in foreign currency

The assets and liabilities of foreign operations are translated into NT$ at the closing rate of exchange prevailing at the reporting date and their income and expenses are translated at an average rate for the period. The exchange differences arising on the translation are

recognized in other comprehensive income. On the disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognized in other comprehensive income and accumulated in the separate component of equity, is reclassified from equity to profit or loss when the gain or loss on disposal is recognized. The following partial disposals are accounted for as disposals: (a) when the partial disposal involves the loss of control of a subsidiary that includes a foreign operation; and (b) when the retained interest after the partial disposal of an interest in a joint arrangement or a partial disposal of an interest in an associate that includes a foreign operation is a financial asset that includes a foreign operation.

On the partial disposal of a subsidiary that includes a foreign operation that does not result in a loss of control, the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is re-attributed to the non-controlling interests in that foreign operation. In partial disposal of an associate or joint arrangement that includes a foreign operation that does not result in a loss of significant influence or joint control, only the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Any goodwill and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and expressed in its functional currency.

(6)Current and non-current distinction

An asset is classified as current when:

A. The Group expects to realize the asset, or intends to sell or consume it, in its normal operating cycle.
B. The Group holds the asset primarily for the purpose of trading.
C. The Group expects to realize the asset within twelve months after the reporting period
D. The asset is cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when:

A. The Group expects to settle the liability in its normal operating cycle
B. The Group holds the liability primarily for the purpose of trading
C. The liability is due to be settled within twelve months after the reporting period
D. The Group does not have an unconditional right to defer settlement of the liability for at

least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(7)Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid time deposits (including ones that have maturity within 3 months) or investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(8)Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities within the scope of IFRS 9 Financial Instruments are recognized initially at fair value plus or minus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

A. Recognition and Measurement of financial assets

The Group accounts for regular way purchase or sales of financial assets on the trade date.

The Group classified financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss considering both factors below:

(a) the Group's business model for managing the financial assets and
(b) the contractual cash flow characteristics of the financial asset.

Financial assets measured at amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met and presented as note receivables, trade receivables, financial assets measured at amortized cost and other receivables etc., on balance sheet as at the reporting date:

(a) the financial asset is held within a business model whose objective is to hold financial

assets in order to collect contractual cash flows and
(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are subsequently measured at amortized cost (the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount and adjusted for any loss allowance) and is not part of a hedging relationship. A gain or loss is recognized in profit or loss when the financial asset is derecognized, through the amortization process or in order to recognize the impairment gains or losses.

Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

(a) purchased or originated credit-impaired financial assets. For those financial assets, the Group applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.
(b) financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Group applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Financial assets measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

(a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Recognition of gain or loss on a financial asset measured at fair value through other comprehensive income are described as below:
(a) A gain or loss on a financial asset measured at fair value through other

comprehensive income recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognized or reclassified.

(b) When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

(c) Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

(i) purchased or originated credit-impaired financial assets. For those financial assets, the Group applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.

(ii) financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Group applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Besides, for certain equity investments within the scope of IFRS 9 that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies, the Group made an irrevocable election to present the changes of the fair value in other comprehensive income at initial recognition. Amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss (when disposal of such equity instrument, its cumulated amount included in other components of equity is transferred directly to the retained earnings) and these investments should be presented as financial assets measured at fair value through other comprehensive income on the balance sheet. Dividends on such investment are recognized in profit or loss unless the dividends clearly represent a recovery of part of the cost of investment.

Financial asset measured at fair value through profit or loss

Financial assets were classified as measured at amortized cost or measured at fair value through other comprehensive income based on aforementioned criteria. All other financial assets were measured at fair value through profit or loss and presented on the balance sheet as financial assets measured at fair value through profit or loss.

Such financial assets are measured at fair value, the gains or losses resulting from remeasurement is recognized in profit or loss which includes any dividend or interest received on such financial assets.

B. Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on debt instrument investments measured at fair value through other comprehensive income and financial asset measured at amortized cost. The loss allowance on debt instrument investments measured at fair value through other comprehensive income is recognized in other comprehensive income and not reduce the carrying amount in the balance sheet.

The Group measures expected credit losses of a financial instrument in a way that reflects:

(a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
(b) the time value of money; and
(c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The loss allowance is measures as follow:

(a) At an amount equal to 12-month expected credit losses: the credit risk on a financial asset has not increased significantly since initial recognition or the financial asset is determined to have low credit risk at the reporting date. In addition, the Group measures the loss allowance at an amount equal to lifetime expected credit losses in the previous reporting period, but determines at the current reporting date that the credit risk on a financial asset has increased significantly since initial recognition is no longer met.
(b) At an amount equal to the lifetime expected credit losses: the credit risk on a financial asset has increased significantly since initial recognition or financial asset that is purchased or originated credit-impaired financial asset.
(c) For trade receivables or contract assets arising from transactions within the scope of IFRS 15, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.
(d) For lease receivables arising from transactions within the scope of IFRS 16, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.

At each reporting date, the Group needs to assess whether the credit risk on a financial asset has increased significantly since initial recognition by comparing the risk of a default occurring at the reporting date and the risk of default occurring at initial recognition. Please refer to Note 12 for further details on credit risk.

C. Derecognition of financial assets

A financial asset is derecognized when:

(a) The rights to receive cash flows from the asset have expired
(b) The Group has transferred the asset and substantially all the risks and rewards of the asset have been transferred
(c) The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the consideration received or receivable including any cumulative gain or loss that had been recognized in other comprehensive income, is recognized in profit or loss.

D. Financial liabilities and equity

Classification of liabilities or equity

The Group classifies the instrument issued as a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The transaction costs of an equity transaction are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Financial liabilities

Financial liabilities within the scope of IFRS 9 Financial Instruments are classified as financial liabilities at fair value through profit or loss or financial liabilities measured at amortized cost upon initial recognition.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated as of fair value through profit or loss.

A financial liability is classified as held for trading if:

(a) it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
(b) on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
(c) it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

If a contract contains one or more embedded derivatives, the entire hybrid (combined) contract may be designated as a financial liability at fair value through profit or loss; or a financial liability may be designated as of fair value through profit or loss when doing so results in more relevant information, because either:

(a) it eliminates or significantly reduces a measurement or recognition inconsistency; or
(b) a group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the key management personnel.

Gains or losses on the subsequent measurement of liabilities at fair value through profit or loss including interest paid are recognized in profit or loss.

Financial liabilities at amortized cost

Financial liabilities measured at amortized cost include interest bearing loans and borrowings that are subsequently measured using the effective interest rate method after initial recognition. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or transaction costs.

Derecognition of financial liabilities

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

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified (whether or not attributable to the financial difficulty of the debtor), such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

E. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

(9)Derivative instrument

The Group uses derivative instruments to hedge its foreign currency risks and interest rate risks. A derivative is classified in the balance sheet as financial assets or liabilities at fair value through profit or loss except for derivatives that are designated as and effective hedging instruments which are classified as financial assets or liabilities for hedging.

Derivative instruments are initially recognized at fair value on the date on which a derivative

contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The changes in fair value of derivatives are taken directly to profit or loss, except for the effective portion of hedges, which is recognized in either profit or loss or equity according to types of hedges used.

When the host contracts are either non-financial assets or liabilities, derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not designated at fair value though profit or loss.

(10) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

A. In the principal market for the asset or liability, or
B. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

(11) Inventories

Inventories are valued at lower of cost and net realizable value item by item.

Costs incurred in bringing each inventory to its present location and condition are accounted for as follows:
Raw materials – Purchase cost on a first in, first out basis
Finished goods and work in progress – Cost of direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.
Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Rendering of services is accounted in accordance with IFRS 15 and not within the scope of inventories.

(12) Biological assets

Biological assets are measured at fair value less selling costs upon initial recognition and at each reporting date. Selling costs refer to the costs directly attributable to the disposal of the asset, excluding financial costs and income taxes.

Gains or losses arising from the initial recognition of biological assets, as well as subsequent gains or losses resulting from changes in fair value less selling costs, are recognized in profit or loss in the period in which they occur.

(13) Investments accounted for using the equity method

The Group's investment in its associate is accounted for using the equity method other than those that meet the criteria to be classified as held for sale. An associate is an entity over which the Group has significant influence. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture.

Under the equity method, the investment in the associate or an investment in a joint venture

is carried in the balance sheet at cost and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate or joint venture. After the interest in the associate or joint venture is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. Unrealized gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the Group's related interest in the associate or joint venture.

When changes in the net assets of an associate or a joint venture occur and not those that are recognized in profit or loss or other comprehensive income and do not affect the Group's percentage of ownership interests in the associate or joint venture, the Group recognizes such changes in equity based on its percentage of ownership interests. The resulting capital surplus recognized will be reclassified to profit or loss at the time of disposing the associate or joint venture on a prorata basis.

When the associate or joint venture issues new stock, and the Group's interest in an associate or a joint venture is reduced or increased as the Group fails to acquire shares newly issued in the associate or joint venture proportionately to its original ownership interest, the increase or decrease in the interest in the associate or joint venture is recognized in additional paid-in capital and Investment accounted for using the equity method. When the interest in the associate or joint venture is reduced, the cumulative amounts previously recognized in other comprehensive income are reclassified to profit or loss or other appropriate items. The aforementioned additional paid- in capital recognized is reclassified to profit or loss on a pro rata basis when the Group disposes the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate or an investment in a joint venture is impaired in accordance with IAS 28 *Investments in Associates and Joint Ventures*. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognizes the amount in the 'share of profit or loss of an associate' in the statement of comprehensive income in accordance with IAS 36 *Impairment of Assets*. In determining the value in use of the investment, the Group estimates:

A. Its share of the present value of the estimated future cash flows expected to be generated

by the associate or joint venture, including the cash flows from the operations of the associate or joint venture and the proceeds on the ultimate disposal of the investment; or

B. The present value of the estimated future cash flows expected to arise from dividends to be received from the investment and from its ultimate disposal.

Because goodwill that forms part of the carrying amount of an investment in an associate or an investment in a joint venture is not separately recognized, it is not tested for impairment separately by applying the requirements for impairment testing goodwill in IAS 36 *Impairment of Assets.*

Upon loss of significant influence over the associate or joint venture, the Group measures and recognizes any retaining investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence and the fair value of the retaining investment and proceeds from disposal is recognized in profit or loss. Furthermore, if an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the entity continues to apply the equity method and does not remeasure the retained interest.

(14) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of dismantling and removing the item and restoring the site on which it is located and borrowing costs for construction in progress if the recognition criteria are met. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognized such parts as individual assets with specific useful lives and depreciation, respectively. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition provisions of IAS 16 *Property, plant and equipment*. When a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated economic lives of the following assets:

Buildings	1 to 56 years
Machinery and equipment	1 to 16 years
Transportation equipment	2 to 7 years
Other assets	1 to 16 years

Components of building that have different useful lives are main building structure,

mechanical and electrical equipment and other equipment, which are depreciated over the useful lives of 26 to 56 years, 15 to 26 years and 3 to 13 years, respectively.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognized in profit or loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(15) Investment property

The Group's owned investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, other than those that meet the criteria to be classified as held for sale (or are included in a disposal group that is classified as held for sale) in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, investment properties are measured using the cost model in accordance with the requirements of IAS 16 *Property, plant and equipment for that model*. If investment properties are held by a lessee as right-of-use assets and is not held for sale in accordance with IFRS 5, investment properties are measured in accordance with the requirements of IFRS 16.

Depreciation is calculated on a straight-line basis over the estimated economic lives of the following assets:

Buildings	10 to 50 years

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

The Group transfers properties to or from investment properties according to the actual use of the properties.

The Group transfers to or from investment properties when there is a change in use for these

assets. Properties are transferred to or from investment properties when the properties meet, or cease to meet, the definition of investment property and there is evidence of the change in use.

(16) Leases

The Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group assesses whether, throughout the period of use, has both of the following:

A. the right to obtain substantially all of the economic benefits from use of the identified asset; and
B. the right to direct the use of the identified asset.

For a contract that is, or contains, a lease, the Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The relative stand-alone price of lease and non-lease components shall be determined on the basis of the price the lessor, or a similar supplier, would charge the Group for that component, or a similar component, separately. If an observable stand-alone price is not readily available, the Group estimates the stand-alone price, maximising the use of observable information.

The Group as a lessee

Except for leases that meet and elect short-term leases or leases of low-value assets, the Group recognizes right-of-use asset and lease liability for all leases which the Group is the lessee of those lease contracts.

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate. At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

A. fixed payments (including in-substance fixed payments), less any lease incentives

receivable;

B. variable lease payments that depend on an index or a rate, initially measured using the index or rate as of the commencement date;
C. amounts expected to be payable by the lessee under residual value guarantees;
D. the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
E. payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, the Group measures the lease liability on an amortized cost basis, which increases the carrying amount to reflect interest on the lease liability by using an effective interest method; and reduces the carrying amount to reflect the lease payments made.

At the commencement date, the Group measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

A. the amount of the initial measurement of the lease liability;
B. any lease payments made at or before the commencement date, less any lease incentives received;
C. any initial direct costs incurred by the lessee; and
D. an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

For subsequent measurement of the right-of-use asset, the Group measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses. That is, the Group measures the right-of-use applying a cost model.

If the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group applies IAS 36 *Impairment of Assets* to determine whether the right-of-use asset

is impaired and to account for any impairment loss identified.

Except for those leases that the Group accounted for as short-term leases or leases of low-value assets, the Group presents right-of-use assets and lease liabilities in the balance sheet and separately presents lease-related interest expense and depreciation charge in the statement of comprehensive income.

For short-term leases or leases of low-value assets, the Group elects to recognize the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis.

The Group as a lessor

At inception of a contract, the Group classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. At the commencement date, the Group recognizes assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease.

For a contract that contains lease components and non-lease components, the Group allocates the consideration in the contract applying IFRS 15.

The Group recognizes lease payments from operating leases as rental income on either a straight-line basis or another systematic basis. Variable lease payments for operating leases that do not depend on an index or a rate are recognized as rental income when incurred.

(17) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as of the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in profit or loss for the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each financial year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

A summary of the policies information applied to the Group's intangible assets is as follows:

Types	Computer software
Useful lives	5 years
Amortization method used	Amortized on a straight- line basis over the estimated useful life
Internally generated or acquired	Acquired

(18) Impairment of non-financial assets

The Group assesses at the end of each reporting period whether there is any indication that an asset in the scope of IAS 36 *Impairment of Assets may be impaired*. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been an increase in the estimated service potential of an asset which in turn increases the recoverable amount. However, the reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

A cash generating unit, or groups of cash-generating units, to which goodwill has been allocated is tested for impairment annually at the same time, irrespective of whether there is any indication of impairment. If an impairment loss is to be recognized, it is first allocated to reduce the carrying amount of any goodwill allocated to the cash generating unit (group of units), then to the other assets of the unit (group of units) pro rata on the basis of the carrying amount of each asset in the unit (group of units). Impairment losses relating to goodwill cannot be reversed in future periods for any reason.

An impairment loss of continuing operations or a reversal of such impairment loss is recognized in profit or loss.

