Tah Tong Textile Co., Ltd.

Consolidated Financial Report and
Independent Auditors' Report

For the Years Ended March 31, 2024
and 2023

(CODE :1441)

Address :3F., No. 346, Sec. 3, Nanjing E. Rd., Songshan
Dist., Taipei City

Tel : 02-2752-2244

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

Tah Tong Textile Co., Ltd. and subsidiaries

Consolidated Financial Report and Independent Auditors' Report

For the Years Ended March 31, 2024 and 2023

Table of contents

INDEPENDENT AUDITORS' REPORT

PWC24000411

To the Board of Directors and Shareholders of TAH TONG TEXTILE CO., LTD.

Preface

We have audited the accompanying consolidated balance sheets of TAH TONG TEXTILE CO., LTD. and subsidiaries (the "Group") as at March 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

It is the management's responsibility to prepare consolidated financial statements that adequately express themselves in accordance with the financial reporting standards for securities issuers and International Accounting Standard No. 34 "Interim Financial Reporting" approved and issued by the Financial Supervisory Commission. Draw conclusions on the consolidated financial statements based on the review results..

Scope

Except for those stated in the paragraph on the basis for retaining the conclusion, the accountant performed the review work in accordance with the Review Standards of the Republic of China No. 2410 "Review of Financial Statements". The procedures performed when reviewing the consolidated financial statements include inquiries (primarily to those responsible for financial and accounting matters), analytical procedures and other review procedures. The scope of the review work is significantly smaller than the scope of the audit work. Therefore, the accountant may not be able to detect all significant matters that can be identified through the audit work, and therefore cannot express an audit opinion.

Retain the basis for conclusions

As stated in Notes 4(3) and 6(6) to the consolidated financial statements, the financial statements for the same period of some non-significant subsidiaries and investments using the equity method included in the consolidated financial statements above have not been reviewed by accountants. And the total assets (including investments using the equity method) on March 31, 2024 and 2023 were NT$213,900,000 and NT$36,660,000 respectively, accounting for 11.04% and 1.70% of the total consolidated assets; The total comprehensive profits and losses recognized for the aforementioned companies from January 1 to March

31,2024 and 2023 were losses of NT$10,814,000 and losses of NT$13,136,000 respectively, accounting for (37.78)% and (22.76)% of the total consolidated comprehensive profits and losses respectively.

Reserve conclusion

According to the results of the accountant's review, except for the impact of possible adjustments to the consolidated financial statements if the financial statements of some non-significant subsidiaries and investments using the equity method as mentioned in the basis for retaining the conclusion are reviewed by the accountant, we have not found any impact. The consolidated financial statements have not been prepared in all material respects in accordance with the Financial Reporting Standards for Securities Issuers and International Accounting Standard No. 34 "Interim Financial Reporting" approved and effective by the Financial Supervisory Commission, resulting in the failure to adequately express the Dadong Group. The consolidated financial position as of March 31, 2024 and 2023, as well as the consolidated financial performance and consolidated cash flow from January 1 to March 31, 2024 and 2023.。

Lin, Ya-Hui Hsu, Yung-Chien

For and on behalf of PricewaterhouseCoopers, Taiwan
May 8, 2024

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditor’s report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.
As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

Tah Tong Textile Co., Ltd. and subsidiaries
Consolidated balance sheet
For the Years Ended March 31, 2024、December 31,2023 and March 31, 2023

Unit: NT$ thousand

	Asset	Notes	March 31,2024 Amount	%	December 31,2023 Amount	%	March 31,2023 Amount	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 149,320	8	$ 133,836	7	$ 158,359	7
1110	Financial assets at FVTPL - Current	6(2)	-	-	-	-	1,950	-
1170	Net value of accounts receivable	6(3)	63,051	3	78,596	4	71,865	3
1200	Other receivables	7	17,338	1	17,421	1	13,623	1
130X	Inventories	6(4)	350,147	18	314,190	17	423,311	20
1410	Prepayments	6(10)	61,272	3	58,653	3	74,919	3
1470	Other current assets	8	103,135	5	99,047	5	76,774	4
11XX	Total current assets		744,263	38	701,743	37	820,801	38
	Non-current assets							
1517	Financial assets at fair value through other comprehensive income-non-current	6(5)	45,862	2	45,862	2	46,224	2
1550	Investment accounted for using the equity method	6(6) and 7	213,900	11	224,714	12	246,065	11
1600	Property, Plant and Equipment	6(7) and 8	763,477	39	772,188	40	806,415	38
1755	Right-of-use asset	6(8)、7 and 8	123,952	7	122,337	6	136,779	6
1760	Net investment property	6(9) and 8	-	-	-	-	41,876	2
1780	Intangible assets		4,020	-	4,172	-	4,967	-
1840	Deferred tax assets		16,488	1	16,488	1	16,488	1
1975	Net defined benefit assets - non-current		12,407	1	12,185	1	11,807	1
1990	Other non-current assets - others	6(10) and 8	13,662	1	14,098	1	16,030	1
15XX	**Total non-current assets**		1,193,768	62	1,212,044	63	1,326,651	62
1XXX	**Total assets**		$ 1,938,031	100	$ 1,913,787	100	$ 2,147,452	100

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Tah Tong Textile Co., Ltd. and subsidiaries
Consolidated balance sheet
For the Years Ended March 31, 2024、December 31,2023 and March 31, 2023

Unit: NT$ thousand

	Liabilities and Equity	Notes	March 31,2024 Amount	%	December 31,2023 Amount	%	December 31, 2023 Amount	%
	Current liabilities							
2100	Short-term borrowings	6(11)	$ 854,435	44	$ 880,986	46	$ 973,804	45
2150	Notes payable		9,680	1	9,503	-	1,603	-
2170	Accounts payable	7	200,627	10	196,808	10	164,533	8
2200	Other payables	6(14)	42,693	2	44,089	2	47,301	2
2280	Lease liabilities - Current	7	-	-	-	-	1,372	-
2320	Long-term liabilities due within a year or one operating cycle	6(13)	17,325	1	29,803	2	54,344	3
2399	Other current liabilities - other	6(20) and 7	258,099	13	167,837	9	64,880	3
21XX	**Total current liabilities**		1,382,859	71	1,329,026	69	1,307,837	61
	Non-current liabilities							
2530	Corporate bonds payable	6(12) and 7	30,000	2	100,000	5	100,000	5
2540	Long-term borrowings	6(13)	4,141	-	5,353	1	21,443	1
2570	Deferred tax liabilities		38,031	2	37,874	2	41,524	2
2600	Other non-current liabilities	7	95,537	5	95,451	5	54,877	2
25XX	**Total non-current liabilities**		167,709	9	238,678	13	217,844	10
2XXX	**Total Liabilities**		1,550,568	80	1,567,704	82	1,525,681	71
	Equity attributable to owners of parent company							
	Share capital	6(16)						
3110	Common share capital		693,822	36	632,952	33	1,139,000	53
	Capital reserve	6(17)						
3200	Capital reserve		28,316	1	19,186	1	19,186	1
	Retained earnings	6(18)						
3350	Deficit yet to be compensated		(330,888)	(17)	(299,521)	(16)	(546,988)	(26)
	Other equity	6(19)						
3400	Other equity		(18,097)	(1)	(22,491)	(1)	(23,508)	(1)
31XX	**Total equity attributable to owners of parent company**		373,153	19	330,126	17	587,690	27
36XX	**Non-controlling interests**		14,310	1	15,957	1	34,081	2
3XXX	Total equity		387,463	20	346,083	18	621,771	29
	Significant Contingent Liabilities and Unrecognized Commitments	9						
	Significant Events	11						
3X2X	**Total liabilities and equities**		$ 1,938,031	100	$ 1,913,787	100	$ 2,147,452	100

The attached notes to consolidated financial statements are the integral part of the consolidated financial statements, please read together.

Chairman：Chen, Shiou-Chung Managerial Officer：Chen, Chien-Choan Accounting Officer：Kuo, Shun-Yi

Tah Tong Textile Co., Ltd. and subsidiaries
Consolidated Statements of Comprehensive Income
For the Years Ended March 31, 2024 and 2023

Unit: NT$ thousand
(Except for loss per share in NT$)

			January 1 to March 31,2024		January 1 to March 31,2023	
	Item	Notes	Amount	%	Amount	%
4000	Operating revenue	6(20)	$ 226,480	100	$ 307,173	100
5000	Operating costs	6(4)(23) and 7	(219,861)	(97)	(373,893)	(122)
5900	Gross profit (gross loss)		6,619	3	(66,720)	(22)
	Operating expenses	6(23)(24)				
6100	Selling expenses		(12,578)	(5)	(17,527)	(6)
6200	Administrative expenses		(21,733)	(10)	(25,880)	(8)
6300	Research and development expenses		(1,525)	(1)	(2,644)	(1)
6450	Expected credit impairment gains	12(3)	192	-	871	-
6000	Total operating expenses		(35,644)	(16)	(45,180)	(15)
6900	Operating loss		(29,025)	(13)	(111,900)	(37)
	Non-operating income and expenses					
7100	Interest revenue		776	1	156	-
7010	Other income		36	-	34	-
7020	Other gains or losses	6(21)	16,016	7	75,986	25
7050	Financial costs	6(22)	(11,040)	(5)	(13,564)	(4)
7060	Share of the profit or loss of affiliates and joint ventures recognized using the equity method	6(6)	(10,814)	(5)	(5,222)	(2)
7000	Total non-operating incomes and expenses		(5,026)	(2)	57,390	19
7900	**Net loss before tax**		(34,051)	(15)	(54,510)	(18)
7950	Income tax benefit	6(25)	289	-	341	-
8200	**Current net loss**		($ 33,762)	(15)	($ 54,169)	(18)

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Tah Tong Textile Co., Ltd. and subsidiaries
Consolidated Statements of Comprehensive Income
For the Years Ended March 31, 2024 and 2023

Unit: NT$ thousand
(Except for loss per share in NT$)

	Item	Notes	January 1 to March 31,2024 Amount	%	January 1 to March 31,2023 Amount	%
	Other comprehensive profit and loss (net)	6(19)				
	Items not reclassified subsequently to profit or loss					
8316	Unrealized equity instrument profit or loss measured at fair value through other comprehensive income	6(5)	$ -	-	($ 17)	-
8320	Share of other comprehensive income of affiliates and joint ventures recognized with the equity method - items not reclassified subsequently to profit or loss		-	-	381	-
8310	Total items not reclassified subsequently to profit or loss		-	-	364	-
	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences on translation of the financial statements of foreign operations		5,142	2	(3,858)	(1)
8370	Share of other comprehensive income of affiliates and joint ventures recognized with the equity method - items may be reclassified subsequently to profit or loss		-	-	(55)	-
8360	Total items that may be reclassified subsequently to profit or loss		5,142	2	(3,913)	(1)
8300	**Other comprehensive profit and loss (net)**		$ 5,142	2	($ 3,549)	(1)
8500	**Total comprehensive income for this period**		($ 28,620)	(13)	($ 57,718)	(19)
	Net loss attributable to:					
8610	Owners of the parent-company		($ 31,367)	(14)	($ 41,425)	(14)
8620	Non-controlling interests		(2,395)	(1)	(12,744)	(4)
			($ 33,762)	(15)	($ 54,169)	(18)
	Total comprehensive loss attributable to:					
8710	Owners of the parent-company		($ 26,973)	(12)	($ 44,671)	(15)
8720	Non-controlling interests		(1,647)	(1)	(13,047)	(4)
			($ 28,620)	(13)	($ 57,718)	(19)
	Loss per share	6(26)				
9750	Basic loss per share		($ 0.49)		($ 0.65)	

The attached notes to consolidated financial statements are the integral part of the consolidated financial statements, please read together.

Chairman：Chen, Shiou-Chung　　Managerial Officer：Chen, Chien-Choan　　Accounting Officer：Kuo, Shun-Yi

Tah Tong Textile Co., Ltd. and subsidiaries

Consolidated Statement of Changes in Equity

For the Years Ended March 31, 2024、December 31,2023 and March 31, 2023

Unit: NT$ thousand

	Notes	Equity attributable to owners of parent company								Non-controlling interests	Total equity
			Capital Reserve			Other equity					
		Common share capital	Capital Reserve - Development line premium	Capital reserve - recognized changes in equity ownership of subsidiaries	Deficit yet to be compensated	Exchange differences on translation of the financial statements of foreign operations	Unrealized financial assets profit or loss measured at fair value through other comprehensive incom	Other equity - others	Total		
2023											
Beginning balance on January 1		$ 1,139,000	$ -	$ 11,181	($ 506,048)	($ 37,582)	$ 17,586	$ 219	$ 624,356	$ 67,064	$ 691,420
Current net loss		-	-	-	(41,425)	-	-	-	(41,425)	(12,744)	(54,169)
Other comprehensive income recognized for the period	6(19)	-	-	-	-	(3,610)	364	-	(3,246)	(303)	(3,549)
Total comprehensive income for this period		-	-	-	(41,425)	(3,610)	364	-	(44,671)	(13,047)	(57,718)
Recognized changes in equity ownership of subsidiaries		-	-	8,005	-	-	-	-	8,005	6,995	15,000
Disposal of equity instruments at FVOCI	6(19)	-	-	-	485	-	(485)	-	-	-	-
Non-controlling interests decreased		-	-	-	-	-	-	-	-	(26,931)	(26,931)
Ending balance on March 31		$ 1,139,000	$ -	$ 19,186	($ 546,988)	($ 41,192)	$ 17,465	$ 219	$ 587,690	$ 34,081	$ 621,771
2024											
Beginning balance on January 1		$ 632,952	$ -	$ 19,186	($ 299,521)	($ 42,951)	$ 20,241	$ 219	$ 330,126	$ 15,957	$ 346,083
Current net loss		-	-	-	(31,367)	-	-	-	(31,367)	(2,395)	(33,762)
Other comprehensive income recognized for the period	6(19)	-	-	-	-	4,394	-	-	4,394	748	5,142
Total comprehensive income for this period		-	-	-	(31,367)	4,394	-	-	(26,973)	(1,647)	(28,620)
Cash capital increase	6(16)	60,870	9,130	-	-	-	-	-	70,000	-	70,000
Ending balance on March 31		$ 693,822	$ 9,130	$ 19,186	($ 330,888)	($ 38,557)	$ 20,241	$ 219	$ 373,153	$ 14,310	$ 387,463

The attached notes to consolidated financial statements are the integral part of the consolidated financial statements, please read together.