(19) Treasury shares

Own equity instruments which are reacquired (treasury shares) are recognized at cost and deducted from equity. Any difference between the carrying amount and the consideration is recognized in equity.

(20) Revenue recognition

The Group's revenue arising from contracts with customers are primarily related to sale of goods and rendering of services. The accounting policies are explained as follow:

A. Sales of goods

The Group manufactures edible oils, food, and beverages, which are then sold to distributors and channel partners. Sales are recognized when control of the goods is transferred to the customer and the goods are delivered to the customers. Control transfer of the product occurs when the product is delivered to the customer, the customer has the ability to determine the sales channel and price for the product, and there are no remaining unfulfilled obligations that could affect the customer's acceptance

of the product. Delivery occurs when the product is transported to a specified location, at which point the risks of obsolescence, deterioration, and loss have transferred to the customer. Additionally, the customer has accepted the product in accordance with the sales contract, and acceptance terms have either lapsed or there is objective evidence that all acceptance criteria have been met.

The Group recognizes revenue measured at the fair value of the consideration received or receivable and offers quantity discounts to customers based on achieving certain cumulative sales volumes. The Group recognizes revenue based on the net amount of estimated quantity discounts subtracted from the contract price. The quantity discount amount is estimated using past cumulative experience and is recognized only to the extent that it is highly probable that a significant reversal will not occur. As of the reporting date, the anticipated amounts to be paid to customers due to quantity discounts are recognized as provisions. The credit period of the Group's sale of goods aligns with industry practices and no financing component is deemed present.

The Group sells oils and food products, and according to the contracts, is required to pay listing fees, shipping fees, and product display fees to customers based on the sales volume. As the payment of such consideration does not result in the transfer of distinct goods or services to the customer, it is treated as a reduction of the transaction price and revenue.

The Group recognizes trade receivables upon delivery of goods, as the Group's right to consideration is unconditional except for the passage of time.

B. Customer Loyalty Programs

The Group's customer loyalty program involves granting customers loyalty award credits that entitle customers to discounted goods. The fair value of consideration received or receivable from original sales is allocated between the award credits and the other components of the sale transaction. The allocation to award credits is based on the estimated fair value of the right to purchase goods at a discounted price. This fair value estimate is based on the discounted amount and adjusted for the expected probability of redemption. The amounts allocated are initially deferred and recognized as revenue when the award credits are actually redeemed, and discounted goods are provided to fulfill the obligation. In this scenario, the revenue recognition amount is calculated based on the actual quantity redeemed relative to the total expected quantity to be redeemed. Additionally, when it is no longer expected that the award credits will likely

be redeemed, the deferred revenue is recognized as revenue.

C. Rendering of services

The Group provides corporate transportation services and recognizes related revenue during the financial reporting period when the promised services are provided. Revenue from fixed-price contracts is recognized based on the actual number of trips provided as of the reporting date.

D. Financing component

The Group expects the length of time between when the Group transfers the promised goods or services to the customer and when the customer pays for those goods or services to be no more than one year. Therefore, the Group does not adjust the transaction price for the time value of money.

(21) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(22) Post-employment benefits

All regular employees of the Company and its domestic subsidiaries are entitled to a pension plan that is managed by an independently administered pension fund committee. Fund assets are deposited under the committee's name in the specific bank account and hence, not associated with the Company and its domestic subsidiaries. Therefore, fund assets are not included in the Group's consolidated financial statements.
Pension benefits for employees of the overseas subsidiaries and the branches are provided in accordance with the respective local regulations.

For the defined contribution plan, the Company and its domestic subsidiaries will make a monthly contribution of no less than 6% of the monthly wages of the employees subject to the plan. The Company recognizes expenses for the defined contribution plan in the period in which the contribution becomes due. Overseas subsidiaries and branches make contribution to the plan based on the requirements of local regulations.

Post-employment benefit plan that is classified as a defined benefit plan uses the Projected Unit Credit Method to measure its obligations and costs based on actuarial assumptions. Re-measurements, comprising of the effect of the actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets, excluding net interest, are recognized as other comprehensive income with a corresponding debit or credit to retained earnings in the period in which they occur. Past service costs are recognized in profit or loss on the earlier of:

(a) the date of the plan amendment or curtailment, and
(b) the date that the Group recognizes restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset, both as determined at the start of the annual reporting period, taking account of any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payment.
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 and disclosed for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.

(23) Share-based payment transactions

The cost of equity-settled transactions between the Group and its subsidiaries is recognized based on the fair value of the equity instruments granted. The fair value of the equity instruments is determined by using an appropriate pricing model.

The cost of equity-settled transactions is recognized, together with a corresponding increase in other capital reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The income statement expense or credit for a period represents the movement in cumulative expense recognized as of the beginning and end of that period.

No expense is recognized for awards that do not ultimately vest, except for equity-settled transactions where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.
Where the terms of an equity-settled transaction award are modified, the minimum expense

recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it vested on the date of cancellation, and any expense not yet recognized for the award is recognized immediately. This includes any award where non-vesting conditions within the control of either the entity or the employee are not met. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.
The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

The cost of restricted stocks issued is recognized as salary expense based on the fair value of the equity instruments on the grant date, together with a corresponding increase in other capital reserves in equity, over the vesting period. The Group recognized unearned employee salary which is a transitional contra equity account; the balance in the account will be recognized as salary expense over the passage of vesting period.

(24) Income tax

Income tax expense (income) is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Current income tax relating to items recognized in other comprehensive income or directly in equity is recognized in other comprehensive income or equity and not in profit or loss.

The income tax for undistributed earnings is recognized as income tax expense in the subsequent year when the distribution proposal is approved by the Shareholders' meeting.

Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

A. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination; at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and at the time of the transaction.

B. In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

A. Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination; at the time of the transaction, affects neither the accounting profit nor taxable profit or loss at the time of the transaction,

B. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets are reassessed at each reporting date and are recognized accordingly.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

According to the temporary exception in the International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12), information about deferred tax assets and liabilities related to Pillar Two income tax will neither be recognized nor be disclosed.

5. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumption and estimate could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

(1)Estimates and assumptions

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the consolidated financial statements:

A. Loss allowance for trade receivables (current and non-current)

The loss allowance for trade receivables is primarily estimated based on assumptions related to default risk and expected credit loss rate. On each reporting date, the Group considers historical experience, current market conditions, and forward-looking estimates to determine the assumptions and inputs for the calculation of impairment. Please refer to Note 6 for details on the assumptions and inputs. The Group assesses the repayment status of the receivables, financial condition, operational performance, industry context, existence and value of collateral, etc., on each reporting date to determine the assumptions and judgment for the calculation of impairment.

B. Inventory valuation

Estimates of net realisable value of inventories take into consideration that inventories may be damaged, become wholly or partially obsolete, or their selling prices have declined. The estimates are based on the most reliable evidence available at the time the estimates are made. Please refer to Note 6 for more details.

C. Post-employment benefits

The cost of post-employment benefit and the present value of the pension obligation under defined benefit pension plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions. These include the determination of the discount rate and changes of the future salary etc. Please refer to Note 6 for more details.

D. Revenue recognition – sales returns and allowance

The Company estimates sales returns and allowance based on historical experience and other known factors at the time of sale, which reduces the operating revenue. In assessing the aforementioned sales returns and allowance, revenue is recognized to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Please refer to Note 6 for more details.

E. Income tax

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective counties in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective Group company's domicile.

Deferred tax assets are recognized for all carryforward of unused tax losses and unused tax credits and deductible temporary differences to the extent that it is probable that taxable profit will be available or there are sufficient taxable temporary differences against which the unused tax losses, unused tax credits or deductible temporary differences can be utilized. The amount of deferred tax assets determined to be recognized is based upon the likely timing and the level of future taxable profits and taxable temporary differences together with future tax planning strategies.

6. Contents of significant accounts

(1) Cash and cash equivalents

	As of	
	December 31, 2023	December 31, 2022
Cash on hand	$824	$1,995
Check deposits	1,674,454	8,261,214
Time deposits (Note)	108,394	176,259
Cash equivalents	37,910	64,944
Total	$1,821,582	$8,504,412

Note: Time deposits with contract period over three months were booked as other financial assets.

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

	As of	
	December 31, 2023	December 31, 2022
Mandatorily measured at fair value through profit or loss - current:		
Listed companies stocks	$60,090	$58,258
Beneficiary certificate - open end funds	43,959	37,108
Total	$104,049	$95,366

Financial assets at fair value through profit or loss were not pledged.

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

	As of	
	December 31, 2023	December 31, 2022
Equity instrument investments measured at fair value through other comprehensive income, non-current:		
Listed on domestic companies stocks	$1,397,723	$1,503,413
Unlisted on domestic companies stocks	12,764	1,155
Oversea unlisted companies stocks	2,817	18,247
Total	$1,413,304	$1,522,815

A. The Company lost significant influence due to the disposal of a portion of its investments

accounted for using the equity method on December 5, 2022. As a result, the remaining investment that has not yet been disposed was reclassified as a financial asset measured at fair value through other comprehensive income. Please refer to Note 6(6) for more details.

B. Please refer to Note 12 for more details on credit risk.

C. Please refer to Note 8 for more details on financial assets at fair value through other comprehensive income under pledge.

(4) Notes receivables and trade receivables (including related parties)

	As of	
	December 31, 2023	December 31, 2022
Notes receivables	$137,362	$164,053
Trade receivables	835,062	869,424
Debt collection	21,759	11,452
Less: loss allowance	(50,310)	(49,618)
Subtotal	943,873	995,311
Trade receivables from related parties	464,963	487,544
Less: loss allowance	-	-
Subtotal	464,963	487,544
Total	$1,408,836	$1,482,855

A. Notes receivables and trade receivables were not pledged.

B. Trade receivables are generally on 30 to 90 day terms. The total carrying amounts as of December 31, 2023 and 2022 were NT$1,459,146 thousand and NT$1,532,473 thousand, respectively. Please refer to Note 6(17) for more details on loss allowance of trade receivables. Please refer to Note 12 for more details on credit risk management.

(5)Inventories

	As of	
	December 31, 2023	December 31, 2022
Raw materials	$554,936	$664,957
Supplies	31,141	24,271
Work in progress	215,889	381,736
Finished goods	466,198	429,724
Merchandise	94,972	69,567
Total	$1,363,136	$1,570,255

The cost of inventories recognized in expenses amounted to NT$9,314,005 thousand and NT$9,231,602 thousand for the years ended December 31, 2023 and 2022, including the reversal of write-down of inventories of NT$(223) thousand and NT$498 thousand. The Group generated the gain from price recovery of inventories because some of the inventories previously provided with market loss or obsolescence were disposed for the year ended December 31, 2023.

No inventories were pledged.

(6)Investments accounted for using the equity method

A. The following table lists the investments accounted for using the equity method of the Group:

	As of			
	December 31, 2023		December 31, 2022	
Investees	Amount	Percentage of ownership	Amount	Percentage of ownership
Investments in associates:				
Central Union Oil Corp.	$314,127	33.33%	$304,201	33.33%

B. Investments in associates — Central Union Oil Corp.

The Group's investment in Central Union Oil Corp. is not individually material. The aggregate carrying amount of the Group's interests in Central Union Oil Corp. was NT$314,127 thousand and NT$304,201 thousand, as of December 31, 2023 and 2022, respectively. The aggregate financial information of the Group's investment in Central Union Oil Corp. is as follows:

	For the years ended December 31,	
	2023	2022
Net income from continuing operations	$53,548	$57,233
Other comprehensive income (post-tax)	252	509
Total comprehensive income	$53,800	$57,742

The associates had no contingent liabilities or capital commitments as of December 31, 2023 and 2022.

C. Investments in associates — Taiwan FamilyMart Co., Ltd. ("FamilyMart")

The Company originally held 22.46% of the shares in FamilyMart, and recognized and measured it as an "investment accounted for using the equity method." However, after the Company lost significant influence over FamilyMart after disposing of part of its ownership interest on December 5, 2022. The remaining shareholdings were reclassified as "financial assets at fair value through other comprehensive income, non-current". Therefore, on the day of the above-mentioned disposal, the Company's "investments accounted for using the equity method" included no balance of FamilyMart. The details of the aforementioned disposal transaction is as follows:

On December 2, 2022, the Board of Directors resolved to dispose of part of the shares in FamilyMart, The Company sold 43,300 thousand shares on December 5, 2022, with a net disposal proceeds in the amount of NT$7,986,979 thousand. After deducting the carrying amount of NT$2,648,969 thousand on the date of disposal and the accumulated exchange differences on translation of foreign financial statements in the amount of NT$12,521 thousand, the Company recognized gains on disposals of investments in the amount of NT$5,325,489 thousand. As a result, the Company's shareholding in FamilyMart decreased from 22.46% to 3.06%. As the Company lost significant influence over FamilyMart, it remeasured the remaining 3.06% shareholding at the time

of the disposal. The fair value as of December 5, 2022 in the amount of NT$1,305,756 thousand was then reclassified to financial measured at fair value through other comprehensive income, non-current. After the amount was carried forward and deducting the ending carrying amount of the remaining unsold shares in the amount of NT$418,387 thousand and the accumulated exchange differences on translation of foreign financial statements in the amount of NT$1,978 thousand, the transferred gains on disposals of investments in the amount of NT$885,391 thousand were recognized. The total gains on disposals of investments for the year ended December 31, 2022 amounted to NT$6,210,880 thousand. In addition, as a result of the disposal transaction, the Company also reclassified the accumulated unrealized losses on financial assets measured at fair value through other comprehensive income of FamilyMart that were previously recognized using the equity method in the amount of NT$13,287 thousand to undistributed earnings for the year ended December 31, 2022.

Because the Company recognized and measured the accounts from FamilyMart as "investments accounted for using the equity method" from January 1, 2022 to December 5, 2022, the change in its amounts during the year was reflected below.