Chairman：Chen, Shiou-Chung　　Managerial Officer：Chen, Chien-Choan　　Accounting Officer：Kuo, Shun-Yi

Tah Tong Textile Co., Ltd. and subsidiaries
Consolidated Statements of Cash Flows
For the Years Ended March 31, 2024、December 31,2023 and March 31, 2023

Unit: NT$ thousand

	Notes	January 1, 2024 to March 31, 2024	January 1, 2023 to March 31, 2023
Cash flows from operating activities			
Net loss before income tax		($ 34,051)	($ 54,510)
Adjustments			
Income/expenses items			
Depreciation expense	6(23)	23,818	32,981
Amortization cost	6(23)	227	246
Expected credit impairment reversed gains	12(3)	(192)	(871)
Interest revenue		(776)	(156)
Disposal of investment interests	6(21)	-	(78,039)
Interest expenses	6(22)	11,040	13,564
Net loss (gain) from financial assets at FVTPL	6(21))	-	(50)
Share of the profit or loss of affiliates and joint ventures	6(6)	10,814	5,222
Unrealized exchange (gains) loss		(28,836)	11,522
Changes in assets/debts having to do with business			
Net changes in the assets related to the operating			
Notes receivable		-	1,779
Accounts receivable		42,953	(5,082)
Other receivables		2,635	(14,314)
Inventories		(30,500)	130,420
Prepayments		1,473	10,097)
Other current assets		(2,501)	(8,698)
Other non-current assets		301	(221)
Net changes in the liabilities related to the operating			
Notes payable		177	(5,062)
Accounts payable		(14,099)	8,035
Other payables		(1,337)	(11,773)
Other current liabilities		22,068	(1,438)
Other non-current liabilities		12	-
Cash inflows generated from operations		3,226	13,458
Interest received		921	156
Interest paid		(11,424)	(13,038)
Net cash inflow (outflow) from operating activities		(7,277)	576

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Tah Tong Textile Co., Ltd. and subsidiaries
Consolidated Statements of Cash Flows
For the Years Ended March 31, 2024 、December 31,2023 and March 31, 2023

Unit: NT$ thousand

	Notes	January 1, 2024 to March 31, 2024	January 1, 2023 to March 31, 2023
Cash flows from investing activities			
Financial assets at fair value through other comprehensive income - share payment refunded due to capital decrease		$ 129	$ 106
Number of effects of consolidated changes	6(28)	-	(29,341)
Disposal of investment price using equity method	7	-	87,569
Purchase of property, plant and equipment	6(28)	-	(118)
Increase in intangible assets		-	(17)
increase in other non-current assets		-	587
Net cash inflow (outflow) from investing activities		129	58,786
Cash flows from financing activities			
Borrow short-term borrowings		452,109	661,937
Repay short-term borrowings		(490,578)	(786,543)
Repayments of long-term borrowings		(13,690)	(32,234)
Borrowings from related partie		139,000	27,000
Repayments of loans to related partie		(72,000)	-
Repaid principal of lease		-	(4,049)
Redeem corporate bonds	6(12)	(70,000)	-
Changes in non-controlling interests - cash capital increase		-	15,000
Cash capital increase	6(16)	70,000	-
Net cash inflow (Outflow) from financing activities		14,841	(118,889)
Effect on foreign currency exchange differences		7,791	5,488
Increase (Decrease) of cash and cash equivalents of the current term		15,484	(54,039)
Cash and cash equivalents at the beginning of the year		133,836	212,398
Cash and cash equivalents at the end of the year		$ 149,320	$ 158,359

The attached notes to consolidated financial statements are the integral part of the consolidated financial statements, please read together.。

Chairman：Chen, Shiou-Chung　　Managerial Officer：Chen, Chien-Choan　　Accounting Officer：Kuo, Shun-Yi

Tah Tong Textile Co., Ltd. and subsidiaries
Notes to consolidated financial statements
For the Years Ended March 31, 2024 and 2023

Unit: NT$ thousand
(except for specified otherwise)

I. Company History

Tah Tong Textile Co., Ltd. (hereinafter "the Company") is incorporated in Republic of China, the major businesses operated by the Company and subsidiaries (hereinafter "the Group") are production and sales of cotton yarns and T/C blended yarns, synthetic yarns, gray cloths, finished fabrics and knitted fabrics.

II. Approval Date and Procedures of The Financial Statements

These consolidated financial statements were approved and released by the Board of Directors on MAY 8, 2024. ◦

III. New Standards, Amendments and Interpretations Adopted

(I) Impacts of the newly released or amended IFRSs endorsed and effectuated by the Financial Supervisory Commission ("FSC") adopte

The following table aggregates the newly released or amended, revised IFRSs and interpretations endorsed by the FSC and adopted since 2024：

New issued/amended/revised standards and interpretations	Effective date of publication by IASB
Amendments to IFRS 16 "Lease Liabilities in Sale and Leaseback"	2024.01.01
Amendments to IAS 1 "Classification of Current or Non-Current Liabilities"	2024.01.01
Amendments to IAS 1 "Non-current liabilities with contractual terms"	2024.01.01
Amendments to IAS 7 and IFRS 7 "Supplier Financing Arrangements"	2024.01.01

After assessing the aforesaid IFRSs and interpretations, the Group believes no material impact is generated on the Group's financial position and financial performance.

(II) Impacts of the newly released or amended IFRSs endorsed by the FSC not yet adopted

None.

(III) Impacts of the IFRSs release by the IASB but not endorsed by the FSC

The following table aggregates the newly released or amended, revised IFRSs and interpretations release by the IASB but not endorsed by the FSC:

New issued/amended/revised standards and interpretations	Effective date of publication by IASB
Amendments to IFRS 10 and IAS 28 "Asset sales or contributions between investors and their affiliates	Wait IASB approve

or joint ventures"	
IFRS 17：Insurance Contracts”	2023.01.01
Amendments to IFRS 17 “Contracts of Insurance	2023.01.01
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	2023.01.01
IFRS 18 "Presentation and Disclosures in Financial Statements"	2027.01.01
Amendment to IAS 21 “Lack of Convertibility”」	2025.01.01

Except for the following, the Group has assessed that the above standards and interpretations have no significant impact on the Group's financial position and financial performance:
IFRS 18 “Financial Statement Presentation and Disclosures”
IFRS 18"Presentation and Disclosure of Financial Statements" replaces International Accounting Standard 1 and updates the structure of the consolidated income statement, adds disclosures on management performance measurement, and strengthens the summary and application in the main financial statements and notes. segmentation principle.

IV. Summary of Significant Accounting Polices

The major accounting policies adopted for the consolidated financial report are explained below. Unless specified otherwise, all these policies are applicable generally during all reporting periods.

(I) Compliance Statement
This consolidated financial report is prepared in accordance with the Financial Reporting Standards for Securities Issuers and International Accounting Standard No. 34 "Interim Financial Reporting" approved and issued by the Financial Supervisory Commission.

(II) Basis of preparation
1. Other than the following key items, the consolidated financial report is prepared based on the historical costs:
(1) Financial assets and liabilities measured at FVTPL (derivatives included).
(2) Financial assets measured at FVOCI.
(3) Defined benefit assets recognized as the net amount of pension fund assets less the present value of defined benefit obligations.
2. Prepare International Financial Reporting Standards, International Accounting Standards, Interpretations and Interpretations (hereinafter referred to as IFRSs) that are approved and issued by the Financial Supervisory Commission, some key accounting estimates are required to be used. During the process of applying the Group’s accounting policies, the management is required to use their judgement. For the items involving high judgement or complexity, or involving the material assumptions and estimates of the consolidated financial reports, please refer to Note 5 for estimate.

(III) Basis of consolidation
1. Principles for preparing consolidated financial statements
(1) The Group include all subsidiaries into the preparation entity of the consolidated financial reports. The subsidiaries refer to the entities

controlled by the Group (including the structured entities). 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, the Group controls the entity. The subsidiaries are incorporated in the consolidated financial reports since the date when the Group obtains the control, and the consolidation is terminated at the date losing such control.

(2) The material transactions, balances, and unrealized incomes within the Group is cancelled. The accounting policies of the subsidiaries are adjusted where necessary to be aligned with the policies adopted by the Group.

(3) Each component composing the profit and loss, and other comprehensive income is attributed to the owners of the parent and non-controlling interests; the total comprehensive income also is attributed to the owners of the parent and non-controlling interests, even though the loss balance is resulted in for the non-controlling interests.

(4) The changes in the shareholding in a subsidiary is treated as the equity transaction if the control is not lost (transactions with the non-controlling interests), i.e. the transactions with the owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value paid or received is recognized directly in equity.

(5) Where the Group loses the control over a subsidiary, the remaining investment in the previous subsidiary is re-measured at fair value, and deemed as the fair value of the initially recognized financial asset, or the costs of the investment in affiliates or joint venture initially recognized. The difference between the fair value and carrying amount is recognized as the profit or loss for the current period. For all the amounts related to the subsidiary in question and recognized under other comprehensive income, the accounting treatment shares the same basis as if the Group directly disposes the related assets or liabilities, i.e. the income or loss recognized under the comprehensive income, and reclassified to profit and loss when disposing the related assets or liabilities, such income or loss will be reclassified from equity to profit and loss when the control over the subsidiary is lost.

2. Subsidiaries incorporated in the consolidated financial statements:

			Shareholding ratio			
investment company	Invested company	Business	2024/3/31	2023/12/31	2023/3/31	Note
Tah Tong Textile Co., Ltd.	GLOUCESTER CO., LTD.	Investment	100	100	100	
Tah Tong Textile Co., Ltd.	InnoPeak Co.Ltd.	Composite fiber production and sales	40	40	40	
GLOUCESTER CO., LTD.	ROSEGATE HOLDING CORP.	Investment	100	100	100	

ROSEGATE HOLDING CORP.	TAH TONG TEXTILE (VIETNAM) CO., LTD.	Production and sales of yarn and Fabric	100	100	100
GLOUCESTER CO., LTD.	DAYSTAR LIMITED	Investment	100	100	100
DAYSTAR LIMITED	eNOVA Limited	Investment	100	100	100
GLOUCESTER CO., LTD.	KOREA TEXTILE & DYEING SUPPORT SERVICES JOINT STOCK COMPANY(KTD)	Textile weaving, dyeing, printing and processing	52 .14	52.14	52.14

Note: On February 24, 2023, the board of directors passed a resolution that since the group has completed its phased tasks, it will no longer participate in the relevant operation and management affairs of Ding Chuangke Materials Co., Ltd., and will no longer participate in the subsequent capital increase plan, and will no longer participate in the subsequent capital increase plan. The transfer of business and management affairs was completed on March 27, 2023, so control was lost from the beginning. The Group recognizes the remaining investment in the former subsidiary based on the fair value on the date of loss of control, and therefore recognizes investment disposal profits of $12,706. Please refer to Notes 6 (27) and (28) for details.

3. Subsidiaries not included in the consolidated financial statements: none.
4. Adjustment and treatment for different accounting periods adopted by subsidiaries: none.
5. Significant restrictions: none
6. Subsidiaries of non-controlling interests material to the Group.

As of March 31, 2024、December 31, 2023 and March 31, 2023, the total non-controlling interests amounted to $14,310、$15,957 and $34,081. The information on non-controlling interests material to the Group and in the subsidiaries is presented below:

		non-controlling interest		non-controlling interest		non-controlling interest	
		2024/3/31		2023/12/31		2023/3/31	
Company	Location	Amount	%	Amount	%	Amount	%
KTD	VN	$ 14,310	47.86%	$ 15,957	47.86%	$ 34,081	47.86%

Aggregating financial information of subsidiarie：

Balance sheet

	KTD		
	2024/3/31	2023/12/31	2023/3/31
current assets	$ 17,953	$ 11,977	$ 21,866
Non-current assets	230,846	230,542	250,430
Current liabilities	(208,057)	(198,495)	(180,887)
Non-current liabilities	(10,842)	(10,682)	(20,199)
Total net assets	$ 29,900	$ 33,342	$ 71,210

Statement of comprehensive income

	KTD	
	2024/1/1-3/31	2023/1/1-3/31
income	$ 14,753	$ 12,252
net before tax	(5,004)	(11,377)
Income tax expense	-	-
Net amount of continuing business units in the current period	(5,004)	(11,377)
Total comprehensive profit and loss for the period	($ 5,004)	($ 11,377)
Total comprehensive loss attributable to non-controlling interests	($ 2,395)	($ 5,446)

Statement of cash flow

	KTD	
	2024/1/1-3/31	2023/1/1-3/31
Cash Inflow from operating activities	$ 615	$ 17,140
Cash Inflows from investing activities	153	164
Cash Inflow (Outflows) from financing activities	860	(17,133)
exchange rate impact number	34	(61)
Changes in cash and equivalent cash for the period	1.662	110
Cash and cash equivalents at the beginning	1,066	344
Ending cash and cash equivalents	$ 2,728	$ 454

(IV) Foreign currency translation

The items listed under each entity within the Group, is measured at the currency of the major economic environment where it operates (i.e. functional currency). The consolidated financial statements were expressed in “New Taiwan Dollars,” which is the Company's functional currency.

1. Foreign currency transactions and balance

(1) Foreign currency transactions are translated into the functional currency using the spot exchange rate at the transaction date or measurement date; translation differences generated from such translations are recognized in current profit or loss.

(2) The balance of the foreign currency monetary assets and liabilities is measured and adjusted based on the spot exchange rate at the balance sheet date; translation differences generated from such adjustments are recognized in current profit or loss.

(3) The balance of foreign currency non-monetary assets and liabilities that are measured at fair value through profit and loss is measured and adjusted based on the spot exchange rate at the balance sheet date; exchange differences generated from such adjustments are recognized in current profit or loss. Those that are not measured at fair value are measured and adjusted based on the spot exchange rate at the balance sheet date; exchange differences generated such adjustments are recognized in other comprehensive income. Those that are not measured at fair value are measured at the historical exchange rate at the date of the initial transaction.

(4) All other exchange gains and losses are reported in "Other gains and losses" of the income statement.

2. Translation of foreign operations

(1) For all of the Group’s members, affiliates, and joint arrangements that differ in the functional currency and the presentation currency, their operating results and financial positions are translated to the presentation currency as follows:

A. All assets and liabilities presented in the balance sheet are translated at the closing rate at the same balance sheet;

B. All income and expenses presented in the statement of comprehensive income are translated at the average exchange rate of the year; and

C. All exchange differences generated from translations are recognized in other comprehensive income.

(2) When the foreign operation disposed or sold partially is a subsidiary, accumulated exchange differences recognized in other comprehensive income When a foreign operation partially disposed of or sold is an associate or joint arrangement, its exchange difference under other comprehensive income will be re-classified proportionally to current profit or loss as part of gains or losses on sales. Provided, even though the Group retains some equity in the said associate or joint arrangement, if the Group has lost material influence on the foreign operation, or lost joint control over the foreign operation as a joint arrangement, disposal will be recognized for all equity of the foreign operation.

(3) Proportionally will be re-attributed to the non-controlling interests of the foreign operation again. Provided, even though the Group retains some equity in the said subsidiary, if the Group has lost control over the foreign operation as a subsidiary, disposal will be recognized for all equity of the foreign operation.

(4) Goodwill generated from a purchase of a foreign entity and fair value adjustments are deemed as the assets and liabilities of that foreign entity, and are translated at the exchange rate at the end of the year.

(V) <u>Classification criteria of current and non-current assets and liabilities</u>

1. An asset is classified as a current asset if it is:

(1) expected to be realized, or intended to be sold or consumed, in the normal business cycle.

(2) held primarily for the purpose of trading.

(3) expected to be realized within 12 months from the balance sheet date; or

(4) cash and cash equivalent, unless restricted from being exchanged or used to settle a liability for at least 12 months after the balance sheet date.

The Group classifies all other assets than classified above as non-current except for Note 4(12).

2. A liability is classified as a current liability if it is:

(1) expected to be settled in its normal operating cycle;

(2) held primarily for the purpose of trading;

(3) due to be settled within 12 months from the balance sheet date; or

(4) There is no right to defer the settlement of liabilities until at least twelve months after the reporting period.

The Group classifies all other liabilities than classified above as non-current.