	From January 1, 2022 to December 5, 2022
Share of the net assets of associates at the beginning of the period	$1,423,660
Dividends received from associates for the current period	275,321
Total comprehensive income attributable to the Company for the current period	(235,641)
Share of the net assets of associates at the end of the period	1,463,340
Add: Investment property	19,921
Add: Trademark	129,205
Add: Goodwill	1,454,890
Carrying amount of the Company's interests in associates	$3,067,356
Carrying amount allocated to shares disposed of	$2,648,969
Carrying amount allocated to the financial assets transferred	418,387
Carrying amount of the Company's interests in associates	$3,067,356

(7)Property, plant and equipment

	Land	Buildings	Machinery and equipment	Transportation equipment	Other	Construction in progress and equipment awaiting examination	Total
Cost:							
January 1, 2023	$1,177,509	$967,828	$1,268,052	$111,817	$177,358	$62,990	$3,765,554
Additions	-	1,927	5,409	10,646	38,162	52,108	108,252
Disposal	-	(726)	(68,573)	(14,839)	(1,327)	-	(85,465)
Transfer	-	18,937	63,408	3,046	2,542	(87,933)	-
Exchange differences	-	(2,649)	(4,279)	(193)	(279)	-	(7,400)
As of December 31, 2023	$1,177,509	$985,317	$1,264,017	$110,477	$216,456	$27,165	$3,780,941
January 1, 2022	$1,151,899	$961,734	$1,099,225	$115,970	$120,510	$234,028	$3,683,366
Additions	25,610	2,028	6,671	5,779	38,044	65,517	143,649
Disposal	-	-	(58,688)	(10,110)	(259)	-	(69,057)
Transfer	-	1,650	216,095	-	18,810	(236,555)	-
Exchange differences	-	2,416	4,749	178	253	-	7,596
As of December 31, 2022	$1,177,509	$967,828	$1,268,052	$111,817	$177,358	$62,990	$3,765,554
Depreciation and impairment:							
January 1, 2023	$-	$733,218	$866,180	$73,827	$103,589	$-	$1,776,814
Depreciation	-	29,226	74,980	8,975	22,242	-	135,423
Reclassification	-	-	(229)	-	-	-	(229)
Disposal	-	(726)	(68,573)	(9,168)	(1,205)	-	(79,672)
Exchange differences	-	(2,011)	(3,781)	(152)	(252)	-	(6,196)
As of December 31, 2023	$-	$759,707	$868,577	$73,482	$124,374	$-	$1,826,140
January 1, 2022	$-	$703,756	$868,460	$68,771	$95,081	$-	$1,736,068
Depreciation	-	27,760	50,830	10,888	8,518	-	97,996
Disposal	-	-	(57,215)	(5,995)	(253)	-	(63,463)
Exchange differences	-	1,702	4,105	163	243	-	6,213
As of December 31, 2022	$-	$733,218	$866,180	$73,827	$103,589	$-	$1,776,814
Net carrying amounts							
As of December 31, 2023	$1,177,509	$225,610	$395,440	$36,995	$92,082	$27,165	$1,954,801
As of December 31, 2022	$1,177,509	$234,610	$401,872	$37,990	$73,769	$62,990	$1,988,740

A. Due to legal restrictions prohibiting private juristic persons from assuming ownership of arable lands, the ownership of the 14 pieces of arable lands with a total value of NT$46,728 thousand that are located at Nos. 185 and 186 in Daxin Section of Beidou Township, Changhua County., was transferred to natural persons. The Group maintains the original land ownership certificate as a means of security.

B. Components of building that have different useful lives are main building structure, mechanical and electrical equipment and other equipment, which are depreciated over their respective useful lives.

C. No property, plant and equipment were pledged.

(8)Investment property

A. The Group's investment properties include owned investment properties. The Group has entered into commercial property leases on its owned investment properties with terms between 1 and 3 years. These leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Some of these contracts provide the Group options to extend the leases.

B. Information on investment properties held by the Group is as follows:

	Land	Buildings	Total
Cost:			
January 1, 2023	$566,062	$155,135	$721,197
Exchange differences	-	(25)	(25)
As of December 31, 2023	$566,062	$155,110	$721,172
Depreciation and impairment:			
January 1, 2023	$-	$108,037	$108,037
Depreciations	-	1,731	1,731
As of December 31, 2023	$-	$109,768	$109,768
Cost:			
January 1, 2022	$566,062	$155,112	$721,174
Exchange differences	-	23	23
As of December 31, 2022	$566,062	$155,135	$721,197
Depreciation and impairment:			
January 1, 2022	$-	$106,274	$106,274
Depreciations	-	1,757	1,757
Exchange differences		6	6
As of December 31, 2022	$-	$108,037	$108,037
Net carrying amounts			
As of December 31, 2023	$566,062	$45,342	$611,404
As of December 31, 2022	$566,062	$47,098	$613,160

No investment property was pledged.

The Group's investment properties include several commercial properties leased out to third parties. The renewal periods of each lease agreement are negotiated with the tenants, and no contingent rental income has been collected.

Investment properties held by the Group are not measured at fair value but for which the fair value is disclosed. The fair value measurements of the investment properties are categorized within Level 3. The fair value of investment properties was NT$1,448,868 thousand and NT$1,054,079 thousand, as of December 31, 2023 and 2022, respectively. The fair values as of the respective financial reporting date were determined using the comparative approach, referencing information from the website of Department of Land Administration, Ministry of Interior, and estate agency's website.

(9) Prepayments for investments

	As of	
	December 31, 2023	December 31, 2022
Prepayment for investments	$3,600,000	$-

The 22nd Board of Directors held the 12th meeting on May 5, 2023 which had been rescheduled from April 20, 2023 to discuss the equity investment in JKO FinTech Co., Ltd. The proposal included a subscription to approximately NT$2.2 billion of common stocks of JKO FinTech Co., Ltd. through a capital injection at around NT$24.63 per share (referred to as the "NT$2.2 Billion Cash Injection"). Additionally, the proposal involved acquiring shares of JKO FinTech Co., Ltd., amounting to approximately NT$1.4 billion, held by Dorian Innovation Limited (Dorian) at around NT$24.63 per share. The total shares involved in the transaction amounted to 146,166 thousand shares, with a total transaction amount of NT$3.6 billion. The proposal was approved by four directors, while three directors declined to participate in the meeting held on May 5, 2023. Following this, on May 6, 2023, the Company entered into an agreement with JKO FinTech Co., Ltd. and Dorian Innovation Limited (Dorian), and on May 8, 2023, the Company paid the full transaction amount of NT$3.6 billion to JKO FinTech Co., Ltd. (including the amount due to Dorian as per the agreement).

On May 15, 2023, the Company received a preliminary injunction filed by Everwin Investment Co., Ltd. to the Intellectual Property and Commercial Court, which prohibited the Company from executing the aforementioned equity investment and investment in a

bottled water plant. Subsequently, on May 22, 2023, the Company received a ruling from the Intellectual Property and Commercial Court granting the preliminary injunction filed by Everwin Investment Co., Ltd., prohibiting the Company from executing the equity investment in JKO FinTech Co., Ltd. and the investment in the bottled water plant that were approved by the Board of Directors on May 5, 2023, until the final ruling of the litigation. Everwin Investment Co., Ltd., in order to sustain the efficacy of the previously established interim disposition, has initiated legal proceedings within the statutory period to challenge the validity of the board resolution pertaining to the equity investment in JKO FinTech Co., Ltd. The case is currently under examination in the Commercial Court."

Due to the legal action brought up by shareholders contesting the validity of the NT$3.6 billion equity investment case in JKO Fintech Co., Ltd., and they claimed the person representing the Company in signing the agreement acted without gaining the legal and valid authority to do so. Therefore, no parties shall perform the invalid agreement and they shall be obligated to restore the original state. In July 2023, the Company sent a letter to JKO Fintech Co., Ltd. requiring the return of the transaction price in the amount of NT$3.6 billion, but did not receive a response. On August 30, 2023, the Company filed an action with the Taiwan Taipei District Court against JKO Fintech Co., Ltd. to request payment return. The case is pending at the Taiwan Taipei District Court.

In addition to the foregoing, there are concerns regarding the legality and efficacy of the 12th meeting of the 22nd Board of Directors of the Company, aside from doubts about its enforceability. Pursuant to the agreement between the parties, each counterparty is obligated to deliver shares to the Company as a presentation of the acquisition of equity. However, as of the reporting date, neither JKO FinTech Co., Ltd. nor Dorian Company has fulfilled their obligation to deliver shares to the Company in accordance with said agreement. Furthermore, On October 27, 2023, the Industrial Development Administration of Ministry of Economic Affairs rejected the application of new share issue for cash injection and articles of incorporation amendment to change the registered capital by JKO FinTech Co., Ltd. (NT$2.2 billion cash injection). Therefore, the Company booked NT$3.6 billion that was remitted outward previously as prepayment for investment.

The Company intends to recover the future economic benefits related to this prepayment for investment of NT$3.5958 billion (the balance of NT$3.6 billion after deducting the unpaid securities transaction tax in the amount of NT$4.2 million withheld by the Company) from JKO Fintech Co., Ltd. and Dorian Innovation Limited through filing a legal action. However, the obligatory rights need to be determined by a court judgment. Therefore, upon obtaining a court judgment confirming the receivables in the future, the Company will reclassify the relevant accounting items (such as prepaid investment) as other receivables. Additionally, according to IFRS 9 "Financial instruments," the credit risk assessment and measurement of the receivables that have not been collected as of the balance sheet date will be performed based on the lifetime expected credit risk. On the contrary, if the aforementioned action contesting the validity of the Board's resolution of investing in JKO Fintech Co., Ltd. is unsuccessful, or if the Company's claim against JKO Fintech Co., Ltd. for the return of the investment funds is unsuccessful and when the Company acquires the shares of the underlying transaction, the payments made by the Company will no longer be deemed prepayments. Instead, they will be recognized and measured as appropriate at the time when the investors acquire the equity of the investee according to the relevant Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (such as determining whether it constitutes a business combination, associates, or be treated in accordance with IFRS 9 "Financial Instruments.") However, the selection and adoption of the abovementioned standards will depend on the Company's then shareholding ratio in JKO Fintech Co., Ltd. and the accompanying economic circumstances and legal conditions.

(10) Short-term borrowings

	As of	
	December 31, 2023	December 31, 2022
Letter of credit borrowings	$-	$409,490
Unsecured bank loans	-	360,000
Total	$-	$769,490
Interest rates	-%	1.68%~6.13%

The Group's unused short-term lines of credits amounted to NT$1,040,000 thousand and NT$2,748,478 thousand, as of December 31, 2023 and 2022, respectively.

(11) Short-term notes payable

	As of	
	December 31, 2023	December 31, 2022
Commercial paper payable	$-	$370,000
Interest rates (%)	-%	1.95%~2.19%

No assets were not pledged as security for short-term notes payable.

(12) Other current liabilities

	As of	
	December 31, 2023	December 31, 2022
Refund liabilities	$157,063	$133,079
Others	23,607	52,721
	$180,670	$185,800

Refund liabilities were mainly incurred from the estimated amount of consideration that may be expected to be refunded to some customers due to discounts, concessions, refunds, incentives or other similar factors.

(13) Long-term borrowings

A. Details of long-term loans as of December 31, 2023: None.

B. Details of long-term loans as of December 31, 2022 are as follows:

Type of loans	As of December 31, 2022	Interest Rate (%)
Secured bank loans	$570,000	1.51%~2.25%
Less: current portion	(570,000)	
Total	$-	

The Company's unused short-term lines of credits amounted to NT$0 thousand and NT$1,030,000 thousand as of December 31, 2023 and 2022, respectively.

(14)Post-employment benefits

Defined contribution plan

The Company and its domestic subsidiaries adopted a defined contribution plan in accordance with the Labor Pension Act of the R.O.C. Under the Labor Pension Act, the Company and its domestic subsidiaries would make monthly contributions to the employees' individual pension accounts at the amounts not less than 6% of the employees' monthly wages. The Company and its domestic subsidiaries have made monthly contributions of 6% of each individual employee's salaries or wages to employees' pension accounts.

Subsidiaries in China are required to pay pension insurance premiums according to the local government's laws and regulations, paying a certain percentage of the total salary of the employees to the relevant government departments. The pension accounts are preserved in separate employee accounts.

Pension expenses under the defined contribution plan for the years ended December 31, 2023 and 2022 were NT$25,233 thousand and NT$22,583 thousand, respectively.

Defined benefits plan

The Company and its domestic subsidiaries adopt a defined benefit plan in accordance with the Labor Standards Act of the R.O.C. The pension benefits are disbursed based on the units of service years and the average salaries for the six months before retirement. Two units per year are awarded for the first 15 years of services while one unit per year is awarded after the completion of the 15th year. The total units shall not exceed 45 units. Under the Labor Standards Act, the Company and its domestic subsidiaries contribute an amount equivalent to 2% of the employees' total salaries and wages on a monthly basis to the pension fund deposited at the Bank of Taiwan in the name of the administered pension fund committee. Before the end of each year, the Company and its domestic subsidiaries assess the balance in the designated labor pension fund. If the amount is inadequate to pay pensions calculated for workers retiring in the same year, the Company will make up the difference in one appropriation before the end of March the following year.

The Ministry of Labor is in charge of establishing and implementing the fund utilization plan in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund. The pension fund is invested in-house or under a mandate, based on a passive-aggressive investment strategy for long-term profitability. The Ministry of Labor establishes checks and risk management mechanism based on the assessment of risk factors including market risk, credit risk and liquidity risk, in order to maintain adequate manager flexibility to achieve targeted return without over-exposure of risk. With regard to utilization of the pension fund, the minimum earnings in the annual distributions on the final financial statement shall not be less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. Treasury Funds can be used to cover the deficits after the approval of the competent authority. As the Company does not participate in the operation and management of the pension fund, no disclosure on the fair value of the plan assets categorized in different classes could be made in accordance with paragraph 142 of IAS 19. The Group expects to contribute NT$5,610 thousand to its defined benefit plan during the 12 months beginning after December 31, 2023.

The weighted average duration of the defined benefits plan obligation as of December 31, 2023 and 2022 were 10.18 to 10.65 years and 9.18 to 11.36 years, respectively.

Pension costs December 31, 2023 and 2022 were recognized in profit or loss are as follows:

	For the years ended December 31,	
	2023	2022
Current period service cost	$715	$1,278
Net interest on net defined benefit liabilities (assets)	(839)	(71)
Total	$(124)	$1,207

Reconciliations in the defined benefit obligation and fair value of plan assets are as follows:

	As of		
	December 31, 2023	December 31, 2022	January 1, 2022
Present value of defined benefit obligation	$68,946	$183,898	$232,437
Plan assets at fair value	(121,185)	(235,681)	(247,168)
Other non-current liabilities, net defined benefit liabilities (assets)	$(52,239)	$(51,783)	$(14,731)

Reconciliation in the defined benefit obligation and fair value of plan assets is as follows:

	Present value of defined benefits obligation	Fair value of plan assets	Net defined benefit liabilities (assets)
January 1, 2022	$232,437	$(247,168)	$(14,7131)
Current period service cost	1,278	-	1,278
Interest expenses (income)	1,208	(1,279)	(71)
Subtotal	234,923	(248,447)	(13,524)
Remeasurements of net defined benefit liabilities/assets:			
Actuarial gains and losses arising from changes in financial assumptions	(15,896)	-	(15,896)
Experience adjustments	2,806	-	2,806
Return on plan assets	-	(19,691)	(19,691)
Subtotal	(13,090)	(19,691)	(32,781)
Benefits paid	(37,935)	36,738	(1,197)
Contributions by employer	-	(7,209)	(7,209)
Exchange differences	-	2,928	2,928
As of December 31, 2022	$183,898	(235,681)	(51,783)
Current period service cost	715	-	715
Interest expenses (income)	2,821	(3,660)	(839)
Subtotal	187,434	(239,341)	(51,907)
Remeasurements of defined benefit liabilities/assets:			
Actuarial gains and losses arising from changes in financial assumptions	7,112	-	7,112
Return on plan assets	-	(399)	(399)
Subtotal	7,112	(399)	6,713
Benefits paid	(125,600)	124,311	(1,289)
Contributions by employer	-	(5,756)	(5,756)
As of December 31, 2023	$68,946	$(121,185)	(52,239)

The following significant actuarial assumptions are used in determining the Group's defined benefit plan:

	As of	
	December 31, 2023	December 31, 2022
Discount rate	1.625%	1.50%~1.75%
Expected rate of salary increases	1.000%	1.000%

Sensitivity analysis for significant assumptions are shown below:

	For the years ended December 31,			
	2023		2022	
	Increase in defined benefits obligation	Decrease in defined benefits obligation	Increase in defined benefits obligation	Decrease in defined benefits obligation
Discount rate increase by 0.25%	$-	$1,319	$-	$2,018
Discount rate decrease by 0.25%	1,360	-	3,691	-
Future salary increase by 0.25%	1,332	-	3,615	-
Future salary decrease by 0.25%	-	1,299	-	1,980

The sensitivity analysis above are based on a change in a significant assumption (for example: change in discount rate or future salary), keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another.