(VI) <u>Financial assets at FVTPL</u>

1. Financial assets are measured at FVTPL, unless measured at amortized cost or at FVOCI.

2. The Group recognizes customary financial assets at FVTPL at the date of the transaction.
3. On initial recognition, the Group measures such financial assets at fair value and recognizes transaction costs in profit or loss; the Group subsequently measures such financial assets at fair value and recognizes gains or losses in profit or loss.
4. When the right to receive dividends is established, the economic benefits related to dividends are likely to flow in, and the amount of dividends may be measured reliably, the Group recognizes dividend income under the profit or loss.

(VII) Financial assets at FVOCI

1. At initial recognition, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument. Investments in debt instruments are measured at FVOCI if both of the following conditions are met:
   (1) the financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
   (2) The contractual terms of the financial assets give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.
2. The Group adopts the transaction date accounting for financial assets measured at FVOCI from customary transactions.
3. The Group measures at its fair value plus transaction costs at the initial recognition, and subsequently measures at fair value:
   Changes in the fair value of equity instruments are recognized in other comprehensive income. When derecognizing, the accumulated gains or losses previously recognized in other comprehensive income must not be reclassified to income, and shall be transferred to retained earnings. When the right to receive dividends is established, the economic benefits related to dividends are likely to flow in, and the amount of dividends may be measured reliably, the Group recognizes dividend income under the profit or loss.

(VIII) Accounts and notes receivable

1. The accounts and notes that the Group has an unconditional contractual right to consideration for goods or services that have been transferred.
2. The Group measures short-term accounts and notes receivable with unpaid interest at the original invoice amount due to be insignificant effect of discounting.

(IX) Financial asset impairment

At each balance sheet date, the Group, with respect to financial assets measured at amortized cost and accounts receivable containing significant financial components, considers all reasonable and supportable information (including forward-looking ones). Where the credit risk has not increased significantly since initial recognition, the loss allowance will be measured at an amount equal to 12-month expected credit losses; where the credit risk has increased significantly since initial recognition, the loss allowance will be measured at an amount equal to lifetime expected credit losses and for the accounts receivable or contract assets that do not include significant financial components, the loss allowance will be measured at lifetime expected credit losses.

(X) Lease transaction as lessor - operating leases

Lease income on operating leases less all incentives given to the lessee is amortized on a straight-line basis during the lease term and recognized in current profit or loss.

(XI) Inventories

1. Inventories are measured at the lower of cost and net realizable value. The costs carried forward are calculated using the moving average method. The costs of finished products and products in progress include the raw materials, direct labor, other direct costs, and the production overheads related to production (shared by normal capacity), but the borrowing costs are excluded. When comparing which one is lower of cost and net realizable value, the item by item comparison method is adopted. The net realizable value is the balance of expected selling price during the ordinary course of business deducting the expected costs to be input until completion and related variable selling expenses.
2. By-products are inventoried at the estimated net realizable value at the end of each month. The estimated net realizable value is recognized in other operating costs, and the actual selling price is recognized in other operating income.

(XII) Property to be sold

1. The Group hires construction companies to build residential and office buildings for sales. Invested land and construction costs during the construction are represented as construction in process and measured at the lower of cost and net realizable value. The cost is calculated by each site, and these with the construction completed are transfer to the property to be sold.
2. In the consolidated financial statements, the Group classifies all assets and liabilities related to construction as current assets and current liabilities respectively within one business cycle. Additionally, the inventory items of the property to be sold for the construction business are accounted as the current asset because they are parts of the composition for the ordinary operating cycle, while not being expected to be realized within 12 months after the balance sheet dates.

(XIII) Investments accounted for using the equity method - affiliates

1. An associate is an entity over which the Group has significant influence (other than control) or, more generally, of which the Group holds, directly or indirectly (eg through subsidiaries), 20 per cent or more of the voting power. The Group accounts for investments in affiliates using the equity method, and recognizes them at cost at the time of acquisition.
2. The Group recognizes the share of the profit or loss of affiliates in current profit or loss and the share of other comprehensive income in other comprehensive income after acquisition. When the Group’s share of loss in any associate equals to, or exceeds the equity in the same associate (including any other unsecured receivables), the Group does not recognize further loss, unless the Group has any legal obligation or constructive obligation incurred in that associate, or made any payment on behalf of the associate.
3. When an associate has any changes in equity arising from non-recurring gains and losses and other comprehensive income do not affect the Group’s

shareholding in the associate, the Group recognizes all such changes in equity in “Capital reserve” proportionally to the shareholding.

4. Unrealized gains or losses arising from a transaction between the Group and an associate have been written off proportionally to the equity interests held by the Group in the said associate. Unless evidence shows that assets transferred through the said transaction are impaired, unrealized losses will be written off as well. The accounting policies of affiliates have been adjusted where necessary to be aligned with the policies adopted by the Group.
5. When an associate issues additional new shares, if the Group does not subscribe for or acquire the new shares proportionally, to the extent of resulting in a change in the investment ratio but maintaining significant influence on the associate, then “Capital reserve” and “Investments accounted for using the equity method” should be adjusted according to the change in the net worth of equity interests. If it results in a reduced investment ratio, other than the aforesaid adjustments, all profits or losses related to such ownership equity reduction and recognized under other comprehensive income that shall be reclassified to profit and loss when disposing related assets or liabilities, are reclassified to profit and loss in proportion to the reduction.
6. When the Group loses its significant influence on an associate, the remaining investment in that associate will be re-measured at fair value, and the difference between the fair value and the carrying amount will be recognized in current profit or loss.
7. When the Group disposes of an associate, if its significant influence on that associate is lost, then all amounts previously recognized in other comprehensive income that were related to that associate will be re-classified from equity to profit or loss. If the Group maintains its significant influence on that associate, any amount recognized in other comprehensive income will be transferred out proportionally as said above.
8. When the Group disposes of an associate, if its significant influence on that associate is lost, then the capital reserve related to that associate will be transferred to profit or loss; if the Group maintains its significant influence on that associate, then the capital reserve related to that associate will be transferred to profit or loss according to the disposal ratio.

(XIV) Property, Plant and Equipment

1. An item of property, plant and equipment is recognized at cost at the time of its acquisition.
2. Subsequent costs are included in the carrying amount of assets or recognized as a separate asset only when it is probable that future economic benefits associated with the item will flow into the Group and the cost of the item can be measured reliably. The carrying amount of a replacement will be derecognized. All other maintenance expenses are recognized as current profit or loss when incur.
3. Property, plant and equipment are subsequently measured using the cost model, and depreciated over the estimated useful live on the straight-line basis except for land. If each component of property, plant and equipment is material, such shall be depreciated separately.

4. The Group reviews the residual value, useful life and depreciation of each asset at the ending day of each fiscal year. If expectations differ from previous estimates, or the expected pattern of consumption of the future economic benefits embodied in the asset has changed significantly, the changes will be accounted for as change in accounting estimates in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" from the date of such changes. The useful life of each asset is as follows:
   Houses, buildings and the ancillary equipment: 3 to 55 years
   Machinery equipment: 5 to 25 years
   Water and power equipment: 5 to 15 years
   Other assets: 5 to 20 years

(XV) Lease transaction as a lessee - right-of-use-assets/ lease liabilities

1. Lease assets are recognized as right-of-use assets or lease liabilities from the date when they are made available for use by the Group. When a lease contract is a short-term lease or a lease of low-value underlying asset, the lease is recognized as expense during the lease term with the straight-line method.

2. At the commencement date, a lease liability is recognized at the present value of the lease payments that are not paid at that date using the incremental borrowing interest rate of the Group; the lease payments are fixed payments, less all lease incentives receivable.

   Subsequently, it is measured at the amortized cost method, and the interest expense is provided during the lease term. If the lease term or the lease payment is changed not due to revision of the contract, the lease liability is re-valuated, and the remeasurement adjustments the right-of-use asset.

3. At the commencement date, right-of-use assets are recognized at cost. The cost of a right-of-use asset includes:

   (1) the amount of the initial measurement of the lease liability; and

   (2) any lease payments made at or before the commencement date.

   Subsequently, the measurement is made with costs, where the right-of-use assets are provided with the depreciation expenses to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms. When the lease liability is re-measured, the right-of-use asset will adjust all and any remeasurement of the lease liability.

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

(XVI) Investment Property

The investment properties are recognized at the acquisition costs, and the cost model is adopted for the subsequent measurement. Other than lands, the depreciation is provided at the straight-line method based on the useful life, and the use life is 38 years.

(XVII) Intangible assets

The computer software is recognized at the acquisition costs, and amortized with the straight-line method based on the useful life of 2-8 years.

(XVIII) Non-financial asset impairment

For the assets showing the impairment signals at the balance sheet date, the Group estimates the recoverable amount; if the recoverable amount, it is recognized as the impairment loss. The recoverable amount is the higher balance of the fair value deducting the disposal costs or the use value. When the circumstance resulting in the recognized asset impairment does not exist or reduces, the impairment loss is reversed; provided, the carrying amount of the asset is increased due to the reversed impairment loss, such amount shall not exceed the carrying amount of the same asset deducting the depreciation or amortization if no impairment loss is recognized.

(XIX) Borrowings

1. Long- and short- term funds borrowed from banks. At the initial recognition, the Group measures such as the balance of the fair value deducting the disposal costs; subsequently, for any difference between the consideration deduction of the transaction costs and the redemption value, the effective interest method is adopted to recognize any interest expenses as the profit or loss during the outstanding time based on the amortization procedures.

2. Regarding the expenses paid when the borrowing limit is determined, if the limit is very likely to be drawn partially or in whole, such expenses are recognized as the transaction costs of the borrowings, and are deferred until withdrawal and recognized as an adjustment of effective interest rate; if the limit is not likely to be drawn partially or in whole, such expenses are recognized in prepayments, and amortized over the term related to the limit.

(XX) Accounts and notes payable

1. Liabilities incurred from the purchase of raw materials, goods or services on credit, and notes payable by the business entity due to operation and non-operation.

2. The Group measures non-interest bearing short-term accounts and notes payable at the original invoice amount as discounting is immaterial.

(XXI) Ordinary corporate bonds payable

The ordinary corporate bonds payable issued by the Group are measured at the balance of the fair value deducting the transaction costs when being initially recognized; the difference between the consideration deduction of the transaction costs and the redemption value is listed as the addition or deduction of the corporate bonds payable; subsequently, the effective interest method is adopted to recognize the profit or loss during the outstanding time based on the amortization procedures, as the adjustment to the “financial costs.”

(XXII) Employee benefits

1. Short-term employee benefits

Short-term employee benefits are measured at the expected payment of the non-discounted amount, and recognized as expenses when the related services are provided.

2. Pension

(1) Defined contribution plan

For the defined contribution plans, the retirement fund amount to be contributed on the accrual basis is recognized as the cost of pension for the current period. The pre-paid contribution is recognized as an asset within the extent of refundable cash and reduction of future payment.

(2) Defined benefit plan

(I) The net obligation under the defined benefit plan is calculated as the discounted amount of future benefits earned by employees in return for their service in the current and prior periods, and the fair value of any plan assets is deducted from the present value of the defined benefit obligation at the balance sheet date. The net defined benefit obligation is calculated with the projected unit credit method by an actuary. The discount rate refers to the market yield of the government bonds with the same currency and duration as the defined benefit plan (at the balance sheet date).

(II) Re-measurements generated from the defined benefit plan are recognized in other comprehensive income for the current year, and presented in retained earnings.

(III) Pension costs during the interim period are calculated from the beginning of the year to the end of the current period using the pension cost rate determined in accordance with the actuarial calculation at the end of the previous financial year. If there are major market changes and major reductions, liquidations or other major one-time events after the closing date, adjustments will be made and relevant information will be disclosed in accordance with the aforementioned policies.

3. Employees' compensation and remuneration of directors

The employees' compensation and remuneration of directors are recognized as expense or liability when the legal or constructive obligation incurs and the amount can be reasonably estimated. If there is any difference occurs between the actual distribution amount resolved and the estimated amount later, it is treated as the change in the accounting estimates. Where employees’ remuneration is distributed in shares, the share number is calculated based on the closing price of the previous day of the day when the Board makes the resolution.

(XXIII) Income tax

1. Income tax expenses includes current and deferred income tax. Except that the income taxes accounted under the other comprehensive income or directly accounted to the equity items are accounted to other comprehensive income or directly accounted to the equity, income taxes are recognized under profit and loss.

2. The Group calculates the income tax for the current period using the tax rates that have been enacted or substantially enacted in the country where the Group operates and at the balance sheet date. The management regularly assesses the income taxes filing status pursuant to the applicable income tax related regulations, and estimates the income tax liability based on the expected taxes payable to tax collection authorities when applicable. For the additional income tax imposed on the undistributed earnings pursuant to the income tax laws, is only recognized as the income tax expense of undistributed earnings based on the actual earning distribution upon the approval of the earning distribution proposal by the shareholders in the next year of the year generating the earnings.

3. Deferred income tax is recognized based on any temporary difference between the tax base of assets and liabilities and their carrying amount in the consolidated balance sheet using the balance sheet method. The deferred income tax liabilities generated from the goodwill initially recognized are not recognized; if the deferred income tax is generated from an initial recognition of an assets or liabilities in a transaction (not including enterprise merger), and the accounting profit or the taxable income (taxable loss) is not impacted at the time of transaction, no recognition will be made. For the temporary differences generated in the subsidiaries and affiliates, if the Group is able to control the timing reversing the temporary difference, and it is probable that the temporary difference will not be reversed in the foreseeable future, such temporary differences will not be recognized. The deferred income taxes adopt the tax rate (and tax law) that is legislated, or substantively legislated at the balance sheet date, and is expected to be applicable when the related deferred income tax assets are realized, or the deferred income tax liabilities are repaid.

4. Deferred income tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, and unrecognized and recognized deferred income tax assets are reassessed at each balance sheet date.

5. The carryforward of unused tax losses is recognized in deferred income tax assets to the extent that the future taxable profit will be available to the

unused tax losses.

6. The income tax expense for the interim period is calculated by applying the estimated annual average effective tax rate to the pre-tax profit and loss for the interim period, and the relevant information is disclosed in accordance with the aforementioned policies.
7. When the tax rate changes during the interim period, the Group recognizes the impact of the change once in the current period when the change occurs. For income tax related to items recognized outside profit and loss, the impact of the change is recognized in other comprehensive profits and losses or equity items. For income taxes related to items recognized in profit or loss, the impact of the change will be recognized in profit or loss.

(XXIV) Dividend distribution

Dividends distributed to the Company's shareholders are recognized in the financial statements when the Company's shareholders' meeting decides to distribute such dividends. Cash dividends are recognized as a liability, and stock dividends are recognized as stock dividends to be distributed and transferred to ordinary shares on the base date when new shares are issued.

(XXV) Revenue recognition

Product sales:

1. The Group manufactures and sells cotton, cotton yarn, T/C blended yarn, chemical fiber yarn, and gray cloth, finished fabrics and knitted fabrics, among related products. Revenues are the fair value of the considerations received or shall be received from the sales to non-Group customers during the ordinary operating amount, presented in the amount net of sales tax, goods returned, quantity discount and discounts. Sales of goods are recognized as revenue when the goods are delivered to the buyers, the sales amounts may be reliably measured, and the future economic benefits are very likely to flow into the entity. When all material risks related to the ownership and return have been transferred to customers, and the Group neither continues the involvement in management, nor maintains the effective control over the goods accepted by customers pursuant to the sales contracts, or the objective evidence shows that all the acceptance terms are met, the delivery of goods occurs.
2. Accounts receivable are recognized when the goods are delivered to the customer as from that point, the Group has unconditional rights to the contract price if only the passage of time is required before payment.