There was no change in the methods and assumptions used in preparing the sensitivity analysis compared to the previous period.

(15) Equity

A. Common stock

The Company's authorize capital as of December 31, 2023 and 2022, were NT$10,000,000 thousand, each at a par value of NT$10. Each share has one voting right and a right to receive dividends. The Company has issued 499,999 thousand common stocks amounting to NT$4,999,990 thousand as of December 31, 2023 and 2022, each at a par value of NT$10. Each share has one voting right and a right to receive dividends.

B. Addition Paid-in Capital

	As of	
	December 31, 2023	December 31, 2022
Common stock premium	$915,977	$915,977
Treasury share transactions	79,251	71,496
Common stock premium - Employee stock options	4,132	4,132
Expired employee stock options	1,561	1,561
Difference between consideration given/ received and carrying amount of interests in subsidiaries acquired/disposed of by an associate accounted for using the equity method	17	17
Others	13,559	13,559
Total	$1,014,497	$1,006,742

According to the Company Act, the capital reserve shall not be used except for making good the deficit of the company. When a company incurs no loss, it may distribute the capital reserves related to the income derived from the issuance of new shares at a premium or income from endowments received by the company. The distribution could be made in cash or in the form of dividend shares to its shareholders in proportion to the number of shares being held by each of them.

C. Treasury stock

As of December 31, 2023 and 2022, the Company's shares held by the subsidiaries were NT$203,876 thousand, and the number of the Company's shares held by the subsidiaries was 13,679 thousand. These shares held by the subsidiaries were purchased in the open market for the purpose of investment before the Company Act was amended at the end of 2001. The shares held by the subsidiaries are treated as treasury stocks. The status on the Company's shares held by the subsidiaries are as follows:

	Pin-Tai Distribution Enterprise Co., Ltd.	Taiwan Nikomart Co., Ltd.	Chuang Shin Traffic Co., Ltd.	Subtotal
Number of shares:				
January 1, 2023	10,351	2,960	368	13,679
Additions	-	-	-	-
Disposal	-	-	-	-
As of December 31, 2023	10,351	2,960	368	13,679
January 1, 2022	10,351	2,960	368	13,679
Additions	-	-	-	-
Disposal	-	-	-	-
As of December 31, 2022	10,351	2,960	368	13,679
Net carrying amount:				
January 1, 2023	$154,637	$44,880	$4,359	$203,876
Additions	-	-	-	-
Disposal	-	-	-	-
As of December 31, 2023	$154,637	$44,880	$4,359	$203,876
January 1, 2022	$154,637	$44,880	$4,359	$203,876
Additions	-	-	-	-
Disposal	-	-	-	-
As of December 31, 2022	$154,637	$44,880	$4,359	$203,876

D. Retained earnings and dividend policies

(a) The Company's current industry development is mature, with stable profitability. However, considering significant capacity expansion and vertical development plans in the coming years, the appropriation of earnings shall be conducted at the end of each quarter. In the case of dividend distribution in cash, the Board of Directors shall decide, in accordance with Article 228-1 and Paragraph 5, Article 240 of the Company Act, and report to the shareholders' meeting, without submission to the shareholders' meeting for approval. At each quarter end, if there are profits, they shall estimate and retain the taxes and dues to be paid, the losses to be covered and the legal reserve to be set aside. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply. It may be allocated or

reversed based on the company's operational needs and legal provisions, and after any special reserve allocation or reversal. If there are profits, they shall be added to the accumulated undistributed earnings at the beginning period, and the distribution shall be proposed and resolved by the Board of Directors. The proportion of cash dividends distributed shall not be less than 30% of the total dividend distribution amount.

In the case where the dividend per share is below NT$0.1, the Board of Directors may retain the profit without distributing dividend.

(b) According to the Company Act, the Company needs to set aside amount to legal reserve unless where such legal reserve amounts to the total paid-in capital. The legal reserve can be used to make good the deficit of the Company. When the Company incurs no loss, it may distribute the portion of legal serve which exceeds 25% of the paid-in capital by issuing new shares or by cash in proportion to the number of shares being held by each of the shareholders.

(c) According to existing regulations, when the Company distributing distributable earnings, it shall set aside to special reserve, from the profit/loss of the current period and the undistributed earnings from the previous period, an amount equal to "other net deductions from shareholders' equity for the current fiscal year, provided that if the company has already set aside special reserve in the first-time adoption of the IFRS, it shall set aside supplemental special reserve based on the difference between the amount already set aside and other net deductions from shareholders' equity. For any subsequent reversal of other net deductions from shareholders' equity, the amount reversed may be distributed from the special reserve.

(d) On March 31, 2021, the FSC issued Order No. Jin-Guan-Zheng-Fa-Zi-1090150022, which sets out the following provisions for compliance: On a public company's first-time adoption of the IFRS, for any unrealized revaluation gains and cumulative translation adjustments (gains) recorded to shareholders' equity that the company elects to transfer to retained earnings by application of the exemption under IFRS 1, the Company set aside special reserve in the amount of NT$240,776 thousand. For any subsequent use, disposal or reclassification of related assets, the special reserve in the amount equal to the reversal may be released for earnings distribution.

(e) Details of the 2023 and 2022 earnings distribution and dividends per share as proposed and resolved by the board of directors' meeting and shareholders' meeting on March 12, 2024 and June 30, 2023, respectively, are as follows:

	Appropriation of earnings		Dividend per share (NT$)	
	2023	2022	2023	2022
Cash dividend of Common stock-cash dividend	$-	$284,928	$-	$0.57
Legal reserve	-	592,892		

Please refer to Note 6(19) for details on employees' compensation and remuneration to directors and supervisors.

E. Non-controlling interests

	For the years ended December 31,	
	2023	2022
Beginning balance	$5,187	$5,145
Profit attributable to non-controlling interests	235	77
Other comprehensive income, attributable to non-controlling interests	(13)	(35)
Ending Balance	$5,409	$5,187

(16) Operating revenue

	For the years ended December 31,	
	2023	2022
Revenue from contracts with customers		
Consumer food products	$7,077,068	$6,671,625
Commodities and animal feed	3,750,242	3,969,706
Revenue arising from rendering of services	388,167	415,876
Other revenue		
Rental revenue from investment properties	12,948	12,233
Total	$11,228,425	$11,069,440

Analysis of revenue from contracts with customers for the years ended December 31, 2023 and 2022 are as follows:

A. Disaggregation of revenue

For the year ended December 31, 2023

	Consumption Division	Commodity Division	Foreign Division	Other	Total
Sales of goods	$6,432,165	$-	$644,903	$-	$7,077,068
Commodities and animal feed	-	3,750,242	-	-	3,750,242
Rendering of services	-	-	-	388,167	388,167
Rental revenue	-	-	-	12,948	12,948
Total	$6,432,165	$3,750,242	$644,903	$401,115	$11,228,425
Timing of revenue recognition:					
At a point in time	$6,432,165	$3,750,242	$644,903	$388,167	$11,215,477
Over time	-	-	-	12,948	12,948
Total	$6,432,165	$3,750,242	$644,903	$401,115	$11,228,425

For the year ended December 31, 2022

	Consumption Division	Commodity Division	Foreign Division	Other	Total
Sales of goods	$6,040,100	$-	$631,525	$-	$6,671,625
Commodities and animal feed	-	3,969,706	-	-	3,969,706
Rendering of services	-	-	-	415,876	415,876
Rental revenue	-	-	-	12,233	12,233
Total	$6,040,100	$3,969,706	$631,525	$428,109	$11,069,440
Timing of revenue recognition:					
At a point in time	$6,040,100	$3,969,706	$631,525	$415,876	$11,057,207
Over time	-	-	-	12,233	12,233
Total	$6,040,100	$3,969,706	$631,525	$428,109	$11,069,440

B. Contract balances

Contract liabilities - current

	As of		
	December 31, 2023	December 31, 2022	January 1, 2022
Sales of goods	$5,711	$53,777	$47,351

Changes in contract liabilities are mainly due to the differences between the time when the merged company transfers goods or services to customers to satisfy performance obligations and the time when customers make payments. There are no other significant changes.

The significant changes in the Group's balances of contract liabilities for the years ended December 31, 2023 and 2022 are as follows:

	For the years ended December 31,	
	2023	2022
The opening balance transferred to revenue	$(53,777)	$(44,770)
Increase in receipts in advance during the period (excluding the amount incurred and transferred to revenue during the period)	5,711	51,196

(17) Expected credit losses

	For the years ended December 31,	
	2023	2022
Operating expenses – Expected credit losses		
Notes receivables and trade receivables (including related parties)	$707	$6,947

Please refer to Note 12 for more details on credit risk.

The Group measures the loss allowance of its notes receivables and trade receivables (including related parties) at an amount equal to lifetime expected credit losses. The assessment of the Group's loss allowance as of December 31, 2023 and 2022 is as follows:

The Group considers the grouping of trade receivables by counterparties' credit rating, by geographical region and by industry sector and its loss allowance is measured by using a provision matrix, details are as follow:

As of December 31, 2023

Group 1: Consumer food products and commodities	Not yet due	Overdue					
	(Note)	0-90 days	91-180 days	181-270 days	270-360 days	>=365 days	Total
Gross carrying amount	$1,282,926	$60,012	$13,972	$11,198	$-	$22,667	$1,390,775
Loss rate	0-2.16%	0-2.77%	0-8.33%	5-11.42%	10-25%	100%	
Lifetime expected credit losses	(23,377)	(1,127)	(789)	(873)	-	(22,667)	(48,833)
Subtotal	$1,259,549	$58,885	$13,183	$10,325	$-	$-	$1,341,942

Group 2: Animal feed	Not yet due	Overdue					
	(Note)	0-90 days	91-180 days	181-270days	270-360days	>=365 days	Total
Gross carrying amount	$64,167	$3,546	$546	$112	$-	$-	$68,371
Loss rate	1.57-1.90%	4.02-4.85%	11.60-13.99%	11.73-14.13%	26.45%	100%	
Lifetime expected credit losses	(1,213)	(172)	(76)	(16)	-	-	(1,477)
Subtotal	$62,954	$3,374	$470	$96	$	$-	$66,894

As of December 31, 2022

Group 1: Consumer food products and commodities	Not yet due	Overdue					
	(Note)	0-90 days	91-180 days	181-270days	270-360days	>=365 days	Total
Gross carrying amount	$1,388,642	$43,537	$-	$4	$-	$1,541	$1,433,724
Loss rate	0~2.16%	0~0.01%	0~8.33%	5~11.42%	10~25%	100%	
Lifetime expected credit losses	(29,991)	(4)	-	-	-	(1,541)	(31,536)
Subtotal	$1,358,651	$43,533	$-	$4	$-	$-	$1,402,188

Group 2: Animal feed	Not yet due	Overdue					
	(Note)	0-90 days	91-180 days	181-270days	270-360days	>=365 days	Total
Gross carrying amount	$73,464	$6,294	$9,080	$-	$-	$9,911	$98,749
Loss rate	0.12%	2.57%	10.15~87.25%	10.28%	25%	100%	
Lifetime expected credit losses	(88)	(161)	(7,922)	-	-	(9,911)	(18,082)
Subtotal	$73,376	$6,133	$1,158	$-	$-	$-	$80,667

The movement in the provision for impairment of notes receivables and trade receivables during the years ended December 31, 2023 and 2022 is as follows:

	Notes receivable and trade receivables
January 1, 2023	$49,618
Addition for the current period	707
Write-off due to uncollectability	-
Exchange differences	(15)
As of December 31, 2023	$50,310
January 1, 2022	$42,658
Addition for the current period	6,947
Write-off due to uncollectability	-
Exchange differences	13
As of December 31, 2022	$49,618

(18) Leases

A. Group as a lessee

The Group leases various properties, including real estate such as land and buildings. The lease terms range from 1 to 3 years.

The Group's leases effect on the financial position, financial performance and cash flows are as follow:

(a) Amounts recognized in the balance sheet

(i) Right-of-use assets

The carrying amount of right-of-use assets

	As of	
	December 31, 2023	December 31, 2022
Land	$10,093	$10,736
Buildings	5,413	2,274
Total	$15,506	$13,010

For the years ended December 31, 2023 and 2022, the Group's additions to right-of-use assets amounted to NT$6,275 thousand and NT$2,068 thousand,

respectively.

The merged companies lease land and buildings, and recognized them as right-of-use assets. The details of changes in the costs and depreciation of these right-of-use assets are as follows:

	Land	Buildings	Total
Costs of right-of-use assets are as follows:			
January 1, 2023	$22,068	$11,387	$33,455
Additions	-	6,275	6,275
Less	-	(7,485)	(7,485)
Exchange differences	(419)	-	(419)
As of December 31, 2023	$21,649	$10,177	$31,826
January 1, 2022	$21,683	$10,470	$32,153
Additions	-	2,068	2,068
Less	-	(1,151)	(1,151)
Exchange differences	385	-	385
As of December 31, 2022	$22,068	$11,387	$33,455
Depreciation charged for right-of-use assets is as follows:			
January 1, 2023	$11,332	$9,113	$20,445
Depreciations	445	3,214	3,659
Less	-	(7,563)	(7,563)
Exchange differences	(221)	-	(221)
As of December 31, 2023	$11,556	$4,764	$16,320
January 1, 2022	$10,695	$6,962	$17,657
Depreciations	448	2,774	3,222
Less	-	(623)	(623)
Exchange differences	189	-	189
As of December 31, 2022	$11,332	$9,113	$20,445
Net carrying amount:			
As of December 31, 2023	$10,093	$5,413	$15,506
As of December 31, 2022	$10,736	$2,274	$13,010

As of December 31, 2023 and 2022, the merged companies did not provide the aforementioned land use rights as pledges or guarantees.

(ii) Leases liabilities

	As of	
	December 31, 2023	December 31, 2022
Leases liabilities	$5,446	$2,284
Current	$1,929	$1,718
Non-current	3,517	566
Total	$5,446	$2,284

Please refer to Note 6(20)C. for the interest on lease liabilities recognized for the years ended December 31, 2023 and 2022 and refer to Note 12 Liquidity Risk Management for the maturity analysis for lease liabilities as of December 31, 2023 and 2022.

(b)Amounts recognized in the statement of comprehensive income

Depreciation charged for right-of-use assets

	For the years ended December 31,	
	2023	2022
Land	$445	$448
Buildings	3,214	2,774
Total	$3,659	$3,222

(c)Income and costs relating to leasing activities

	For the years ended December 31,	
	2023	2022
The expenses relating to short-term leases	$286	$536
The expenses relating to leases of low-value assets (Not including the expenses relating to short-term leases of low-value assets)	$31	$64

(d)Cash outflow relating to leasing activities

For the years ended December 31, 2023 and 2022, the Company's total cash outflow for leases amounted to NT$3,597 thousand and NT$3,357 thousand, respectively.

B. Leases

Leases of consolidate dentities' investment properties are classified as operating leases as they do not transfer substantially all the risks and rewards incidental to ownership of underlying assets. Please refer to Note 6 (8) Investment Property for more information.

The maturity analysis of lease payments is presented in the table below by the total undiscounted lease payments to be received after the reporting date:

	As of	
	December 31, 2023	December 31, 2022
Not later than one year	$14,041	$11,073
Later than one year but not later than two years	9,188	5,736
Later than two year but not later than three years	6,325	5,192
Later than three year but not later than four years	659	4,236
Later than four year but not later than five years	220	23
Later than five years	-	55
Total undiscounted lease payments	$30,433	$26,315

The Group's rental income arising from investment property amounted to NT$14,896 thousand and NT$15,570 thousand for the years ended December 31, 2023 and 2022 respectively.

(19)Summary statement of employee benefits, depreciation and amortization expenses by function for the years ended December 31, 2023 and 2022:

By nature / By function	For the years ended December 31,					
	2023			2022		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits expense						
Salaries	$252,480	$384,171	$636,651	$309,353	$604,507	$913,860
Labor and health insurance	31,562	38,983	70,545	26,153	35,060	61,213
Pension	11,207	13,902	25,109	10,406	13,384	23,790
Remuneration to directors	-	6,942	6,942	-	207,420	207,420
Other employee benefits expense (Note)	17,044	19,111	36,155	16,734	18,692	35,426
Depreciation	119,539	24,163	143,702	94,179	11,352	105,531
Amortization	46	412	458	46	1,211	1,257

Note: Other employee benefits expenses include employee benefit, and meal allowances.

According to the Articles of Incorporation, no less than 2% of profit of the current year is distributable as employees' compensation and no higher than 5% of profit of the current year is distributable as remuneration to directors. However, the Company's accumulated losses shall have been covered. The Company may, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation in the form of shares or in cash; and in addition thereto a report of such distribution is submitted to the shareholders' meeting. Information on the Board of Directors' resolution regarding the employees' compensation and remuneration to directors can be obtained from the "Market Observation Post System" on the website of the TWSE.

Based on the profit for the year ended December 31, 2023, the Company estimated the employees' compensation and remuneration to directors for the year ended December 31, 2023 to be NT$2,305 thousand and NT$0 thousand, respectively, and recognized as salaries.

A resolution was passed at a Board of Directors meeting held on May 5, 2023 to distribute NT$267,000 thousand and NT$200,000 thousand as employees' compensation and remuneration to directors of 2022, respectively. No material differences existed between the estimated amount and the actual distribution of the employee compensation and remuneration to directors for the year ended December 31, 2022.

No material differences existed between the estimated amount and the actual distribution of the employee compensation and remuneration to directors and supervisors for the year ended December 31, 2021.

(20) Non-operating income and expenses

A. Interest income

	For the years ended December 31,	
	2023	2022
Interest on bank deposits	$24,994	$7,111
Other interest income	612	502
Total	$25,606	$7,613

B. Other gains and losses

	For the years ended December 31,	
	2023	2022
Rental income	$3,530	$3,849
Dividend income	51,129	8,906
Foreign exchange (losses) gains, net	(4,588)	23,411
Gains on disposal of property, plant and equipment	2,680	648
Gains (losses) on financial assets (liabilities) at fair value through profit or loss	8,683	(7,542)
Remuneration to directors	7,883	7,943
Income arising from delivery service	13,366	13,033
Others	44,598	23,703
Total	$127,281	$73,951

C. Finance costs

	For the years ended December 31,	
	2023	2022
Interest on borrowings from bank	$20,894	$26,982
Interest on lease liabilities	83	30
Total	$20,977	$27,012

D. Gains on disposal of investments

	For the years ended December 31,	
	2023	2022
Gains on disposal of investments accounted for using the equity method	$-	$6,211,072

(21)Components of other comprehensive income

For the year ended December 31, 2023:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income	Income tax expense	Other comprehensive income, net of tax
Not to be reclassified to profit or loss in subsequent periods:					
Remeasurements of defined benefit plans	$(6,711)	$-	$(6,711)	$394	$(6,317)
Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income	(114,826)	-	(114,826)	-	(114,826)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	252	-	252	-	252
To be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations	(5,092)	-	(5,092)	-	(5,092)
Total	$(126,377)	$-	$(126,377)	$394	$(125,983)

For the year ended December 31, 2022:

	Arising during the period	Reclassification adjustments during the period	Others other comprehensive income	Income tax expense	Other comprehensive income, net of tax
Not to be reclassified to profit or loss in subsequent periods:					
Remeasurements of defined benefit plans	$32,781	$-	$32,781	$-	$32,781
Unrealized gains from equity instruments investments measured at fair value through other comprehensive income	91,321	-	91,321	-	91,321
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	(4,733)	-	(4,733)	-	(4,733)
To be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations	10,683	-	10,683	-	10,683
Total	$130,052	$-	$130,052	$-	$130,052

(22)Income tax

A. The major components of income tax expense (income) for the years ended December 31, 2023 and 2022 are as follows:

Income tax expense (income) recognized in profit or loss

	For the years ended December 31,	
	2023	2022
Current income tax expense (income):		
Current income tax payable	$6,798	$349,326
Additional 5% tax on undistributed earnings	251,414	5,552
Adjustments in respect of current income tax of prior periods	(48,145)	(32,402)
Deferred tax income	(6,540)	(29,898)
Total income tax expense	$203,527	$292,578

Income tax relating to components of other comprehensive income

	For the years ended December 31,	
	2023	2022
Deferred tax income:		
Remeasurements of defined benefit plans	$394	$-

A reconciliation between tax expense and the product of accounting profit multiplied by applicable tax rates is as follows:

	For the years ended December 31,	
	2023	2022
Profit (loss) before tax from continuing operations	$122,892	$6,211,150
Tax at the domestic rates applicable to profits in the country concerned	$24,578	$1,242,231
Tax effects due to different tax rates in foreign jurisdictions	3,577	4,268
Tax effect of revenues exempt from taxation	(45,677)	(1,311,539)
Tax effect of expenses not deductible for tax purposes	4,310	502
Tax effect of deferred tax assets/liabilities	7,304	2,666
Undistributed surplus for income tax	251,414	5,552
Adjustments in respect of current income tax of prior periods	(48,145)	(32,402)
Other income tax effects adjusted in accordance with the tax laws and regulations	6,166	381,300
Total income tax expense recognized in profit or loss	$203,527	$292,578

B. Deferred tax assets (liabilities) relate to the following:

For the year ended December 31, 2023

	Beginning balance	Recognized in profit or loss	Recognized in other comprehensive income	Ending Balance
Temporary differences				
Unrealized exchange losses	$-	$1,021	$-	$1,021
Unrealized inventory valuation losses	2,309	2,636	-	4,944
Unrealized gross losses from sales	750	3,132	-	3,882
Unused tax losses	30,431	-	-	30,431
Land value increment tax	(222,537)	-	-	(222,537)
Pension	(534)	(249)	394	(389)
Deferred tax income		$6,540	$394	
Net deferred tax assets (liabilities)	$(189,581)			$(182,648)
Reflected in balance sheet as follows:				
Deferred tax assets	$33,490			$40,278
Deferred tax liabilities	$(223,071)			$(222,926)

For the year ended December 31, 2022

	Beginning balance	Recognized in profit or loss	Recognized in other comprehensive income	Ending Balance
Temporary differences				
Unrealized exchange losses	$-	$-	$-	$-
Unrealized inventory valuation losses	2,309	-	-	2,309
Unrealized gross losses from sales	750	-	-	750
Unused tax losses	-	30,431	-	30,431
Land value increment tax	(222,537)	-	-	(222,537)
Pension	-	(534)	-	(534)
Deferred tax income		$29,897	$-	
Net deferred tax assets (liabilities)	$(219,478)			$(189,581)
Reflected in balance sheet as follows:				
Deferred tax assets	$3,059			$33,490
Deferred tax liabilities	$(222,537)			$(223,071)

C. Unrecognized deferred tax assets:

As of December 31, 2023 and 2022, deferred tax assets temporary differences no recognised as amounted to NT$209,116 thousand, and NT$117,924 thousand, respectively.

As of December 31, 2023, the merged companies have not yet recognized the deduction of losses on deferred tax assets. The deadline for deduction is as follows:

Amount not yet deducted	Tax not yet deducted	Last deduction year
$430	$86	2024
72,776	18,171	2025
293	59	2026
553	111	2027
$74,052	$18,427	

The items above are not recognized as deferred tax assets because it is not probable that the merged companies will have sufficient taxable income for use in the future.

D. The assessment of income tax return

As of December 31, 2023, the assessment of the income tax returns of the Company and its subsidiaries is as follows:

	The assessment of income tax returns
The Company	Assessed and approved up to 2021
Subsidiary - Pin-Tai	Assessed and approved up to 2021
Subsidiary - Taiwan Nikomart	Assessed and approved up to 2021
Subsidiary - Chuang Shin	Assessed and approved up to 2021
Subsidiary - Taisun Yuan	Assessed and approved up to 2021

(23)Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent entity by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent entity (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

	For the years ended December 31,	
	2023	2022
Basic (losses) earnings per share		
(Loss) profit attributable to ordinary equity holders of the Company (in thousand NT$)	$(80,870)	$5,918,495
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	499,999	499,999
Less: number of treasury shares	13,606	13,606
Weighted average number of ordinary shares outstanding after adjustment	486,393	486,393
Basic (losses) earnings per share (NT$)	$(0.17)	$12.17

	For the years ended December 31,	
	2023	2022
Diluted earnings per share		
(Loss) profit attributable to ordinary equity holders of the Company	$(80,870)	$5,918,495
(After adjusting for the effect of dilutive potential ordinary share)		
Weighted average number of ordinary shares outstanding after adjustment	486,393	486,393
Employee compensation	-	8,485
Weighted average number of ordinary shares outstanding after dilution (in thousands)	486,393	494,878
(After adjusting for the effect of dilutive potential ordinary share)		
Diluted earnings per share (NT$)	$(0.17)	$11.96

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of the financial statements.

7. Related party transactions

(1) Information of the related parties that had transactions with the Group during the financial reporting period is as follows:

Name of the related parties	Nature of relationship of the related parties
Long Bon International Co., Ltd.	Associates
Central Union Oil Corp.	Associates
Taiwan Familymart Co., Ltd.	Substantive related party
Taiwan Distribution Center Co., Ltd.	Substantive related party
Re-Yi Distribution Service Co., Ltd.	Substantive related party
Tonghwa International Golf Recreation Co., Ltd	Substantive related party
Family International Gourmet Co., Ltd.	Substantive related party
New Taipei City GuoBao Social Welfare and Charity Foundation	Substantive related party
Fortune Base Development Corp. Ltd.	Substantive related party
Global Funeral Services Co., Ltd.	Substantive related party

(2) Significant transactions with the related parties

A. Sales

	For the years ended December 31,	
	2023	2022
Associates:		
Central Union Oil Corp.	$2,921,364	$2,904,790
Others	628,738	611,773
	$3,550,102	$3,516,563

The sales price to the above related parties are not materially different from general convenience stores. The collection term for related parties was month-end 45-60 days, while the terms for third parties were month-end 30-90 days.

The Group provides services to related parties and third parties at varying fee rates based on the distance of the areas and the nature of the contracted items. For established clients, monthly settlements are conducted at the end of each month. Credit terms for logistics are set at 30 days and 45 days from month-end respectively. For third parties, credit terms range from 30 to 45 days from the invoice date.

The sales of soybean powder to Central Union Oil Corp. by the Group are priced based on market rates less relevant sales expenses, resulting in the net sales price. This pricing approach exhibits no significant deviations when compared to transactions with third parties. The credit terms for related parties range from 45 to 60 days. Credit terms for sales to third parties range from 30 to 45 days from month-end.

The unrealized gross profit on sales between the Group and the aforementioned related parties has been eliminated based on the equity ownership proportion.

B. Purchases and processing expense

	For the years ended December 31,	
	2023	2022
Associates:		
Central Union Oil Corp.	$223,594	$317,106

Payment terms for purchases from the aforementioned related parties are within 30 days from the date of arrival, which align with conditions similar to those for other related parties. The processing fees from the soybean oil refining carried out by the related party on behalf of the Group, where credit terms involve an advance payment based on estimated processing quantities, followed by settlement of the remaining payment balance within 15 days from month-end reconciliation. The Group does not engage in comparable transactions involving outsourcing to unrelated parties for processing.

C. Trade receivables - related parties

	As of	
	December 31, 2023	December 31, 2022
Associates		
Central Union Oil Corp.	$375,521	$404,528
Others	89,440	83,016
	$464,961	$487,544

D. Accounts payable

	As of	
Associates	December 31, 2023	December 31, 2022
Central Union Oil Corp.	$696	$4,825

E. Other current liabilities

	As of	
	December 31, 2023	December 31, 2022
Substantive related party		
FamilyMart, Taiwan Distribution Center	$14,098	$12,650

F. Property transactions

Acquisition of financial assets

	Accounts	Number of shares	Objects	For the year ended December 31, 2023 Consideration
Substantive related party	Financial assets at fair value through other comprehensive income - non-current	92,142	Equity	$5,068

The above-mentioned equity trasation was based on the market price on the day of purchase at the places of at the business of securities firms.

G. Key management personnel compensation

	For the years ended December 31,	
	2023	2022
Short-term employee benefits	$31,869	$251,440

H. For the years ended December 31, 2023 and 2022, the recognition of consolidated dividend income is as follows:

	For the years ended December 31,	
	2023	2022
Associates - Central Union Oil Corp.	$44,000	$36,000
Other related party - Taiwan FamilyMart Co., Ltd.	44,567	235,641
	$88,567	$271,641

I. For the years ended December 31, 2023 and 2022, the recognition of consolidated remuneration to directors is as follows:

	For the years ended December 31,	
	2023	2022
Associates - Central Union Oil Corp.	$723	$536
Other related party - Taiwan FamilyMart Co., Ltd.	4,400	7,407
	$5,123	$7,943

8. Assets pledged as security

The following table lists assets of the Group pledged as security:

Items	Carrying Amount		Secured liabilities
	As of December 31, 2023	As of December 31, 2022	
Other financial assets, current	$90,000	$4,606	Forward exchange agreement and Foreign Exchange Option
Other financial assets, current	1,500	900	Guarantee deposits for provisional execution
Financial assets at fair value through other comprehensive income non-current	378,000	1,401,465	Short-term/long-term borrowings
Total	$469,500	$1,406,971	

9. Significant contingencies and unrecognized contractual commitments

The list of significant contingencies and unrecognized contractual commitments of the Group as of December 31, 2023 is as follows:

(1)Amounts available under unused letters of credit:

	As of	
	December 31, 2023	December 31, 2022
Amounts available under unused letters of credit	$-	$656,664

(2)The amounts of contract signed and consideration paid for the acquisition of fixed assets and advertising endorsement are as follows:

	As of	
	December 31, 2023	December 31, 2022
Signed Contract	$83,181	$76,339
Price paid	$36,221	$59,181

(3)The Group has issued promissory notes as guarantees for bank financing performance both in the amount of NT$250,000 thousand as of December 31, 2023 and 2022.