(XXVI) Operating Segments

The information on the Group's operating segments and the internal management reports provided to the key operating decision-makers are reported in a consistent approach. The key operating decision-makers are responsible to allocate resources to operating segments and evaluate their performance.

V. Significant Accounting Assumptions and Judgments, and Major Sources of Estimation Uncertainty

When preparing the consolidated financial reports, the management has applied the judgement to determine the accounting policies adopted, and makes the accounting estimates and assumptions based on the reasonable expectation for future events under the circumstance on the balance sheet date. The material accounting estimates and assumptions made may be different from the actual results, and will be continuously assessed and adjusted by taking the historical experience and other factors into account. Such estimates and assumptions have the risk resulting in material adjustments of the carrying amount of the assets and liabilities in the next fiscal year. Significant Accounting Assumptions and Judgment, And Major Sources of Estimation Uncertainty：

I. Key judgements adopted for the accounting policies

The Group has no information that the accounting policy involving material judgements, and the recognized amount is materially impacted.

II. Key accounting estimates and assumptions

1. Assessment of property, plant, and equipment impairment
   In assessing the impairment of assets, the Group should, relying on subjective judgment and the pattern of utilizing assets and industrial characteristics, determine the independent cash flows of a group of assets, the useful life of assets, and gains, income and expenses that may arise in the future. Any changes in estimates due to changes in economic conditions or the Group's strategy may result in significant impairment in the future. See Note 6(7) for details.

2. Valuation of inventories
   Since the inventories is valuated at the lower between the costs and the net realizable values, the Group has to apply the judgement and estimates to decide the net realizable values of inventories at the balance sheet date. As the market evolves rapidly, the Group assesses the amount of the inventories at the balance sheet date after the normal depletion, obsolete, or no marketable value, and reduces the inventory costs to the net realizable values. The valuation of inventories are many based on the product demands in a certain future period, and thus material changes are possible; please refer to Note 6(4) for an explanation.

VI. Summary of Significant Accounting Items

(I) Cash

	2024/3/31	2023/12/31	2023/3/31
cash	$ 173	$ 83	$ 124
Bank savings	149,147	133,753	158,235
	$ 149,320	$ 133,836	$ 158,359

1. Financial institutions that deal with the Group have good credit and the Group has business with multiple financial institutions in order to spread its credit risk; the possibility of default is expected to be quite low.

2. The Group's bank deposits transferred to pledged assets have been transferred to "Other current assets". See Note 8 for details.

(II) Financial assets at FVTPL

ITEM	2024/3/31	2023/12/31	2023/3/31
Open Market Stock	$ -	$ -	$ 2,296
Evaluation Adjustment	-	-	(346)
	$ -	$ -	$ 1,950

1. The Group's financial assets at FVTPL are recognized under "Other gains and losses" in the income statement. See Note 6(21) for the relevant amounts.
2. The Group's investments in equity instruments are traded at centralized trading markets and OTC securities trading centers. The possibility of default is expected to be very low.

(III) Note payable and accounts payable

	2024/3/31	2023/12/31	2023/3/31
Account Receivable	$ 73,002	$ 88,574	$ 79,636
Less：Allowance for losses	(9,951)	(9,978)	(7,771)
	$ 63,051	$ 78,596	$ 71,865

1. As of March 31, 2024、December 31,2023 and March 31, 2023, the balances of accounts receivable and notes receivable were both generated from contracts with customers; the balance of accounts receivable from contracts with customers as of January 1, 2023 was $100,211.
2. For relevant information on credit risk, see Note 12(3).

(IV) InventoriesInventories

1. Textile inventories：

2024/3/31	COST	Allowance	Book Value
Materials	$ 191,070	($ 15,628)	$ 175,442
WIP	70,446	(4,199)	66,247
Finish Goods	137,152	(28,694)	108,458
Total	$ 398,668	($ 48,521)	$ 350,147

2023/12/31	COST	Allowance	Book Value
Materials	$ 186,719	($ 18,175)	$ 168,544
WIP	42,022	(4,333)	37,689
Finish Goods	136,768	(28,811)	107,957
Total	$ 365,509	($ 51,319)	$ 314,190

2023/3/31	COST	Allowance	Book Value
Materials	$ 227,333	($ 17,682)	$ 209,651
WIP	60,380	(6,981)	53,399
Finish Goods	190,157	(29,896)	160,261
Total	$ 477,870	($ 54,559)	$ 423,311

The expenses of the sales costs recognized in the current period are listed below:

	2024/1/1-3/31	2023/1/1-3/31
Cost of Good Sold	$ 223,278	$ 370,867
Allowance	(3,417)	3,026
	$ 219,861	$ 373,893

(1) In the first quarter of 2024, the Group recognized a decrease in cost of goods sold due to the effective implementation of inventory elimination, which resulted in an increase in the net realizable value of inventory.

(2) The Group's inventory was not pledged in the first quarter of 2024 and 2023.

2. Net amount of property held for sale:

ITEM	2024/3/31	2023/12/31	2023/3/31
Parking Area	$ 2,403	$ 2,403	$ 3,058
Less ：allowance	(2,403)	(2,403)	(3,058)
Net Amount	$ -	$ -	$ -

In the first quarter of 2024 and 2023, the Group did not recognize the cost of inventories related to property held for sale.

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

	2024/3/31	2023/12/31	2023/3/31
Non-Open Market Stock	$ 26,266	$ 26,266	$ 28,508
Allowance	19,596	19,596	17,716
	$ 45,862	$ 45,862	$ 46,224

1. In the first quarter of 2024 and 2023, some of the investees were subjected to capital reduction, liquidation and dissolution. The Group received $129 and $106 for distribution respectively.

2. Financial assets at FVOCI recognized under other comprehensive income and retained earnings are presented as follows:

	2024/1/1-3/31	2023/1/1-3/31
Equity instruments measured at fair value through other comprehensive profit or loss		
Changes in fair value recognized in other comprehensive profit or loss	$ -	($ 17)
Accumulated benefits are transferred to retained earnings due to delisting	$ -	($ 485)

3. In the first quarter of 2024 and 2023, the Group did not pledge any financial assets at FVOCI.

4. For relevant information on credit risk, see Note 12(3).

(VI) Investment accounted for using the equity method

	2024	2023
1/1	$ 224,714	$ 236,537
Deemed disposal of investments acquired using the equity method	-	36,660
Disposal of investments using the equity method		(22,236)
Share of investment profits and losses using the equity method	(10,814)	(5,222)
Other changes in equity	-	326
3/31	$ 213,900	$ 246,065

Affiliated company name	2024/3/31	2023/12/31	2023/3/31
Great Bell	$ 197,072	$ 202,811	$ 209,405
InnoPeak	16,828	21,903	36,660
3/31	$ 213,900	$ 224,714	$ 246,065

1. The basic information on the Group's major affiliates is presented below:

Company	location	Shareholding comparison 2024/3/31	2023/12/31	2023/3/31	characteristic	measurement method
Great Bell	TW	19.18%	19.18%	19.18%	supplier	equity

2. The summarized financial information on the Group's major affiliates is presented below:

Balance sheet

	Great Bell 2024/3/31	2023/12/31	2023/12/31
current assets	$ 634,020	$ 420,479	$ 335,961
Non-current assets	1,579,904	1,568,038	1,445,698
Current liabilities	(653,743)	(848,338)	(663,679)
Non-current liabilities	(532,852)	(82,930)	(26,192)
Total net assets	$ 1,027,329	$ 1,057,249	$ 1,091,788
With % of the net Assets	$ 197,072	$ 202,811	$ 209,405
Related party book value	$ 197,072	$ 202,811	$ 209,405

Statement of comprehensive income

	Great Bel 2024/1/1-3/31	2023/1/1-3/31
income	$ 107,439	$ 111,863
Net amount of continuing business units in the current period	($ 29,920)	($ 24,642)
Total comprehensive profit and loss for the period	($ 29,920)	($ 24,642)

3. The book amounts and operating results of individual insignificant affiliated enterprises of the Group are summarized as follows：
As of March 31, 2024 and 2023, the total book amounts of individual insignificant affiliated companies of the Group were $16,828 and $36,660 respectively.

	2024/1/1-3/31	2023/1/1-3/31
Net loss for the current period of continuing operations	($ 12,686)	($ 13,136)

4. The Group holds 40% of the equity of InnoPeak Co.Ltd. which is the single largest shareholder of the company. Since the second and third largest shareholders (not related parties) collectively hold more shares than the Group, it shows that the Group The Group has no actual ability to direct relevant activities, so it is judged that it has no control over the company and only has significant influence.

(VII)Property, Plant and Equipment

	Land	Housing and construction	Machine	Hydropower	Other	Unfinished project	Total
2024/1/1							
COST	$ 41,128	$ 258,044	$ 1,065,875	$ 78,606	$ 43,459	$ 346	$ 1,487,458
Accumulated Depreciation	(17,877)	(64,137)	(558,781)	(42,546)	(31,929)	-	(715,270)
	$ 23,251	$ 193,907	$ 507,094	$ 36,060	$ 11,530	$ 346	$ 772,188
2024							
1/1	$ 23,251	$ 193,907	$ 507,094	$ 36,060	$ 11,530	$ 346	$ 772,188
depreciation	-	(2,723)	(18,336)	(1,335)	(460)	-	(22,854)
exchange rate	-	4,769	8,512	670	185	7	14,143

impac							
3/31	$ 23,251	$ 195,953	$ 497,270	$ 35,395	$ 11,255	$ 353	$ 763,477
2024/3/31							
COST	$ 41,128	$ 263,907	$ 1,083,931	$ 80,091	$ 43,949	$ 353	$ 1,513,359
Accumulated Depreciation	(17,877)	(67,954)	(586,661)	(44,696)	(32,694)	-	(749,882)
	$ 23,251	$ 195,953	$ 497,270	$ 35,395	$ 11,255	$ 353	$ 763,477

	Land	Housing and construction	Machine	Hydropower	Other	Unfinished project	Total
2023/1/1							
COST	$ 41,128	$ 233,682	$ 1,217,284	$ 86,453	$ 46,685	$ 3,251	$ 1,628,483
Accumulated Depreciation	(17,877)	(54,314)	(545,048)	(39,394)	(31,156)	-	(687,789)
	$ 23,251	$ 179,368	$ 672,236	$ 47,059	$ 15,529	$ 3,251	$ 940,694
2023							
1/1	$ 23,251	$ 179,368	$ 672,236	$ 47,059	$ 15,529	$ 3,251	$ 940,694
purchase	-	-	449	-	-	-	449
Consolidated changes	-	(13,184)	(82,997)	(4,310)	(2,085)	-	(102,576)
depreciation	-	(2,869)	(22,616)	(1,503)	(651)	-	(27,639)
exchange rate impac	-	(1,055)	(3,539)	(215)	311	(15)	(4,513)
3/31	$ 23,251	$ 162,260	$ 563,533	$ 41,031	$ 13,104	$ 3,236	$ 806,415
2023/3/31							
COST	$ 41,128	$ 213,702	$ 1,083,772	$ 80,591	$ 43,987	$ 3,236	$ 1,466,416
Accumulated Depreciation	(17,877)	(51,442)	(520,239)	(39,560)	(30,883)	-	(660,001)
	$ 23,251	$ 162,260	$ 563,533	$ 41,031	$ 13,104	$ 3,236	$ 806,415

(1) For property, plant and equipment pledged as collateral, see Note 8 for details.
(2) The number affected by merger changes is the number affected by the disposal of subsidiaries by the Group. Please explain in Note 6 (28) for details.

(VIII)Leases transaction - lessee

1. The underlying assets leased by the Group include land use rights, land, machinery and equipment, buildings and structures. Except for the lease term of land use rights, which is 40 to 43 years, the lease term of other lease contracts is usually 2 to 5 years. The lease contracts are negotiated individually, and include different terms. Other than some leased lands are provided as the collaterals for borrowings, the restrictive terms of other leased assets are not to be provided for guaranteeing borrowings.
2. The carrying amounts of right-of-use assets and recognized depreciation expenses are presented as follows:

	2024/3/31	2023/12/31	2023/3/31
	Book Value	Book Value	Book Value
Land use rights(VN)	$ 123,952	$ 122,337	$ 127,955
machine	-	-	7,469
Housing and construction	-	-	1,355
	$ 123,952	$ 122,337	$ 136,779

	2024/1/1-3/31	2023/1/1-3/31
	depreciation	depreciation
Land use rights(VN)	$ 964	$ 461
machine	-	692
Housing and construction	-	3,870
	$ 964	$ 5,023

(1) In the first quarter of 2024 and 2023, the Group's had no increase in right-of-use assets

(2) For information right-of-use assets pledged as collateral, see Note 8 for details.

(3) Profit and loss items related to the lease contracts are presented as follows:

	2024/1/1-3/31	2023/1/1-3/31
P&L item		
lease interest expense	$ -	$ 526
short-term rental fee	$ 1,098	$ 476

In the first quarter of 2024 and 2023, the Group's total cash outflows from leases amounted to $1,098 and $5,051 respectively.

(IX)Investment Property

	2024	2023
	Buildings	Buildings
1/1		
Cost	$ -	$ 45,385
Accumulated depreciation	-	(2,981)
	$ -	$ 42,404
1/1	$ -	$ 42,404
depreciation	-	(319)
exchange	-	(209)
3/31	$ -	$ 41,876
3/31		
Cost	$ -	$ 45,385
Accumulated depreciation	-	(3,509)
	$ -	$ 41,876

1. Rental income and direct operating expenses related to investment property:

	2024/1/1-3/31	2023/1/1-3/31
Investment real estate rental income	$ -	$ 1,674
Current direct operating expenses of investment real estate	$ -	$ 319

2. In the first quarter of 2024 and 2023, the fair value of investment property held by the Group was $0 and $56,828 respectively. This is the result of comparing the information on transactions in the market with the similar conditions as the aforesaid assets, with proper adjustments. The comparison method is used to the fair value of level 3 assets.

3. For the information on investment property pledged as collateral, see Note 8 for details.

(X)Prepayments and other non-current assets

1. Prepayments

	2024/3/31	2023/12/31	2023/3/31
Residual tax credit	$ 46,284	$ 49,449	$ 52,940
Advance payment	8,153	3,781	7,203
prepaid fee	6,835	5,423	14,776
	$ 61,272	$ 58,653	$ 74,919

2. Other non-current assets

	2024/3/31	2023/12/31	2023/3/31
prepaid equipment	$ 13,529	$ 13,967	$ 7,227
deposit	133	131	8,635

other	-	-	168
	$ 13,662	$ 14,098	$ 16,030

For the collaterals provided with refundable deposits, please refer to Note 8 for an explanation.

(XI)Short-term borrowings

	2024/3/31	2023/12/31	2023/3/31
unsecured borrowing	$ 138,367	$ 130,727	$ 148,559
secured loan	716,068	750,259	825,245
	$ 854,435	$ 880,986	$ 973,804
loan amount	$ 1,192,561	$ 1,207,871	$ 1,343,813
interest rate			
Company	2.31%~3.41%	2.31%~3.41%	2.19%~6.59%
Subsidiary _ USD loan	4.75%~8.41%	4.75%~8.41%	4.35%~7.73%
Subsidiary _ VND loan	8.38%~9.15%	8.58%~9.15%	6%~12.25%

1.For the said secured borrowings pledged as collateral, see Note 8 for details.