(4)In May 2022, the Group has acquired the authorized distribution rights for alcoholic beverages in China region (excluding Taiwan) from Matsu Liquor Factory Industry Co., Ltd. The distribution rights commenced on September 1, 2022, and the agreement is valid for a period of three years. The minimum amount of distribution for this period is set at a minimum of NT$300,000 thousand.

(5)In March 2023, the Group has entered into a master dealer agreement for alcoholic beverages in Taiwan with Matsu Liquor Factory Industry Co., Ltd. The distribution rights commenced on July 1, 2023, and the agreement is valid for a period of three years. The minimum amount of distribution for this period is set at a minimum of NT$1,589,000 thousand. Additionally, if the Group does not achieve the minimum distribution amount or perform this contract, Matsu Liquor Factory Industry Co., Ltd. may terminate this contract without a prior notice and forfeit the performance guarantee deposit in the amount of NT$26.5 million.

(6)On December 2, 2022, the Board of Directors resolved to partially dispose of the Company's shares in FamilyMart Co., Ltd. (FamilyMart). On December 5, 2022, the Company disposed of 43,300 thousand shares with a net disposal consideration in the amount of NT$7,986,979 thousand through intra-day block trade. The Company has received the entirety of this consideration and recognized a gain on disposal of investments in the amount of NT$5,325,489 thousand at the same year. The Company's shareholding in FamilyMart has decreased from 22.47% to 3.07%. As the Company lost significant control over FamilyMart, it remeasured the remaining 3.07% shareholding at the time of the disposal. The fair value as of December 5, 2022 was then reclassified to financial assets measured at fair value through other comprehensive income, non-current. As a result, the Group recognized a gain on disposal of investments in the amount of NT$885,583 thousand and the total gain on disposal of investment for the year ended December 31, 2022 amounted to NT$6,211,072 thousand.

On January 11, 2023, the Company received a notice from the Intellectual Property and Commercial Court regarding an action filed against the Company by Everwin Investment Co., Ltd. and Long Bon International Co., Ltd. The action was seeking invalidation of the 8th meeting of the 22nd board resolution of the Company concerning the "disposal of shares held in FamilyMart Co., Ltd." The reasons provided include failure to comply with Subparagraph 2, Paragraph 1, Article 185 of the Company Act by not submitting the aforementioned proposal for a special resolution at the shareholders' meeting, as well as inadequate provision of information to the Board of Directors and violations of the legal procedures for convening the board meeting, rendering the resolution invalid. The parties involved in this lawsuit were Long Bon International Co., Ltd. and the Company, as well as other interveners including Wan Bao Development Co., Ltd., Hon-Chiang Co., Ltd. and Ching-Hsun Investment Industrial Co., Ltd. As of the financial reporting date, the case is still pending at the Intellectual Property and Commercial Court.

(7)The Company was under investigation by the Fair Trade Commission for the alleged price-fixing with several fish feed companies, which may be liable for punishment. As of the financial reporting date, the case is still pending.

(8)Please refer to Note 6(9) for relevant information on the 40.39% equity investment in JKO FinTech Co., Ltd.

(9)In 2023, the Company was sued by Mei Ruei Advertisement Co., Ltd. in the Taipei District Court, claiming that the Company should pay the advertising fees and liquidated damages totaling approximately NT$40,503 thousand. As of the date of the financial statements, this case was still pending in court.

10. Losses due to major disasters

None.

11. Significant subsequent events

None.

12. Other

(1) Categories of financial instruments

Financial assets

	As of	
	December 31, 2023	December 31, 2022
Financial assets at fair value through profit or loss:		
Mandatorily measured at fair value through profit or loss	$104,049	$95,366
Financial assets at fair value through other comprehensive income	1,413,304	1,522,815
Financial assets measured at amortized cost:		
Cash and cash equivalents (exclude cash on hand)	1,820,758	8,502,417
Financial assets measured at amortized cost	130,013	-
Trade receivables (include relating parties)	1,408,836	1,482,855
Other receivables (include relating parties)	16,984	10,123
Prepayment for investments	3,600,000	-
Other financial assets (current and non-current)	133,452	20,994
Subtotal	7,110,043	10,016,389
Total	$8,627,396	$11,634,570

Financial liabilities

	As of	
	December 31, 2023	December 31, 2022
Financial liabilities at amortized cost:		
Short-term borrowings	$-	$769,490
Short-term notes payable	-	370,000
Accounts payable	563,819	616,655
Other payables (including related parties)	355,324	949,854
Long-term borrowings(including current portion with maturity less than 1 year)	-	570,000
Leases liabilities	5,446	2,284
Deposits received	6,630	6,530
Total	$931,219	$3,284,813

(2) Financial risk management objectives and policies

The Group's principal financial risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activates. The Group identifies measures and manages the aforementioned risks based on the Group's policy and risk appetite.

The Group has established appropriate policies, procedures and internal controls for financial risk management. Before entering into significant transactions, due approval process by the Board of Directors and Audit Committee must be carried out based on related protocols and internal control procedures. The Group complies with its financial risk management policies at all times.

(3) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in market prices. Market prices comprise currency risk and interest rate risk.

In practice, it is rarely the case that a single risk variable will change independently from other risk variable, there is usually interdependencies between risk variables. However, the sensitivity analysis disclosed below does not take into account the interdependencies between risk variables.

Foreign currency risk

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense are denominated in a different currency from the Group's functional currency) and the Group's net investments in foreign subsidiaries.

The Group has certain foreign currency receivables to be denominated in the same foreign currency with certain foreign currency payables, therefore natural hedge is received. The Group also uses forward contracts to hedge the foreign currency risk on certain items denominated in foreign currencies. Hedge accounting is not applied as they did not qualify for hedge accounting criteria. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Group.

The foreign currency sensitivity analysis of the possible change in foreign exchange rates on the Group's profit is performed on significant monetary items denominated in foreign currencies as of the end of the reporting period. The Group's foreign currency risk is mainly related to the volatility in the exchange rate for USD. The information of the sensitivity analysis is as follows:

A. When NTD strengthens/weakens against USD by 1%, the profit for the years ended December 31, 2023 and 2022 would decrease/increase by NT$3,821 thousand and NT$1,035 thousand, respectively.
B. When NTD strengthens/weakens against JPY by 1%, the profit for the years ended December 31, 2023 and 2022 would decrease/increase by NT$242 thousand and NT$119 thousand, respectively.
C. When NTD strengthens/weakens against CNY by 1%, the profit for the years ended December 31, 2023 and 2022 would decrease/increase by NT$219 thousand and NT$225 thousand, respectively.

Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's bank borrowings with variable interest rates and investments at variable interest rates.

The interest rate sensitivity analysis is performed on items exposed to interest rate risk as at the end of the reporting period, including investments and borrowings with variable interest rates. At the reporting date, a change of 0.5 basis points of interest rate in a reporting period could cause the profit for the years ended December 31, 2023 and 2022 to decrease/increase by NT$0 thousand and NT$28,322 thousand, respectively.

Equity price risk

The fair value of the Group's listed and unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group's listed and unlisted equity securities are classified under financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. The Group manages the equity price risk through diversification and placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, a change of 5% in the price of the listed equity securities measured at fair value through profit or loss could increase/decrease the Group's profit for the years ended December 31, 2023 and 2022 by NT$3,004 thousand and NT$2,913 thousand, respectively.

At the reporting date, a change of 5% in the price of the listed companies stocks classified as equity instruments investments measured at fair value through other comprehensive income could have an increase/decrease of NT$69,888 thousand and NT$75,171 thousand on the equity attributable to the Group for the years ended December 31, 2023 and 2022, respectively.

Please refer to Note 12(9) for sensitivity analysis information of other equity instruments or derivatives that are linked to such equity instruments whose fair value measurement is categorized under Level 3.

(4) Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a contract, leading to a financial loss. The Group is exposed to credit risk from operating activities (primarily for trade receivables and notes receivable) and from its financing activities, including bank deposits and other financial instruments.

Credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to credit risk management. Credit limits are established for all counterparties based on their financial position, rating from credit rating agencies, historical experience, prevailing economic condition and the Group's internal rating criteria etc. Certain counter parties' credit risk will also be managed by taking credit enhancing procedures, such as requesting for prepayment.

As of December 31, 2023 and 2022, trade receivables from the top customer, Central Union Oil Corp., represent 27% and 26% of the trade receivables of the Group, respectively. The credit concentration risk of trade receivables is insignificant.

Credit risk from balances with banks, fixed income securities and other financial instruments is managed by the Group's treasury in accordance with the Group's policy. The Group only transacts with counterparties approved by the internal control procedures, which are banks and financial institutions, companies and government entities with good credit rating. Consequently, there is no significant credit risk for these counter parties.

The Group adopted IFRS 9 to assess the expected credit losses. Except for trade receivables, the remaining debt instrument investments which are not measured at fair value through profit or loss were acquired with low credit risk as the prerequisite upon acquisition. The Group makes an assessment at each reporting date as to whether the credit risk significantly increases since original recognition, and further determines the method of measuring the loss allowance and the loss rates.

Financial assets are written off when there is no realistic prospect of future recovery (the issuer or the debtor is in financial difficulties or bankruptcy).

When the credit risk on debt instrument investment has increased, the Group will dispose that investment in order to minimize the credit losses. When assessing the expected credit losses, the evaluation of the forward-looking information (available without undue cost and effort) is mainly based on the macroeconomic information and the credit loss ratio is further adjusted if there is significant impact from forward-looking information.

(5) Liquidity risk management

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and cash equivalents and bank borrowings. The table below summarizes the maturity profile of the Group's financial liabilities based on the contractual undiscounted payments and contractual maturity. The payment amount includes the contractual interest. The undiscounted payment relating to borrowings with variable interest rates is extrapolated based on the estimated interest rate yield curve as of the end of the reporting period.

Non-derivative financial liabilities

	Less than 6 months	6 to 12 months	1 to 2 years	2 to 5 years	Total
As of December 31, 2023					
Accounts payable	$563,819	$-	$-	$-	$563,819
Other payables (including related parties)	355,324	-	-	-	355,324
Leases liabilities	1,114	914	2,112	1,544	5,684
Deposits received	6,630	-	-	-	6,630
As of December 31, 2022					
Long-term and sort- term borrowings (including estimated interest payments)	$790,128	$575,358	$-	$-	$1,365,486
Short-term notes payable (including estimated interest payments)	370,000	-	-	-	370,000
Accounts payable	616,655	-	-	-	616,655
Other payables (including related parties)	949,854	-	-	-	949,854
Leases liabilities	1,233	505	571	-	2,309
Deposits received	6,530	-	-	-	6,530

(6) Reconciliation of liabilities arising from financing activities

For the year ended December 31, 2023:

	Short-term borrowings	Short-term notes payable	Long-term borrowings	Leases liabilities	Total liabilities from financing activities
January 1, 2023	$769,490	$370,000	$570,000	$2,284	$1,711,774
Cash flows	(769,490)	(370,000)	(570,000)	(3,197)	(1,712,687)
Non-cash changes	-	-	-	6,359	6,359
As of December 31, 2023	$-	$-	$-	$5,446	$5,446

For the year ended December 31, 2022:

	Short-term borrowings	Short-term notes payable	Long-term borrowings	Leases liabilities	Total liabilities from financing activities
January 1, 2022	$516,312	$520,000	$1,050,000	$3,475	$2,089,787
Cash flows	253,178	(150,000)	(480,000)	(2,727)	(379,549)
Non-cash changes	-	-	-	1,536	1,536
As of December 31, 2022	$769,490	$370,000	$570,000	$2,284	$1,711,774

(7) Fair values of financial instruments

A. The methods and assumptions applied in determining the fair value of financial instruments:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used by the Group to measure or disclose the fair values of financial assets and financial liabilities:

a. The carrying amount of cash and cash equivalents, trade receivables, accounts payable and other current liabilities approximate their fair value due to their short maturities.

b. For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities, beneficiary certificates, bonds and futures etc.) at the reporting date.

c. Fair value of equity instruments without market quotations (including private placement of listed equity securities, unquoted public company and private company equity securities) are estimated using the market method valuation techniques based on parameters such as prices based on market transactions of equity instruments of identical or comparable entities and other relevant information (for example, inputs such as discount for lack of marketability, P/E ratio of similar entities and Price-Book ratio of similar entities).

d. Fair value of debt instruments without market quotations, bank loans, bonds payable and other non-current liabilities are determined based on the counterparty prices or valuation method. The valuation method uses DCF method as a basis, and the assumptions such as the interest rate and discount rate are primarily based on relevant information of similar instrument (such as yield curves published by the Taiwan Exchange, average prices for Fixed Rate Commercial Paper published by Reuters and credit risk, etc.)

e. The fair value of derivatives which are not options and without market quotations, is determined based on the counterparty prices or discounted cash flow analysis using interest rate yield curve for the contract period. Fair value of option-based derivative financial instruments is obtained using on the counterparty prices or appropriate option pricing model (for example, Black-Scholes model) or other valuation method (for example, Monte Carlo Simulation).

B. Fair value of financial instruments measured at amortized cost

The carrying amount of the Group's financial assets and financial liabilities measured at amortized cost approximate their fair value.

C. Fair value measurement hierarchy for financial instruments

Please refer to Note 12(9) for fair value measurement hierarchy for financial instruments of the Group.

(8) Derivative financial instruments

None.

(9) Fair value measurement hierarchy

A. Fair value measurement hierarchy

All asset and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. Level 1, 2 and 3 inputs are described as follows:

Level 1:	Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2:	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3:	Unobservable inputs for the asset or liability

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization at the end of each reporting period.

B. Fair value measurement hierarchy of the Group's assets and liabilities

The Group does not have assets that are measured at fair value on a non-recurring basis. Fair value measurement hierarchy of the Group's assets and liabilities measured at fair value on a recurring basis is as follows:

As of December 31, 2023:

	Level 1	Level 2	Level 3	Total
Assets measured at fair value:				
Financial assets at fair value through profit or loss:				
Listed domestic companies stocks	$60,090	$-	$-	$60,090
Beneficiary certificate - open end funds	43,959	-	-	43,959
Financial assets at fair value through other comprehensive income:				
Listed domestic companies stocks	1,397,756	-	-	1,397,756
Unlisted domestic companies stocks	11,609	-	1,155	12,764
Unlisted foreign companies stocks	-	-	2,817	2,817

As of December 31, 2022:

	Level 1	Level 2	Level 3	Total
Assets measured at fair value:				
Financial assets at fair value through profit or loss:				
Listed domestic companies stocks	$58,258	$-	$-	$58,258
Beneficiary certificate - open end funds	37,108	-	-	37,108
Financial assets at fair value through other comprehensive income				
Listed domestic companies stocks	1,503,413	-	-	1,503,413
Unlisted domestic companies stocks	-	-	1,155	1,155
Unlisted foreign companies stocks	-	-	18,247	18,247

Transfers between Level 1 and Level 2 during the period

During the years ended December 31, 2023 and 2022, there were no transfers between Level 1 and Level 2 fair value measurements.

Fair value measurements in Level 3 of the fair value hierarchy for movements during the period

Reconciliation for fair value measurements in Level 3 of the fair value hierarchy for movements during the period is as follows:

	Assets
	At fair value through other comprehensive income
	Stocks
January 1, 2023	$19,402
Total gains and losses recognized for the year ended December 31, 2023:	
Recognized in other comprehensive income (Presented in "Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income)	(15,430)
As of December 31, 2023	$3,972

	Assets
	At fair value through other comprehensive income
	Stocks
January 1, 2022	$12,372
Total gains and losses recognized for the year ended December 31, 2022:	
Recognized in other comprehensive income (Presented in "Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income)	7,030
As of December 31, 2022	$19,402

Information on significant unobservable inputs to valuation

Description of significant unobservable inputs to valuation of recurring fair value measurements categorized within Level 3 of the fair value hierarchy is as follows:

As of December 31, 2023:

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets:					
Financial assets measured at fair value through other comprehensive income					
Stocks	Market approach - Comparable Company Analysis	discount for lack of marketability	50%	The higher the discount for lack of marketability	1% increase (decrease) in the discount for lack of marketability would result in increase (decrease) in the Group's profit or loss by NT$40 thousand

As of December 31, 2022:

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets:					
Financial assets measured at fair value through other comprehensive income					
Stocks	Market approach - Comparable Company Analysis	Discount for lack of marketability	50%	The higher the discount for lack of marketability	1% increase (decrease) in the discount for lack of marketability would result in increase (decrease) in the Group's profit or loss by NT$194 thousand
Financial assets measured at fair value through other comprehensive income					
Stocks	Asset-Based Approach	Discount for lack of marketability	25%	The higher the discount for lack of marketability	1% increase (decrease) in the discount for lack of marketability would result in increase (decrease) in the Group's profit or loss by NT$194 thousand

Valuation process used for fair value measurements categorized within Level 3 of the fair value hierarchy

The Group's finance department is responsible for validating the fair value measurements and ensuring that the results of the valuation are in line with market conditions, based on independent and reliable inputs which are consistent with other information, and represent exercisable prices. The department analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies at each reporting date.

(10) Significant assets and liabilities denominated in foreign currencies

Information regarding the significant assets and liabilities denominated in foreign currencies is listed below:

Amount Unit: in thousands

	As of December 31, 2023		
	Foreign currencies	Foreign exchange rate	NTD
Financial assets			
Monetary items:			
USD	$13,192	30.735	$405,468
CNY	5,833	4.3338	25,281
JPY	111,359	0.2173	24,198
Financial liabilities			
Monetary items:			
USD	$762	30.735	$23,413
CNY	2,272	4.3338	9,846

	As of December 31, 2022		
	Foreign currencies	Foreign exchange rate	NTD
Financial assets			
Monetary items:			
USD	$6,101	30.7080	$188,260
CNY	18,088	4.4175	79,907
JPY	51,170	0.2324	11,892
Financial liabilities			
Monetary items:			
USD	13,335	30.7080	409,490

The above information is disclosed based on the carrying amount of foreign currency (after conversion to functional currency).

(11) Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

13. Other disclosure

(1) Information on significant transactions

No.	Items	Attachments
1	Financing provided to others	Attachment 1
2	Providing endorsements or guarantees for others	None
3	Securities held as of December 31, 2023. (Excluding subsidiaries, associates and joint ventures)	Attachment 2
4	Aggregate purchases or sales of the same securities reaching NT$300 million or 20 percent of paid-in capital or more	Note
5	Acquisition of real estate reaching NT$300 million or 20 percent of paid-in capital or more	None
6	Disposal of real estate reaching NT$300 million or 20 percent of paid-in capital or more	None
7	Related party transactions for purchases and sales amounts reaching NT$100 million or 20 percent of paid-in capital	Attachment 3
8	Receivables from related parties with accounts exceeding the lower of NT$100 million or 20 percent of the capital stock	Attachment 4
9	Trading in derivative instruments	None
10	Other: The business relationship, significant transactions and amounts between parent company and subsidiaries	Attachment 5

(Note: Please refer to Note 6(9) for more details on the acquisition of equity in JKO FinTech Co., Ltd. for NT$3.6 billion in May 2023)

(2) Information on investees:

No.	Items	Attachments
1	Financing provided to others	Attachment 1
2	Providing endorsements or guarantees for others	None
3	Securities held as of December 31, 2023. (Excluding subsidiaries, associates and joint ventures)	Attachment 2
4	Aggregate purchases or sales of the same securities reaching NT$300 million or 20 percent of paid-in capital or more	None
5	Acquisition of real estate reaching NT$300 million or 20 percent of paid-in capital or more	None
6	Disposal of real estate reaching NT$300 million or 20 percent of paid-in capital or more	None
7	Related party transactions for purchases and sales amounts reaching NT$100 million or 20 percent of paid-in capital	Attachment 3
8	Receivables from related parties with accounts exceeding the lower of NT$100 million or 20 percent of the capital stock	Attachment 4
9	Trading in derivative instruments	None
10	Information related to the names, locations, etc. of the investee companies (Excluding investment in China)	Attachment 6

(3) Information on nvestment in Mainland China: Please refer to Attachment 7.

(4) Information on major shareholders:

Shares / Name of major shareholders	Number of shares held (shares)	Shareholding
Long Bon International Co., Ltd.	191,721,000	38.34%
Everwin Investment Co., Ltd.	58,279,000	11.66%

14. Segment information

(1)General information

For management purposes, the Group is organized into business units based on their products and services and has three reportable operating segments as follows:

A. Consumption Division: Processing, manufacturing, wholesaling and retailing of oils, food, and beverages.
B. Commodity Division: Processing, manufacturing, wholesaling, and retailing of feed, soybean flour, and ranch products.
C. Foreign Division: Providing sales services for food, beverages, and snacks in overseas markets.
D. Other: The construction division and other management divisions.

The Group's reportable segments include strategic business units offering different products and services. Due to the distinct technical requirements and marketing strategies of each strategic business unit, they are managed separately. Most business units are acquired separately and retain their current management teams upon acquisition.

(2)The information on profit or loss, assets, and liabilities of reportable segments

For the year ended December 31, 2023

	Consumption Division	Commodity Division	Foreign Division	Other	Adjustment and elimination	Total
Revenue						
External customer	$6,432,165	$3,750,242	$644,903	$401,115	$-	$11,228,425
Inter-segment	-	-	-	-	-	
Total revenue	$6,432,165	$3,750,242	$644,903	$401,115	$-	$11,228,425
Segment profit	$(75,137)	$113,585	$70,463	$13,981	$-	$122,892

For the year ended December 31, 2022

	Consumption Division	Commodity Division	Foreign Division	Other	Adjustment and elimination	Total
Revenue						
External customer	$6,040,100	$3,969,706	$631,525	$428,109	$-	$11,069,440
Inter-segment	-	-	-	-	-	
Total revenue	$6,040,100	$3,969,706	$631,525	$428,109	$-	$11,069,440
Segment profit	$96,248	$80,107	$62,243	$5,972,552	$-	$6,211,150

(Note) The measurement amounts of the merged companies' assets are not provided to the operating decision-makers, the amounts of assets and liabilities measurements shall be disclosed as nil.

(3)Geographical information

Revenues from external customers:

	For the years ended December 31,	
	2023	2022
Taiwan	$10,261,803	$10,059,803
Other countries	966,622	1,009,637
Total	$11,228,425	$11,069,440

The revenue information above is based on the location of the customer.

Non-current assets:

	As of December 31	
	2023	2022
Taiwan	$2,511,160	$2,538,175
Other countries	77,738	84,412
Total	$2,588,898	$2,622,587

(4)Information about Major customers

	For the years ended December 31,	
Sales	2023	2022
Company A	$2,921,364	$2,904,790

The measurement amounts of assets and liabilities are not provided to the operating decision-makers, the amounts of assets and liabilities measurements shall be disclosed as nil.

Attachment 1: Financings provided to others

Unit: in Thousands of New Taiwan Dollars

No. (Note 1)	Lender	Counterparty	Financial statement account (Note 2)	Related party	Maximum balance for the period (Note 3)	Ending balance (Note 8)	Actual amount provided	Interest rate	Nature of financing (Note 4)	Amount of sales to (purchase from) counterparty (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful accounts	Collateral		Limit of financing amount for individual counterparty (Notes 7 and 8)	Limit of total financing amount (Notes 7 and 8)
													Item	Value		
0	The Company	Taisun Enterprise (Zhang Zhou) Foods Ltd.	Other receivables - related parties	Yes	$65,007	$-	$-	-	2	$-	Repayment of financing for working capital for operations	$-	None	$-	$1,207,865	$2,415,731
1	Taisun (Cayman) Investment Ltd.	Taisun Enterprise (Zhang Zhou) Foods Ltd.	Other receivables - related parties	Yes	56,339	-	-	-	2	-	Repayment of financing for working capital for operations	-	None	-	363,229	363,229

Note 1: The Company and its subsidiaries are coded as follows:

1. The Company is coded "0".

2. The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Items recorded include trade receivables from associates, receivables from related parties, shareholder transactions, prepayments, advances, and similar items. If these items are of a nature involving financing provided to others, fill in the field.

Note 3: Fill in the maximum balance of funds provided to others (amount approved by the Board of Directors) accumulated for the nine-month period ended September 30, 2023.

Note 4: Explanation of the nature of financing: Investee company that has a business relationship with the parent is coded "1"; Short-term financing is coded "2".

Note 5: Fill in the amount of sales to (purchase from) counterparty for financing categorized as business transactions.

Note 6: Where short-term financing is needed, the reasons for and use of such loans shall be enumerated, e.g., repayment for borrowings, acquisition of equipment, working capital for operations, etc.

Note 7: For short-term financing, the limit of financing provided shall not exceed 20% of the lender's net worth. For individual counterparty, the limit shall be lower of 10% of the lender's net worth or 50% of the counterparty's net worth.

Note 8: Where the Company directly or indirectly holds 100% of the voting shares of a foreign corporation, engaging in financing activities, or when the Company directly or indirectly holds 100% of the voting shares of a foreign corporation that is engaging in financing activities with the Company, the limit for such financing amount shall not exceed 100% of the lender's net worth. The period of financing shall not exceed two years.

Note 9: In accordance with Paragraph 1, Article 14 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies", and loans of funds between the public company and its parent company or subsidiaries, or between its subsidiaries shall be submitted for a resolution by the board of directors, even if the disbursement has not yet occurred, the board-approved amount shall be disclosed as a reported balance to disclose the assumed risk. Subsequently, upon repayment of the funds, the adjusted remaining balance shall be disclosed to reflect risk adjustments.

In the case where a public company operates under Paragraph 2, Article 14 of the regulation, authorizing the chairman of the board to disburse funds incrementally within a certain limit and over a one-year period, the announced reported balance shall be based on the board-approved amount. After the fund is repaid, considering the possibility of further disbursements, the reported balance shall continue to reflect the board-approved fund lending limit.

Attachment 2: Securities held at the end of the period (excluding the portion held due to investment in a subsidiary or an associate, and the portion held due to an interest in a joint venture)