2.Some guarantee borrowings are secured with land provided by the Company's affiliates as collateral; some short-term credit facilities are jointly guaranteed by the Chairman and the President. See Note 7.

(XII)Corporate bonds payable

	2024/3/31	2023/12/31	2023/3/31
Bonds	$ 100,000	$ 100,000	$ 100,000

1. In November 2021, the Group issued the first domestic unsecured corporate bond in a private placement, as outlined below:
   (1) Total face value: NT$100,000
   (2) Term: 3 years, outstanding from December 10, 2021 to December 10, 2024.
   (3) Coupon rate: 1.7% per annum.
   (4) Redemption: The Company may redeem all or part of the corporate bond early as actually needed.
2. For the information on the Group's corporate bonds held by related parties, see Note 7(2)4.
3.The company passed the resolution of the board of directors on March 19, 2024, and repurchased part of the first private placement of unsecured corporate bonds in 2021 in advance on March 25, 2024, totaling NT$70,000.。

(XIII)Long-term borrowings

Loan type	2024/3/31	2023/12/31	2023/3/31
Export-Import Bank	$ 12,500	$ 25,000	$ 37,500
ROBINA FINANCE & LEASING	-	-	17,541
TCFHC	8,966	10,156	13,680
Chailease Finance Co., Ltd	-	-	7,066
Less：due within one year	(17,325)	(29,803)	(54,344)
	$ 4,141	$ 5,353	$ 21,443
loan amount	$ 21,466	$ 35,156	$ 112,090
interest rate	2.595%~2,679%	2.595%~2,679%	2.47%~5.55%

Loan type	2024/3/31	2023/12/31	2023/3/31
Contract period：			
Export-Import Bank	108/7/25~ 113/7/25	108/7/25~ 113/7/25	108/7/25~ 113/7/25

ROBINA FINANCE & LEASING CORP	-	-	111/5/14-
	-	-	112/10/21
TCFHC	109/12/18~	109/12/18~	109/12/18~
	114/12/28	114/12/28	114/12/28
Chailease Finance Co., Ltd	-	-	111/3/28~
	-	-	113/3/28

1. Pursuant to the mid- and long-term borrowing contract entered with the Export-Import Bank of the Republic of China, the Company repays the principal of the first installment after 18 months since the date of first drawdown; afterward, every 6 month is deemed an installment, and the principal is repaid at the ratio agreed in the contract for 8 installments.
2. According to the medium-term loan agreement between the Company's subsidiary Gloucester Co., Ltd. and Zhongtai Leasing Co., Ltd., the loan will be paid in 18 installments, with 1 installment each month from the first withdrawal, and the principal and interest will be repaid as agreed.
3. Pursuant to the mid- and long-term borrowing contract entered with the Cooperative Commercial Bank, the Company repays the principal of the first installment after 12 months since the date of first drawdown; afterward, every month is deemed an installment, and the principal is repaid the principal and interest evenly for 48 installments.
4. According to the medium and long-term loan agreement between the Company's subsidiary Gloucester Co., Ltd. and Chailease Finance Co., Ltd., the loan will be paid in 24 installments, with 1 installment each month from the first withdrawal, and the principal and interest will be repaid as agreed.
5. For the said loans pledged as collateral, See Note 8 for description.
6. Regarding the credit line for long-term loans, some loans are jointly guaranteed by the Chairman and the President. See Note 7 for details.

(XIV) Other payables

	2024/3/31	2023/12/31	2023/3/31
Salary payable	$ 27,720	$ 29,691	$ 25,437
Payable service fee	2,691	2,865	2,558
Commission	1,333	1,271	6,597
other	10,949	10,262	12,709
	$ 42,693	$ 44,089	$ 47,301

(XV) Pension

1. Defined benefit plan

(1) The Company has made the defined benefit plan pursuant to the "Labor Standards Act," applicable to the service years of all permanent employees before the "Labor Pension Act" enforced on July 1, 2005, and the subsequent service years of the employees who elected to apply the "Labor Standards Act" after the enforcement of the "Labor Pension Act." For the employees qualified for retirement, the payment of their pensions is based on their service years and average wages of the six months prior to the retirement. For the service years within 15 years (inclusive), two bases are given for each

full year of service rendered; for the rest of the years over 15 years, one base is given for each full year of service rendered. The total number of bases shall be no more than 45. The Company contributes 14% of the total wage for the retirement fund, and deposit the fund in the Bank of Taiwan under the name of the Labor Retirement Reserve Supervisory Committee. In addition, before the end of each year, the balance of the labor retirement reserve account in the preceding paragraph is computed; if the balance is insufficient to pay the estimated pension amount calculated for the worker qualified for retirement in the next year, the Company will contribute the difference in a lump sum before the end of next March.

(2) From January 1 to March 31, 2024 and 2023, the pension costs recognized by the company in accordance with the above pension methods were $0 and $24 respectively.

(3) In 2024, the Group is expected to pay $750 as the contribution to the retirement plan.

2. Defined contribution plan

(1) Since July 1, 2005, the Company has made the defined contribution plan in accordance with the "Labor Pension Act", which is applicable to local employees. For the part where the employees elect to apply the labor pension specified in the “Labor Pension Act,” the labor pension no less than 6% of the wage is contributed to the employees’ individual accounts with the Labor Insurance Bureau every month. The payment of the employee’s pension may be received monthly or in a lump sum from the employees’ personal pension account and the accumulated gains.

(2) For the subsidiaries in Chinese mainland and Vietnam, pursuant to the pension insurance systems required by the local governments, the pension insurance fund at a certain percentage to the total wage of the local employees is contributed monthly to the independent accounts of the employees as the special account. The pensions of employees are arranged uniformly by the governments, and the aforesaid companies have no further obligation other than the monthly contribution.

(3) In the first quarter of 2024 and 2023, the Group recognized the pension costs at $437 and $1,126 respectively based on the said plans.

(XVI) Share capital

1. As of March 31, 2024, the company's rated capital was $1,625,006, divided into 162,500 thousand shares, and its paid-in capital was $693,822, with a par value of 10 yuan per share. All payment for the issued shares of the Company has been received.

The number of outstanding shares of the company's common stock at the beginning and end of the period is adjusted as follows：(Unit: Thousand shares)

	2024	2023
1/1	63,295	113,900
Cash capital increase - private placement	6,087	-
3/31	69,382	113,900

2. The company’s shareholders’ meeting resolved on May 22, 2023 that it planned to increase cash capital through private placement. The private

placement base date is March 28, 2024. The purpose of the cash capital increase is to increase working capital. The number of private placement shares is 6,087,000. shares, the subscription price per share was $11.5, a total of $70,000 was raised, and the change registration was completed on April 17, 2024; the rights and obligations of this private placement of common shares are subject to restrictions on circulation and transfer in addition to the provisions of the Securities and Exchange Law and must be Except that it can apply for listing and trading only after three years from the delivery date and additional public issuance, it is the same as other issued ordinary shares.

3. In order to improve the financial structure, the company passed the resolution of the shareholders' meeting on May 22, 2023 to reduce capital to make up for losses, and the company was listed on the Taiwan Stock Exchange on June 21, 2023 by the Taiwan Stock Exchange Co., Ltd. Letter No. 1121802835 approved the declaration and came into effect. The capital reduction amounted to $506,048,000, and a total of 50,605,000 shares were cancelled. The capital reduction ratio was 44.43%. The base date for capital reduction was June 28, 2023, and in 2023 The change registration was completed on July 24.

(XVII)Capital reserve

Pursuant to the Company Act, capital reserve of the income derived from the issuance of new shares at a premium and the income from endowments received by the company, other than compensating the deficit, when the Company has no accumulated loss, may be distributed as dividend shares to its original shareholders in proportion to the number of shares being held by each of them or by cash. Additionally, pursuant to the Securities Exchange Act, when the said capital reserve is capitalized, the combined amount of any portions capitalized in any 1 year may not exceed 10 percent of paid-in capital. A company shall not use the capital reserve to make good its capital loss, unless the reserve reserve is insufficient to make good such loss.

(XIII)Deficit yet to be compensated

1. If there is any surplus in the Company's earnings as concluded by the annual accounting book close, after paying tax and making up for accumulated losses, 10% shall be set aside as legal reserve, except when the legal reserve has reached the Company's paid-in capital. The special reserves shall be set aside or reversed pursuant to the laws or competent authorities' requirements; if there is any remaining balance, with the undistributed earnings in previous years it shall be set aside as the cumulative distributable earnings. After considering the Company's future funding and budget plans, and measuring the fund requirements in the coming years, the retained earnings will be used to fund; if there is any balance, the shareholders' meeting may resolve to distribute the shareholders' bonus. The percentage of cash dividends being no less than 10% of the total dividend; provided, where the cash dividend is lower than NT$0.2, dividends may be distributed in share dividends.
2. The Company operates in a mature and stable industry; provided, for the future capital and budget planning, the dividends are distributed based on

the residual dividend policy.

3. The legal reserve and the capital reserve shall not be used except for making good the deficit (or loss) of the company or distributing new shares or cash to its original shareholders in proportion; provided the distribution of new shares or cash may not exceed 25% of the part of the reserve over the paid-in capital.
4. (1) When distributing the earnings, the distribution may only made from the special surplus reserve provided from the debit balance of the other equity item at the balance sheet date of the current year; later the reversal amount may be accounted to the distributable earnings when reversing the debit balance of the other equity item.

   (2)When the IFRSs were first adopted, the special surplus reserve was set aside in the letter No. 1010012865 dated April 6, 2012. When the company subsequently uses, disposes or reclassifies the relevant assets, it will set aside the original special surplus reserve. The proportion is reversed.

   The special surplus reserve that the company set aside due to the previous letter order on January 1, 2013 has been fully used to make up for losses. It needs to be supplemented after making profits. The amount of special surplus reserve that has been set aside previously has not yet been made. The composition of the implementation of sanctions is as follows：

Adding value for revaluation	$	58,831
Cumulative Conversion Adjustments		474
	$	59,305

5. On May 22, 2023, the company’s shareholders’ meeting resolved to make up for losses.
6. The company's board of directors decided on the loss appropriation plan on March 8, 2024, but it has not yet been approved by the shareholders' meeting as of May 8, 2024.

(XIX)Other items of equit

	Investments through other comprehensive income	foreign currency conversion	Other interests	total
2024/1/1	$ 20,241	($ 42,951)	$ 219	($ 22,491)
Equity Instrument Evaluation Adjustment				
Foreign Currency Translation Differences group	-	4,394	-	4,394
2024/3/31	$ 20,241	($ 38,557)	$ 219	($ 18,097)

	Investments through other comprehensive income	foreign currency conversion	Other interests	total

2023/1/1	$ 17,586	($ 37,582)	$ 219	($ 19,777)
Equity Instrument Evaluation Adjustment				
group	(17)	-	-	(17)
relate party	381	-	-	381
transfer to retained earnings	(485)	-	-	(485)
Foreign Currency Translation Differenc				
group	-	(3,555)	-	(3,555)
relate party	-	(55)	-	(55)
2023/3/31	$ 17,465	($ 41,192)	$ 219	($ 23,508)

(XX)Operating revenue

	2024/1/1-3/31	2023/1/1-3/31
Revenue	$ 226,480	$ 307,173

1. The Group's revenue is derived from products transferred at a point in time. See note 14 for the breakdown of revenue.
2. The Group recognizes contract liabilities related to revenue from contracts with customers as follows:

	2024/3/31	2023/12/31	2023/3/31	2023/1/1
contract liabilities	$ 62,160	$ 39,417	$ 44,818	$ 41,885

The amounts of the opening contract liabilities recognized as income in the current period in the first quarter of 2024 and 2023 were $206 and $2,598 respectively.

(XXI)Other gains or losses

	2024/1/1-3/31	2023/1/1-3/31
Exchange Gain(Loss)	$ 16,238	($ 2,179)
Disposal of investment interests	-	78,039
Financial assets measure profit and loss	-	50
Other Loss	(222)	76
	$ 16,016	$ 75,986

(XXII)Financial costs

	2024/1/1-3/31	2023/1/1-3/31
Interest Exp.	$ 10,995	$ 12,799
lease interest expense	-	526
Other Financial Exp.	45	239
	$ 11,040	$ 13,564

(XXIII)Additional information of the expense nature

	2024/1/1-3/31	2023/1/1-3/31
Employee Benefits	$ 34,374	$ 55,998
depreciation	23,818	32,981
amortization	227	246
Total	$ 58,419	$ 89,225

(XXIV)Employee benefit expense

	2024/1/1-3/31	2023/1/1-3/31
salary	$ 29,337	$ 46,987
social insurance	3,279	5,563
pension	437	1,150
other	1,321	2,298
Total	$ 34,374	$ 55,998

1. According to the Company's Articles of Incorporation, when distributing earnings, the Company shall allocate no less than 3% and no more than 15% as the employees' remuneration, and no more than 3% as the directors' remuneration.
2. As of March 31, 2024 and 2023, the Company reported accumulated losses, and thus estimated no remuneration to employees and directors pursuant to the Articles of Incorporation.
   The information regarding the employees' and directors' remunerations approved by the Board may be inquired at MOPS.

(XXV) Income tax

(I) Composition of income tax expense benefits

Composition of income tax expense benefits:

	2024/1/1-3/31	2023/1/1-3/31
Deferred income tax：		
temporary difference reversal	(289)	(341)
income tax benefit	($ 289)	($ 341)

(II) The tax authorities have approved the Company's business income tax returns through 2021.

(XXVI) Loss per share

	2024/1/1-3/31		
	Net Income	AVG outstanding Shares	EPS (NTD)
Basic loss per share			
Net income attributable to parent company	($ 31,367)	63,496	($ 0.49)

	2023/1/1-3/31		
	Net Income	AVG outstanding Shares	EPS (NTD)
Basic loss per share			
Net income attributable to parent company	($ 41,425)	63,295	($ 0.65)

Note: Because the company is reducing capital to make up for losses, the weighted average number of outstanding shares is retrospectively adjusted.

(XXVII) Transactions with the non-controlling interests

1. InnoPeak Co.Ltd., a subsidiary of the Group, issued new shares through a cash capital increase on March 25, 2023. The Group did not subscribe in accordance with its shareholding ratio, thus reducing its equity by 4.44%. The transaction increased non-controlling equity by $6,995, and equity attributable to the parent company increased by $8,005. The impact of changes in the equity of Ding Chuangke in 2023 on the equity attributable to the owners of the parent company is as follows:

	2023/3/31
Cash	$ 15,000
Increase in carrying amount of non-controlling interests	(6,995)
The influence of the equity and interests of the parent company	$ 8,005
Adjustment of owner's equity of parent company capital reserve	$ 8,005

2. On February 24, 2023, the board of directors passed a resolution that since the group has completed its phased tasks, it will no longer participate in the relevant operation and management affairs of InnoPeak Co.Ltd., and will no longer participate in the subsequent capital increase plan, and will no longer participate in the subsequent capital increase plan. The transfer of operation and management affairs was completed on March 27, 2023, so control was lost from the beginning. This transaction recognized the disposal of investment interests of $12,706 and reduced non-controlling interests by $26,931.

(XXVIII)Supplementary information of cash flow

1.Cash payment for purchase of property, plant and equipment：

	2024/1/1-3/31	2023/1/1-3/31
Purchase of real estate, plant and equipment	$ -	$ 449
Prepayment for equipment at the beginning	(4,693)	(15,663)
Prepayment for equipment at the end		7,227
Reclassification of prepaid equipment payments	4,693	8,105
Current cash expenditure	$ -	$ 118

2.On March 27, 2023, the Group completed its phased tasks and no longer participated in the relevant operation and management affairs of InnoPeak Co.Ltd., and also no longer participated in the subsequent capital increase plan, resulting in the loss of the Group Regarding the control of the subsidiary (please refer to Note 4 (3) for details), no consideration was received for this transaction. The information on the relevant assets and liabilities of the subsidiary is as follows:

	2023/3/27
Book amounts of assets and liabilities of InnoPeak Co.Ltd.subsidiaries	
Cash and cash equivalents	$ 29,341
Net value of accounts receivable	13,502
Other receivables	541
Inventories	9,449
Prepayments	17,182
Other current assets	626
Property, Plant and Equipment	102,576
Right-of-use asset	37,396
Deferred tax assets	237
Net defined benefit assets - non-current	3,975
Notes payabl	(60)
Accounts payable	(31,384)
Other payables	(3,504)
Other payables-related parties	(53,000)
Lease liabilities - Current	(39,878)
Other current liabilities - other	(25,528)
Long-term borrowings	(1,588)
Total net assets	$ 59,883

(XXIX)Changes in liabilities from financing activities

Changes in the Group's liabilities from financing activities in the first quarter of 2024 and 2023 were mainly due to borrowings, repayments, lease principal repayments, exchange rate effects, and changes in lease liabilities. See the Consolidated Statement of Cash Flows.

VII. Related party transaction

(I) Name and relationships of related parties

Company	Relation
GREAT BELL PRINTING & DYEING CO., LTD.	Related Party
InnoPeak Co.Ltd.	Related Party
KINGTEX CORPORATION	Other Related
KINGTEX GARMENT MFG. CO., LTD.	Other Related
PHAN LE DIEM TRANG	Other Related
NAMKUNG CHUL WOONG	Other Related
MIDLANDS EA LIMITED	Other Related
Yung Huang Investment Co., Ltd.	Other Related
HANBO LIVESTOCK & FARMING PRODUCTS CO.,	Other Related
Chen Jianmin	Other Related
Chen Xiuzhong	chairman
Chen Jianzhou	GM

Note: The Group lost control of InnoPeak Co.Ltd. on March 27, 2023, and recognized it as an investment using the equity method. Therefore, it was classified as an associated enterprise from the beginning. For relevant information, please refer to Notes 4 (3) and 6 (27) and 6 (28) instructions.

(II) Material transactional matters with related parties

1. Outsourcing processing

	2024/1/1-3/31	2023/1/1-3/31
Labor FEE：		
Great Bell	$ 99	$ 842

The transaction price of the printing and dyeing processing services provided by the Group's related parties is not significantly different from that of ordinary customers.

2. Other receivables

	2024/3/31	2023/12/31	2023/3/31
Other receivable-Fund loan			
InnoPeak Co.Ltd.	$ 14,986	$ 14,869	$ 10,000

The amount receivable from the related party is mainly due to InnoPeak borrowing from the Group for financing needs, and the agreed interest rate is 3.0762%~3.2249%.

3. Accounts payable

	2024/3/31	2023/12/31	2023/3/31
Accounts payable：			
Great Bell	$ 104	$ 1,930	$ 884

Amounts payable to related parties are mainly payments for outsourcing processing, and the payment terms are monthly settlements of 60 days.

4. Corporate bonds payable

	2024/3/31	2023/12/31	2023/3/31
Yee Chain International Co., Ltd.	$ 20,400	$ 68,000	$ 68,000
Chen Jianzhou	5,700	19,000	19,000

HANBO LIVESTOCK & FARMING PRODUCTS CO., LTD.	3,000	10,000	10,000
Chen Xiuzhong	900	3,000	3,000
	$ 30,000	$ 100,000	$ 100,000

For more details of the said corporate bonds, see note 6(12).

5. Transaction of property

				2023/1/1-3/31	
Related Party	Item	Stock	transaction targe	Amount	benefit
Great Bell	equity method investment	1,000K	common stock	$ 87,569	$ 65,333

6. Lease transactions - lessee

(1) In October 2021, the Group leased a building from a related party for a term of 2 years. The rent was determined by both parties, taking into account market pricing. The Group obtained $5,420 right-of-use assets.

(2) Lease liabilities:

(I)Ending balance：

	2024/3/31	2023/12/31	2023/3/31
Other Related Party	$ -	$ -	$ 1,372

(II) Interest expenses：

	2024/1/1-3/31	2023/1/1-3/31
Other Related Party	$ -	$ 7

(III) rental costs

	2024/1/1-3/31	2023/1/1-3/31
Other Related Party	$ 680	$ -

7. Capital loans - loans from related parties (presented under "Other current and non-current liabilities")

	2024/3/31	2023/12/31	2023/3/31
Other Related Party-current			
Yung Huang Investment Co., Ltd.	$ 140,000	$ 73,000	$ -
Chen Xiuzhong	40,000	-	-
PHAN LE DIEM TRANG	10,702	10,504	10,769
NAMKUNG CHUL WOONG	4,087	4,012	4,113
Chen Jianzhou	-	40,000	-
	$ 194,789	$ 127,516	$ 14,882
Other Related Party-non current			
Yung Huang Investment Co., Ltd.	$ 54,000	$ 54,000	$ -
Chen Xiuzhong	37,400	37,400	42,000
	$ 91,400	$ 91,400	$ 42,000

The loans issued by related parties are for the company's financing needs. The interest rates agreed by Chen Xiuzhong and Yong huang Investment Co., Ltd. are1.877% to 2.8%, and 3.05% to 3.25% respectively.

8. Endorsements/guarantees provided by related parties

(1) Land pledged by affiliates as collateral for loans

	2024/3/31		2023/12/31		2023/3/31	
	Loan Guarantee Amount	Loan used	Loan Guarantee Amount	Loan used	Loan Guarantee Amount	Loan used
Grest Bell	$ 503,600	$ 432,729	$ 497,384	$ 431,203	$ 496,184	$ 436,951

Great Bell Dyeing and Printing Co., Ltd. a land disposal transaction contract with an outsider in November 2023. According to the contract, the financial institution loan obtained by the company as a guarantee for the land was repaid with the land disposal price of Great Bell Dyeing and Printing Co., Ltd; the company also used Great Bell Dyeing and Printing Co., Ltd to The allocated portion of the surplus distribution will be used to repay the portion of the aforementioned Great Bell Dyeing and Printing Co., Ltd that was compensated with the land disposal price. The portion that is insufficient to be repaid will be repaid to Great Bell Dyeing and Printing Co., Ltd in 48 equal installments. However, as of March 8, 2024, the land has not yet been completed. Transfer process.

(2) As of March 31, 2024、December 31,2023 and March 31, 2023, the Chairman and the President provided joint guarantees for long and short-term loans.

(III) Information of remuneration of key management personnel

	2024/1/1-3/31	2023/1/1-3/31
Salary	$ 2,473	$ 2,921
Pension	108	54
	$ 2,581	$ 9,275

VIII. Pledged Assets

The carrying amounts of assets pledged by the Group as collateral are presented below：

Assets Item	Guarantee	Book Value 2024/3/31	Book Value 2023/12/31	Book Value 2023/3/31
current assets				
Bank savings	Bank Loan	$ 102,397	$ 98,679	$ 75,702
Property, Plant and Equipment				
land	Bank Loan	23,251	23,251	23,251
housing and construction	Bank Loan	121,814	121,018	151,355
mechanical equipment	Bank Loan	269,188	315,954	319,576
right-of-use asset				
Land use rights	Bank Loan	76,547	75,770	78,775
Investment real estate				
housing and construction	Bank Loan	-	-	41,876
Non-current assets				
deposit	Other	-	-	8,360
		$ 593,197	$ 634,672	$ 698,895

IX. Significant Contingent Liabilities and Unrecognized Commitments

I. Contingent matters

None.

II. Commitment matter

1. Issued but not yet used letters of credit

The amounts of letters of credit issued for purchase goods and machinery equipment but yet used are as below：

	2024/3/31	2023/12/31	2023/3/31
Unused LC	$ 43,824	$ 20,988	$ 30,611

2. Capital expenditures that have been contracted but not yet incurred

	2024/3/31	2023/12/31	2023/3/31
Intangible assets	$ 2,414	$ 2,414	$ -

X. Losses Due to Major Disasters

None.

XI. Significant Events

On May 8, 2024, the board of directors passed a resolution that GLOUCESTER CO., LTD., a 100% reinvested subsidiary of the company, plans to use its own funds to indirectly hold 100% of Bai Ling Trading (Shanghai) in installments through a third party.) Co., Ltd. and TAH TONG TEXTILE (VIETNAM) CO., LTD. increased their capital. The scale of this capital increase is US$2,500,000 and US$1,300,000 respectively to improve the capital adequacy ratio and financial ratio of these companies.

XII. Others

(I) As of March 31, 2024, the Company's current liabilities exceeded current assets by NT$638,596 thousand. In order to improve the said situation, the Company intends to take the following countermeasures in the future:

1. Business:

In terms of business operations, the Group will continue to optimize product mix, improve gross profit margins, and expand services to customers to improve performance.

(1) Spinning Division will continue to work with niche customers to increase the production and sales ratio of specialty yarn products and improve production efficiency and quality to raise gross profit margins.

(2) Fabrics Division will continue to develop new products for target customers, deepen the vertical integration of products and services, and expand product share, and can be expected to effectively improve performance.

2. Finance:

(1) In order to protect the company's continued operations, the company's private placement originally approved by the shareholders' regular meeting in 2023 has completed the raising of 6,087 thousand shares in the first quarter of 2024; in addition, the company has planned the board of directors on March 8, 2024 Another private placement of ordinary shares with a par value of NT$10 per share and a number of shares not to be issued exceeds 30 million shares. After approval by the shareholders'

meeting on May 27, 2024, it will be handled in a private placement manner at an appropriate time depending on the market and capital demand conditions. Cash capital increase and common stock issuance.

(2) The Group has a good record of dealings with the existing financial institutions, and all financing loan limits have been provided with reasonable guarantees. It is estimated by reference to the history of financing and renewal in previous years, all financing loan contracts can be renewed with new terms before expiration to extend the original financing limits.

(3) The Group has the undertaking from major shareholders for continuous financial support to the Group, whereby they agree to assist the Group to continue operating and repay debts if necessary.

(4) The Company will continue to actively examine all of its assets and resources on hand, and revitalize the assets to maximize the benefits and value created for the Company under market assessment. It is expected that this will effectively improve the Company's financial position.

(II) Capital management

The capital management goal of the Group is to ensure the Group's continuing operation, maintain the best capital structure to reduce the capital costs, and provide returns to shareholders. To maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issuance of new shares, or sell assets to lower the debts.

(III) Financial instruments

1. Categories of financial instruments

	2024/3/31	2023/12/31	2023/3/31
financial assets			
Fair value through profit or loss	$ -	$ -	$ 1,950
Fair value through other comprehensive income	45,862	45,862	46,224
Measured at amortized cost	332,844	328,900	320,621
	$ 378,706	$ 374,762	$ 368,795
financial liabilities			
Measured at amortized cost	$ 1,449,227	$ 1,489,509	$ 1,417,905
lease liability	-	-	1,372
	$ 1,449,227	$ 1,489,509	$ 1,419,277

Note: Financial assets measured at amortized cost include cash, notes and accounts receivable, other receivables, and other current assets; financial liabilities measured at amortized cost include short-term borrowings, notes and accounts payable, and other payables, long-term loans (including those due within one year), corporate bonds payable, and other non-current liabilities.

2.Risk management policy

(1) The Group's daily operations are subjected to various financial risks, including market risk (including exchange rate risk, interest rate risk, and price risk), credit risk and liquidity risk. The Group's overall risk

management policy focuses on the unpredictable matters in financial markets and seeks to mitigate the potential adverse effects on the Group's financial position and financial performance.

(2) The Group's Finance Department manages risks as per any policy approved by the Board of Directors. The Group's Finance Department is responsible for identifying, evaluating and avoiding financial risks through close collaboration with various operating units within the Group. The Board has written principles for overall risk management, and also provides written policies for specific extent and matters, such as exchange rate risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments, and investment of remaining current capital.

3.Nature and extent of material financial risks

(1) Market risk

Foreign currency risk

A. The Group is a multinational company that is subject to exchange rate risk arising from transactions where the functional currency of exchanges is different from that of the Company and its subsidiaries, which are mainly denominated in USD and VND. The related exchange risks come from the commercial transactions in the future and the recognized assets and liabilities.

B. The Group’s management has made a policy for each entity within the Group to manage exchange rate risk relative to its functional currency. Each entity shall hedge its overall exchange rate risk via the Group’s Finance Department. The measurement of the exchange rate risk is through the expected transactions very likely to generate USD and VND expenditures, and the forward exchange contracts are adopted to reduce the impact from the exchange rate fluctuation on the expected costs to purchase inventories.

C. The Group's business involves several non-functional currencies (the functional currency is NTD for the Company and USD and/or VND for some subsidiaries), which is subject to exchange rate fluctuations. Foreign currency assets and liabilities subjected to material exchange rate fluctuations are summarized as below:

	2024/3/31		
	Foreign Currency	Exchange Rate	Book Value (NT)
Foreign Currency: Functional Currency			
Financial assets			
monetary item			
USD：NTD	$ 24,651	32.00	$ 788,832
USD：VND	4,736	24,660	151,567

Subsidiary			
USD：NTD	5,530	32.00	176,960
VND：USD	183,003,060	0.0000406	237,465
financial liabilities			
monetary item			
USD：NTD	305	32.00	9,760
USD：VND	28,256	24,660	904,705

	2023/12/31		
	Foreign Currency	Exchange Rate	Book Value (NT)
Foreign Currency: Functional Currency			
Financial assets			
monetary item			
USD：NTD	$ 24,736	30.71	$ 759,643
USD：VND	3,160	24,110	97,015
Subsidiary			
USD：NTD	7,041	30.71	216,229
VND：USD	215,878,715	0.0000415	274,922
financial liabilities			
monetary item			
USD：NTD	780	30.71	23,954
USD：VND	29,068	24,110	892,534

	2023/3/31		
	Foreign Currency	Exchange Rate	Book Value (NT)
Foreign Currency: Functional Currency			
Financial assets			
monetary item			
USD：NTD	$ 20,887	30.46	636,113
USD：VND	5,396	23,325	164,344
Subsidiary			
USD：NTD	13,649	30.46	415,674
VND：USD	352,458,240	0.0000429	460,205
financial liabilities			
monetary item			
USD：NTD	920	30.46	28,019
USD：VND	28,293	23,325	861,654

For the sensitivity analysis of the foreign currency exchange rate risk, the calculation mainly focused on the monetary items of foreign currency at the ending date of the financial reporting period. When NTD appreciates or depreciates by 1% against other currencies, the Group’s net loss after tax in the first quarter of 2024 and 2023 would be increased or decreased by $207 and $892 respectively.