Unit: in Thousands of New Taiwan Dollars

Held company	Type of securities	Name of securities	Relationship with the securities issuer (Note 2)	Financial statement account	Ending of period				Note
					Shares/Units	Carrying Amount	Percentage of ownership (%)	Fair Value	
The Company	Stock	Yi Jinn Industrial Co., Ltd.	-	Financial assets at fair value through profit or loss, current	2,622,600	$48,781	0.87%	$48,781	
The Company	Stock	Cando Corporation	-	Financial assets at fair value through profit or loss, current	256,923	-	0.07%	-	
The Company	Fund	Fubon S&P US Preferred Stock ETF	-	Financial assets at fair value through profit or loss, current	1,000,000	14,820	- %	14,820	
The Company	Fund	Yuanta Global NextGen Communications ETF	-	Financial assets at fair value through profit or loss, current	500,000	17,250	- %	17,250	
The Company	Fund	Yuanta Global Leaders Balanced Fund-TWD(A)	-	Financial assets at fair value through profit or loss, current	33,000	11,888	- %	11,888	
The Company	Preferred stock	Cathy Financial Holding Co., Ltd. Preferred Stock A	-	Financial assets at fair value through other comprehensive income, non-current	333,000	19,847	- %	19,847	
The Company	Stock	Fwusow Industry Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	3,877,950	72,664	1.17%	72,664	
The Company	Stock	Taiwan Familymart Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	6,836,417	1,292,083	3.06%	1,292,083	
The Company	Stock	Yin-Wang Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	10,000	100	10.00%	100	
The Company	Stock	China Trade and Development Corporation	-	Financial assets at fair value through other comprehensive income, non-current	2,788	28	- %	28	
The Company	Stock	Mega 888 Corp.	-	Financial assets at fair value through other comprehensive income, non-current	17,350	174	1.16%	174	
The Company	Stock	Taisun Foods & Marketing Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	886,788	-	18.90%	-	
The Company	Stock	Hsin Tung Yang Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	79,000	853	0.09%	853	
The Company	Stock	Family International Gourmet Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	91,874	11,576	0.40%	11,576	
Pin-Tai Distribution Enterprise Co., Ltd.	Stock	Taitung Business Bank	-	Financial assets at fair value through profit or loss, current	9,628	-	- %	-	
Pin-Tai Distribution Enterprise Co., Ltd.	Stock	Hualon Corporation	-	Financial assets at fair value through other comprehensive income, non-current	5,176	-	- %	-	
Pin-Tai Distribution Enterprise Co., Ltd.	Stock	Chung Hsin Electric & Machnery Manufacturing Corporation	-	Financial assets at fair value through other comprehensive income, non-current	1,183	138	- %	138	
Pin-Tai Distribution Enterprise Co., Ltd.	Stock	Pacific Elrctric Wire & Cable Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	579	-	- %	-	
Pin-Tai Distribution Enterprise Co., Ltd.	Stock	Lite-On Technology Corporation	-	Financial assets at fair value through other comprehensive income, non-current	6,260	733	- %	733	
Pin-Tai Distribution Enterprise Co., Ltd.	Stock	Wus Printed Circuit Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	729	28	- %	28	
Pin-Tai Distribution Enterprise Co., Ltd.	Stock	Macronix International Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	362	11	- %	11	
Pin-Tai Distribution Enterprise Co., Ltd.	Stock	Winbond Electronics Corporation	-	Financial assets at fair value through other comprehensive income, non-current	1,195	36	- %	36	
Pin-Tai Distribution Enterprise Co., Ltd.	Stock	Silicon Integrated System Corp.	-	Financial assets at fair value through other comprehensive income, non-current	2,536	116	- %	116	
Pin-Tai Distribution Enterprise Co., Ltd.	Stock	Pao Shiang Construction & Industrial Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	27,425	-	- %	-	
Pin-Tai Distribution Enterprise Co., Ltd.	Stock	Kerry TJ Logistics Co., Limited	-	Financial assets at fair value through other comprehensive income, non-current	15,524	596	- %	596	
Pin-Tai Distribution Enterprise Co., Ltd.	Stock	China Development Financial Holding Corporation	-	Financial assets at fair value through other comprehensive income, non-current	56,505	709	- %	709	
Pin-Tai Distribution Enterprise Co., Ltd.	Stock	Taishin Financial Holding Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	112,067	2,029	- %	2,029	
Pin-Tai Distribution Enterprise Co., Ltd.	Stock	Shin Kong Financial Holdings Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	20,225	179	- %	179	
Pin-Tai Distribution Enterprise Co., Ltd.	Stock	CGS International, Inc.	-	Financial assets at fair value through other comprehensive income, non-current	565	12	- %	12	
Pin-Tai Distribution Enterprise Co., Ltd.	Stock	Taisun Enterprise Co., Ltd.	Parent and subsidiary	Financial assets at fair value through other comprehensive income, non-current	10,351,332	232,905	2.07%	232,905	
Pin-Tai Distribution Enterprise Co., Ltd.	Stock	Ornatube Enterprise Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	55,000	-	- %	-	
Pin-Tai Distribution Enterprise Co., Ltd.	Stock	Kuei Hung Industrial Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	22,000	-	- %	-	
Taiwan Nikomart Co., Ltd.	Stock	Charoen Pokphand Enterprise (Taiwan) Co., Ltd.	-	Financial assets at fair value through profit or loss, current	117,700	11,310	0.04%	11,310	
Taiwan Nikomart Co., Ltd.	Stock	Taisun Enterprise Co., Ltd.	Parent and subsidiary	Financial assets at fair value through other comprehensive income, non-current	2,960,186	66,604	0.59%	66,604	
Chuang Shin Traffic Co., Ltd.	Stock	Taisun Enterprise Co., Ltd.	Parent and subsidiary	Financial assets at fair value through other comprehensive income, non-current	368,524	8,292	0.07%	8,292	
Chuang Shin Traffic Co., Ltd.	Stock	Chung Hsin Electric & Machnery Manufacturing Corporation	-	Financial assets at fair value through other comprehensive income, non-current	1,928	225	- %	225	
Chuang Shin Traffic Co., Ltd.	Stock	Winbond Electronics Corporation	-	Financial assets at fair value through other comprehensive income, non-current	5,305	161	- %	161	
Chuang Shin Traffic Co., Ltd.	Stock	Sysgration Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	42,451	1,518	0.02%	1,518	
Chuang Shin Traffic Co., Ltd.	Stock	Powerchip Technology Corporation	-	Financial assets at fair value through other comprehensive income, non-current	-	-	- %	-	
Chuang Shin Traffic Co., Ltd.	Stock	Powerchip Semiconducter Manufacturing Co.	-	Financial assets at fair value through other comprehensive income, non-current	38,995	1,148	- %	1,148	
Chuang Shin Traffic Co., Ltd.	Stock	Taitung Business Bank	-	Financial assets at fair value through profit or loss, current	9,628	-	- %	-	
Chuang Shin Traffic Co., Ltd.	Stock	Hualon Corporation	-	Financial assets at fair value through other comprehensive income, non-current	5,176	-	- %	-	
Chuang Shin Traffic Co., Ltd.	Stock	Pao Shiang Construction & Industrial Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	38,760	-	- %	-	
Chuang Shin Traffic Co., Ltd.	Stock	Kuei Hung Industrial Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	22,000	-	- %	-	
Chuang Shin Traffic Co., Ltd.	Stock	Ornatube Enterprise Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	60,000	-	- %	-	
Taisun (Cayman) Investment Ltd.	Stock	Yamai Limited	-	Financial assets at fair value through other comprehensive income, non-current	-	2,817	3.66%	2,817	(Note 4)
Taisun Yuan Co., Ltd.	Stock	Fwusow Industry Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	88,580	1,710	0.03%	1,710	
Taisun Yuan Co., Ltd.	Stock	Family International Gourmet Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	268	33	0.01%	33	
Taisun Yuan Co., Ltd.	Stock	Taiwan Familymart Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	20,000	3,780	0.01%	3,780	

Note 1: "Financial instruments" as referred to in this table includes stocks, bonds, beneficiary certificate, and securities derived from the aforementioned items, within the scope of IFRS 9 Financial Instruments.
Note 2: Not required if the issuer of securities is not a related party.
Note 3: For items measured at fair value, the "Carrying amount" column represents the adjusted carrying amount after fair value assessment and deduction of accumulated impairments.
For items not measured at fair value, the "Carrying amount" column represents the carrying amount after deducting accumulated impairments from the original cost or amortized cost.
Note 4: Unissued shares.

Attachment 3

Related party transactions for purchases and sales amount reaching NT$100 million or 20 percent of paid-in capital for the year ended December 31, 2023:

Unit: in Thousands of New Taiwan Dollars

Related parties	Counterparty	Relationship	Transaction Details				Details of non-arm's length transaction		Notes and trade receivables (payables)		Note
			Purchase (Sales)	Amount	Percentage of total purchases (sales)	Terms	Unit price	Terms	Balance	Percentage of total notes/trade receivables (payables)	
The Company	Pin-Tai Distribution Enterprise Co., Ltd.	Parent and subsidiary	Sales	$(2,301,399)	(24%)	Payment by monthly settlement with a 60-day remittance	Trading condition is not significantly different	Trading condition is not significantly different	$516,613	36%	(Note 2)
The Company	Central Union Oil Corp.	Associate	Sales	(2,921,364)	(30%)	Receipt of payment within 45 to 60 days	Trading condition is not significantly different	Trading condition is not significantly different	375,521	26%	
The Company	Central Union Oil Corp.	Associate	Purchases	223,594	3%	Payment by monthly settlement with a 15-day remittance	Trading condition is not significantly different	Trading condition is not significantly different	(696)	(0.1%)	
Chuang Shin Traffic Co., Ltd.	Taiwan Distribution Center Co., Ltd.	Substantive related party	Sales	(248,977)	(64%)	Payment by monthly settlement with a 30-day remittance	Trading condition is not significantly different	Trading condition is not significantly different	21,712	48%	
Chuang Shin Traffic Co., Ltd.	Re-Yi Distribution Service Co., Ltd.	Substantive related party	Sales	(111,591)	(29%)	Payment by monthly settlement with a 45-day remittance	Trading condition is not significantly different	Trading condition is not significantly different	20,571	45%	
Pin-Tai Distribution Enterprise Co., Ltd.	Taisun Enterprise Co., Ltd.	Parent and subsidiary	Purchases	2,301,399	95%	Payment by monthly settlement with a 60-day remittance	Trading condition is not significantly different	Trading condition is not significantly different	(516,612)	(94%)	(Note 2)
Pin-Tai Distribution Enterprise Co., Ltd.	Taiwan Distribution Center Co., Ltd.	Substantive related party	Sales	(137,048)	(5%)	Payment by monthly settlement with a 45-day remittance	Trading condition is not significantly different	Trading condition is not significantly different	24,874	6%	

Note 1: The above ratios are calculated based on the individual financial statements of companies as a percentage of their respective sales (purchases) of goods.

Note 2: The above transaction between the consolidated entities in the Group has been offset during the preparation of the consolidated financial statements.

Attachment 4: Receivables from related parties with amounts exceeding NT$100 million or 20% of the paid-in capital for the year ended December 31, 2023:

Unit: in Thousands of New Taiwan Dollars

Related Parties	Counterparty	Relationships	Ttrade receivables - related parties (Note 1)	Turnover rate	Overdue trade receivables - related parties		Collection in subsequent period	Allowance for doubtful debt
					Amount	processing method		
The Company	Central Union Oil Corp.	Associate	$375,521	7.49	-	-	$375,521	-
The Company (Note)	Pin-Tai Distribution Enterp	Parent and subsidiary	516,613	4.50	-	-	350,105	-

Note: The above transaction between the consolidated entities in the Group has been offset during the preparation of the consolidated financial statements.

Attachment 5: Significant intercompany transactions between consolidated entities

Unit: in Thousands of New Taiwan Dollars

No. (Note 1)	Company Name	Counterparty	Relationship	Transaction details			
				Accounts	Amount	Transaction terms	Percentage of consolidated total operating revenues or consolidated total (Note 2)
0	The Company	Pin-Tai Distribution Enterprise Co., Ltd.	Parent and subsidiary	Sales	$2,301,399	Payment within 60 days from the end of the month	20.50%
0	The Company	Pin-Tai Distribution Enterprise Co., Ltd.	Parent and subsidiary	Trade receivables - related parties	516,613	Payment within 60 days from the end of the month	3.78%
0	The Company	Taisun Enterprise (Zhang Zhou) Foods Ltd.	Parent and subsidiary	Sales	8,981	Advances from customers	0.08%

Note 1: The information of significant transactions and amounts between the Company and subsidiaries are coded as follows:

The Company is coded "0".

The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: The percentage with respect to the consolidated asset/liability for transactions of balance sheet items are based on each item's balance at period-end.

For profit or loss items, interim cumulative balances are used as basis.

Table 6: Information related to the names, locations, etc. of the investee companies (Excluding investment in China)

Unit: in Thousands of New Taiwan Dollars

Investor	Investee company	Location	Main businesses and products	Initial Investment Amount		Ending Balance			Net income (losses) of the investee	Investment income (loss) recognized (Note 3)	Note
				December 31, 2023	December 31, 2022	Shares	Percentage of Ownership (%)	Carrying Amount			
The Company	Taiwan Nikomart Co., Ltd.	Taiwan	Operation of a chain of convenience stores	$284,067	$284,067	27,203,632	73.92%	$27,105	$3,724	$1,098	Note 4
The Company	Pin-Tai Distribution Enterprise Co., Ltd.	Taiwan	Wholesale and retail of edible oils and fats.	346,126	346,126	21,255,839	99.93%	260,633	28,322	22,407	Note 4
The Company	Taisun (Cayman) Investment Ltd.	Cayman	Investment	1,498,670	1,498,670	40,290,000	100.00%	361,522	70,463	70,463	Note 4
The Company	Taisun Yuan Co., Ltd.	Taiwan	Investment management	5,000	5,000	500,000	100.00%	21,850	6,254	6,254	Note 4
The Company	Chuang Shin Traffic Co., Ltd.	Taiwan	Logistics	15,352	15,352	1,358,480	13.26%	8,360	5,706	552	Note 4
The Company	Central Union Oil Corp.	Taiwan	Manufacturing, processing, and selling of bean products	204,125	204,125	20,000,000	33.33%	314,127	160,645	53,548	Note 2
Pin-Tai Distribution Enterprise Co., Ltd.	Chuang Shin Traffic Co., Ltd.	Taiwan	Logistics	94,780	94,780	8,630,240	84.21%	98,018	5,706	4,805	Note 4
Pin-Tai Distribution Enterprise Co., Ltd.	Taiwan Nikomart Co., Ltd.	Taiwan	Operation of a chain of convenience stores	87,084	87,084	8,904,412	24.20%	28,439	3,724	901	Note 4
Taisun (Cayman) Investment Ltd.	Taisun International Ltd.	BVI	Sale of oil products	-	-	-	100.00%	-	-	-	Note 4

Note 1: If a public company has holding company in other country and had issued consolidated financial statement under local regulations, about these investee could disclosed their holding company's relevant information.

Note 2: For circumstances not listed in Note 1, filled in by the following rules:

(1) "Investee company", "Address", "Main businesses and products", "Initial investment" and "Investment as of September 30, 2023" shall be filled in the Company's investment to the subsidiaries' re-investment in corresponding order, and indicate the relationship in the Notes.

(2) "Net income (loss) of investee company" shall be filled in net income (loss) of investee for the nine-month period ended September 30, 2023.

(3) "Investment income (loss) recognized", shall be filled in only investment income (loss) under the equity method, and the investor shall confirm that its investment income (loss) includes the subsidiaries' re-investment.

Note 3: This includes the unrealized profit from downstream and upstream sales.

Note 4: The above transaction between the consolidated entities in the Group has been offset during the preparation of the consolidated financial statements.

Attachment 7: Information on investments in Mainland China

Unit: in Thousands of New Taiwan Dollars

Investees Company	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2023	Investment Flows		Accumulated outflow of investment from Taiwan as of December 31, 2023	Net income (loss) of investee company	Percentage of ownership	Investment income (loss) recognized	Carrying Value as of December 31, 2023	Accumulated inward remittance of earnings as of December 31, 2023
					Outflow	Inflow						
Taisun Enterprise (Zhang Zhou) Foods Ltd.	Engaged in the production and sale of food, beverages, snacks, canned goods, etc.	$845,213 (USD27,500)	(2) (Note 4)	$1,026,549 (USD33,400)	-	-	$1,026,549 (USD33,400)	$71,535	100.00%	$71,535	$295,763	
Cheng Da Restaurant Investment Management (Sichuan) Ltd.	Sale of freshly baked bread, etc.	39,033 (USD1,270)	(2) (Note 5)	19,056 (USD620)	-	-	19,056 (USD620)	-	3.66%	-	-	
Jiangsu Da Mai Foods Ltd.	Sale of freshly baked bread, etc.	102,196 (USD3,328)	(2) (Note 5)	22,437 (USD730)	-	-	22,437 (USD730)	-	3.66%	-	1,356	

Accumulated investment in Mainland China as of December 31, 2023	Investment amounts authorized by investment commission, MOEA	Upper limit on investment
$1,068,042	$1,470,670	$7,247,195

Note 1: Investment in China includes the following methods of investment:

(1) Direct investment in a China company.

(2) Investment in China companies by remittance through a third region.

(3) Other methods of investing in China.

Note 2: In the Investment income (loss) recognized column:

(1) If it is in the preparation stage and has not generated investment gains or losses yet, it shall be clearly indicated.

(2) Investment gain and loss recognition bases are classified into the following three types, and shall be indicated:

A. Financial statements reviewed by an international accounting firm in collaboration with a Taiwanese CPA firm.

B. Financial statements reviewed by the CPA of the parent company in Taiwan.

C. Others.

Note 3: The figures in this table shall be presented in New Taiwan Dollars. For transactions involving foreign currencies, except for the investee company's current period income and the investment income recognized in the current period , which are converted using the average exchange rate during the financial reporting period, the conversion to New Taiwan Dollars shall be converted using the exchange rate as of the balance sheet date of the financial statements.

Note 4: Investment made through the intermediary of an investee company, Taisun (Cayman) Investment Ltd., to further invest in China company.

Note 5: Indirect investment in China company through a downstream investment in Yamai Limited, holding a 3.66% stake. As there is no significant influence, investment income has not been recognized.