D. Due to the significant impact of exchange rate fluctuations, total (realized and unrealized) exchange gains (losses) on the Group's monetary items in the first quarter of 2024 and 2023 amounted to$16,238and($2,179) respectively.

Price risk

A. The Group's equity instruments exposed to price risk are financial assets at FVTPL and financial assets at FVOCI. To manage the price risk of the investment in equity instruments, the Group diversifies the portfolio, based one the limits set by the Group.

B. The Group primarily invests in equity instruments that are TWSE/TPEx-listed or not listed. The prices of these equity instruments are affected by their uncertain future values. If the prices of these equity instruments rose or fell by 1%, with all other factors unchanged, there would be no significant impact on the Group's net profit in the first quarter of 2024 and 2023 due to gains or losses on equity instruments measured at fair value.

Cash flow and fair value interest rate risk

A. The Group's interest rate risk arises from bank loans. The borrowings issued at the floating interest rates cause the Group to sustain the interest rate risk for the cash flow; partial risk are offset by the held cash and cash equivalents at the floating rate. In the first quarter of 2024 and 2023, the Group’s borrowings at floating rates were denominated in NTD, USD, and VND.

B. The Group simulates multiple programs and analyzes interest rate risk, including considering refinancing, renewal of existing positions, other available financing and hedging, to calculate the impact of changes in specific interest rates on profit or loss. For each simulation programs, all currencies adopts the same interest rate change. Such simulation programs are only applied to the material liability position accruing interests.

C. According to the simulation results, a 0.5% change in the interest rate would increase the net income before tax in the first quarter of 2024 and 2023 by NT$3,504 and NT$5,248 respectively.

(2) Credit risk

A. The Group's credit risk is the risk of financial losses incurred to the Group after the counterparty of the customer's financial instruments fail to fulfill its contractual obligations, mainly from the reasonable cash flows of accounts receivable the counterparty is unable to pay off according to the payment terms.

B. The Group manages credit risk from a group perspective. For the banks and financial institutions to establish a business relationship, only these banks with good credit and the financial institutions with an investment grade or higher are accepted as the counterparties of transactions. Pursuant to the specified internal crediting policy, each operating entity within the Group shall conduct the management and credit risk analysis for any new customer before determining the terms and conditions for payment and delivery. The internal risk control is to assess the credit quality of a customer by taking its financial position, experience, and other factors into account. The limit of an individual risk is established by the Board based on the internal or external credit ratings, and the use of the credit limit is monitored regularly.

C. When the contract payments are more than 90 days past due according to the agreed payment terms, it is deemed that the credit risk on the financial assets has increased significantly since original recognition; when the contract payments are 181 days past due according to the agreed payment terms, it is deemed that a default has occurred.

The aging analysis of the accounts receivable is as below：

	2024/3/31		2023/12/31		2023/3/31	
not overdue	$	60,316	$	44,338	$	70,171
witnin 90 days		3,495		35,606		3,717
91 ~ 180 days		1,040		682		173
over 181 days		8,151		7,948		5,575
	$	73,002	$	88,574		79,636

The above is the age analysis based on the overdue days.

D. The indicators used by the Group to determine if debt instrument investments are credit-impaired are summarized as follows:

(A) The issuer is suffering serious financial difficulty, or it is increasingly probable that the issuer will go into bankruptcy or other financial restructuring;

(B) The issuer has the active market for the financial assets disappearing due to its financial difficulty;

(C) The issuer delays the repayment of, or fails to repay, the interest or principal;

(D) Adverse changes in national or regional economic conditions resulting in a default by the issuer.

E. After the recourse procedure, the Group will write off the amount of financial assets that cannot be reasonably expected to be recovered; provided that, the Group will continue to proceed with the legal recourse procedure to preserve the rights of the claims. As of March 31,2024、December 31, 2023 and March 31,2023, the Group's claims that were written off and still had recourse activities amounted to both are $15,087,

F. The Group has adopts a simplified approach to estimate the expected credit losses based on the provision matrix of rolling rates, and adjusts the loss rate established according to the historical and current information for a specific period for future-looking considerations to estimate notes and accounts receivable. The provision matrix using rolling rates as of March 31,2024、December 31, 2023 and March 31,2023 is presented as follows:

	not overdue		within 90 days		91 ~ 180 days		over 181 days		Total	
2024/3/31										
Rate	1.86%		4.89%		48.75%		100.00%			
Account Receivable	$	60,316	$	3,495	$	1,040	$	8,151	$	73,002
Allowance	$	1,122	$	171	$	507	$	8,151	$	9,951
2023/12/31										
Rate	1.31%		3.43%		33.87%		100.00%			
Account Receivable	$	44,338	$	35,606	$	682	$	7,948	$	88,574
Allowance	$	579	$	1,220	$	231	$	7,948	$	9,978

112 年 3 月 31 日

Rate	2.63%	6.86%	57.23%	100.00%	
Account Receivable	$ 70,171	$ 3,717	$ 173	$ 5,575	$ 79,636
Allowance	$ 1,842	$ 255	$ 99	$ 5,575	$ 7,771

G.The Group's simplified statement of changes in the loss allowance on notes and accounts receivable is presented as follows：

	Account Receivable	
	2024	2023
1/1	$ 9,978	$ 8,686
Turn around	(192)	(871)
Exchange effect	165	(44)
3/31	$ 9,951	$ 7,771

(3) Liquidity risk

A. Cash flows are forecast by each operating entity within the Group and summarized by the Group's Finance Department. The Finance Department of the Group monitors the forecasts of the liquidity of the Group, and ensures sufficient capitals to fund the operating requirements, and to maintain enough undrawn limit of the borrowing commitments all the time, so that the Group is free from any violation of related borrowing limit or terms. Such forecasts considers the Group’s debt and financing plants, compliance of debt terms, the financial ratio target determined internally, and the external supervisory regulatory requirements.

B. The surplus cash held by each operating entity will be transferred back to the Group's Finance Department if it is greater than required for the management of working capital. The Finance Department of the Group invests the remaining capital in the demand deposit with interests, time-deposit, money deposit, and marketable securities; the instruments selected have due maturities or sufficient liquidity to respond to the aforesaid forecast and provide the sufficient funding level for deployment, and are expected to generate cash flow instantly, to manage the liquidity risk.

C. The Group's non-derivative financial liabilities, and derivative financial liabilities delivered on a net or gross amount basis, are grouped according to their relevant maturity dates. Non-derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the agreed maturity date. Derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the expected maturity date.

As of March 31, 2024、December 31,2023 and March 31,2023, the Group's non-derivative financial liabilities included short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings (including those due within a year), corporate bonds payable, and lease liabilities. Except for long-term borrowings, corporate bonds payable, and lease liabilities, all financial liabilities were mature in days less than one year. 。

The following table discloses the undiscounted contractual cash flow amounts of corporate bonds payable, long-term borrowings (including calculated interest payable and long-term borrowings due within one year), long-term borrowings payable to related parties and lease liabilities:

	Within 1 Year	1 ~2 Year	2 ~ 5 Year	Total
2024/3/31				
Corporate bonds	$ 30,355	$ -	$ -	$ 30,355
Long term loan	57,368	58,845	-	116,213
	$ 87,723	$ 58,845	$ -	$ 146,568

	Within 1 Year	1 ~2 Year	2 ~ 5 Year	Total
2023/12/31				
Corporate bonds	$ 101,700	$ -	$ -	$ 101,700
Long term loan	64,911	66,409	461	131,781
	$ 166,611	$ 66,409	$ 461	$ 233,481

	Within 1 Year	1 ~2 Year	2 ~ 5 Year	Total
2023/3/31				
Corporate bonds	$ 1,700	$ 101,275	$ -	$ 102,975
Long term loan	55,474	60,646	5,868	121,988
Lease liability	1,450	-	-	1,450
	$ 58,624	$ 161,921	$ 5,868	$ 226,413

D. The Group does not expect that the timing of cash flows analyzed at the maturity date will be significantly earlier, or the actual amount will be significantly different.

(IV)Information on fair value

1.For the fair value of the Group's financial assets and financial liabilities not measured at fair value, see Note 12(3)1.

2.The levels of valuation techniques used to measure the fair value of financial and non-financial instruments are defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Active markets are ones where asset and liability transactions take place with sufficient frequency and volume for pricing information to be provided on the ongoing basis. The fair values of the Group’s investments in the TWSE/TPex listed shares belong to this level.

Level 2: The direct or indirect observable inputs of the assets or liabilities; but these included in the quotations of Level 1 are excluded.

Level 3: The unobservable inputs of assets or liabilities. The fair values of the Group’s investments in equity instruments without any active market at this level.

3.The Group classifies the financial and non-financial instruments measured at fair value based on the nature, characteristics, and risk of the assets and liabilities, and fair value levels, as detailed below:

As of March 31,2024、December 31, 2023 and March 31,2023, the Group's financial assets measured at fair value at Level 1 valuation were $0、$0and

$1,950 respectively, and financial instruments at Level 3 valuation were $45,862、$45,862and $46,224 respectively.。

4.The approaches and assumptions adopted by the Group to measure fair values are stated as below:

(1) If the Group adopts a market quotation as an input to fair value measurement (i.e. Level 1), the characteristics of the instruments are presented as follows:

(2)

	Open Market Stock
Market quotation	stock closing price

Financial instruments other than the said financial instruments with active markets are measured at fair value through valuation techniques or by reference to quotations from counterparties. The fair values obtained with the valuation techniques may refer to the current fair values of the financial instruments with substantially similar conditions or characteristics, or with other valuation techniques, including the calculation of the obtainable market information at the consolidated balance sheet date with a model.

(3) Derivative financial instruments are measured based on valuation models widely accepted by market users, such as the discount method and the option pricing model. The forward foreign exchange contracts usually adopt the current valuation of the forward exchange rates.

(4) The output of a valuation model is the estimated value, and valuation techniques may not reflect all the factors related to the financial instruments and non-financial instruments held by the Group. Therefore, the forecasted value of the valuation model may be adjusted properly based on additional parameters, such as the model risks or the liquidity risk. Based on the Group's management policy and control procedures for the fair value valuation model, the management believes to fairly present the fair values of the financial and non-financial instruments in the consolidated balance sheet, the valuation adjustment is properly and necessary. The price information and parameters used during the valuation process are prudentially evaluated, and properly adjusted based on the current market conditions.

(5) The Group incorporates credit risk valuation into the calculation of the fair value of financial instruments and non-financial instruments to reflect the counterparty's credit risk and the Group's credit quality.

5. In the first quarter of 2024 and 2023, there was no transfer between Level 1 and Level 2.

6.Changes in Level 3 in the first quarter of 2024 and 2023 are presented below:

	Equity Securities	
	2024	2023
1/1	$ 45,862	$ 46,347
recognized in other comprehensive income	-	(17)
return of share capital	-	(106)
3/31	$ 45,862	$ 46,224

7. In the first quarter of 2024 and 2023, there was no transfer in and out of Level 3.

8.For Level 3 fair value measurement, the Group has its Finance Department and independent valuation experts responsible for the independent fair value verification of financial instruments, making the valuation results close to the market status using independent source data, and regularly reviewing to ensure reasonable valuation results.

Additionally, the Finance Department prescribes the valuation policies for the fair value of financial instrument, the valuation procedures, and the confirms the compliance with the requirements of the IFRSs.

9. The quantitative information on material unobservable inputs used in the valuation model adopted for Level 3 fair value measurement items and the sensitivity analysis of changes in material unobservable inputs are presented as below:

	2024/3/31 fair Value	Model	Significant unobservable input	Weighted average	Input quality and fair value relationship
non-derivative equity instruments					
Non-Open market company	$ 45,862	analogy	Price-to-book ratio	2.01	The higher the share price to fair value ratio, the higher the fair value
			Market capitalization base debt ratio	0.15	The lower the market value basis debt ratio, the higher the fair value
			liquidity discount	30.00%	The higher the liquidity discount, the lower the fair value

	2024/12/31 fair Value	Model	Significant unobservable input	Weighted average	Input quality and fair value relationship
non-derivative equity instruments					
Non-Open market company	$ 45,862	analogy	Price-to-book ratio	2.01	The higher the share price to fair value ratio, the higher the fair value
			Market capitalization base debt ratio	0.15	The lower the market value basis debt ratio, the higher the fair value
			liquidity discount	30%	The higher the liquidity discount, the lower the fair value

	2023/3/31 fair Value	Model	Significant unobservable input	Weighted average	Input quality and fair value relationship
non-derivative equity instruments					

	2024/3/31 fair Value	Model	Significant unobservable input	Weighted average	Input quality and fair value relationship
Non-Open market company	$ 45,520	analogy	Price-to-book ratio	1.55	The higher the share price to fair value ratio, the higher the fair value
			Market capitalization base debt ratio	0.18	The lower the market value basis debt ratio, the higher the fair value
			liquidity discount	0.2	The higher the liquidity discount, the lower the fair value
Non-Open market company	426	net asset value	NA	11.33	The higher the net asset value, the higher the fair value
			liquidity discount	15.8%~18.53% (15.92%)	The higher the liquidity discount, the lower the fair value
Venture capital company stock	278	net asset value	NA	8.08~14.24 (13.58)	The higher the net asset value, the higher the fair value
			liquidity discount	24.29%~26.69% (25%)	The higher the liquidity discount, the lower the fair value

10.The Group has adopted a valuation model and parameters with prudential assessment and selection; provided, using different valuation models and parameters may result in different valuation results. For the financial assets and liabilities classified as Level 3, if the valuation parameters change, the impacts on the profit and loss or other comprehensive income of the current period are as below:

			2024/3/31	
			recognized in other comprehensive income	
Financial Assets	Input	Change	favorable	unfavorable
equity instruments	Price-to-book ratio	± 1%	$ 459	($ 459)
	Market capitalization base debt ratio	± 1%	69	(69)
	liquidity discount	± 1%	68	(68)

2023/12/31

Financial Assets	Input	Change	recognized in other comprehensive income	
			favorable	unfavorable
equity instruments	Price-to-book ratio	± 1%	$ 459	($ 459)
	Market capitalization base debt ratio	± 1%	69	(69)
	liquidity discount	± 1%	68	(68)

Financial Assets	Input	Change	2023/3/31	
			recognized in other comprehensive income	
			favorable	unfavorable
equity instruments	Price-to-book ratio	± 1%	$ 288	($ 288)
	Market capitalization base debt ratio	± 1%	80	(80)
	liquidity discount	± 1%	89	(89)

XIII Other Disclosures

For the disclosures of investees, some of them are prepared based on the financial statements self-prepared and audited by the CPAs. The following transactions among the Company and subsidiaries are offset when preparing the consolidated statements, and the following disclosures are for reference only.

(I) Information on Significant Transactions

1. Loans to others: See Statement 1.
2. Endorsements/guarantees provided: See Statement 2.
3. Marketable securities held at the end of the period (excluding investments in subsidiaries, affiliates, and jointly controlled entities): See Statement 3.
4. The cumulative amount of buying or selling the same securities reaches NT$300 million or more, or 20% of the paid-in capital: none.
5. Acquisition of individual property at least NT$300 million or 20% of the paid-in capital: none.
6. Disposal of individual property at least NT$300 million or 20% of the paid-in capital: none.
7. Purchases or sales of goods from and to related parties amounting to at least NT$100 million or 20% of the paid-in capital: See Statement 4.
8. Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: See Statement 5.
9. Trading of derivative instruments: none.
10. Business relations between the parent company and its subsidiaries, and the status and amount of important transactions: See Statement 6.

(II) Information on Investees

The name and location of investees and other relevant information (excluding investees located in mainland): See Statement 7.

(III) Information on Investment in Mainland China

1. Basic information: See Statement 8.
2. Significant transactions with investees in Mainland China, either directly or indirectly through a third area: none.

(IV) Information on Major Shareholders

Information on major shareholders: See Statement 8.

XIV. Information of Operating Segments

(I) General information

The Group has two reportable segments, namely the yarn segment and fabric segment. The reportable segment are the strategic business units, to provide different products and services. Since each strategic business unit requires different technologies and marketing strategies, they need to be managed separately.

The Group deems the sales and transfer between the segments as the transactions with third parties, and complies with the arm's length principle. The profit and loss of segment is the balance of the segment revenue deducting the segment costs, operating costs and capital costs used. Segment costs, operating expenses, and borrowing costs are costs, operating expenses, and interest expenses related to revenue from the product department; however, segment costs, operating expenses, and interest expenses do not include losses to the Company unrelated to the segments.

The information of each operating segment is prepared based on the Group's accounting policies. The operating decision makers mainly take the revenues and income before tax of each operating segment as the indicators to assess the performance and resource allocation.

(II) Information of reportable segment

The information of reportable segments provided to the chief operating decision makers is as below:

	2024/1/1-3/31			
	Yarn	Fabric	Adjustment	Total
Revenue				
From Outside	$ 100,414	$ 126,066	$ -	$ 226,480
From Group	-	-	-	-
Total Revenue	$ 100,414	$ 126,066	$ -	$ 226,480
Departmental profit or loss	($ 28,657)	($ 5,394)	$ -	($ 34,051)
Including				
Depreciation amortization	$ 20,317	$ 3,728	$ -	$ 24,045
Interest income	$ 344	$ 432	$ -	$ 776
Interest expenditure	$ 4,895	$ 6,145	$ -	$ 11,040

	2023/1/1-3/31			
	Yarn	Fabric	Adjustment	Total

Revenue				
From Outside	$ 189,638	$ 117,535	$ -	$ 307,173
From Group	-	-	-	-
Total Revenue	$ 189,638	$ 117,535	$ -	$ 307,173
Departmental profit or loss	($ 39,003)	($ 15,507)	$ -	($ 54,510)
Including				
Depreciation amortization	$ 29,410	$ 3,817	$ -	$ 33,227
Interest income	$ 156	$ -	$ -	$ 156
Interest expenditure	$ 8,374	$ 5,190	$ -	$ 13,564

Note: The measured amounts of the Group's assets are not the indicator used by the operating decision-maker. Therefore, the measured amount of the Group's assets should be disclosed as zero.

(III) Reconciliation information of departmental profits and losses

The reportable departmental income and pre-tax profits and losses for this period are consistent with those of continuing operations.

Tah Tong Textile Co., Ltd. and subsidiaries
Financing provided to others
January 1, 2024 to March 31, 2024

Appendix 1

Unit: NT$ thousand
(except for specified otherwise)

No. (Note 1)	Lender	Borrower	Item	Related party or not	Maximum amount for the year	Ending balance (Amount)	Amount actually drawn	Range of interest rates	Nature of loan	Transaction amount	Cause for Short-term Financing	Provision for losses	Collateral		Limits on lending to individual borrowers	Limits on total loans	Remarks
													Name	Value			
0	Tah Tong Textile Co., Ltd.	TAH TONG TEXTILE (VIETNAM) CO., LTD.	Other receivables	Y	$ 128,000	$ 128,000	$ 92,800	3.1957%~3.2249%	Transaction	$ 263,350	Not applicable.	$ -	-	-	$ 373,153	$ 373,153	Note 2
0	Tah Tong Textile Co., Ltd.	InnoPeak Advanced Materials Co., Ltd.	Other receivables	Y	14,700	14,700	14,700	3.1976%	Short-term Financing	-	used for the subsidiary's operation and purchase of materials	-	mechanical equipment	22,183	149,261	149,261	Note 3
1	GLOUCESTER CO.,LTD.	TAH TONG TEXTILE (VIETNAM) CO., LTD.	Other receivables	Y	32,000	32,000	-	8.82%	Short-term Financing	-	used for the subsidiary's operation and purchase of materials	-	-	-	707,776	707,776	Note 4

Note 1: Numbers given in Column No. are defined as follows:
(1) 0 represents the Issuer.
(2) Invested companies are numbered sequentially starting from 1.

Note 2: The total amount of loans made to a company or firm with whom the Company does business with shall not exceed the Company's net worth, and an individual loan shall be limited to the amount of the transaction conducted between them.

Note 3: The total or individual amount of short-term financing provided by the Company shall be capped at 40% of the Company's net worth.

Note 4: Note 5: The total or individual amount of short-term financing provided by GLOUCESTER to a foreign subsidiary in which GLOUCESTER's parent company directly and indirectly holds 100% voting rights shall be capped at 400% of GLOUCESTER's net worth and valid for one year (and may be extended twice for another year).

Tah Tong Textile Co., Ltd. and subsidiaries
Endorsements/guarantees provided
January 1, 2024 to March 31, 2024

Appendix 2

Unit: NT$ thousand
(except for specified otherwise)

No. (Note 1)	Guarantor	Principal: Name of the Company	Principal: Relationship (Note 2)	Limits on the endorsement/guarantee to a principal (Note 3)	Maximum balance of the endorsement/guarantee for the year	Ending balance of the endorsement/guarantee	Amount actually drawn	Amount of the endorsement/guarantee secured by property	Accumulated endorsement/guarantee amount as a percentage of net worth in the latest financial statements (%)	Maximum limits on the endorsement/guarantee (Note 3)	Endorsement/guarantee provided by the parent company to a subsidiary	Endorsement/guarantee provided by a subsidiary to the parent company	Endorsement/guarantee provided to a subsidiary in Mainland China	Remarks
0	Tah Tong Textile Co., Ltd.	TAH TONG TEXTILE (VIETNAM) CO., LTD.	2	$ 746,306	$ 297,600	$ 297,600	$ 248,981	$ -	79.75%	746,306	Y	N	N	
0	Tah Tong Textile Co., Ltd.	GLOUCESTER CO., LTD.	2	746,306	54,400	38,400	-	-	10.29%	746,306	Y	N	N	

Note 1: Numbers given in Column No. are defined as follows:
(1) 0 represents the Issuer
(2) Invested companies are numbered sequentially starting from 1.

Note 2: The relationship between the Guarantor and the Principal may be either of the following two:
(1) A subsidiary in which the Company directly holds more than 50% ordinary shares.
(2) An invested company in which the Company and its subsidiary together hold more than 50% ordinary shares.

Note 3: The amount of the endorsement/guarantee provided to a company shall be limited to 50% of the Company's net worth for the year. However, for a subsidiary with 100% of voting rights held directly or indirectly by the Company, it shall be limited to 200% of the Company's net worth. The net worth is contained in the financial statements as audited or verified by CPAs. The amount of the endorsement/guarantee necessary for a transaction to a principal shall be limited to the amount of the transaction. The amount of the transaction is the total amount of purchases, sales and other dealings between two parties, as calculated for the latest year. The total liability of external endorsements/guarantees provided by the Company and its subsidiaries shall be limited to 200% of the Company's current net worth.

Tah Tong Textile Co., Ltd. and subsidiaries
Marketable securities held as of the end of the year (excluding investments in subsidiaries, associates and jointly controlled entities)
March 31, 2024

Appendix 3

Unit: NT$ thousand
(except for specified otherwise)

Holder	Type of securities	Name of securities	Relationship with Issuer	Item (Note 1)	Ending: No. of shares	Ending: Carrying amount	Ending: Shareholding percentage (%)	Ending: Fair value	Remarks
Tah Tong Textile Co., Ltd.	Ordinary shares	KINGTEX CORPORATION	The Company is a director of the company	1	171,095	45,436	13.58	45,436	
Tah Tong Textile Co., Ltd.	Ordinary shares	Ubn Corporapion	None	1	58,979	426	8.58	426	

Note 1: Item code: 1 - Financial assets at fair value through other comprehensive income - non-current

Tah Tong Textile Co., Ltd. and subsidiaries
Significant transactions between the Company and its subsidiaries
January 1, 2024 to March 31, 2024

Appendix 5

Unit: NT$ thousand
(except for specified otherwise)

No. (Note 1)	Trader	Counterparty	Relationship with the Trader (Note 2)	Trading details (Note 3) Item	Amount	Trading terms	As a percentage of consolidated total revenue or total assets
0	Tah Tong Textile Co., Ltd.	TAH TONG TEXTILE (VIETNAM) CO., LTD.	1	Sales	$ 27,940	(Note 6)	12
0	Tah Tong Textile Co., Ltd.	TAH TONG TEXTILE (VIETNAM) CO., LTD.	1	Receivables from related parties (Note 5)	725,252	(Note 6)	37

Note 1: Transactions between the parent company and its subsidiaries shall be indicated respectively in column No. Numbers so given are defined as follows:
1. 0 represents the parent company.
2. Subsidiaries are numbered sequentially starting from 1.

Note 2: The relationship with the trader may be one of the following three:
1. Represents the transaction of the parent company to its subsidiary.
2. Represents the transaction of the subsidiary and its parent company.
3. Represents the transaction between subsidiaries.

Note 3: The amount of purchases, sales, and receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital shall be disclosed for transactions between the parent company and its subsidiaries.
Note 4: See Appendix 1 for loans between the Company and its subsidiaries.
Note 5: Receivables from related parties include accounts receivable and other receivables.
Note 6: Commodities are sold at the agreed price, payable on a monthly basis with 9 months on account. Other receivables are adjusted as needed for the working capital.
Note 7: The transaction price is the same as that of a general customer, payable on a monthly basis with 120 days on account.

Tah Tong Textile Co., Ltd. and subsidiaries
Names and locations of investees (investees in Mainland China excluded)
January 1, 2024 to March 31, 2024

Appendix 6

Unit: NT$ thousand
(except for specified otherwise)

Investor	Investee	Location	Main business activities	Initial investment amount: Ending	Initial investment amount: End of last year	Held at the end of the year: No. of shares	Held at the end of the year: Ratio (%)	Held at the end of the year: Carrying amount	Profit or loss of the investee	Share of the profit or loss of the investee recognized for the year	Remarks
Tah Tong Textile Co., Ltd.	Great Bell Printing & Dyeing Co., Ltd.	Taiwan	Printing, dyeing, finishing, processing and sales of textiles	$ 81,486	$ 81,486	9,541,555	19.18	$ 197,072	($ 29,920)	($ 5,739)	Affiliate
Tah Tong Textile Co., Ltd.	GLOUCESTER CO., LTD.	Samoan Islands	General investment	1,578,194	1,578,194	51,455,000	100.00	168,756	(43,659)	(43,659)	Subsidiary
Tah Tong Textile Co., Ltd.	InnoPeak Advanced Materials Co., Ltd.	Taiwan	Production, sales, and trading of plastic of compound materials, woven fabrics, and woven panels	90,000	90,000	6,000,000	40.00	16,828	(12,686)	(5,075)	Affiliate
GLOUCESTER CO., LTD.	DAYSTAR LIMITED	Mauritius	General investment	90,405	90,405	3,000,000	100.00	(67,605)	(849)	(849)	Subsidiary
GLOUCESTER CO., LTD.	ROSEGATE HOLDING CORP.	British Virgin Islands	General investment	1,331,024	1,331,024	43,000,000	100.00	221,264	(40,220)	(40,220)	Subsidiary
GLOUCESTER CO., LTD.	KOREA TEXTILE & DYEING SUPPORT SERVICES JOINT STOCK COMPANY	Vietnam	Printing, dyeing, refining, and process of textiles	165,486	165,486	9,696,215	52.14	15,590	(3,871)	(2,609)	Subsidiary
ROSEGATE HOLDING CORP.	TAH TONG TEXTILE (VIETNAM) CO., LTD.	Vietnam	Production, sales, and trading of natural yarn, artificial yarn, woven fabrics, industrial fabrics, and other fabrics	1,331,024	1,331,024	43,000,000	100.00	221,874	(40,220)	(40,220)	Subsidiary

Tah Tong Textile Co., Ltd. and subsidiaries
Information on Investments in Mainland China－Basic Information
January 1, 2024 to March 31, 2024

Appendix7

Unit: NT$ thousand
(except for specified otherwise)

Investee in mainland China	Main business activities	Paid-in capital	Form of investment	Accumulated investment amount remitted from Taiwan at the beginning of the year	Investment amount remitted or recovered for the year: Outward remittance	Investment amount remitted or recovered for the year: Repatriation	Accumulated investment amount remitted from Taiwan at the end of the year	Profit or loss of the investee	Ownership percentage through direct or indirect investment (%)	Share of the profit or loss of the investee recognized for the year (Note 2)	Carrying amount of investment at the end of the year	Investment income repatriated for the year	Remarks
eNova Textiles Ltd.	Wholesale of Fabrics, Wholesale of Clothing, Wholesale of Other Chemical Products, and Commodity Brokerage	$ 96,000	Note 1	$ 41,600	$ -	$ -	$ 41,600	($ 849)	100.00	($ 849)	($ 67,605)	$ -	Note 4

Name of the Company	Accumulated investment amount remitted from Taiwan to mainland China at the end of the year	Investment amount approved by the Investment Commission, MOEA (Note 4)	Limits on investments in mainland China approved by the Investment Commission, MOEA (Note 3)
Tah Tong Textile Co., Ltd.	$ 41,600	$ 96,000	$ 232,478

Note 1: It is the form of investing in a company in a third region and then reinvesting in a mainland company.
Note 2: The share of the profit or loss of the investee recognized for the year is based on the valuation of the financial statements audited by CPAs of the parent company in Taiwan.
Note 3: It is calculated based on 60% of the Company's net value in the consolidated financial statements.
Note 4: As approved by the Investment Commission, MOEA with its Letter Jing-Shen-2nd Letter No. 10200071150 dated March 6, 2013 and Jing-Shen-2nd Letter No. 09600385770 dated October 18, 2007, US$1,700,000 was remitted by the Company's subsidiary Gloucester Co., Ltd., and US$1,300,000 was remitted by the Company from Taiwan.

Tah Tong Textile Co., Ltd. and subsidiaries
Information on Major Shareholders
March 31, 2024

Appendix 8

Names of major shareholders	Shares	
	Shareholding increase	Shareholding percentage
Yung Huang Investment Co., Ltd.	16,888,482	24,.34%

Notes:

(1) The information about major shareholders in this table is the information on shareholders holding a total of 5% or more of the Company's ordinary shares and special shares delivered with dematerialized securities (including treasury shares) on the last business day at the end of each quarter, as calculated by TDCC.
There may be a discrepancy in the number of shares recorded on the financial statements of the Company and the actual number of shares delivered with dematerialized securities arising from the difference in basis of preparation.

(2) The above information will be disclosed based on the trust accounts opened by the trustees if the shareholders put their shares into a trust. As for shareholders' insider declaration of ownership with more than 10% ownership in accordance with the Securities and Exchange Act, including the shares held in person plus the shares placed in trust and with the decision power over the utilization of the trust assets, see the insider declaration information in the Public Market Observation Post System.